A SURVEY OF E-RECRUITMENT PRACTICES AMONG COMMERCIAL BANKS IN KENYA

By
CHUNGULI EVANS ODEMO

A MANAGEMENT RESEARCH PROJECT SUBMITTED IN PARTIAL FULFILLMENT OF THE REQUIREMENTS OF THE DEGREE OF MASTER OF BUSINESS ADMINISTRATION OF THE UNIVERSITY OF NAIROBI.
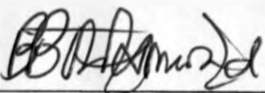
OCTOBER, 2003

DECLARATION

This management project is my original work and has not been presented for a degree in any other university.

Signed: _____   Date: 5ᵗʰ November, 2003.

CHUNGULI E. ODEMO

This management research project has been submitted for examination with my approval as the University supervisor.

Signed: _____   Date: 7.11.03

MR. GEORGE OMONDI
DEPARTMENT OF BUSINESS ADMINISTRATION
FACULTY OF COMMERCE
UNIVERSITY OF NAIROBI

DEDICATION

This project is dedicated to my wife and friend Caroline 'Khatundi' Nelima and our two bundles of joy Clessy and Clyde Odemo who have always been the source of everything I do.

ACKNOWLEDGEMENTS

My late brother, Bernard for sacrificing all that there was, including his life to make me succeed. Thank you and God rest your soul in eternal peace.

ABSTRACT

E-recruitment is the use of internet-enabled methodologies to hire employees. Otherwise known as online recruitment, e-recruitment is fast replacing the traditional methods of recruitment in the developed world. In Kenya, little seems to be known about it. This study surveyed the extent of use of e-recruitment practices in the banking sector, arguably the most computerized sector in Kenya.

This study had two objectives;

a) To establish the extent to which e-recruitment practices are being used by commercial banks in Kenya.

b) To find out the factors that hinder the adoption of e-recruitment practices in the commercial banking sector in Kenya.

Data was collected in Nairobi in August 2003. The population of all the banks was considered for the survey, although only thirty responded. The results were analyzed using descriptive statistics and presented in tables. Seven hypotheses related to the study were formulated and tested.

As computerized as they were found to be, it was established that the extent of use of e-recruitment practices in the commercial banking sector in Kenya was almost insignificant, with perhaps use of e-mail to contact candidates the only one extensively utilized. Cost of Internet connection and software, lack of personnel and ignorance were some of the major factors cited as hindering the adoption of e-recruitment.

TABLE OF CONTENTS

CHAPTER 1: INTRODUCTION

CHAPTER 2: LITERATURE REVIEW

CHAPTER 3: RESEARCH METHODOLOGY

CHAPTER 4: DATA ANALYSIS

CHAPTER 5: SUMMARY AND CONCLUSIONS

REFERENCES

APPENDICES

LIST OF FIGURES

LIST OF TABLES

CHAPTER ONE

Background

International competition in domestic and foreign markets is perhaps the key market condition that affects most activities that take place within organisations. As a result of these global competitive pressures, Information Technology (IT) breakthroughs and heightened customer expectations, the organisational landscape and architecture of today are not the same as those of ten years ago. Technological developments have made possible the realisation of the location-independent virtual organisation. Pressures go well beyond resolving the efficiency, quality and customer service concerns which dominated the 1980s. What is significant today is not only the impact of IT on organisational forms and boundaries, but also the importance of an ecological awareness, new perspectives on business ethics – perhaps a move away from unbridled competition if resources are to be sustained.

Information technology has reshaped and continues to reshape business (O'Brien, 2001: 4). Customer service, operations, product and marketing strategies and distribution are heavily, or sometimes even entirely, dependent on IT. Information technology, and its expense, has become an everyday part of business life. The human resource management (HRM) function in organisations has not been left behind in the use of Information Technology. O'Brien (2001: 306) says that traditionally human resource information systems had been designed to support human resource planning to meet the personnel needs of the business, development of employees to their full potential and control of all personnel policies and programs.

In fact businesses originally used computer based information systems to produce pay checks and payroll reports, maintain personnel records and analyse the use of personnel in business operations.

O'Brien (2001: 306) contends that many firms have gone beyond these traditional personnel management functions and have developed human resource information systems (HRIS) that in addition to supporting the traditional functions, also support recruitment, selection, and hiring; job placement; performance appraisals; employee benefits analysis; training and development; and health, safety and security.

But all this is only a tip of the iceberg; argue Sherwin et al (1999). They argue that since 1995, the year the Internet really took off, our daily life has been evolving continuously to include more and more technology. Turban et al (2001) report that mankind is witnessing one of the most important events in human history so far; the web revolution.

O'Brien (2001), Comer (2001), and Moddy (1996) concur with Turban et al (2001) that the web is not only changing the way that we work, study, play and conduct out lives, but it is doing so much more quickly than any other revolution (such as the Industrial Revolution), with impacts that are much more far-reaching. Indeed, the streamlining of interactions, products and payments from customers to companies and from companies to suppliers is causing an earthquake in many boardrooms (O'Brien, 2001). Computerised systems in general and web based systems in particular can be found today in even the smallest businesses (Turban, 2001). It is almost impossible to run a competitive business without a computerised information system.

