AN INVESTIGATION INTO RECRUITMENT AND SELECTION PRACTICES AND ORGANIZATIONAL PERFORMANCE

EVIDENCE FROM GHANA

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Abstract

The core objective of this study is to evaluate the impact of recruitment & selection tool on performance of the Ghana Revenue Authority in the Greater Accra region. For that purpose, data were collected by structured questionnaire. Total 160 respondents were chosen from the district offices of the Ghana Revenue Authority in Greater Accra region of Ghana by convenience sampling technique. The condition was that all of the respondents were working in different positions of selected district in Ghana except the human resource department. Data were analyzed by using software SPSS-20.0 version by adopting the statistical techniques, correlation and regression. Results of the study showed that there are high positive correlation between the constructs of performance-based rewards and productivity. And also the hypothesis established for this study was supported by the researchers' findings.

Keywords: HRD, Recruitment and selection, organizational performance, Ghana revenue authority

INTRODUCTION

Human resource can be defined as a strategic, integrated and coherent approach to the employment, development and well-being of the people working in organizations, Armstrong (11th edition, pg. 5). Human resource "The people that staff and operate an organization" (W. R. Tracey, the Human Resources Glossary). "Human resource management involves all management decisions and action that affect the nature of the relationship between the organization and its employees – its human resources.""In an organization, the management of human resources means that they must be recruited compensated, trained, and developed."(Mathis and Jackson, 2000) That is to say recruitment and selection forms part of management decisions, therefore a decisions need to be made before recruitment which is 'geared at attracting people' and selection which is 'geared at picking the best candidate' is made for final training. In my view, HRM is managing people to meet the organizational objectives by ensuring the right people are set to the right post through an effective examination of candidates. Human resources management help organizations obtain and keep people necessary staff: recruitment and selection is associated with "obtaining". Recruitment is about attracting, selection is about picking from a lot. Recruitment and Selection play a crucial role in organization's success.

However, the complexity of the human resource planning process varies with the size of the organization and 'the perception and status of the human resource function' within the organization (Compton, Morrissey & Nankervis, 2002). While large businesses have Human

Resources (HR) as a core function, many small businesses are deficient, not only in management expertise, but especially in human resource management capability, and this can hinder development in small businesses (Scase & Goffee, 1985).

In an increasingly global and sophisticated marketplace, recruitment and selection has become an essential tool for organizations in ensuring that they have the human resources necessary to achieve their current strategic direction and to continue innovating and growing in the future. Recruitment and selection has become increasingly important as one way of delivering behaviors seen as necessary to support organizational strategies (Iles, 2001).

According to Kilibarda and Fonda (1997), good recruitment and selection practices can minimize the risks of failing to achieve the business strategy and of incurring needless costs as:
• Business and organizational strategies can be jeopardized if the people who are appointed are not capable of contributing effectively, if appointments are not timely, or if no appointment is made.
• Unnecessary expense can arise due to costs of training and replacements since poor recruits may perform badly and/or leave their employment. Remedial costs and inefficiency in the recruitment process itself also contribute to increased costs.

Effective recruitment and selection can also provide significant improvements in productivity and employee morale and allow organizations to build a workforce of more able employees who collectively provide a superior product or service (Robertson, et al., 1996). The profitability and even the survival of an enterprise usually depend upon the caliber of the workforce and it has been argued that the costs of ineffectual commercial viability can often be attributed to decades of ineffective recruitment and selection methods (Terpstra, 1996). Human resource is one of the key assets of every organization. This is because human beings uses their skills, expertise, knowledge, aptitudes, talents and other competencies to transform the other resources to achieve the organizational goals. If an organization is able to achieve its goals then it depends of the caliber of personnel that organization recruits and select. Recruitment and selection activity should be directed at getting the right people, in the right place, at the right time with the right skills to achieve the business objectives. "recruitment and selection practices seek to identify and hire the most suitable applicant." (Kleiman, 2003)

Every country has a legal framework that influences human resource work. In Ghana, the main employment and protection legislation organ is the Ghana Labor Act 651 which is backed by the 1992 Constitution of Ghana. The constitution was enforced in 7th January 1993 and amended in 16th December 1996. The idea is to give equal opportunity to access to employment by all Ghanaians of working age irrespective of your gender, religion, political

background etc., and protect them in all labor matters. The law also makes provisions for foreigners as much as they are able to comply by the law and regulations in force.

