

# IS CORPORATE COMPANIES' WEBSITE RECRUITMENT EFFECTIVE IN MALAYSIA?

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## CASE DESCRIPTION

*This case is about assessing corporate website recruitment e-readiness. The case is designed for students who are interested in an elective of recruitment and selection that is useful for chapter in strategic human resource planning and recruiting. At the end of the chapter, students are able to recognise the issues in recruitment as the learning outcome.*

## CASE SYNOPSIS

*This case study looks at the corporate website recruitment in Malaysia. The case examines the recent emerging trend of corporate website with e-recruitment features and aims to identify the website recruitment e-readiness. The case highlights the important issues that human resource management students can learn to recognise the effectiveness of various recruitment platforms specifically on website recruitment and the subtle issue of been a trend followers if HR team is not ready for website recruitment. The case also pinpoints a systematic method to analyse the e-readiness of websites that are useful for HR practitioners. The case findings will help HR team to formulate and design more effective website recruitment.*

## INSTRUCTOR'S NOTES

This paper presents a case on the evolvement of recruitment in Malaysia scenario. It identifies the strategic importance of the current trend in e-recruitment of public listed companies are capitalizing their websites for recruiting. Presumably, these companies are merely following the trends from advanced countries, this case shows a systematic approach to analyse the effectiveness of these sites for recruitment by assessing the platform using e-readiness index and content analysis. Learning this case, the students are able to comprehend not only about designing effective recruitment sites, recognize emerging issues and induce some critical thinking as future HR practitioners.

### Learning Objectives

At the end of this case study, students are able to:

1. Identify the strategic importance of human resource management to organizational success.
2. Apply the need for a systematic approach to human resource management.
3. Recognize the emerging issues in human resource management.

## **CORPORATE WEBSITE RECRUITMENT**

### **Introduction**

Since the introduction of Internet in 1960s, internet recruitment or e-recruitment has become an axiom to human resource department. With the continual advancement in Internet technology, many commercial third party e-recruiters have found its firm grip into the Internet world thriving successfully from outsourcing in the recruitment business. While many of these e-recruiters get all the publicity, there is a quieter but significant progress underway in the specialty recruitment area involving corporate companies' websites recruitment. These sites will become the largest recruitment hubs for job seekers seeking for jobs in the companies of their interest directly. Parallel to this shift, there are sufficient studies on job seekers' attraction to organizational websites and proposed strategies for improvement on the initial sites. Noticeably, attraction and locating leading companies' sites may not be an issue for job seekers as their organizational images are well established and branded (Ito et al., 2013). Often, it is the search for other lesser "popular" corporate companies that are prevalent in the Internet, which is the prime concern for job seekers that could affect their search goals (Fort et al., 2011). In reality, job searches in corporate companies are becoming more difficult, particularly when they are not incorporated in specific job search hubs for specific jobs and professions.

In Malaysia, many corporate companies have caught on with the trend to include recruitment features in the websites. While it is easy to become followers to include these features in the websites, we are unsure how effective are these e-recruitment platforms been designed for recruiting job seekers. For this reason, the effectiveness of these sites can be analysed using the systematic randomized sampling method (Nueman, 2011). One method is to identify groups of corporate companies with recruitment features. Here, the lists of corporate companies were accessed from the Malaysia stock exchange. Analysing the recruitment platforms in these sites will provide snap shots on the contents of the recruiting features' effectiveness and e-readiness of the sites for job seekers recruitment.

### **LITERATURE REVIEW**

In United States, at least 90% of the large companies were using their web sites for recruitment (Cappelli, 2001). Corporate companies using their websites for recruitment have few advantages. The companies have the capacity to advertise for several job vacancies with minimum cost. Furthermore, the attraction of job seekers to these sites yield not just employment outcome but can become the source of competitive advantage for the organisation's long-term recruitment strategy (Ehrhart & Ziegert, 2005; Cober et al., 2004).

This recruitment strategy has attributed to seven studies been conducted on job seekers' attraction to corporate or organisational web sites. These studies adopted various research settings and variables but most researchers used students as participants (Allen et al., 2007; van Birgelen et al., 2008; Thompson et al., 2008; Lyons & Marler, 2010; Lin, 2010). For examples, Lyons and Marler (2010) provide actual organisation web addresses to students to evaluate on its aesthetic features and employment content information and organisational attraction as dependent variable. These studies explicate the use of students' affective evaluation and reaction on known web sites, which are objective perceptions (Cober, et al., 2004). It evokes individuals who share similar attitude on organisational attraction and implies improvement on initial

attraction strategy for website recruitment. These studies have also demonstrated that attraction to organisations' sites is only feasible if job seekers have some knowledge about the sites.