Walton (1999) argues that in such a competitive environment, people (human resources) are the only truly sustainable resource providing long-term competitive and customer advantage. Gratton et al (1999) concur with Walton (1999) that the key challenge facing organisations today is to continue to deliver sustained competitive advantage in the short-term whilst at the same time preparing for long-term success. They contend that although the prime sources of competitive advantage in the past decades may have been access to financial resources or the use of technology, these are now viewed as necessary, but not sufficient. Gratton et al (1999) believe that for many companies the sources of sustained competitive advantage lie not only in access to finance or capital, but within the organisation; in people and processes capable of delivering the customer delight or rapid innovation which will place them ahead of competitors.

To offer a real competitive advantage, however, these people must be the right ones. It is therefore no wonder that there is fierce competition amongst organisations for talented workforce. It is a war to get the best out from the labour market and to retain them. Selection of the employees who will work for the organisation is in deed critical for the management and success of organisations because it provides the very essence of the organisation (Gatewood, et al.,1987: 3). A precursor to selection is the recruitment process. Recruitment is aimed at seeking and obtaining potential job candidates in sufficient numbers and quality so that the organisation can select the most appropriate people to fill its job needs. Cascio (1998) reckons that recruitment and selection of people with strategically relevant abilities is more important than ever. Recruitment may be external or internal. External recruitment is of potential workers who are currently not

members of the organisation; while internal recruitment is of those who are current members.

Gatewood et al (1987) believe that for effective human resource selection, recruitment has three major purposes:

- To increase the pool of job applicants with minimum cost.

- To meet the organisation's legal and social obligations regarding the demographic composition of its workforce.

- To help increase the success rate of the selection process by reducing the number of applicants who are either poorly qualified or have the wrong skills.

Redmond (1989) cautions that no one can ever guarantee success in recruitment, but argues that the risks of failure will always be reduced if there is a clear picture of every aspect of the vacancy. He advises that to increase chances of success, emphasis should be placed on a clear and concise job specification, realistic job previews, limits of authority, job description, compatibility, conditions of service, costs, status of employees, and prospects for growth.

O'Brien (2001) contends that Intranet technologies allow companies to process most common HRM applications over their corporate Intranets. He says that Intranets allow HRM departments to provide around the clock services to their customers; the employees. They can also disseminate valuable information faster than through previous company channels. In the same breath, they can also be used as a source of internal recruitment. Intranets can collect information online from employees for input to their HRM files, and they can enable employees to perform HRM tasks with little intervention from the HRM department. For example, employee self-service (ESS) intranet

applications allow employees to view benefits, enter travel and expense reports, verify employment and salary information, access and update their personal information and enter data that has a time constraint to it. Through this completely electronic process, employees can use their web browsers to look up individual payroll and benefits information online, right from their desktop personal computers, mobile computers, or Intranet kiosks located around a work site.

The Internet has become a major force for change in Human Resource Management; (O'Brien, 2001: 307); and especially in the area of recruitment (Cappelli; 2001); where it has brought a radical revolution. O'Brien (2001) notes that online HRM systems may involve recruiting for employees through recruitment sections of corporate web sites. Organisations are also using commercial recruiting services and databases on the World Wide Web, posting message in selected Internet newsgroups, and communicating with job applicants by Internet e-mail.

The Internet also has a wealth of information (Steed, 1999: 13); and contacts for both employers and job hunters (O'Brien, 2001; Weitzman, 1999; Cappelli, 2001). Cappelli asserts that Internet recruitment is in fact a growing booming business, while Weitzman believes it will continue to grow in importance as a key source for talent. Although most recruiters and candidates continue to rely on traditional avenues of recruitment – including newspaper advertisements and job fairs, Weitzman advises that the web can offer appealing enhancements; but Cappelli (2001) reports that for most job seekers, the Internet is where the action is.

Cappelli (2001), Weitzman (1999), O'Brien (2001), agree that the payoffs of e-recruitment are enormous. They say it is quick, efficient, cost-effective and just makes sense. Weitzman (1999) also contends that the quality of job applicants is much better through the Internet than if an organisation goes through the newspaper route.

Operational definitions

Recruitment

Beardwell et al (1997) define recruitment is the searching for and obtaining potential job candidates in sufficient numbers and quality so that an organisation can select the most appropriate people to fill its job needs. To Sisson (1994) it is the process by which organisations solicit, contact and interest potential candidates.

Practice

The Longman Contemporary Dictionary of English defines practice as the actual doing of something rather than the idea of it. It is also a repeated, habitual, or standard act or course of action.

Online Recruitment Practices

For the sake of this study online recruitment practices will be the use of the World Wide Web (WWW) to search for, and obtain job candidates in sufficient numbers and quality using such techniques as advertising for vacant positions on the corporate web site, advertising for vacant positions with online job boards, advertising for vacant positions on newspaper web sites, candidates applying for vacant positions by completing forms online, candidates sending their resumes and/or applications online, candidates downloading application forms from corporate web site, inviting candidates for interview using e-mail addresses, and searching for appropriate resumes on the internet.