However, in other for Ghanaian public sector organizations to succeed and survive, or compete effectively in this era of globalization, employers must be in the position to hold and practice recruitment and selection of employees in the best way, that is, without discrimination, (Stredwick, 2000).

The remainder of this paper is structured as follows. Section 2.0 will be present both the theoretical background and hypothesis to this study. Section 3.0 provides the research methodology of the study. In section 4.0, the researchers present the statistical results and discussions of finding. Finally, this study in section 5.0 discusses the conclusion of the study.

THEORETICAL BACKGROUND AND HYPOTHESIS
Recruitment and Selection Process and Development of the Organization
Recruitment and selection forms a core part of the central activities underlying human resource management: namely, the acquisition, development and reward of workers. It frequently forms an important part of the work of human resource managers – or designated specialists within work organizations. However, and importantly, recruitment and selection decisions are often for good reason taken by non-specialists, by the line managers. There is, therefore, an important sense in which it is the responsibility of all managers, and where human resource departments exist, it may be that HR managers play more of a supporting advisory role to those people who will supervise or in other ways work with the new employee. Recruitment and selection also has an important role to play in ensuring workers performance and positive organizational outcomes. It is often claimed that selection of workers occurs not just to replace departing employees or add to a workforce but rather aims to put in place workers who can perform at a high level and demonstrate commitment (Dessler, 2000). Recruitment and selection is a topical area. While it has always had the capacity to form a key part of the process of managing and leading people as a routine part of organizational life, it is suggested here that recruitment and selection has become ever more important as organizations increasingly regard their workforce as a source of competitive advantage. Of course, not all employers engage with this proposition even at the rhetorical level.

H1: Recruitment and selection process by firms demonstrates its demand from its environs.

Recruitment and Selection Practices and Performance
Recruitment, as a human resource management function, is one of the activities that impact most critically on the performance of an organization. While it is understood and accepted that

poor recruitment decisions continue to affect organizational performance and limit goal achievement, it is best that much effort is put in the recruitment and selection practices (Randall, 1987). Recruitment and selection also has an important role to play in ensuring worker performance and positive organizational outcomes. It is often claimed that selection of workers occurs not just to replace departing employees or add to a workforce but rather aims to put in place workers who can perform at a high level and demonstrate commitment (Ballantyne, 2009). Recruitment and selection play a pivotally important role in shaping an organization's effectiveness and, if work performance organizations are able to acquire workers who already possess relevant knowledge, skills and aptitudes and are also able to make an accurate prediction regarding their future abilities, recruiting and selecting staff in an effective manner can both avoid undesirable costs for example those associated with high staff turnover, poor performance and dissatisfied customers and engender a mutually beneficial employment relationship characterized, wherever possible, by high commitment on both sides. Pilbeam and Corbridge, (2006) provide a useful overview of potential positive and negative aspects noting that: 'The recruitment and selection of employees is fundamental to the functioning of an organization, and there are compelling reasons for getting it right.

Inappropriate selection decisions reduce organizational effectiveness, invalidate reward and development strategies, are frequently unfair on the individual recruit and can be distressing for managers who have to deal with unsuitable employees.' Recruiting and selection is very important for the survival of every organization but that does not end there, new recruits need to be developed and appraised from time to time in order for them to be abreast with new trends and challenges. When employees are developed it help increase their performance and help sustain the growth of organizations.

