

**Addis Ababa University**  
**College of Business and Economics**  
**School of Commerce**



**THE EFFECTIVENESS OF RECRUITMENT PRACTICES ON ORGANIZATIONAL  
PERFORMANCE**

**IN THE CASE OF INVESTSTROYPROKET ETHIOPIA BRANCH**

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**A THESIS SUBMITTED TO THE OFFICE OF GRADUATE STUDIES OF ADDIS  
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RESOURCE MANAGEMENT**

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## DECLARATION

I, the undersigned, declare that this thesis work, entitled “The Effectiveness of Recruitment Practices on Organizational Performance in the Case of Investstroyproket Ethiopia Branch,” submitted to Addis Ababa University School of Commerce for the partial fulfilment of the requirements for the degree of Master of Arts in Human Resource Management, is my original work and has not been presented for the award of any other degree or diploma in this or any other university. All sources of materials used for the study have been duly acknowledged.

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## CERTIFICATION

As members of the examining board, we certify that we have evaluated and accepted the thesis entitled “The Effectiveness of Recruitment Practices on Organizational Performance”, in fulfilling the thesis requirement for the degree of Master’s in Human Resource Management.

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## ABSTRACT

*Recruitment is one of the most integral parts of human resources. This study aimed to shed light on the effectiveness of recruitment practices on organizational performance. The study has examined the recruitment practice, the effectiveness of the recruitment on organizational performance, and the challenges. Investstroyproekt LLC is a company currently operating in the southern region of Ethiopia on construction of Lot 3: Tercha – Chida (Km 58+000 – Km 0+000) of the Chida-Sodo Road Upgrading Project after signing a contract with the Ethiopian Roads Authority. The respondents' responsiveness to the study was done through interviews with 11 respondents who are employees of the organization. A descriptive-qualitative approach was used in the investigation. Non-probability judgmental sampling was used to choose the respondents. Working in the organization because they are the ones that are closest to the recruitment and are able to evaluate the organizational performance of the company. The strategy included the working position and the years of experience they have in working with the organization. The replies from the key informants were provided to establish a comprehensive knowledge of the recruitment practices used within the organization. The themes of the research show that the recruitment practice used, the effectiveness of the recruitment on the organizational performance, as well as the challenges faced, have been discussed. The study has concluded that the recruitment practices used have had an impact on the organizational performance. Since the organization is in the construction sector, other factors such as raw materials and financial issues have a much greater effect on the organization.*

## CHAPTER ONE

### Introduction

This introductory chapter is intended to provide information concerning an overview of the study. It involves background of the study, statements of the problem, objective of the study, research questions, significance of the study, limitation of the study, organization of the study, and also it includes the definition of important terms.

#### 1.1 Background of the study

Recruitment policy in a competitive business environment, that becomes the reduction of risks in recruitment and selection process at all hierarchical levels. Failure to recruit employees with appropriate competencies will result in business failure, or it will at least prevent the development of the company Vanja (2015).

Recruitment is part of a process to identify and attract the right type of potential employees for the need of the organization human resource. It is an integral part to implement organizational performance which will enhance the chances of the organization to achieve its goals, also by having an effective recruitment system. It enables to more likely to obtain and retain the right type of employees.

Moreover, organizational recruitment systems can influence the business outcomes in terms of productivity and financial performance of the organization. According to Nelay (2007), the recruitment system is both expensive and time-consuming, which can drain the recruitment budget of the company.

The processes of recruitment are crucial in an organization. Employees who work for organizations come from different backgrounds and exhibit different personalities and qualities. They differ in terms of personalities, attitudes, objectives, and aptitudes. Therefore,

recruitment must be rigorous if it is to yield the best employees who will operate effectively and productively for the organization.

Recruitment is a crucial part of an organization since it brings new perspectives, values, and other qualities to the atmosphere. When effectively handled, these human characteristics can have a significantly positive effect on the organizational performance. According to Aphu (2018), individuals are crucial to organizations because they bring perspective, qualities, and credits to hierarchical life, and when managed effectively, these human characteristics can be significant to the organization.

Organizations should be creative and competitive in their recruitment practices to make sure that they are getting the best potential candidate that could deliver and offer much more efficiency in their performance in order to achieve the goals of the organization. According to Armstrong (2014), recruitment is the process of finding and engaging the people that the organization needs to be concerned with when deciding which applicants or candidates should be appointed to the job opening.

Recruitment has grown to be a crucial component of any business since it controls how candidates are hired and what knowledge, skills, and abilities are required for the success. To achieve their intended goals, organizations must have competent, goal-oriented staff. The effectiveness of the organization's human resource recruitment strategy will determine its success or failure. Barney (1991) states that resource-based view (RBV) organizations has sustainable competitive advantage when they have a human resource pool that cannot be counterfeited or substituted by their competition.

The proper method of recruitment practices and their effective application will ensure the ability of the candidate that is required with aptitudes and competencies to be selected. Thus, Ofori and Aryeety (2011) suggest the overall objective of recruitment within organizations is

to obtain the number and quality of employees needed to meet the organizational strategic objectives at the lowest cost.

The performance of an organization can be greatly affected by the recruitment system which uses to achieve its core objective. Organizations rely on the abilities, knowledge, dedication and attitudes of their workforce, which puts a significant emphasis on the recruitment process used to discover the right group of workers.

An organization's success is greatly influenced by the effectiveness of its recruitment practices. Organizations are constantly looking to improve their performance rather than to measure the level of performance that they have already achieved.

According to I Elena-Iuliana and Maria C (2016), "performance" is a notion that is challenging to define due to its polysemantic nature, and the definitions that go along with it are frequently either too general or particular, ambiguous, or even abstract.

In attempting to view organizational performance, we need to mention the organizational effectiveness as well as have a better understanding of how an organization should perform.

According to Matthews, Joseph R.(2011) In order to evaluate an organization's goals, objectives, and functions, one must develop several criteria and link these elements together. This is the subject of organizational effectiveness.

The main focus of this study is to see the recruitment practice of the organization. It will identify the effectiveness of the recruitment practice on organizational performance and the challenges with in the recruitment practice of the organization.

The research will also explore the three distinct organizational performance dimensions: financial performance, non-financial performance, and environmental performance.

## 1.2 Background of the Organization

Investstroyproekt LLC is a construction company currently operating in the southern region of Ethiopia on construction of Lot 3: Tercha – Chida (Km 58+000 – Km 0+000) of the

Chida – Sodo Road Upgrading Project after signing a contract with the Ethiopian Roads Authority on January 26th, 2017.

Investstroyproekt Ethiopia Branch is a subsidiary of Investstroyproekt LLC, located in Addis Ababa, Ethiopia. It was established on February 20, 2017, for the sole purpose of achieving the construction work required for the construction of the above-mentioned project.

Since the establishment of the organization has been primarily managed by the branch's General Manager at Addis Ababa and by the oversight management of the company's owner of from Moscow, Russia.

Currently, Investstroyproket Ethiopian Branch has 16 head office employees and 165 site employees permanently employed and more than 350 casual employees.