1.1 Statement of the Problem

Organisations the world over, including Kenya, are increasingly considering human resources as the most important resource in helping them achieve competitive advantage in a global marketplace (Walton, 1999). Therefore, they place a lot of emphasis on recruitment and selection in order to get the best people from the labour market-people who will steer the organisation into prosperity. On the other hand, Information Technology, especially the Internet has brought revolution in everything that goes on within and without organisations, including recruitment of personnel. Literature indicates that e-recruitment is widely used and continues to grow and organisations that have adopted it have reported enormous benefits (Cappelli, 2001; Weitzman, 1999). However, the said literature is based exclusively on studies conducted in the West, particularly in the United States of America (USA) and the United Kingdom (UK). Muganda (2001) investigated the business value of e-commerce to selected firms in Kenya. His survey was however restricted to the buying and selling of goods and services and did not cover e-recruitment. No study known to the researcher has been conducted in Kenya in the area of e-recruitment. Given the popularity of this method and the reported benefits arising therefrom, it would be important to find out the extent to which organisations in Kenya, specifically the commercial banking sector, have adopted the practices and what benefits, if any, are accruing to them. The purpose of this study, therefore, is to provide this information.

1.2   Research Objectives

The study is seeking to achieve the following objectives:

i)   To establish the extent to which e-recruitment practices are being used by

        commercial banks in Kenya.

ii)   To find out factors that hinder the adoption of e-recruitment practices in the

        commercial banking sector in Kenya.

1.3   Importance of the Study

The study is expected to benefit the following:

i)   Employers/Organisations-They will be able to assess their recruitment procedures

        vis-à-vis e-recruitment by other organisations and be able to adopt the most

            appropriate ones.

ii)   To academics - it is expected that the study will stimulate interest in the subject

        and hopefully add to the little literature currently available on the subject of e-

        recruitment in Kenya.

iii)   To computer experts - the study is also expected to generate interest and action

        among computer experts in Kenya and other developing countries to generate

        online HRM systems that are suitable to local organisations.

iv)   To job search firms- the study is also expected to be an eye opener for human

        resource recruiters who may opt to invest in setting up web sites for job hunters

        and employers.

CHAPTER TWO

LITERATURE REVIEW

2.1   Recruitment

As mentioned earlier, the backbone of any organization lies in its people (human resources) – but, as Finnigan (1983) puts it, the right people in the right jobs. The selection of these people is therefore a critical and very significant function of the Human Resources Department because it provides the very essence of organisations.

Gatewood et al (1987) define Human Resource selection as the process of collecting and evaluating information about an individual in order to extend an offer of employment.

Mathis et al (1994) define it as the process of choosing individuals who have relevant qualifications to fill jobs in an organization. The position to be filled could be either a first position for a new employee or a different position for an existing employee. Miner et al (1995) maintain that selection starts with corporate strategy. According to them, selection can serve to hire and promote those who are best at formulating strategy, or to staff the organization with people, who will most effectively implement these strategies, once formulated. The challenge is to select and appropriately place people who will do the job of strategy formulation well and those who will implement the strategy. Miner et al (1995), Finnigan (1983) and Hall et al (1986) contend that the key point in selection is that it is tied to strategy.

2.2   Recruitment and Selection

Gatewood et al (1987), Finnigan (1983), Milkovich et al (1988) underscore the close relationship between selection and recruitment. Miner et al (1995) rightly argue that it is sometimes difficult to draw a line between the two areas because they are so closely intertwined. However the two areas are different. Recruitment is the human resource area that seeks and obtains potential job candidates in sufficient numbers and quality that the organization can select the most appropriate people to fill its job needs. (Gatewood et al, 1987). Mathis el at (1994) defines recruitment as the process of generating a pool of qualified applicants for organizational jobs.   Recruitment precedes selection and is therefore just as important as selection; if not more important. This is because, if the right quantity and quality of candidates are not attracted to the organization during the recruitment process, it is possible that the selection process may not get the required people in their correct numbers to fill the vacant position.

Recruitment focuses mainly on selling the organization's opportunities for employment and attracting large numbers of applicants who appear qualified, whereas selection is concerned largely with evaluating applicants and rejecting all but the one with best potential to perform successfully (Hall et al 1986).

Recruitment, like selection is heavily tied to strategy (Miner et al, 1995 and Cascio, 1998). Cascio reports that recruitment is a form of business competition. He contends that just as corporations compete to develop, manufacture and market the best product or service, so they must also compete to identify, attract and hire the most qualified people. To Cappelli (2001) and Cascio, recruitment is a big business- and therefore demands

serious attention from management. Cascio is convinced that any business strategy will falter if there isn't enough talent to execute recruitment.

2.3 Recruitment process

Mathis (1994), Cascio (1998), Hall et al (1986), and Carrell et al (1995) justify that a human resources plan helps determine the current and projected need for people in various job categories and any cultural diversity goals the organization may have set. The recruitment and selection processes then operationalize the HR plan. Recruitment efforts, therefore, translate human resources plans into action, and according to Mathis (1994), they also fill openings when unexpected vacancies occur. Mathis maintains that even during periods of reduced hiring, implementation of long-range plans means keeping in contact with outside recruiting sources to maintain visibility while also maintaining employee recruitment channels in the organization. These activities are essential for management to be able to step up recruiting activity on short notice.

