# How recruitment procedure effects sainsburys performance



This research is based on finding out how the Recruitment and Selection procedure of the Sainsbury, a giant in retail sector of UK market, can help to increase its performance and market share in the retail sector.

One approach of the staffing of organizational roles is to recruit a pool of people who are likely to have the qualification required and to select from among them those who will be most likely to perform well in the jobs. It is often desirable to subject candidates to various tests or to observe them systematically in order to make it more likely that the candidates with the best qualification are picked. The process of recruiting candidates and of selecting from among of them, those likely to be of the great use to the organization, because effective recruitment and selection procedure can bring enormous benefits to the organization.

Effective recruitment and selection procedure will enable to bring the advantages to organization such as obtain optimum uses of skills of employees, Easy to train, Retain competent employees, Brining new ideas to the organization, provide valuable information about competitor strategies, and so on. And at the same time ineffective recruitment and selection procedure can cause for damages to the organization such as wastage of time and cost, could bring resentment among internal candidates, directly effect to performance of the organization through poor individual performances, higher cost for training employees and so on.

Accordingly, this particular research study focuses on how the recruitment and selection procedure of Sainsbury can help to increase performance and its market share.

#### **About the Organization:**

J Sainsbury HQ in Holborn Circus

J. Sainsbury plc is the mother company of Sainsbury's Supermarkets Ltd, and it is commonly known as Sainsbury's. It's the third biggest chain of supermarkets in the United Kingdom with a 16% of market share of the UK supermarket.

The group's head office is in the Sainsbury's Store Support Centre in Holborn Circus, City of London. Sainsbury's was founded in 1869 by John James Sainsbury and his wife Mary Ann. Tesco overtook Sainsbury's to become the market leader in the year of 1995, and Asda became the second biggest in the year of 2003, downgrading Sainsbury's into the third place.

Sainsbury's at present functions 890 hypermarkets, supermarkets and convenience stores. This can divide into 343 convenience stores and 547 supermarkets. It jointly owns Sainsbury's Bank with the Lloyds Banking Group. It has also two property joint venture with the British Land Company PLC and Land Securities Group PLC.

The all Sainsbury's brand is built upon a heritage of supplying customers with fresh, safe, healthy, delicious foods. Sainsbury's responsible approach is Quality and fair price goes to hand-to-hand to the customer. Considering the customer needs all store gives emphasize on fresh food and try to innovate continuously to improve their product. It offers 30, 000 products in the store and serves around 19 million customers in a week (as of March 2007).

(Source: www2. sainsburys. co. uk)

#### **Objectives of the Study:**

- To clearly understand what is recruitment and selection
- To explore the theories & concepts of recruitment and selection procedure
- To explore the effect of recruitment and selection procedure on the organization
- To find out how the recruitment and selection procedure can effect to increase performance and market share.

#### **Research Question and Justification:**

It can be argued that selection and engineering approach rest on certain assumptions about people which are communicated to new employees of the organization through the practice of recruitment, selection and job placement. Some of these assumption reject certain emotional and social needs which can employees brings with him, leaving him in the situation of having to find satisfaction either in informational organization or if this is impossible, outside the organization, the consequence is that he becomes either alienated from the organization or passively resistant to it. This is not to say that selection methods of organization should therefore be abolished and replaced by other methods which may be less efficient. The organizations should recognize the consequences of their own approaches and practices, and decide whether to use them partly on the basis of their willingness to accept these consequences.

So, ineffective recruitment and selection procedure will long last with the unsuccessful performance of the organization and as well as unsuccessful personal achievements of the employee too. That is the main reason for https://assignbuster.com/how-recruitment-procedure-effects-sainsburys-performance/

selecting this research area for the study as it is very critical area in the organizational environment, because employees are the only live resource of the organization. All the other resources like material will depreciate with the usage but only the human resource which not depreciated with the usage but it will result to enhance the performance with the experience. So the very first decision on that resource and the method of that selection will be decided at the process of recruitment and selection procedure.

## **Scope and Limitations of the Study:**

The effect of recruitment and selection procedure on an organization can study in many ways as taking number of organizations and study their recruitment and selection procedures. And also it can be done by taking one particular organization and study the evaluation of the recruitment and selection procedure over a time and changes in the effect of that.

In this research considering with the time limitation and the magnitude to study the selection was done by taking only one organization i. e. Sainsbury retail sector organization and study the recruitment and selection procedure of it. And at the same time effect of recruitment and selection procedure on the organization may vary in different areas as to the profit, training cost and so on. In this research the study will limit to the two areas of effect on organizational performance and for the increase of the market share.