### 1.3 Statement of the problem

Barney (2001) suggests that organizations should employ appropriate recruitment criteria, since the organization's strength or weakness stems from the type of employees it recruits. The success of an organization depends on the ability of its employees to run its day-to-day activities. With the right candidate selected, the standard of the organization can be achieved, and the collective action of these individuals will bring the organization closer to the set goal and effective organizational performance.

Every organization, whether it is big or small, has its own set of goals to achieve with in its existence; therefore, the success or failure of an organization highly depends up on the utilization of its current employees as well as its ability to recruit the right type of candidate.

According to Armstrong (2014), organizations depend on the quality, dedication, enthusiasm, expertise, and skill of the people working in them at every level. By recruiting the right type

of manpower, the company may save up on the cost of training and increase performance, which will lead to the attainment of the set performance objectives.

According to the researcher's preliminary interview with the human resource officer of the organization, the recruitment practice of the company, the effectiveness of the recruitment on the organizational performance, and the challenges with the recruitment are not identified.

Therefore, this research will assess the recruitment method used, the challenges faced during the recruitment, and the effectiveness of recruitment practice on organizational performance. And also the intention of this research is to develop possible suggestions and recommendations.

#### 1.4 Objective of the study

The study has the following general and specific objectives

##### 1.4.1 General objectives

The aim of this research is to assess the effectiveness of the recruitment practices on the organizational performance.

##### 1.4.2 Specific Objective

- ❖ To identify the existing recruitment practices
- ❖ To assess the effectiveness of the recruitment practice on organizations' performance.
- ❖ Identify the challenges in recruitment procedures and practices.

#### 1.5 Research Questions

1. What are the existing recruitment practices?
2. What is the effectiveness of recruitment practices on organization performance?
3. What are the challenges that are prevalent to recruitment practice?

### 1.6 Significance of the Study

The significance of this study is to identify the strengths and weaknesses of the recruitment practice used, the effectiveness of the recruitment practice on organizational performance, and the challenges faced in the recruitment practice. It will contribute to the recruitment practices of other companies that are doing similar work; it will help other human resources personnel's and recruiters choose or practice a better method during recruitment.

### 1.7 Scope of the study

The scope of the study is on the recruitment practice and gaps faced during the practice, to well identify the direct or indirect effect on organizational performance.

The research will focus on employees with managerial positions as well as those with professional educational backgrounds. Since, the company's recruitment practices are more influenced by upper-level employees' requirements and requests for employment to fill out open positions in their departments,

Furthermore, the quality of the information gathered can be controlled since the study will be done through interviews, which will identify the gaps in the recruitment practices used and their effect on organizational performance.

### 1.8 Limitations of the study

The study is being done on a single company, which will limit the sample size and the information to be gathered.

Since the company is a road construction company, most of the employees are on site, which is in the southern part of Ethiopia in an area called Tercha –Chida it will be challenging to communicate as well as get the satisfactory amount of information needed for the study. Thus, in order to overcome this challenge, the researcher will communicate with the head

office in Addis Ababa and the managerial-level staff on the site in order to gather the required information.

### 1.9 Organization of the study

Currently, the study will consist of five chapters. Chapter one is an introduction that covers the various important parts of the study, such as the study background, statement of the problem, clarification of the general and specific objectives of the study, scope, significance, and limitations of the study. Chapter two covers a review of related literature in the study area. Chapter three contains research methodology, which involves research design, data type and source, study population, sampling techniques, data analysis, and variable and measurement description. Chapter four contains the data presentation, analysis, and interpretation. The final chapter, Chapter 5, covers discussion, conclusions, and recommendations for the organizations and further study.

### 1.10 Operational definition of key terms

- ❖ **Recruitment:** - is the process of identifying and attracting potential candidates from within and outside the organization to evaluate for employment (Walker, 2009).
- ❖ **Performance effectiveness** is not a question of what to measure; instead, it is a question of how to measure effectiveness and how to define various factors as well as link these factors in the assessment of the organizational goals, objectives, and functions. Matthew J.R (2011).
- ❖ **Organizational performance** is the organization's ability to attain its goals by using the resources it has in an efficient and effective manner (Daft, 2000).

## CHAPTER TWO

### LITERATURE REVIEW

#### Introduction

In this chapter of the study literature on recruitment and selection practice on organizational performance are reviewed, literature review, recruitment practice recruitment framework, internal recruitment, external recruitment, recruitment method, recruitment process, organizational performance and empirical review from related works are discussed.

#### 2.1 Recruitment practice

According to Bartton and Gold (2007), recruitment is defined as the process of developing a pool of qualified applicants who can submit job applications to an organization is the process of recruitment. Selection is the method of selecting an applicant from a group of competent candidates who is most likely to achieve success in the position (or jobs), provided that management objectives and legal requirements are met. Many scholars define recruitment and selection as processes that go hand in hand, or one that comes after the other. According to Gilmore & Williams (2013), selection is the follow-up to recruitment, where applicants are evaluated until the right person is selected.

The proper use of recruitment practice can help an organization to be competent in the market and also determine how employees perform their work in order to attain the organizational goals. The ability of an individual to perform a certain type of job and the willingness of the individual can also determine the success of the organization.

Many organizations have a set of recruitment plans that are designed to attract potential employees who are capable of holding the position. As suggested by Costello (2006), recruitment is defined as the collection of procedures and actions used to lawfully hire a sufficient number of suitable employees at the appropriate time and location, allowing both

the individuals and the organization to make mutually beneficial short- and long-term decisions.

Accordingly, the size of an organization determines the type and size of recruitment it needs; the larger the organization, the greater the need for recruitment and the potential for an increase in the number of recruiters, while the smaller the organization, the lesser the need for recruitment and the smaller the recruiter population. Recruitment is the process of attracting individuals on a timely basis, in sufficient numbers, and with appropriate qualifications (Walker, 2009).

A better recruitment strategy can improve organizational outcomes; the more efficient candidates the organization recruits, the more likely it is that its productivity and financial performance will increase.

Recruitment policy is decided within the organization on how to use different ways to recruit and advertise vacant posts in their organization through social media sites, job sites, and other means of communication like recommendations. The method of recruiting will depend upon the sources of recruitment the organization intends to utilize, according to Ejiofor (1989).

Barber (1999) defines employee recruitment as “practices and activities carried on by an organization for the purpose of identifying and attracting potential employees”. With the prospective candidates' abilities and interests to the requirements and advantages of a specific profession. The failure to recruit the right type of employees will lead to failure and a lack of competencies in organizational performance, according to Robbins (2005).

## 2.2 Recruitment Framework

Some people refer to hiring processes as "recruitment." The hiring process has several parts, with recruitment being just one of them. Others refer to selection as recruitment. Both of

these phrases are distinct from one another. The function of recruiting, which technically comes before the function of selection, consists only of locating and cultivating sources of potential employees, and encouraging them to apply for jobs within an organization.

### 2.3 Internal recruitment

Internal recruitment is a way of finding suitable candidates among the present employees of an organization. It can also be seen as filling a vacant position in an organization. Armstrong (2006) suggests that first consideration should be given to internal candidates who are currently working in the organization.