There are as many models in the Recruitment process as there are authors in the subject but Hall et al's model (illustrated below) almost encompasses most of the common ones. It consists of eight major steps, each step being vital to a successful recruitment effort, although some may receive more emphasis than others.

```
┌─────────────────────────────────────────────────────────┐
│      Identify Recruitment Needs Via Strategic Staffing    │
└─────────────────────────────────────────────────────────┘
                            │
                            ▼
┌─────────────────────────────────────────────────────────┐
│        Define each Job and Conditions of Employment       │
└─────────────────────────────────────────────────────────┘
                            │
                            ▼
┌─────────────────────────────────────────────────────────┐
│               Set out Job Specifications                  │
└─────────────────────────────────────────────────────────┘
                            │
                            ▼
┌─────────────────────────────────────────────────────────┐
│             Identify Sources of Applicants                │
└─────────────────────────────────────────────────────────┘
                            │
                            ▼
┌─────────────────────────────────────────────────────────┐
│              Choose Recruitment Methods                   │
└─────────────────────────────────────────────────────────┘
                            │
                            ▼
┌─────────────────────────────────────────────────────────┐
│          Review Application Forms and Resumes             │
└─────────────────────────────────────────────────────────┘
                            │
                            ▼
┌─────────────────────────────────────────────────────────┐
│             Conduct Preliminary Interviews                │
└─────────────────────────────────────────────────────────┘
                            │
                            ▼
┌─────────────────────────────────────────────────────────┐
│        Prepare a Short List of Qualified Applicants       │
└─────────────────────────────────────────────────────────┘
```
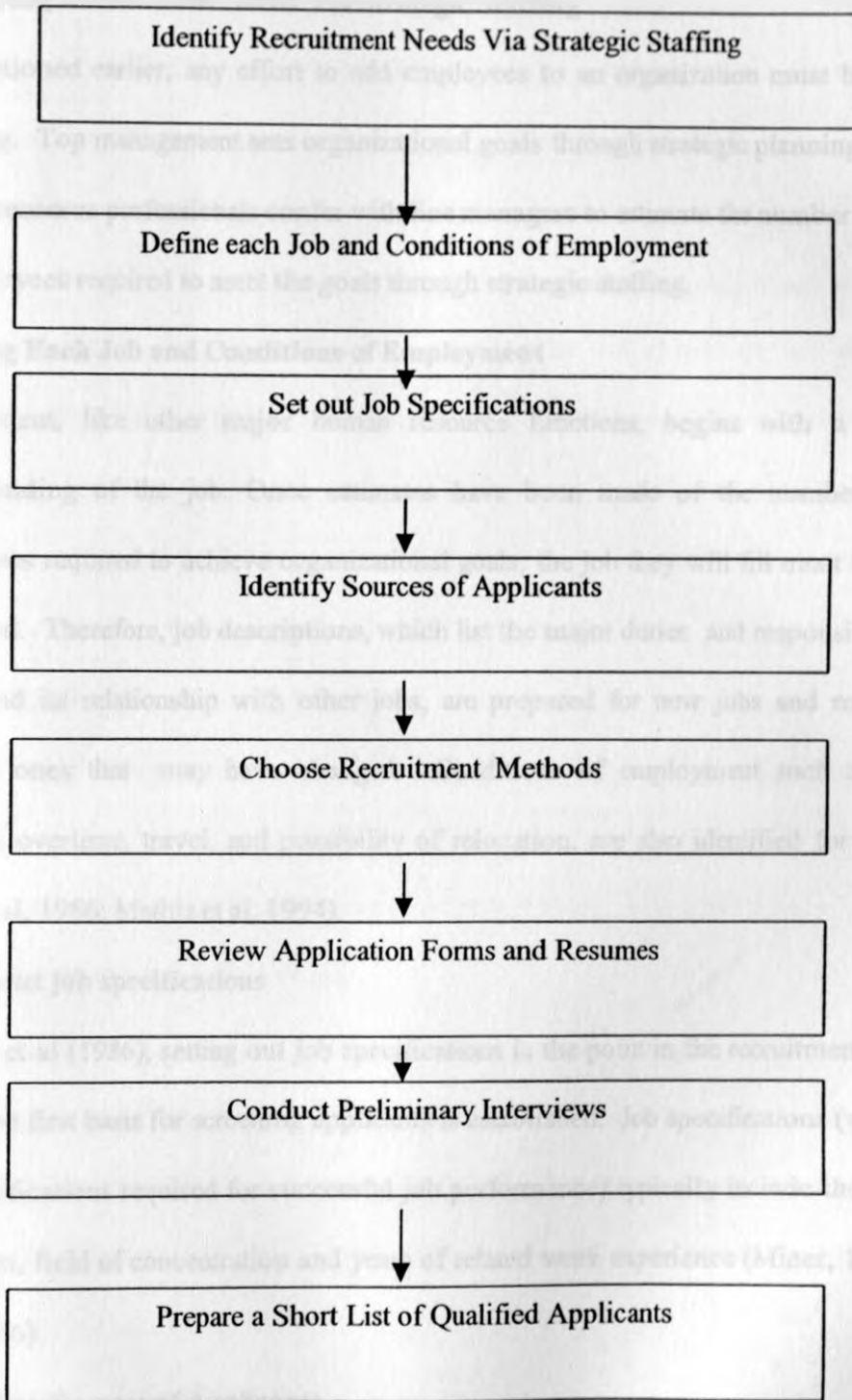
2.1
rce: Hall T. Douglas, et al (1986): **Human Resource Management**, Scott, Foresman and Company, Glenview.