In Asia, specifically in Malaysia, to what extent job seekers are attracted to the corporate web sites for job seeking remains unclear. Furthermore, most Malaysia corporate companies are likely to be trend followers and aim to move with time in adopting the web site recruitment strategy (Holm, 2014). As such, preceding the investigation on job seekers' attraction to these sites for job applications is a priori accounted for assessing these sites for recruitment features first, as we suspect that many of these sites are not ready for recruitment.

In addition, the corporate web sites have the capacity to disclose information on companies' businesses, its vision and missions, working environments, job information that are necessary for job seekers to evaluate and match their capabilities, experiences, qualifications and other relevant dimensions that influence their job selection decisions (van Birgelen et al., 2008). The amount of organisation information presented in the web sites was found to attract job seekers to the organisations and affect the attitude towards the web sites for job applications (Allen et al., 2007).

## RESEARCH METHOD

### Measures, Sampling Procedures and Sample Size

Listed in the stock exchange main board in Bursa Malaysia were 791 companies (Bursa Malaysia Listing Statistics, 2016). The lists consisted of the consumer product, construction, trading and services, finance, technology, hotels, properties and plantations sectors. Each sector was systematic sampled. This sampling technique allows interval counting from the lists of companies in each sector. For example, the first company is marked as the first number. The next interval is the third company, fifth, seventh and so on until all odd numbers sequences of the lists of companies are exhausted (Neuman, 2011, p. 252). In this sampling method, the companies listed in the main board were selected but not the second board companies. Those companies identified in the main board were then analysed by industry sectors. Following this, each company's site was accessed by Internet and each company's profile and recruitment platform were then assessed.

The corporate companies' e-recruitment readiness can be assessed by setting the criteria of measuring the availability of job site, vacancy, job details, e-application form, HR email, company's mission, vision and value and belief. This can be quantified by using Bui, Sankaran and Sebastian's (2003) e-readiness index formula as:

$$\text{e-readiness index} = \sum_{j=1, n} w_{ij} e_{ij} / n$$

where,

e-readiness: The overall e-readiness value

j: Each of the five (5) indicators

w<sub>ij</sub>: Relative weights assigned to the five (5) indicators (j)

e<sub>ij</sub>: Individual index score for each indicator on a scale of 1 to 5, with 5 as the highest value assigned for complete information and 1, least information.

n: Total number of measures (8) (Job site, Vacancy, Job details, E-application form, HR Email, Mission, Vision and Value & Belief).

## Analysis and Findings

Using this sampling method, 431 of 791 (54.5%) companies were reviewed. The data showed at least 248 of 431 companies (57.5%) have its own job sites, but only 162 (40.2%) companies did advertise for job vacancies with 68 (45.6%) companies from consumer products sector. The trading and services sectors have 90 (64.4%) companies with job sites, construction sector, 27 (74%), 135 (50.4%) companies from consumer product and others. Using the maximum value of 5 for the e-readiness index, some industrial sectors were ready to use the sites for recruitment while others were still at its infancy stage. The overall average normalized score was only 2.73. Taking 2.5 as mid-point score, this implies overall the industries were partially ready. The construction, finance and technology sectors have the highest average score of 3.5, implying e-readiness (Table 1). Unexpectedly, the industrial product sector with the largest group of companies listed in the stock exchange, have low normalised score of 2.3, indicating low availability of job vacancies. This mean most of these companies are using other methods of recruitment.