Internal recruitment is looking for employees within an organization before looking for outside candidates; internal recruitment can be cost efficient and raise employee's satisfaction as well as being easier and faster. Methods like job posting and job bidding and employee referrals can be used Owais (2012). Internal recruitment practices include

- ✓ **Promotion** is done by shifting or upgrading an employee to a higher position with responsibilities, facilities, status, and pay. Organizations fill high job vacancies by promoting employees who can fit the position.
- ✓ **A job posting** is an invitation to an organization's employees to apply for a job opening within the organization. The announcement is done through a bulletin board or internal networks. It can be one of the most cost-saving methods of recruitment; it is the practice of publishing job openings to employees. According to Margaret A.R (2009), job posting is the activity of informing employees about an open position and outlining its requirements, such as the type of knowledge needed, qualifications, skills, and experience requirements.

### 2.3.1 Advantages of internal Recruitment

- ✓ **Familiarity** the employee already knows the organization, policies, procedures and culture. Margaret A.R (2009) suggests that the employees are familiar with the organization strength, weakness and the culture.
- ✓ **Motivation** it is way of showing that there is a chance of advancement which will give employees a sense of self-achievement. Promotion brings motivation and a sense of commitment within the employees that are skilled and ambitious Margaret A.R (2009).

### 2.3.2 Disadvantages of internal Recruitment

- ✓ **Inbreeding** organizational flexibility and growth and resistant to change for betterment of the organization Margaret A.R (2009) with the lack of new employees may lead to lack of new perspectives and bring challenges for the growth of the organization.
- ✓ **Equal Employment Opportunity (EEO)** an internal vacant position can lead to conflict it has to be insured that the system is continuously checked. Thus Margaret A.R (2009) the insufficient supply of qualified individuals may result in employees being promoted despite being unqualified as well as the organization may settle for a less qualified candidate.

## 2.4 External recruitment

To start with a vacant position is needed in an organization which will create the need for recruitment. When organization announces its need for candidate from outside. According to Margaret A.R (2009) External recruitment has two type of recruitment which is informal and formal, Informal recruitment has a more smaller pool of candidates since it consists of only within the organization then that of formal recruitment since it may include rehiring of former employees and other walk in applicants that are retained and the formal method of external

recruitment is a way of searching in a more wider pool of candidate, which is through new paper aid, magazines/journal, employment agencies and executive search firm, collage recruitment ,online or E-recruitment. And on the other hand Galanaki (2002) suggest that organization may rely on recommendation from their existing staff.

When an organization opens to attract applicants from outside of the organization and also encourages applicants to apply for an open post. External recruitment is a method of recruiting candidates outside of the organization to bring new skills in to the work from external environment, legal consideration corporate image Owais (2012).

- ✓ **Advertisement** According to William (1993) is advertising of vacant position within an organization through Radio, TV, bulletins, professional Journals, newspaper. The primary concern of the organization to use advertising recruitment should be planning and evaluating the advertizing.
- ✓ **Collage recruitment and Educational institutional recruitment** both type of recruitment are an important aspect, since collage recruitment are used when an organizations are trying to get candidates for managerial, technical or professional applicants and educational intuitional are used for vocational, technical recruitment as suggested by Milkovich and Glueck (1985).
- ✓ **Employment Agency and Executive search firms** This type of agency helps organizations recruit as to the standards and requirements they need as well as helping candidates to obtain jobs. Similarly, employment agencies are explained as firms that help organizations recruit candidates and help potential employees gain employment Mondy and Noe (1990).
- ✓ **Online or E-recruitment** this recruitment practice is done by providing information about the job opening, requirement and information about the organization through the internet by enabling potential candidates to communicate through emails and other

sort of communications. According to Margaret A.R (2009) online recruitment can be faster to reach wider applicants and cheaper since it costs less than print media and is accessible for longer period of time without additional cost.

## 2.5 Recruitment Method

An organization chooses on recruitment strategies and methods, which may include advertising job openings on public job boards to notify potential candidates, can depend on the type of business it is in. The method of recruiting will depend upon the sources of recruitment the organization intends to utilize (Ejiofor 1989).

The main objective of recruitment method is to find the suitable and reliable candidates for the job. Recruitment methods can be in different steps based on the type of business, budget, skill knowledge and abilities required and go for the best fit according to Owais (2012). A dependable and continuous recruitment method is required. When evaluating the same candidate using the same criterion, reliability can be measured by having different persons give their ratings in agreement.

Since organizations mostly depend on their employee's quality, dedication, enthusiasm, experience and skill to perform well in all aspect the organizational goal. The recruitment method used should be equipped with HR recruitment policies and practices. According to Armstrong (2006) 'organization sustain high performance through the system of work they adopt but these systems are managed and operated by people'.

According to Owais (2012) Employee recruitment has two types of methods internal recruitment and external recruitment

## 2.6 Recruitment process

Recruitment process is seen as attracting candidates in sufficient number as well as with the appropriate skill-sets by encouraging them to apply for a vacant post in an organization Byars

and Rue (1987). An organization should determine a candidate's Knowledge, skill and ability to perform a job.

The recruitment process has its own steps which involve choosing potential candidates that have the right qualification to fill the job opening. The HR Specialist, recruiters and line managers have the responsibility to analysis and assess the methods to attract the right person for the requirements set for the potential candidate.

The recruitment process often starts when a manager puts out an employment request for a known or project vacancy but sometimes it might be done even though when there are no open posts, the company uses recruitment as a way of building its qualified candidates pool for future need of recruitment, thus according to Russo et.al (1995) the professional and efficient recruitment procedure shorten the vacancy duration and improve the quality of the applicants as well.

Not all organization has the same type of recruitment methods there is no standardized steps or methods for the process and their propriety differ in looking for potential employee even with in the same filed of work.

During recruitment process to predict future behavior and work performance, interviews are conducted. Everyone believes that conducting interviews is straightforward, thus the interviewer should be reasonable, objective, and avoid bias and avoid making snap decisions. Additionally, be aware of the impact on organizational performance as well as the recruitment process. As a result, there is a clear connection between organizational effectiveness and staff recruiting. Ekwoaba. Ikeije, J.O., and Ufoma.N (2015).

## 2.7 Organizational performance

Organizational performance has gained increasing attention in recent years. Organizational performance is the organization's ability to attain its goals by using resources in an efficient and effective manner Daft (2000) and also Richardo (2001) similarly defines organizational performance as the ability of an organization to achieve its goals.

Organizational performance can be loosely defined as the ability of an organization to attain its goal and optimized results. Thus organizational performance is an indicator that measure how well an organization has attained their objectives Hamon (2003).

Since organizations mostly depend on their employee's quality, dedication, enthusiasm, experience and skill to perform well in all aspect. The recruitment method used should be equipped with HR recruitment policies and practices. According to Armstrong (2006) 'organization sustain high performance through the system of work they adopt but these systems are managed and operated by people'' which means in order to achieve the high organizational performance the system used by organizations should be systematic. The system is operated by employees and the employee has to be well equipped.