#### **Literature Review:**

This focuses on three main areas as define what is recruitment and selection,
Theories, concepts and methods of recruitment and selection, effect of
recruitment and selection procedure for organizational performance.

#### **Define what Recruitment is**

One definition of recruitment is that "It is the process of seeking and attracting a pool of qualified candidates for vacancies to be filled.

Source: Suriyarachchi R. S. (2007) Employee Recruitment and Selection.

Lecture tutorials. Institute of Personnel Management Sri Lanka.

Flippo's definition on recruitment is that "It is a procedure of penetrating for potential workers and motivating and cheering them to apply for occupations in an association."

Source: http://www. articlesbase. com/college-and-university-articles/class-notes-human-resource-management-872443. html#ixzz18kcjdSFL

The magnitude of an organization's recruiting effort depends on the HR planning process and recruitment of specific jobs that are needed to be filled. If the forecasted employee's requirements exceed the net employee's requirement, organization must actively recruit employees.

#### **Define what Selection Procedure is**

"Selection is a process that identifies and employs the best qualified individuals for suitable posting. It is vital to select quality personnel for an organization as human resource could contribute to the success or failure of an organization."

Source: Suriyarachchi R. S. (2007) Employee Recruitment and Selection. Lecture tutorials. Institute of Personnel Management Sri Lanka. "The foremost purpose of a selection procedure is that to decide that a candidate has the requirement for a particular job, and afterward to decide the candidate who is mainly possible to execute better in with the purpose of occupation. The whole procedure of selection starts with a preliminary programming dialogue and ended with a concluding employment choice."

Source: http://www.articlesbase.com/college-and-university-articles/class-notes-human-resource-management-872443.html#ixzz18kfl6DW3

Accordingly we can understand that it involves in decision making on both employee and applicant. Organizations make an offer while applicant evaluates and decides to accept or not. Decision making becomes one sided when job market is tight.

E. g. Several candidates for one job post – organization decides on best applicant.

Applicant is highly qualified and in demand - Applicant makes the decision.

### **Theories and Concepts of Recruitment Processes:**

The process of recruitment will depend on the source of recruitment.

However there are four main steps involved in recruitment which are as follows:

- Develop job description and job specification
- Recruitment decision (Source of recruitment)
- Selection of an appropriate method
- Evaluate recruitment

#### **Sources of Recruitment**

Internal Sources – This refers to an organization policy in finding employees from within the organization to fill vacant positions. In this regard organization should have a good idea of its employee's strengths and weaknesses. Performance evaluation could serve as a guideline to identify employees with potential for promotion. Tools that can be used for internal recruitments are skill inventory, recommendations by managers, Performance appraisals.

Main advantages of this method are effect for high employee morale, availability of data and easier for selection, low cost/time consumed, easy to train, optimum use of skills/expertise and able to retain competent employees. Main disadvantage of this method are lack of new ideas, basis of promotions, may effect to other employees.

External Sources - Organizations are provided a whole range of candidates for selection when recruited from external sources. External recruiting is primarily done in organizations which grow rapidly and have a demand for technical, skilled or managerial employees.

There are many sources of external recruitment which is as follows:

- Advertising
- Recruitment agencies
- Recruitment consultancies
- Government training schemes
- lob centre
- Personal recommendation

Main advantages of this method are result to bring new ideas to the organization, provide valuable information about competitor strategies, able to select candidates with divers, skills, expertise and experience, Lower cost of training, if trained employees are recruited and so on. And at the same time there are disadvantages like it will be a expensive process, orientation process take time, could bring in resentment among internal candidates, lack of reliable information may lead to making a wrong choice through a mistake, need to take approval from SSB in some cases (Superior Selection Board).

Source: Suriyarachchi R. S. (2007) Employee Recruitment and Selection. Lecture tutorials. Institute of Personnel Management Sri Lanka.

#### **Methods of Recruitment**

Job advertising – Placing advertisements in newspapers, journals, trade and professional magazines. This is a critical part of the recruitment process. This method should be done on the basis of job nature and job analysis.

Campus Recruitment - Under this method a team of people sent to campus for initial interviews and after the interview promising candidates are invited for future interviews. This method is generally coordinated by the campus.

Employment Agencies – Companies will provide their recruitment details to their agencies and entire process will be done by them. They assist both employer and candidates.

Informal Methods - These are informal methods such as person referred by employees, walk in interviews, poaching and so on.

However the effectiveness of the recruitment program will be depend on the factors such as no inquiries received, number of applications received, type and quality of candidates, time duration, cost incurred and so on.