Identifying Recruitment Needs Via Strategic Staffing

As mentioned earlier, any effort to add employees to an organization must begin with planning. Top management sets organizational goals through strategic planning and then human resource professionals confer with line managers to estimate the number and types of employees required to meet the goals through strategic staffing.

Defining Each Job and Conditions of Employment

Recruitment, like other major human resource functions, begins with a thorough understanding of the job. Once estimates have been made of the number of new employees required to achieve organizational goals, the job they will fill must be clearly described. Therefore, job descriptions, which list the major duties and responsibilities of a job and its relationship with other jobs, are prepared for new jobs and revised for existing ones that may have changed. Conditions of employment such as salary, benefits, overtime, travel, and possibility of relocation, are also identified for each job (Hall et al, 1986; Mathis et al, 1994).

Setting out job specifications

To Hall et al (1986), setting out job specifications is the point in the recruitment process where the first basis for screening applicants is established. Job specifications (which are the qualifications required for successful job performance) typically include the level of education, field of concentration and years of related work experience (Miner, 1995:Hall et al, 1986).

Identifying Sources of Applicants

Hall et al (1986) stress that a key element in strategic staffing is to analyse the supply of prospective applicants both inside and outside the hiring organization. Human Resource

Information System (HRIS) is an excellent starting point for any recruitment effort. If no qualified applicants are available from within, then efforts are directed outside to identify additional sources of applicants.

Choosing Recruitment Methods

The job to be filled, the selection ratio (yield ratio) and the supply of prospective applicants determine the choice of recruitment methods. The chosen method must make the appropriate people aware of the employment opportunity and attract enough of them to meet the hiring organizations needs. The Internet; as will be seen later, is fast becoming a reliable and efficient method in recruiting applicants for almost any kind of job.

Review Applications Forms and Resumes

The first major screening takes place in this stage as recruiters review application forms or resumes of internal or external applicants. The main objective is normally to eliminate those who do not meet job specifications (Hall et al, 1996).

Conducting Preliminary Interviews

Recruiting interviews (screening interviews) are conducted with applicants who have met all of the qualifications for the job and enable the recruits to present the job and conditions of employment to each applicant and to further assess the applicant's ability to perform the job successfully. The quality of these interviews is critical to the success of a recruitment program.

Preparing a Short-list of Qualified Candidates

The final step in the recruitment process is the preparation of a list of the most qualified applicants; who are then examined more closely through various selection techniques.

(Hall et al, 1986; Mathis et al, 1994; Carrel, 1995) The number of applicants from the recruitment process varies according to the hiring manager's wishes. However it is not the intention of this paper to study selection.

2.4   Methods/Sources Of Recruitment

After an organisation's need for additional employees has been estimated and job descriptions and job specification have been prepared, the search for suitable applicants begins. There are many sources of applicants for recruitment (Hall et al 1986), which may be internal or external (Mathis et al, 1994).

Mathis et al (1994) outline the merits and demerits of the internal and external sources of recruitment; as shown in the figure below:

Fig 2: Merits and demerits of internal and external sources of recruitment

Advantages	Disadvantages
Internal	
• Morale if promoted • Better assessment of abilities • Lower cost for some jobs • Motivator for good performance • Causes a succession of promotions • Have to hire only at entry level	• Inbreeding • Possible morale problems of those not promoted • Political infighting for promotions • Need strong management-development program
External	
• New blood bringing new Perspectives • Cheaper and factor than training professionals. • No group of political supporters in organization • May bring industry insights	• May not select someone who will fit the job or organization • May cause morale problems for internal candidates not selected. • Longer adjustment or orientation time

Source: Mathis et al (1994) : Human Resources Management, 7th ed., West Publishing Corporation, St. Paul.

Internal Recruitment Sources

Mathis et al (1994); Cascio (1998), Hall et al (1986), Carrell et al (1995) agree that the most common methods (sources) of Internal recruitment include present or current employees through job posting, promotion, transfers, and succession plans; Employee Referrals; Internal Recruiting Databases and Former Employees and Retirees. Finnigan (1983) warns that when a new situation arises, whether by resignation, promotion or

transfer, all internal possibilities must be explored before a new person is engaged; otherwise Cascio (1998) asserts that a firm may incur both short and long –run costs. In the short run, morale may degenerate while in the long run organisations with a consistent neglect of in-house talent may find it difficult to attract new employees and to retain experienced ones. Leap et al (1993) are of the opinion that the extent to which an organisation uses internal applicants as opposed to external applicants to fill positions should reflect a carefully considered policy decision.