Organizational performance is subjected to different ways of measuring instrument through different perception and its different aspects. The overall of measuring ways can be (training, rewards and empowerment) engagement of employees and employees' satisfaction. According to Ion and Criveanu (2016) Organizational performance is confounded with productivity, efficiency, effectiveness, economic, earning capacity, profitability and competitiveness. Folan (2007) defines performance in three objectives

- ✓ It is crucial to assess an organizational performance in the markets where it competes, not in markets unrelated to those markets.

- ✓ Performance is always linked to one or more objectives established by the organization whose performance is being evaluated. As a result, rather than using metrics utilized by outside organizations, a corporation instead evaluates its performance against goals and targets set and accepted inside.
- ✓ Performance is distilled to the most essential and recognized components.

Organizational performance can be seen in 3 different ways financial performance, non-Performance and environmental.

- **Financial Performance** The profitability of organization is an important financial indicator that reflect the organizations efficiency and the ability of the owner/managers to increase sales while keeping variable cost low (Davis et al.,2000)
- **Non-financial Performance** this approach can by Job satisfaction which is defined as a positive attitude toward ones job the amount of reward received should be at least equal to the expected amount Robbins (2003).
- **Environmental** on seeing this issues organizational culture can be identified as one way different researchers have used different terms to describe organizational culture is defined as something to do with people and organizations different quality and style.

## 2.8 Organizational effectiveness

According to Matthews, Joseph R (2011) the topic of organizational effectiveness is not what to measure, but rather how to define multiple criteria and link these aspects in an evaluation of the organization's goals, objectives, and functions. Organizational effectiveness is complex, and it cannot be assessed from a single angle.

Cunningham theorized seven perspective concerning organization effectiveness.

- ❖ Rational goals model – reaching goals

- ❖ System resource models – optimal distribution of resources within the organization
- ❖ Managerial process models – good organizational processes
- ❖ Organizational development models – good problem solving and renewal capabilities
- ❖ Bargaining models – processes of accommodation and adjustment between organizational elements
- ❖ Structural models – developing structures that support organizational elements
- ❖ Functional models – the social consequences of the organization's actions.

## 2.9 Factors Affecting Recruitment

In an organization, recruiting is impacted by a range of external and internal circumstances that are out of the organization's control. And among these include the policy and legislations and labour market. According to Cole (1997) factors such as government policy, new technology, educational and training opportunities, population changes, trade union attitudes, salary level, the nature of labour competition, and the level of economic activity also have an impact on an organization's ability to fully exploit the labour market. All of these elements, whether favourable or unfavourable, might make the job market challenging or simple.

### 2.9.1 External Factor

External factors are that affect the recruitment practice of an organization which cannot be controlled by the organization themselves like policies and legislations, labour market.

#### ➤ **Policies and legislations**

Nations all around the world have their own labour proclamation that affect recruitment directly or in directly. The government laws that forbid discrimination in employment and hiring have a direct impact on recruitment strategies, it is also a fact that prohibition against discrimination based on a person's gender, age, ability and ethnicity are included in nations constitution Ivancevich (2004).

Organizations are having problems filling roles in this continuously shifting market while seeking to be both economical and time-efficient, time and expenses should be taken into account while designing organizational recruitment practices.

Recruitment are subjected to legal requirements with equal employment law and regulations to protect the candidates with disability to confirm the opportunity and pursue affirmation action as suggested by Mathis and Jackson (2006).

### ➤ **Labour Market**

The supply and demand of labour, where employees provide the supply and employers provide the demand, are referred to as the labour market. It is important to consider the labour market from both a macroeconomic and microeconomic perspective. Two crucial indicators of the economy are labour productivity rates and unemployment rates.

When there is surplus labour in the market informal recruitment can attract enough applicants. But where there is full employment in place a skill full and prolonged recruiting is mandatory to get an applicant who fulfils the expectation of the organization Ivancerich (2004).

Ivancerich (2004) adds that recruitment is quite challenging when there is a low unemployment rate, but recruitment is completely different and straightforward when there is a large unemployment rate. To put it another way, the easier it will be to fill positions, when there is a larger pool of candidates to pick from on the labour market, the more unemployment or workforce is accessible.

### 2.9.2 Internal Factors

Internal factors that affect the recruitment practice of an organization which can be controlled by the organization themselves like size of the organization, Image of the organization and cost of recruitment

➤ **Image of the organization**

The image an organization puts out to the general public can have an impact on the recruitment process. The lower the image an organization puts out the less attractive it gets for candidates to apply. According to Robin (1994) the Image of an organization is perceived to be low the recruiting rate of an organization to attract large number of applicants will be low. The low paying organization is perceived negatively and the attractive pay of an organization brings more favourable outer image.

➤ **Empirical Review of Articles**

On this section of the study some empirical evidence of the effectiveness of recruitment practice on organizational performance has been present but few studies are taken where all of them are not from construction industry since not much study are carried out in this area. Many studies have been done concurrent the effectiveness of recruitment on organizational performance. west et.al (2002), Geust et.al (2000), Purcell (2003) has done and found that recruitment and organization performance has a strong correlation with in them.

According to Ruba J.A.S (2019) organization adopt a process of recruitment that have significant impact on organization performance.

Pfeiffer (1998) in seven practices of successful organizations research indicates that, selective recruitment has positive relation to Organization performance.

Anyango E, Dr. Okibo B. W, Dr. James M (2018) and Saviour A. W, Kofi A, Buabasah Daniel Yao and Letsa - Agbozoseph Kafui (2016). These researchers have elaborated on the impact of recruitment on organizational performances in different perspectives.

Joy O. Ekwoaba, Ugochukwu.U. Ikeije and Ndubuisi Ufoma (2015) The study investigated the impact of recruitment and selection criteria on performance using Fidelity Bank Plc, Lagos Nigeria.

The analyses of 130 valid responses was obtained through a questionnaire that was administered which revealed that recruitment and selection criteria have significant effect on organization's performance. The more objective the recruitment and selection criteria, the better the organization's performance.