Source: Suriyarachchi R. S. (2007) Employee Recruitment and Selection. Lecture tutorials. Institute of Personnel Management Sri Lanka.

Other methods of recruitment can be identified as follows. The achievable recruiting methods can be classified into three; such as

A. Direct – The direct method is where the recruiter's visits different technical schools, colleges and institutes as an example, the TATA Group, IBM, Accenture, Siemens and some of other firms keeps continuous relationship with institutions to hire students as employee for the higher and responsible positions.

B. Indirect – This indirect methods involves advertising in different electronics media such as radio, Television, newspaper, journals etc. this procedure can be very effective if the media is properly selected.

C. Third party involvement methods – This comprise make use of business or personal service agencies, assignment administrator of schools, employment firms etc. associates and relations of at hand workers are also a fine foundation from which workforce may be drained as division of the "playmate transfer" programs.

Source: http:// www. articlesbase. com / college -and- university-articles/ class -notes -human -resource -management -872443. html#ixzz18l5ltk6l

## **Theories and Concepts of Selection Processes:**

Steps in Selection Process

Every organization is looking for the best employees for their success. It is very difficult to scrutinize the skilled and talent employee for the company. When a vacancy form in a company the authority solicit resume for that position. It is the first step of employee selection. Then the following is the different steps is commonly use and comprehensively covered selection process:

Picture: 1, Employee selection procedure

Short listing of Applications – When organization gives an advertisement for a vacant position they receive a huge number of applications. Out of all application they categorised some which meet the criteria of the job. This is mainly done by the selection with the CV or application form. It is the process of selecting the most prospective applications for employment.

Preliminary Interview - The selection process often begins with the preliminary interview. The purpose of initial screening of applicants is to avoid those who do not full fill the requirement criteria.

Selection Test - A selection test is usually used to assess an application's qualifications and potentials. It is often used when recruiting management trainees, secretaries etc.

Subsequent Interview – Most organizations have a minimum of two or three interviews and the final selection is done at the second or the final interview.

Comprehensive Interview – This is used to find more about applicant.

Clarification and elaboration of information obtained at previous interviews.

Usually conduct by the manager under whom the vacancy exists.

Medical examinations – A pre-appointment medical examination is a requirement in certain organizations, candidates have to proof fit for employment.

Selection for trial work- This trial work methods normally followed by the manger to check the ability of the temporary selected candidate. It is the probation period of an employee to see whether he is fit for the job or not.

Personal References check – Most of the organizations use reference to find out the suitability and reliability of candidate for the job. Before employment someone it is important to check the candidate background, capability, honesty and character. Because, might this candidate will put some important position. If the authority doesn't know his details they cannot put him into any position of the organization. Good reference is important as well for the employee, because it can be the clincher to getting the new job. Every employee must have to provide at least two satisfactory references to prove their employment and background history. One reference must have to be on the written returned on company official document (Sims. R 2007). The other one could be in normal written or in telephone conversation systems which must be keep in secret office record.

#### **Selection Decision:**

After obtaining and evaluating the information about the finalists in the job selecting process, the manager's next step is to make the actual hiring https://assignbuster.com/how-recruitment-procedure-effects-sainsburys-performance/

decision. The person who usually makes the final decision is the manager and he is responsible for the new employee's performance and all other activities within the organization.

Source: Suriyarachchi R. S. (2007) Employee Recruitment and Selection. Lecture tutorials. Institute of Personnel Management Sri Lanka.

This is focused on another criterion for both of recruitment and selection.

Develop Criteria – The organizational roles or jobs to be filled must be adequately described to whoever is responsible for selection and actual performance on the job must in some, may be measurable.

Determine predictor variables – The candidate must be observed on some variables which are presumed to be good predictors of performance on the criteria.

Obtain sufficient candidates to ensure adequate variation on the predictor variables – In order to determine whether the selection procedure is any improvement over pure chance or whatever method previously been used it is necessary to obtain candidates who rate both high and low in the predictor.

Hire an unselected group candidate – They should be hired without consideration on their scores on the predictor variable.

Rate candidates on actual job performance – These ratings must be obtained in order to correlate them with predictor variables scores.

Correlate scores or observations on the predictor variables with criterion performance in the unselected group of candidates.

Select from among further candidates only those who reach a certain score on the predictor variables – Once a correlation has been established, it is possible to improve the accuracy of selection by using only candidates with scores similar to those of the unselected population who actually did well in the job.

In this same method they have introduced that the methods which have proven to be helpful in assessing the variable are indicated in parentheses.