Cascio (1998), Dessler (1991), Carrel et al (1995), and Mathis (1994) identify the most common methods for internal recruitment as:

- Job posting and bidding

- Promotion and transfers

- Employee referrals

- Internal recruiting databases

- Former employees and applicants

2.5 The Internet and Recruitment

The Internet is a global network of computer networks, linking together millions of computers from the mightiest mainframe to the humblest personal computer in homes, schools, government agencies, businesses and other organisations all over the world. (Moody, 1996). Turban et al (2001) reckon that any two (or more) computers connected to this network can exchange information as easily as if they were linked together directly. This therefore means that a user can send messages, retrieve files, visit internet sites and inspect the information they hold anywhere in the world.

Castells (2002) defines a network as a set of interconnected nodes, and maintains that networks are very old forms of human practices although they have taken on a new life in our time by becoming information networks powered by the Internet.

The Internet is also referred to as the World Wide Web (www) or just the web.

O'Brien (2001), Castells (2002), Sherwin et. al (1999) and Nyambura (2000) trace the history of the Internet since its inception to the year 2002. They contend that in the 1960s, during the prime of the cold war, a U.S. military agency known as the Advanced Research Project Agency (ARPA) sought innovative ways to interconnect the nation's corporate, academic, and government researchers to communicate with e-mail and share data and computing resources. Although primitive, one-way computer connections existed at the time, ARPA was interested in creating an entire switching network that could route computer communications around connections downed by nuclear weapons. A U.S. government think-tank, the RAND corporation, helped design the first incarnation of this network, known as ARPANET.

Castells (2002) documents that in 1975, ARPANET was transferred to the Defence Communication Agency (DCA). In order to make computer communication available to different branches of the armed forces, the DCA decided to create a connection between various networks under its control. In 1983 the defence department, concerned about possible security breaches, decided to create a separate MILNET network for specific military uses. ARPANET became ARPA-INTERNET and was dedicated to research. In 1984, the US National Science Foundation (NSF) set up its own computer

communications network, NSFNET, and in 1988 it started using ARPA- INTERNET as its backbone.

In February 1990 ARPANET, technologically absolute, was decommissioned. Thereafter, having released the Internet from its military environment, the US government charged the National Science Foundation with its management; but NSFs control of the net was short-lived. With computer networking technology in the public domain and telecommunications in full deregulation, NSF quickly proceeded with the privatisation of the Internet.

In 1995 NSFNET was shut down, opening the way for the private operation of the Internet. In the early 1990s a number of the Internet service providers built their own networks and set up their own gateways on a commercial basis. Thereafter, the Internet grew rapidly as a global network of computer networks.

Comer (2001), and O'Brien (2001) contend that the Internet has grown from the early research prototype to a global communication system that reaches all countries of the world. O'Brien found out that it grew from over 40 million to over 70 million host computers from early 1990 to early 2000. However, Comer argues that the size is not surprising as the rate of growth. To him, the Internet has experienced exponential growth over two decades, implying that it has been doubling every nine to twelve months.

O'Brien (2001) argues that the Internet provides a synthesis of computing and communication capabilities that adds value to every part of the business cycle. He believes companies derive business value from their electronic commerce applications in the following ways:

- Reduction in costs of doing business

- Development of new web-based products.

- Increased customer loyalty and retention

- Attraction of new customers

- Development of new markets and channels.

- Generation of new revenue sources

Many people have authored to document the many uses of the Internet. These include

- O'Brien (2001) and Castells (2002) on e-mail

- Muganda (2001), O'Brien (2001) and Turban et al (2002) on e-commerce

- Turban et el on e-government

- Steed (1999) on e-training

- Sherwin et al (1999) and Green (2000) on e-advertising

- Green (2000) on e-media

- Marlow (1996) on e-public relations

- Cappelli (2001), Weitzman (1999) and O'Brien (2001) e-recruiting

The Internet has brought radical change to corporate recruiting. (Cappelli, 2001; Weitzman, 1999). Cappelli asserts that in the past, pools or qualified candidates from which companies could choose were limited. A company could hire the active job seekers; many of whom might have been unhappy or incompetent at their old jobs, or could compete for entry level workers on college campuses. To fill high level posts, a company often had to bring in expensive head-hunters. Now, simply by logging onto the Internet, company recruiters can find out vast numbers of qualified candidates for jobs at

every level; screen them in just minutes and contact the most promising ones immediately.

Cappelli (2001), Weitzman (1999) and Toby (2003) and the HR Focus (Mar2000) have reported the merits of e-recruitment.

Cappeli (2001),Weitzman (1999) and the HR Focus say that it is relatively cheaper to hire someone on-line than it is to hire the same person through newspaper advertisements and other traditional means. The cost, according to Weitzman , depends on how many jobs a company chooses to list, but is usually less expensive than newspaper advertisements.