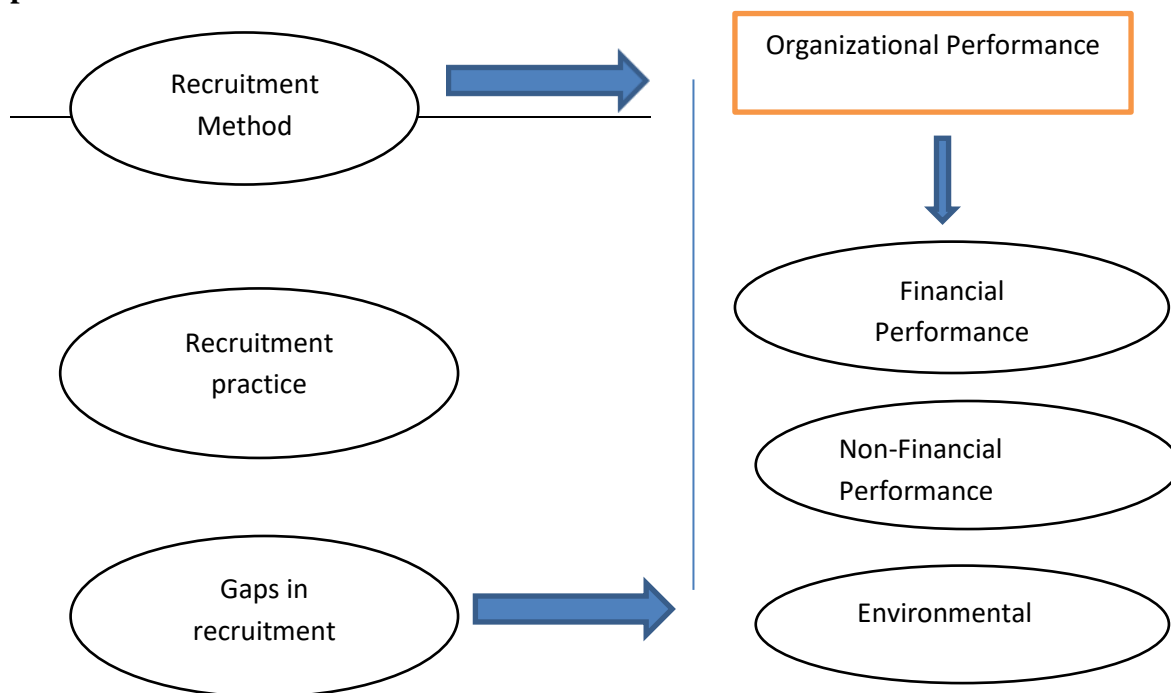
A study conducted by Elizabeth Anyango, Dr. Okibo Bichanga Walter, Dr. James Muya (2018), Effects of recruitment criteria on organizational performance at Kisii University, Kenya. The objective of the study is to determine the effect of recruitment criteria on organizational performance which the study found a link between hiring practices standards and organizational performance that was positive.

Akuamoah Worlanyo Saviour, Amedagbui Kofi, Buabasah Daniel Yao and Letsa - Agbozo Joseph Kafui (2016). According to the study the recent rise in importance recruitment is among the biggest changes in the world of organizations. People are important to organizations because they bring different viewpoints, values, and personality traits to the workplace. These human traits can be incredibly valuable to the corporation when handled carefully.

## 2.10 Conceptual Framework

Based on the literature review, a conceptual framework which is assumed to fit for the study has been developed. For the purpose of this study, the effectiveness of recruitment practices on organizational performance, in the case of Investstroyproket Ethiopia Branch are presented in the following model.

**Figure 1: Conceptual Framework on effectiveness of Recruitment on organizational performance**



Source: - Own Source 2023

## CHAPTER THREE

### RESEARCH METHODOLOGY

#### Introduction

This Chapter will deal with the research methodology that will be used in the study. It is designed as follows: Research design and approach, Target Population, Description of the study Area, sample size and sampling technique, sources of data, Data gathering Tools, and Method of data collection, Method of Data analysis and Ethical Consideration.

#### 3.1 Research approach

Research approach was a systematic method or a procedure to study phenomena. There are three type of research approach the quantitative, the qualitative and the mixed approach.

This research focused on qualitative phenomena through purposive sampling based on the researcher's assessment of who will provide the most useful information for the study's objectives Etikan and Bala, (2017). Purposive sampling enables the researcher to choose subjects who have first-hand knowledge of the topic being investigated.

#### 3.2 Research design

The research design incorporates the method used for the collection, measuring and analyzing the information that is related to the research objectives. There are five types of research design that are exploratory, explanatory, survey, experimental and descriptive.

This study will use descriptive data analysis method to describe the result and findings of the study. This will allow the researcher to collect data from a specific population makes this relevant. According to Saunders et.al (2007) states that the objective of descriptive research is portray to accurately profile of a person, events or situations`. Thus, the objective and nature of this research relevantly fall under descriptive research design.

### 3.3 Population Size

As to the report of Human Resource Department of InveststroyProket Ethiopian Branch there are 165 employees working the organization as of December 2022.

The workforce is located in Addis Ababa head office and Tercha Chida. The study will focus on professional employee's degree and above educational level and managers at head office. Three Top management, five midlevel management employees and three employees from site. This will be total of eleven key informants' interviewed.

### 3.4 Target Population

The population that the researcher intends to study and take conclusion from is known as the target population. Barnsbee, L., Barnett, A.G., Halton, K. and Nghiem, S., (2018).

The target population for this study is the professional employees from the various departments' heads of InveststroyProket of Ethiopia Branch. This target population will be found in Addis Ababa head office and Tercha-chida project site of the company.

The researcher used personal observation of HR data as per the criteria who are professionals with degree and above and managers of the company.

### 3.5 Sample Frame

In order to frame the sample, the researcher identified and sorted the employees of case organization including professionals with at least degree level education and managers who were based in the head office and site office.

### 3.6 Sample size for interview

The total sample size of the study was 11 key informants. This included three top managers, five midlevel managers, and three employees from project site.

### 3.7 Description of the Study Area

The research area was the head office of the organization in Addis Ababa where all of the recruitment is done and the Tercha-Chida site in Southwestern region of Ethiopia where the project work is done.

### 3.8 Source of Data

The source of data was both primary and secondary data. Primary data was collected through structured interview of high level management and professional employees of the company and secondary data was collected through review of the company's Human Resource Manual and relevant records of the company.

### 3.9 Data Gathering Tools

To gather data, the researcher conducted structured interviews, communicated with the representatives of the company by identifying the relevant professionals who work there, and did physical observations.

### 3.10 Data analysis

The descriptive qualitative method according to Dulock (1993), is employed for data analysis of gathers data gathered from a subset of a target community population to describe preferences, practices, characteristics, similarities, and differences. A descriptive study's advantages include the ability to collect data on a limited number of variables from a large number of individuals and the ability to be utilized for a variety of themes and populations.

The data was collected using a voice recorder, and the interview dialogue was in Amharic and English. And the Amharic data was transcribed and translated into English. The translated data was color-coded to reduce the amount of raw data and breaks broken to be manageable components for description and interpretation.

### 3.11 Ethical considerations

After receiving the letter of collaboration from Addis Ababa University's School of Commerce, it was submitted to the respective relevant offices of the company. Before the interview, the respondents were well informed about the study and signed the informed consent form and after they were informed that they have the right to withdraw from the interview if they don't feel comfortable with responding. In order to ensure the validity of avoid any deceptive practices data requested any; triangulation was done by comparing primary data with supportive data evidences and documents for cross- checking purposes.

## **CHAPTER FOUR**

### **4. DATA PRESENTATION AND ANALYSIS**

#### **Introduction**

The aim of this chapter is to assess the effectiveness of recruitment practice on organizational performance. In this chapter the data presentations and its analysis contains data from interviews held with key informants drawn from InveststroyProket Ethiopian Branch employees. The study's findings are organized around five major themes: The existing requirement practice of the organization, factors affecting the recruitment practice, the effectiveness of recruitment on organizational performance, evaluation of the recruitment practice and organizational performance and challenges. The themes have been defined according to the coding and presented along with direct quotes from the respondents.