H2: Recruitment and selection practices are directly related to organizational performance

Research Methodology

Research Design

The case study seeks to investigate a contemporary phenomenon within its real-life context, especially when the boundaries between phenomenon and context are not clearly evident (Yin, 2003). Since the case study design is conducted in a natural setting with the intention to comprehend the nature of current processes in a previously area (Benbasat, Goldstein, & Mead, 1987), it allows the researcher to grasp a holistic understanding of the phenomenon under investigation (Creswell, 1998; Eisenhardt, 1989). Instead of seeking answers to questions such as "how much" or "how many," case study design is useful for answering "how" and "why" questions (Benbasat et al., 1987; Yin, 2003). Orlikowski and Baroudi (1991) declare that, in the

information systems research field, case study has demonstrated its appropriateness to generate a well-founded interpretive comprehension of human/technology interaction in the natural social setting. Consequently, from an interpretive perspective, the researcher can obtain sufficient material from the selected case(s) for subsequent analysis (Miles &Huberman, 1994). Within this case study design, the researcher was able deduce the qualitative and quantitative approach that helped to acquire relevant information for the study.

Case Selection

The case study is a research strategy which focuses on understanding the dynamics present within single settings. Examples of case study research includes Selznick's (1949) description of TVA, Allison's (1971) study of the Cuban missile crises, and Pettigrew's (1973) research on decision making at a British retailer. Case studies can involve either single or multiple cases, and numerous levels of analysis (Yin, 1984). For example, Harris and Sutton (1986) studied 8 dying organizations, Bettenhausen and Murninghan (1986) focused on the emergence of norms in 19 laboratory groups, and Leonard-Barton (1988) tracked the progress of 10 innovation projects.

Data Collection

The population of the survey constituted the management and non-management staff of Ghana Revenue Authority in the Greater Accra Region.. The researchers used the purposive sampling technique and accidental technique. The study used a sample size of 160 from the selected branches throughout Greater Accra region for the study. This was based on the staff strength of the various departments and to ensure that the sampled was representative enough to draw conclusion.

A combination of face-to-face interviewing of respondents, administration of questionnaires, and hand delivery of questionnaires for self-administration were used. Questionnaire was used to guide on which data to be collected. Self-administered questionnaires were issued to respondents following an initial visit to reach an agreement to participate in the research. Follow-up calls and reminders to fill or return the filled questionnaire were used after two weeks. Data were collected from both primary and secondary sources. Primary sources were the data from respondents. Secondary data is data that is used for a purpose other than for which it was originally obtained. It may be descriptive or explanatory (Saunders et al, 2007), raw (unprocessed) or summarized (Kervin, 1999). They can be categorized into documentary, multi-source or survey-based (Saunders et al, 2006).

Measurement of Variables

Recruitment and Selection

For purpose of this research questions on recruitment and selection were asked and placed on a 5- point scale ranging from strongly agree (5), Agree (4), Undecided (3), Disagree (2), and strongly disagree (1) in form of statement. The respondents were asked to indicate their level of agreement with each statement in relation to the recruitment and selection of their revenue institution, by circling the right choice of scale.

Organizational performance

For purpose of this research questions that relate to Organizational performance were asked and placed on a 5- point scale ranging from strongly agree (5), Agree (4), Undecided (3), Disagree (2), and strongly disagree (1) in form of statement. The respondents were asked to indicate their level of agreement with the statements in relation to the Organizational performance of their banking institution by circling the appropriate likert scale. Later, the responses were summed and generalization for the whole banking industry was made.

RESULTS AND DISCUSSION

Background of the Respondents

Based on analysis of the collected data and using description statistics for demography, it was found that most respondents were male at 58.8% and the most of the research participants (44.1%) are aged between 25 and 40.

Additionally, most people (40.6%) have some undergraduate education level and most respondents are married (55.2%).