On-line recruitment also cuts down on the number of unqualified applicants. Weitzman (1999) points out that this is because human resource officers or recruiters seize the opportunity to write long and appropriate job descriptions and specifications to capitalize on the fact that web sites do not charge extra for long advertisements (unlike newspapers).

It is time saving. Internet recruiting they argue, is an ideal tool to manage the ever increasing number of applicants received, a task that many large corporations would clearly love to simplify – because the sorting, classifications and processing of resumes received by mail is a particularly time-consuming operations.

The Internet has also multiplied the opportunities available to the company. It constitutes an effective resource in the search for certain specific skills, a search that companies have hitherto conducted via expensive newspaper advertising campaign.

Weitzman (1999) and the HR Focus (Mar2000) argue that the quality of job applicants is much better through the Internet than if an institution goes through the newspaper route. This is so because the company's website is specifically geared toward the particular candidates. A company that wants to get the best employees must do it on-line because the Internet, they argue, appeals to an educated and more enlightened audience.

Internet can also be used to complement the traditional ways of searching for candidates who, according to Weitzman (1999), expect progressive companies to be on-line and to use this technology. In fact, college graduates in the information age take it for granted that a job hunt will include some web surfing. A company that goes 'e-cruiting' will definitely influence the psychological contract on prospective employees in its favour and hence productivity in the long run.

Cappelli (2001) points out that it is not a simple matter to use the Internet successfully as a recruiting tool. He reckons that the changes taking place in recruitment are deep and far reaching, and advices that for e-recruiting to be successful, managers will have to rethink the way they go about hiring and retailing talent.

Cappelli (2001) insists that one of the biggest challenges presented by on-line recruitment is the establishment and maintenance of a proximity relationship between the company and the applicants. He says candidates feel that they have no interface between themselves and the company, which may be an area of competitive disadvantage, especially in this era of humane treatment of employees.

Another potential downside is that job seekers may be tempted to send their resumes to a wide range of companies without really targeting their job searches. This will downplay

the intended purpose of reduction in the number of job applicants and the organization may end up not getting the people it desires.(Cappelli, 2001)

Weitzman (1999) and Cappelli agree that just as it is easy for an organization to hire experienced workers on the web, it is also a lot easier for competitors to hire away the organisation's own people. If employees are good at what they do, recruiters will find them. Many employers out there are ready to snap up any good workers, and everything moves quickly in the online world.

Cappelli warns that the proliferation of online information about pay and benefits is a key reason that employees leave their jobs. Using resources like salary surveys posted on some websites, people can quickly compare their own salaries against those offered elsewhere. Online job services give workers unprecedented access to free information, and that information has shifted some of the power to employees in the employee-employer relationship.

Weitzman (1999) also warns that loyalty of employees will suffer because of the sheer number of choices available through the Internet. This may hurt productivity.

The quality of applications will deteriorate tremendously and the company may end up getting less qualified candidates. This is because it is much easier to post a resume on the Internet than to write a letter.(HR Focus, Mar 2000).

The Internet significantly increases competition among companies in their quest to get the best people. Visibility on the net will be an absolute 'must' but standing out from the crowd on the Internet will require the skilled use of positioning techniques available and a good understanding of the most commonly used search tools. This will require a lot of

investment in information technology by the organisation; and this may be an expensive undertaking. (Cappelli, 2001; HR Focus, Mar 2000).

Cappelli (2001) also documents the possibility of an organisation running a foul of anti-discrimination laws. He asserts that as the process of finding and screening applicants becomes ever more automated, the danger of inadvertently using inappropriate criteria grows.

HR Focus (Mar2000) reports that there is no real workload reduction for human resource professionals. This does not tally with the idea that technology reduces the amount of work done.

Sherwin et. al (1999) is also critical of doing everything online. This is because, they argue, not everyone has access to the Internet; and those who don't have access are the majority. These people will completely miss out on any Internet based activities, including recruitment while they could be the best.

Sherwin et al (1999) and HR Focus (2000) tend to agree that Internet recruiting itself brings new costs. Job boards generally have subscription fees, and establishing or expanding a corporate Web site costs money, as do staff or companies outsourced to monitor and manage such sites. Management software packages for the recruitment process also adds costs. Keeping an Internet presence operational and up-to-date, and keeping abreast of Internet technologies and business trends is a significant ongoing experience.

Sherwin et al (1999) also question the reliability of using the Internet. They allege that computers can fail and electronic mail can bounce back to the sender days later or be lost

in the ether forever. They claim that electronic ways of doing things will never replace traditional methods.

Sherwin et al also identify a security risk in the use of computer systems and information with on-line systems. They say that virus and hackers pose a big threat to computer systems.

HR Focus points out that making an organisation stand out in a sea of online advertisements is hard, but not impossible- nor is it possible to attract the best candidates to the organisation. To improve on Inter v pcruiting it proposes that human resource specialists observe a number of measur.

To increase the pool of applicants five to ten times, it is recommended that human resource professionals create outrageous advertisements that compel people to explore an organisation's opportunity. The advertisements must be fun, challenging, and exciting. It is advised that one describes what the candidates will be doing and what he or she could become.

It is also recommended as little time as possible be spent on reviewing resume banks. The best candidates don't post their resumes but will respond to a good advert.