#### **4.1. Backgrounds of the Respondents**

In this study, 11 key informants have participated in the interview. (Investstroyproket Ethiopia Branch employees who are professionals and have a degree or higher in their educational background). The details of the respondents' backgrounds are presented in the following table.

Table 2. Background of Key informants

Key Informant (KI)	Age	Sex	Professional background of the Key informants	Position they currently hold	Key informants General work experience	Key informants experience related to recruitment
KI1	62	M	Masters in Geophysics and Economics	General Manager	38 years	11 years
KI2	60	M	Master's in Management	Deputy general Manager	36 years	15 years
KI3	42	M	Degree in Management	Project Manager	19 years	10 years
KI4	42	M	Degree in Economics	Procurement Manger	20 years	8 years
KI5	38	F	Degree in Engineering	Head of Engineering	15 years	5 years
KI6	36	M	Masters in Accounting	Finance Manager	8 years	4 years
KI7	30	M	Degree in Engineering	Senior Office Engineer	9years	5 years
KI8	36	F	Degree in Accounting	Senior Accountant(site)	12 years	7 years
KI9	45	M	Master's in Engineering	Project coordinator(Site)	22 years	3 years
KI 10	33	M	Degree in Law	Human resource officer	9 years	4 years
KI 11	29	F	Degree in Engineering	Office Engineer(site)	7 years	2 years

The above- table lists the key informants' ages, gender, educational backgrounds, positions they hold, and years of experience in the company and outside of the company.

The effectiveness of the recruitment practice, effectiveness, organizational performance and challenges of recruitment was examined by collecting data from key informants.

The organization's recruitment procedures primarily depend on two separate approaches: first, posting job openings on job sites or in newspapers; and second, getting recommendations for prospective employees from within the organization or from trusted former colleagues who have experience in the construction industry.

#### 4.2. Recruitment practice of the organization

The recruitment practice gives the organization access to a pool of potentially qualified applicants for positions. Through a careful selection can be conducted to fill out the openings. Planning and forecasting for employment effectively is the first step towards successful recruitment.

Recruitment procedures are the basic activities through which employees join an organization. Usually organizations develop plans to fill or eliminate future job openings. During the stage of the staffing process based on an analysis of future needs for talents available both inside and outside the organization, and current and anticipated resources that can be implemented to find and keep such talent. A careful selection can be conducted to fill out job openings.

As it is known human resource or people are the essential asset of an organization. The process of identifying, screening, shortlisting, and employing candidates to fill open jobs in an organization is referred to as recruitment.

The case organization's recruitment procedure follows primarily two approaches: first, posting job openings on job sites or in newspapers; and second, headhunting, i.e. getting recommendations for prospective employees from within the organization or from trusted former colleagues who have experience in the construction industry.

According to KI 10(HR Officer) *“As a construction company, recruitment is something we do on a daily basis. There are typically two forms of recruitment practice that are used: posting open positions on job sites and recommendations.”*

The methods that an organization plans to implement in order to find the best candidates for developing its human resources and organizational performance are also related to the success of a recruitment process.

KI 4 (The Procurement Manager) States *“our organization's main way of recruiting is through recommendations, which, in my opinion, satisfies the organization's defined goals for recruitment meets the need.”*

In addition to recognizing what types of recruitment are effective and which ones are not working for the organization when designing a recruiting plan. Alterations may be required to attain effective of recruitment in order to make the process more efficient.

Recruitment procedures are the basic activities through which employees join an organization. According to the key informants, the organization's recruitment process follows a variety of steps from the beginning.

KI 6 described, *"Our recruitment process is fairly easy and open. When a post is open the department Head or Managers of the department that has vacant position requests or informs the HR departments or the senior Managers."*

The process of recruitment in the organization follows few some steps. When there is a vacant position is open, it is recruitment request is presented through formally or informally to the Human Resources Department or higher senior management. Once the request is approved, the recruitment process begins by posting the vacancy announcement position online or search candidates through recommendations (head hunting).

According to the KI1 *“Whenever a department has an open position, they fill out a request form and submit it to the general manager (me) and deputy general manager, either through the human resources department or directly to us. We then discuss the need and, depending on the nature of the position, we decide whether to approve or, in some cases, deny the request.”*

The requesting department is involved on all aspects of the recruitment by accepting recommendation with the human resource department and participating in interview and selection. According to KI 5 Head of Engineering *“as a department head I am primarily*

*involved in recruiting employees for the construction department and most of the related departments that is something I am particularly involved in. I participate in the process as much as the human resources recruitment team, including evaluation, interviews, and on boarding of new hires.’’*

The key informants also confirmed that head hunting through recommendations accounts for the majority of the organization's recruitment method. Majority of the open positions are for professional expert jobs. For professional positions, relevant experience is needed in a particular field. Finding candidates with the required experience from the labor market by posting vacancy announcement is not easy. As a result, the company mostly opts to the headhunting method for recruiting qualified and experienced employees.

KI-4 indicated *“Because professionals constitute the majority of the company's employment needs and a specific skill set is required, recommendations are currently heavily depended upon.’’*

#### 4.3. Factors affecting the recruitment practices

The recruitment practice of an organization can be affected by different factors which have an impact on the organizational performance. Those factors are internal and external.

Recruitment practice of an organization can provide an objective to the performance of the organization the type of method implemented. It will also show the system that has been developed to fill a vacancy by a qualified candidate.

Human resources planning can also be seen as determining factor of knowing the gaps within the organization. The organization size is also a factor determining the recruitment practice and its ability to hire, to operate and expand. The recruitment cost can also be a factor affecting the recruitment practice of an organization

On the other hand, supply and demand are the first external elements to have an impact on the recruitment practice. The recruitment strategy used can also be utilized to determine the organization's manpower.

When an organization has a demand for professional candidates and there is a limited source of supply in the market. The organization will have to look from an internal source by providing training and programs to develop and maintain internally. The labor market also has an impact on the recruitment practice where the location of the organization the supply of manpower even during the recruitment.

The image of the organization can be based on the positive or negative perception. The factors can be shown through political –social legal environment. The unemployment rate, competition from other organization in the same sector is seen as factors affecting the recruitment practice.

KI 2 “*Candidates may occasionally decline invitations because they have reservations about a location's safety.*”

The internal elements that affect an organization's hiring procedures are aspects that the organization can regulate. Organizational size, the organization's recruiting needs, and work images are among the internal factors.

The key informants responded to the questions on factors that affect the recruitment practice of the organization. They stated that both internal and external factors have had an impact on recruiting system they practice.

The internal elements depend on the organization's needs, its rivals, its internal policy, its target preferred source of recruitment, as well as recruitment expenses and financial implications.

According to KI 10(HR Officer) *“Even though we employ or depend on one approach, which has the disadvantage of creating a shortage of talent, but still recommendations are the preferred source of recruitment in our company.*

The external factors affect the recruitment practice such as the requirement of regional worda that requires 75 percent of Tercha-chida site employees to be from local sources.