Recruitment and Selection

CD (D) denotes customer demand for a responsible service from firm and is the dependent variable; RS means the firm has recruitment and selection policies, SL means short listing, ADV means advertising, INTV means interviews, ME means medical examination & decision, EG means ethnic group play essential part in recruitment and selection, CS means community social responsibility, and AG means altruism for the good of the company are independent variables.

Table 1 descriptive statistics and Pearson correlation of recruitment and selection variable

Variables	N	Mean	SD	2	3	4	5	6	7	8	9
1.CD	160	3.76	.943	.886**	.891**	.917**	.964**	.896**	.766**	.917**	.896**
2. RS	160	3.97	.954		.877**	.895**	.891**	.924**	.886**	.895**	.924**
3.SL	160	3.28	1.100			.890**	.893**	.925**	.891**	.890**	.925**
4.ADV	160	3.76	.963				.937**	.897**	.917**	.824**	.897**
5.INTV	160	3.78	.902					.902**	.964**	.937**	.902**
6.ME	160	3.06	1.036						.896**	.897**	.844**
7. EG	160	3.76	.943							.917**	.896**
8. CS	160	3.76	.963								.897**
9. AG	160	3.06	1.036								

** correlation is significant at 0.01 level(2-tailed).

From the Pearson correlation above, it shows that interviews (INTV) had the highest correlation coefficient with the dependent variable at 0.92 at p< 0.01 (2- tailed). Advertising (ADV) and community social responsibility (CS) at 0.917 at p< 0.01(2-tailed) and at 0.917 at p<0.01(2-tailed). Also variables such as altruism for the good of the company and medical examination & decision (ME) also had a correlation coefficient of 0.896 at p < 0.05(1-tailed), 0.896 at p < 0.01(1-tailed). Short listing (SL), the firm has recruitment and selection policies (RS) and ethnic group play essential part in recruitment and selection (EG) had a correlation coefficient of 0.891 at p<0.01 (2-tailed), 0.886 at p<0.01 (2-tailed), and 0.766 at p<0.01 (2-tailed) respectively.

Despite the firm had recruitment and selection policies the researcher investigated further to know whether these policies are practiced as a result of the demands from clients. The findings showed that Ghana Revenue Authority (GRA) practice these policies because is in line with their ethics and also is accepted by the society in general. This finding satisfies our hypothesis (H1) that states that recruitment and selection process by firms demonstrates its demand from its environs.

Table 2 Regression Analysis of Recruitment and Selection Variables

Model	R-square	Unstandardized coefficients		Standardized coefficient	t-value	Sig.
		Beta	Standard Error	Beta		
RS	.721	.423	.086	.324	-4.912	.000
RS, SL	.730	.491	.064	-.434	-7.613	.000
RS, SL, ADV	.738	.501	.075	.454	6.714	.000
RS, SL, ADV, INTV	.772	.389	.065	.380	5.961	.000
RS, SL,ADV,INTV,ME	.824	.057	.058	.054	.988	.324
RS,SL,ADV,INTV,ME,EG	.835	.086	.069	.392	1.223	.023
RS,SL,ADV,INTV,ME,EG,CS	.892	.497	.077	.397	.992	.001
RS,SL,ADV,INTV,ME,EG,CS,AG	9.21	.380	.082	.355	.998	.004

The regression model was established using the equation: $Y = \alpha + \beta 1X_1 + \beta 2X_2 + \beta 3X_3 + \ldots + \beta nXn$ where: Y is the dependent variable, "α" is a regression constant; $\beta 1$, $\beta 2$, $\beta 3$ and βn are the beta coefficients; and $X_1, X_2, X_3,$ and Xn are the independent (predicator) variables. Standardized beta coefficients were put in the regression equation. This revealed that loan default rate can be predicated as: $Y = \alpha + 0.32\ X_1 + (-.43)\ X_2 + .45\ X_3 + \ldots + \beta nXn$ where: Y is (CD) ; X_1 is (RS) ; X_2 is (SL); X_3 is (ADV), and Xn is the nth predicator.