**Table 1**  
**PUBLIC COMPANIES WEB SITES BY INDUSTRY SECTORS**

Industry Sector	Total Company	Career Information					Company Information							
		Job Site (No.) %	Vacancy (No.) %	Job Details (No.) %	E-application form (No.) %	HR Email (No.) %	Total	Ave	Missio n (No.) %	Vision (No.) %	Val & Bel (No.) %	Total	Ave	Total Ave
1. Consumer Product	68	(31) 45.6	(24) 35.3	(12) 17.6	(16) 23.6	(10) 14.7			(28) 41.2	(27) 39.8	(18) 26.5			
Normalised score		1	2	1	2	2	8	1.6	3	2	3	8	2.7	2.2
2. Industrial Product	135	(68) 50.4	(38) 28.1	(11) 8.1	(12) 8.9	(37) 27.4			(56) 41.5	(55) 40.7	(39) 28.9			
Normalised score		2	1	1	1	3	8	1.6	3	3	3	9	3	2.3
3. Construction	27	(20) 74	(13) 48.1	(3) 11.1	(4) 14.8	(11) 40.7			(17) 63	(16) 59.3	(8) 30			
Normalised score		4	3	1	2	3	13	2.6	5	4	4	13	4.3	3.5
4. Trading & Services	90	(58) 64.4	(37) 41.1	(17) 18.9	(8) 8.9	(35) 38.9			(37) 41.1	(33) 36.7	(24) 26.7			
Normalised score		2	3	2	1	3	11	2.2	3	2	3	8	2.7	2.5
5. Infrastructure	3	(2) 66.7	(2) 66.7	(1) 33.3	0	(2) 66.7			(1) 33.3	(1) 33.3	(1) 33.3			
Normalised score		3	4	3	1	5	16	3.2	2	2	4	8	2.7	2.9
6. Finance	21	(18) 85.7	(12) 57.1	(8) 38	(4) 19	(14) 66.7			(7) 33.3	(9) 42.9	(9) 42.9			
Normalised score		5	3	3	2	5	18	3.6	2	3	5	10	3.3	3.5
7. Technology	13	(9) 69.3	(6) 46.2	(5) 38.5	(1) 7.7	(5) 38.5			(8) 61.5	(8) 61.5	(5) 38.5			
Normalised score		3	3	3	1	3	13	2.6	4	5	4	13	4.3	3.5

8. Hotels	4	(3) 75	(3) 75	(3) 75	(3) 75	0			(1) 25	(1) 25	0			
Normalised score		4	5	5	5	1	20	4	1	1	1	3	1	2.5
9. Properties	44	(27) 61.4	(16) 42.3	(7) 15.9	(3) 6.8	(18) 41			(18) 41	(17) 38.6	(12) 27.3			
Normalised score		3	3	1	1	3	11	2.2	3	2	3	8	2.7	2.5
10. Plantations	26	(12) 46.2	(11) 42.3	(7) 27	(5) 19.2	(7) 27			(7) 27	(10) 38.5	(4) 15.4			
Normalised score		1	3	2	2	2	10	2	1	2	2	5	1.7	1.9
Total	431	(248) 60.3	(162) 37.6	(74) 17.2	(56) 12.9	(139) 32.2	128	25.6	(180) 41.8	(17) 7) 41.1	(120) 27.8	85	28.4	27.3
												Indicator		2.73

Interestingly, this contents assessment of the websites unfolds three insights. First, some sites with advertised jobs were without closing dates. This reflects poor sites maintenance, which may affect job applicants' decisions to apply. Second, there were sites without human resource email addresses that are useful for applicant's inquiry. Third, there were companies without mission, vision and value and benefits statements written. This information is essential for job seekers to match their personal goals and philosophies to the prospective companies (Thompson et al., 2008).

### Discussion and Suggestion

This study elucidates the importance of understanding the e-readiness on the perspective of companies' sites for online recruitment. The e-readiness determines the site effectiveness. In recruitment theory, the timing of potential applicants' intentions to search and apply for jobs in organizations' job vacancies determines the recruitment success. Fulfilling these conditions, there are high chances of timely recruitment, satisfying higher recruitment yield ratio. The low normalised average score in some sectors clearly indicated that most Human Resources (HR) departments are not ready to use these platforms for e-recruitment. As it stands, these sites are not effective for recruitment and will be unfavourable among job seekers, affecting job search motivation and applications. Conceivably a walk-in job application could be more effective job seekers than poorly manage websites. Nevertheless, to identify the main reasons behind these poor websites designs, qualitative interviews with the companies' HR managers will provide the answers. Lastly, if corporate companies intended to use the site for long term recruitment, it is suggested that the HR manager needs to evaluate the costs of maintaining the platform, including the deployment costs to attract potential employees and the recruiting yield.

### CRITICAL THINKING QUESTIONS

What could be the probable reasons Malaysia companies are incorporating the recruitment features in the websites?

1. Assuming many features are unable in the existing recruitment platform, what advice would you propose for the HR department to improve the features?

2. What strategies choice should the HR department adopt to promote the website recruitment and improve the recruitment yield?
3. What are the pros and cons to HR department if the website is used as long term employee recruitment strategy?

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