According to KI11(Site Engineer) *“The requirement set by the local authorities have made it difficult for us to recruit candidates from other areas of the country that are qualified for the professional positions therefore we fill those positions locally and had to resort to methods of training which is a bit costly for the organization.”*

#### 4.4. The effectiveness of recruitment on organizational performance

The ability of an organization to achieve its objectives and maximize results is commonly referred as organizational performance. The organizations ability to identify candidates who are qualified for open positions can be seen as the result of effective recruitment practice. Effective recruiting contributes to enhance organizational performance.

According to KI10 (HR Officer) *“the organization's current recruitment strategy is beneficial for the organizational performance since it ensures timely execution of the recruitment of the needed candidates at slightly or non-financial cost.”*

According to one of the key informants, evaluating recruitment practice on organizational performance can be challenging. Since there are aspects of the construction sector that affects organizational performance but has nothing to do with human resources.

KI15 (Head of Engineering) Stated that *“The current recruitment practice of the organization is effective for our organizational performance in the majority of cases,*

*checking the effectiveness of our recruitment based on our organizational performance is difficult since other factors play roles like stability and financial."*

Measuring the effectiveness of recruiting is crucial because it will highlight any areas that could use improvement, allowing for a more effective process and the ability to identify what would benefit the organization.

Developing a recruitment strategy can be beneficial, when the expectation of an organization and the performance of each employee match, the results is higher organizational performance.

KI6 (Finance Manager) *“the organization has achieved its financial set performance goals with the current employees. The organizational culture also had an impact on the organizational performance as well.”*

The effectiveness of recruiting is an essential component on the performance of an organization. It enables organizations to locate applicants who are eligible for vacant positions. In return, effective recruitment results in a higher organizational performance.

According to KI10 (HR Officer) *“the organization’s current recruitment practice is working for the organizational performance since the recruitment is done on time as well as in less or non-financial cost.”*

#### 4.5. Evaluation of the recruitment practice on organizational performance

Evaluations of the success of recruitment practice and organizational performance. It can also be measured through the use of criteria that are specifically suited to the specific requirements of the organization. The metrics used may differ depending on the type of position being filled.

KI3(Project manager) *‘the recruitment is done on time for the position requested with less time and cost. Therefore if we evaluate the recruitment practice based on those factors the recommendation method currently is efficient in all aspects’*

Organizational performance is the result of an individual's work over the course of time. During the recruiting phase and the trial period of the evaluation, the potential work of the candidate will be determined. This will also help the organization eliminate any inefficiency and potentially achieve its goal as an organization.

KI1stated (General Manager) *‘our recruitment practice can be evaluated by organizational performance based on the set goals but other factors like resource shortage and financial factors may hinder the performance of the organization.’*

#### 4.6. Challenges of employee recruitment

Recruitment is a dynamic, intricate, and crucial aspect of managing human resources of an organization. It is vital for people in charge of recruitment that the candidate they choose has given them access to sufficient data to support their judgments.

KI 1(General manager) *‘There is a Russian proverb that says in translation, ‘Meet by clothes and see of by mind’ what I mean by this is during recruitments we could only judge the candidate based on the interview experience on paper we could only predict weather the candidate will perform well or not but we can never be sure of the contribution to the organizational performance.’*

The key informants claim that the organization's employment process is currently experiencing troubles. Through the combination of labor market problems on the demand and supply for other resources for the construction sector. This has a negative impact on the performance of the organization.

Additionally, KI 2 stated in some instances, the method of the recruitment process has resulted in concerns with fair recruitment opportunities and some of the individuals who were recommended turned out to be unqualified.

KI10 stated that despite the fact that there are many qualified candidates, only a few of them have the necessary experience and familiarity with the road construction industry. In addition, some qualified candidates are already committed to an organization because they are receiving financial benefits within a competitor's market or as the labor market is limited.

Additionally issues with challenges that are related to the external factors like the regional regulations that states 75 % of the professional employees of the site employees have to be local. This was stated by the key informants who have brought in difficulties in finding the needed talent for the lower level employees therefore they sometimes have encountered recommendations insufficiency for some position.

It is challenging to have a clear understanding of the influencing factors for recruitment practice on the organizational performance. However there is no specific set of organizational performance evaluation method in accordance to the recruitment practice on the organizational.

KI 2 (Deputy General Manager) “we do not necessarily have a specific set of methods to evaluate the organizational performance in the aspect of the recruitment practice we apply.”

**Sustainability:-** The key informants indicated that the recommended individual is typically a professional who is aware of the desired performance in the organization.

KI 3(Project Manager) "Once a candidate is hired in the organization s/he usually get immersed in fairly well therefore we do not see sustainability issues."

**Commitment:**-In the workplace, commitment is a collection of psychological and behavioral reactions in people. It is composed of three smaller parts: emotion, continuity, and normative commitment. J Herrera, C De Las Heras-Rosas (2021).

KI 5(Head of Engineering) states that “*we rarely observe commitment concerns in the organization with regards to the performance or retention of the employee.*”

**Communication:** - According to the key informants the communication throughout the organization is clear, anything requested is known and everyone involved has a straight forward communication formally and sometimes even informally.

KI 10(HR officer) stated “*Any Issues that arises are communicated to senior management via cell phones, emails and telegram groups.*”

## CHAPTER FIVE

### 5. Summary of findings, Discussion and Recommendation

#### Introduction

This part of the study discusses the Summary of finding, Discussion, Conclusion and Recommendation. The aim of this research is to assess the effectiveness of the recruitment practices on organizational performance.

#### 5.1. Summary of finding

The aim of the study is to identify the recruitment practice used. The effectiveness of the recruitment practice on organizational performance and the challenges faced in the recruitment practice.

The practice of recruitment processes may vary; they are generally similar across most firms. Assessing the need for recruitment, determining what qualifications are required for the position, and creating a job description if one doesn't already exist are some of the first steps in using the standard recruitment practices.

Then publicizing the position on both internal and external career websites and social media. Selection of potential applicants for interviews based on resume screening is followed by background checks to determine the candidates' eligibility and a restart of the on boarding process.

According to the key informants and personal observation of the researcher the organizational recruitment method is widely dependent on one set of recruitment which is recommendation. They do also use vacancy announcement on online jobs sites and newspaper but not so frequently.

The organization uses recommendations since it is a road construction company that has a limited talent pool already in the market. The methods of the candidates' recommendation are made by people who are already in the sector and people who are influential in the sector. According to the key informants, despite the disadvantages of relying on a single practice; they believe that this method has saved them time during the recruitment process.

Finding and attracting of potential employee is the most important aspect of recruitment. A successful recruitment not only brings the right candidate but it has to be done in timely basis and at the right place in order to bring organizational performance to a higher level.

Organizational performance is the contribution of each individual accumulated into fill the performance of the organization. As to the key informants the current recruitment method the organization uses is effective in achieving and enhancing its organizational performance.

## 5.2 Discussion

This part of the study discusses the major findings obtained from the key informants in line with the existing literature on the issue. The purpose of this study was to assess the effectiveness of recruitment on organizational performance. Costello (2006) defined recruitment as the collection of procedures and actions used to lawfully hire a sufficient number of suitable employees at the appropriate time and location, allowing both the individuals and the organization to make mutually beneficial both short- and long-term decisions. Similarly the study showed that the recruitment in the organization has qualified candidates that have benefited both parties in the short and long term.