Organizational Performance

FG (D) denotes the firms grow since introduction of recruitment and selection activities and is the dependent variable; RSAE means is recruitment and selection activities evaluated for shortcomings, SLAI means is recruitment and selection activities implemented timely, IFR means increase in firm's reputation, ICB means increase in customer base, FAAT means the firm always achieves its targets are independent variables.

Table 3 Descriptive Statistics and Pearson Correlation of Organizational Performance Variable

Variables	N	Mean	SD	2	3	4	5	6
1.FG	160	3.51	1.190	.874**	-.900	.914**	.900**	.942**
2. RSAE	160	3.03	.910		-.902	.924**	.884**	.893**
3.RSAI	160	3.17	1.052			-.826	-.906	-.877
4.IFR	160	3.88	1.079				.872**	.929**
5.FAAT	160	3.18	1.124					.905**
6.ICB	160	3.63	1.162					

** correlation is significant at 0.01 level(2-tailed).

From the Pearson correlation above, it shows that increase in customer base (ICB) had the highest correlation coefficient with the dependent variable at 0.94 at $p < 0.01$ (2- tailed) and is recruitment and selection activities evaluated for shortcomings (RSAE) at 0.847 at $p < 0.01$(2-tailed). Also variables such as increase in firm's reputation and the firm always achieves its targets (FAAT) had a correlation coefficient of 0.914 at $p < 0.05$(2-tailed), 0.900 at $p < 0.05$(2-tailed) respectively. . Inferences that can be made from this statistical figures above despite they all had a significant correlation with the dependent variable is that firms fails to implement recruitment and selection activities on time and it shows that the HR departments need to do feasibility studies on favorable time before policies are implemented.

Despite the firm had recruitment and selection policies the researcher investigated further to know whether these policies have in one way or the other helped the firms' to grow. The findings showed that the firms' recruitment and selection activities have helped to increase customer base, firms' reputation and the firms always achieve its targets which intends help the

firm to perform well. This finding satisfies our hypothesis (H2) that states that the practice and implementation of recruitment and selection policies and activities are related with the performance of the firm.

Table 4 Regression Analysis of Organizational Performance Variables

Model	R-square	Unstandardized coefficients		Standardized coefficient	t-value	Sig.
		Beta	Standard Error	Beta		
RSAE	.764	-.423	.086	.324	-4.912	.000
RSAE,RSAI	.830	-.491	.064	-434	-7.613	.000
RSAE,RSAI,IFR	.913	501	.075	.454	6.714	.000
RSAE,RSAI,IFR,ICB	.929	.389	.065	.380	5.961	.000
RSAE,RSAI,IFR,ICB,FAAT	.929	.057	.058	.054	.988	.324

The regression model was established using the equation: $Y = \alpha + \beta 1 X_1 + \beta 2 X_2 + \beta 3 X_3 + \ldots + \beta n X n$ where: Y is the dependent variable, "α" is a regression constant; $\beta 1, \beta 2, \beta 3$ and βn are the beta coefficients; and X_1, X_2, X_3, and Xn are the independent (predicator) variables. Standardized beta coefficients were put in the regression equation. This revealed that loan default rate can be predicated as: $Y = \alpha + 0.32 X_1 + (-.43) X_2 + .54 X_3 + \ldots + \beta n X n$ where: Y is (FG) ; X_1 is (RSAE) ; X_2 is (RSAI); X_3 is (IFR), and Xn is the nth predicator.

CONCLUSIONS

The study was conducted to investigate into recruitment and selection practices and organizational performance. The study adopted both qualitative (case study) and quantitative methods respectively. Ghana Revenue Authority was selected to gather data, which was acquired from answers obtained from our administered questionnaire.

The statistical findings showed significantly that recruitment and selection process by firms demonstrates its demand from its environs and also recruitment and selection practices are directly related to organizational performance. The hypothesis established for this study was supported by the researchers' findings.

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