SMEs Portfolio of e-Recruitment: Malaysian Perspective

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Abstract—The purpose of this study is the analysis of the possibilities and difficulties of e-recruitment practices for SMEs in Malaysia, elaborating their effectiveness, and explaining some practical and managerial implications concerning these actions. Statistical analyses and empirical findings expressed here show that the attitudes and opinions of SME executives towards e-recruitment are considered a sub-function of an integrated e-HRM and can be seen as a valued technological improvement in the main critical activities of human resource management. However, findings show that the ability to communicate and deal with a multilingual organizational and working environment is the most important operational benefit of a web-based e-HRM and e-recruiting system. This technology is seen as a pathway to improving external and internal interactions and communication between jobseekers, firms, employees, and other stakeholders, as well as to build data bases to store and recall data. These are the main strategic advantages of a recruitment system for SMEs in Malaysia. The findings of this study also show that e-recruitment in Malaysia is still in progress work and even the big recruiting firms have not fully implemented this technology.

Index Terms—e-Business, e-HRM, e-Recruitment, SMEs

I. INTRODUCTION

As organizations are meant to be competitive, and to be successful in any competition depends upon available resources, especially human resources, and all global organizations have to hire the best competent and skilled employees in their catchment or resources area. Recruitment is considered a sub-process within the field of human resource management, while selection and staffing are the key processes of human capital development. Mondy and Noe (2008)[20] state that recruitment is the process of identifying and attracting potential employees, whereas selection is the process of making decisions to select these employees though recruitment is considered the critical part of organizational human resource development. E-recruitment is a means of using information technology (IT) to perform, speed up or improves this process (Tong and Sivandand, 2005).[36] E-recruitment also falls under e-HRM which is an organization’s e-business system that uses web-based technologies for human resource management practices and policies (Ruel et al. 2007).[27] E-HRM system and its subsystems, such as e-recruitment, produce a higher level of service delivery and a better strategic contribution. E-recruitment emerges as a handy and advantageous method over traditional methods of recruitment (Tong and Sivandand 2005) [36], as it brings all benefits of an e-business into the human resource field and improves the efficiencies of the recruitment process.

II. LITERATURE REVIEW

Development of human resources is an important role of any company toward achievement of a competitive position upon rivals (Nee et al 2006). [22] Among the main tasks of human resource management department, recruitment poses more important role because it technically deals with acquiring new human resources and these recourses must be acquired effectively and competitively in a systematic way (Tavceovich and Lee 2002 [15] Anthony et al 2002 [1], Bratton and Jeffrey 2007). [3] Besides, information revolution, technologies and systems have changed the face of business; this information revolution changes the world of business and the conditions of competition (Porter and Miller 1985). [25] Accordingly, companies have begun to utilize information systems and technologies for optimizing human resource activities, this fact can be proven by systems like e-HRM and e-recruitment that are being widely deployed internationally. To comprehend e-recruitment it is necessary to have an overview on e-business and e-HRM. E-business has been defined as the transformation of key business processes by internet technologies (Huber et al 2007) [11]. E-HRM or e-HRM were developed and used when e-commerce and e-business systems were sweeping the business world (Olivas-Lujan et al 2003) [23], therefore E-HRM and E-recruitment are e-business systems. E-HRM is the overlap between information technology and human resource management and is considered as the use of web-based technologies for human resource management practice and policies, this e-business system is maturing within organizational life at a growing speed (Ruel et al. 2007) [27]. Then, E-HRM is a concept dealing with the way of “doing” HRM and performing its function like recruitment and staffing electronically or internet-based and thus e-recruitment falls conceptually and practically under e-HRM (Ruel et al., 2002, 2004) [28, 29].

Olivas-Lujan [23] described e-HRM as “Using information and communication technologies to deliver human resource services” and added that nowadays e-HRM has become an important strategy for firms seeking to achieve a competitive advantage. They add that use of information and communication technologies (ICTs) in human resource management department (HRMD) is becoming an increasingly important phenomenon. Other authors assert that the expectation from digitalized and computerized HRM system is link with more need and focus on developing intellectual capital, social capital, and managing knowledge to improve an organization’s competitive advantage (Lengnick-Hall and Moritz, 2003). [16]