Biographical information and work history (Application blank, interviews)

Intellectual level and aptitude (tests, job samples)

Specific areas of knowledge or specific skills (tests, job samples)

Attitude and Interests (tests, Application blank, interviews)

Motivation, personality, temperament (test, interviews)

#### **Measurement of the process:**

It is important to ensure the measurement of recruitment & selection process after finished the all formalities in both qualitatively and quantitatively. According to ACAS, recruitment and selection process should be on the basis of effectiveness, efficiency and fairness. According to Mayo (1995), "Effectiveness is the accurate differentiation of suitable and unsuitable candidate". He also mentioned that promotion and retention

rates, percentage of recruits perceived as having high potential after three to five years can measure this process.

## **Effect of Recruitment and Selection on organizational Performance:**

# Premeditated combination of staffing practices and their effect on performance

The incorporation of Human Resource Management and industry policy is potential by the in shape of human capital through diversity of Human Resource Management exercises together with staffing and assortment in conformity with the industry requirements (Legge 1995).

Therefore, there is a put main concern for firms to have staffing and assortment deliberately incorporated with business strategies. The most known obstruction in be short of staffing and assortment deliberately putting together with commerce usually rotate around issues of deprived preparation and manage, consequential in impractical timelines, unrevealed troubles, deprived harmonization and a be short of of supervising and organizing. Attaining strategic incorporation of staffing and assortment with industry plan is a pleasing achievement that needed for decision of these common obstacles. (Ashok C., Bansal T., Rupal C. 2010).

# Recruitment and selection for the organizational competitiveness

Muhammad A. K. (2010) says that "Recruitment and selection first and foremost aims at attracting maximum amount of highly talented applicants and selecting the best to achieve competitiveness". The process involves

intensive efforts by management to make sure implementation continuing success through organizational strategy. Cisco (2006) argued that without excellent induction, the implementation of organizational strategy may fluctuate. Effective selection system based on contemporary and need-based tests is essential to affect desirable selection. Considerable resources are needed to ensure the effectiveness of these selection tests. Pfeffer (1995) argued that greatest resource should be devoted to develop top- quality selection system.

# Recruitment and Selection to achieve organizational goals and objectives

Recruitment and selection strategies stream down eventually from the organization's task and planned. Community science professionals dispute that from side to side the incorporation with industry policy, staffing and assortment assist to realize planned goals and improve organizational performance (Becker & Gerhard 1996, Yondt, 1996, Lewis 2003).

## Methodology of the Study:

The methodology of this research study can be divided into several sections.

#### 1st Step – Literature Review

The first section of the research study deals with the literature review on several aspects, firstly it finds out various articles, definitions, different studies to exactly define what is recruitment and selection. Then the literature review finds out theories & concepts of recruitment and selection procedure. And also it is intended to finding out what are the recruitment and selection methods which are using in the business environment too.

#### 2nd Step – Case Study

After clarify above two from the literature, above broad review of literature has been carried out to identify recruitment and selection procedure, the second section of the study deals with the selected case study organization, in that firstly its studies whether there is an affect of the recruitment and selection procedure can affect to increase performance and market share. To continue with that questioners survey was conducted among the factory workers and the direct interview method was conducted with the line managers and as well as with the HR Manager, apart from that organizational secondary information such as performance reports, annual reports were studied for further analysis.

#### 3rd Step – Analysis and Findings

The main aim of this particular step is to analyse the secondary and primary data to identify how the recruitment and selection procedure can effect to increase performance and market share.

#### 4th Step – Recommendation & Conclusion

The main aim of this particular step is to make recommendations based on the analysis and findings. So in the recommendation stage the main consideration was given to make suggestions to overcome from constrains of present recruitment and selection procedure and methods to improve to attract and retain competent employees.

#### **Conclusion:**

This dissertation proposal is focused on the topic of "How Recruitment and Selection procedure effect Sainsbury can's to increase its performance and market share in the retail sector?"

Having consideration on that this research is basically based on finding out how the Recruitment and Selection procedure of the Sainsbury can help to increase its performance and market share in the retail sector. Within the United Kingdom Sainsbury is the third biggest chain of supermarkets with a 16% share of the UK supermarket sector. (as May- 2007)

Main Objectives of the study is that to clearly understand what is recruitment and selection, to study the theories & concepts of recruitment and selection procedure, to study the effect of recruitment and selection procedure on the organization, to find out how the recruitment and selection procedure can effect to increase performance and market share.

Accordingly, this proposal report is focused on providing background to the study including research objectives, research problem, and scope and limitation of the research, methodology of study. Apart from that it is considered about the literature review of the study which focuses on three main areas as define what is recruitment and selection, Theories, concepts and methods of recruitment and selection, effect of recruitment and selection procedure for organizational performance.