Recruitment is the process of attracting individuals on a timely basis, in sufficient numbers and with appropriate qualifications (walker 2009). Similarly it was discussed that the

recruitment process used by the organization is to attract the potential employees on time and sufficient number.

According to Ejiofor (1989) the method of recruiting will depend upon the sources of recruitment the organization intends to utilize. According to study conducted the organization is in the construction sector. They regularly engage in recruitment and the recruitment practices often take one of two forms: posting open positions on employment portals or getting referrals.

According to Russo et.al (1995) the professional and efficient recruitment procedures shortens the vacancy duration and improve the quality of the applicants as well. Similarly the study also found out that the process of recruitment was tried to be shortened in order to decrease the amount of time it would take has it been done through long procedures.

Galanaki (2002) suggest that organization may rely on recommendation from their existing staff need. While similarly the key informants suggested that the organizations recruitment mostly depends on the informal way of recommendation.

Organizational performance is the organization's ability to attain its goals by using resources in an efficient and effective manner accordingly Daft (2000) and Richardo (2001) defined organizational performance as the ability of an organization to achieve its goals. And also in accordance to the study, the set goals are usually met by the organization but other factors like resource shortage and financial factors has hindered the performance of the organization.

Armstrong (2006) 'organization sustain high performance through the system of work they adopt but these systems are managed and operated by people'' according to the key informants the organization method of recruitment has helped the organization to achieve the set performance goal.

Byars and Rue (1987). An organization should determine a candidate's Knowledge, skill and ability to perform a job. Similarly the study found that during the recommendation the person that recommends know the candidate in a work environment where the candidates knowledge, skill and ability is known.

Ion and Criveanu (2016) Organizational performance is confounded with productivity, efficiency, effectiveness, economic, earning capacity, profitability and competitiveness. However according to the study the organization does not have a set method to evaluate organizational performance in detail other than the effectiveness and productivity.

When recruitment is practiced well, the work force is engaged and suitable posts which will contribute to the success of the organization overall performance. Having a set of organizational recruitment strategy will enhance the effectiveness and efficiency of the organization as well.

A successful recruitment does not only bring the right candidate. It also has to be done in timely basis and at the right place in order to bring organizational performance to a higher level.

An organization's personnel have to be engaged and competent candidates. They are retained when recruiting is done correctly; it will positively impact the efficiency of the organization's performance generally.

In the current market, employee recruitment practices have a different sense of strategy in a sense of employee retention. In order to attract and keep the right type of candidate for the right position and on a timely basis.

As discussed Investstroyproket Ethiopian branch uses recommendation for recruitment. Its main recruitment method which according to the key informants the practice has maintained the basic need of recruitment in the organization.

In addition to the researcher's own observations, the organization's recruitment procedures have maintained the demand for hiring. However, relying on a single approach has resulted in a shortage of talent pool and in some cases; issues with timely recruiting have been noted. Expanding the search area will undoubtedly solve the issues observed.

Higher organizational performance is attributed to the accumulation of individual work. The objectives of an organization can only be achieved via the collective work of the individuals involved.

Considering organizations depend significantly on the quality, commitment, experience and competence of their employees in order to operate well in all aspects. Recruitment methods should be supported by HR recruitment policies and procedures. Investstroyproket Ethiopia Branch lacks a standard mechanism of assessing or verifying the impact of recruitment on organizational performance. Although there are factors influencing overall organizational performance in the sector that are unrelated to recruitment. But related to organizational performance, the organization's current recruitment strategy is effective because the right person is hired for the requested position in a timely manner currently.

### 5.3. Recommendation

The researcher has recommended the following based on the overall result of the research findings. The purpose of this study is to assess the impact of recruitment practices on organizational performance.

The recruitment practices of the organization were identified as two types which are recommendation and posting of job opening on job websites. The organization mostly rely on recommendation since it mostly satisfy there need for potential candidate. The organization should expanding their recruitment strategy to have better talent sources because relying on a single set of recruitment practices has reduce the amount of talent they can attract.

In assessing effectiveness of the recruitment practice on organizations performance. The key informants stated that all of the recruitment practice is effective but measuring the organizational performance may be difficult since other factors not related to human resource affect the organizational performance.

- The organization should consider having workable strategy to improve organizational performance in financially, non-financially, or environmentally. To scientifically evaluating an organization's performance. Having additional evaluation methods will elaborate effectively the relationship between and the elements affecting the performance of the organization, keeping in mind the beneficial association between the organization's existing recruitment practice and organizational performance.

According to the key informants they identify the challenges recruitment procedure and practices. By stating that relaying on single set of recruitment method has had issues with timely recruitment. And external factor of the regulation of the region has had an impact on some cases.

In a highly competitive business climate, reducing recruitment risks at all stages of the hierarchy is the main objective of organizations' human resources policy. Concentrating on that will help the organization to have a better understand of its short coming in the organizational performance areas other than the financial sector of the organization.

#### 5.4 Suggestion for future researches

- The results of this study show that the effectiveness of recruitment on organizational performances is a meaningful construct that is worthy of future research.
- The sample size could have increased to more rather than what have been used in this research.
- The study only used a qualitative approach, and to make the conclusions more convincing and realistic quantitative analysis is suggested.

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## Interview Guiding Questions

### Interview Guide for Key Informant interview for Investstroyporekt Ethiopia Branch

1. Background Information
  - Name
  - Educational level
  - Work place and position?
  - How many years did you work in this position?
  - How many years of experience do you have?
2. What are the activities you are engaged in the areas of employee recruitment?
3. Tell me about the recruitment practice used in the company?
  - What are the methods recruit currently used?
  - How transparent is the recruitment system?
  - Who are mainly involved in the recruitment practice?
4. How do you see the effectiveness of recruitment on the organizational performance?
  - How do you evaluate the effectiveness of recruitment on the organizational performance?
6. What gaps or challenges are there in the recruitment system of the company?
  - Recruitment procedure and Practice issues
  - Sustainability
  - Commitment
  - Communication
7. What the critical challenges of employee recruitment?
8. Any general comment.

## Consent Form

### Participant Consent form

Dear Respondent!

I am Bezawit Zegeye, and I am studying my graduate program in Human Resource Management at Addis Ababa University College of Business and Economics School of Commerce. Now, I am conducting thesis research entitled “The Effectiveness of recruitment practices on organizational performance in the case of Investstroyproket Ethiopia Branch, Addis Ababa” as partial fulfillment of obtaining a master’s degree. The purpose of the research is to investigate the effectiveness of recruitment practices on organizational performance.

Dear respondent, the objective of the research can only be attained when you are willing to provide your genuine responses to the series of questions that appear in this questionnaire. I will assure you 100% that your responses will never be used for any other purpose other than research.

All this is completely voluntary bases, and you have the right to refuse participation. This is a consent form urging you to sign on the space provided for you hereunder to show your agreement and willingness to participate in the study. By signing, you demonstrated that you have agreed to the terms and conditions mentioned above. Thank you in advance!

Respondent’s Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Data Collector’s Signature: \_\_\_\_\_ Date: \_\_\_\_\_