Cappelli (2001), like the HR Focus, believes one can guarantee success by moving fast to contact the short-listed candidates. Cappelli goes ahead to insist that it must be within twenty-four hours.

Other ideas proposed by Cappelli and the HR Focus include:

- Implementation of just-in-time hiring by anticipating hiring needs instead of reacting to them.

- Staying connected. All candidates will check out an organisation's web site before they apply, and its quality will be significant to many of them.

- Waiting for a full picture. First determining whether candidates can do the job and thinking about the personality fit later in the interview, rather than relying on first impressions.

2.6 The future of online recruiting

Cappelli (2001) contends that the revolution in recruiting has only just begun. He says that advancing technology will allow organisations to further shorten the hiring cycle by becoming more efficient at hunting for new people and sorting applicants thereby, as HR Focus (Mar 2000) puts it, streamlining the recruiting process. The expected development of standards for describing applicant characteristics and job requirements will help companies get better at matching applicants to jobs.

The HR Focus predicts that organisations will make the Internet their recruitment focus. It forecasts that in order to use the Internet effectively, recruiters will have to gain specific skills, including marketing and searching techniques. It further adds that without added value, recruiting agencies will lose market share, while some will become outsourced recruiting departments. Cappelli, on the other hand believes that as online recruiting expands, job boards will become larger and more influential.

The HR Focus argues also that organisations will use the Internet as a 'virtual' private network to manage, share, and store resumes and profiles.

Cappelli (2001) asserts that recruiting for top executives is expected to increasingly go online. It further says that organisations will have to work even harder in the future to establish trusting relationships with an increasingly well-informed and restless applicant

pool and workforce. He reports that today online recruiting is more than just a human resource tool; it is a whole culture, and this culture will extend beyond the new economy into many sectors of the old- transforming the way everyone is hired. A new crop of workers will come to see the Internet as the only way to find a job, and companies that stay on top of these changes will get the cream of that crop.

CHAPTER THREE

RESEARCH METHODOLOGY

The study was a survey aimed at finding out how commercial banks had adopted e-recruitment practices.

3.1 Population of study

The population of study consisted of all the forty-three (43) commercial banks licensed to carry banking business that were in operation as at 31.05.03. The complete list of banks is shown in Appendix III. Given the size of the population, a census was considered most appropriate. Thus no sampling was done.

Banks under statutory management were not considered because of their legal status and the uncertainty of their continuity.

The rational behind the selection of banks was that the commercial banking sector was arguably the most computerised in the country.(Nyambati, 2001).

3.2 Data collection

The study used primary data collected using a semi-structured questionnaire (see appendix II).

The researcher and his assistants administered the questionnaires on a "drop-and-pick up later" method. This was considered appropriate in view of time constraints and in order to ensure a high return rate.

The questionnaire was divided into three sections. Section A intended to gather general information about the commercial banks under study. Section B covered general aspects of the human resources department and the level of interconnection within the banks. Section C gathered information on online recruitment practices.

The questionnaires were directed to human resources managers or whoever were in charge of human resources functions in the banks.

3.3 Data Analysis and Presentation

Descriptive statistics were used to summarise the data. Frequencies, percentages (proportions) were used to establish the number and proportions of firms using each of the online practices. Simple tables and cross tabulations were used to present the relationship between bank characteristics and the online recruitment practices.

The chi-square test was used to establish if there was any relationship between the use of online recruitment practices and various bank characteristics like size, ownership, year of incorporation (age), number of branches and scope of operations. SPSS for windows was extensively used in the data analysis.

CHAPTER FOUR

DATA ANALYSIS AND FINDINGS

4.0 Introduction

This chapter analyses the data collected. It also presents and discusses the findings of the study. The findings have been summarized in percentages, and mean scores have been presented by use of tables.

The questionnaires were pre-tested and the necessary adjustments made before collecting the data.

4.1 Responses to questionnaires

The questionnaires were distributed on a "drop and pick-up later" method. A number of the respondents asked to be sent the electronic form of the questionnaire and the researcher had to redo it to enable this process. Thirty of the forty-three questionnaires were completed and returned. This represented a response rate of 69.8%. This was considered adequate representation of the population to make conclusions. Tables 4.1.1 and 4.1.2 below show the summary of the questionnaires returned as per period of incorporation and bank ownership respectively.

Table 4.1.1: Summary of questionnaires returned as per period of incorporation

Period of incorporation	Number of questionnaires returned	Percentage
Before 1970	11	36.7
Between 1971 and 1980	3	10.0
Between 1981 and 1990	5	16.6
Between 1991 and 2000	11	36.7
After 2000	0	0.0
Total	30	100

Source: Research data

The results indicated that most of the respondents were those banks incorporated either before 1970 (36.7%) or between 1991 and 2000 (36.7%). The results also indicated that there were no respondents incorporated after the year 2000, probably because there were none. 16.6 % of the respondents (5 banks) were established between the year 1981 and 1990 while 10% were registered within the period 1971 and 1980. If the age of a bank were to determine how well established it is, then an equal number of well established banks and their opposite responded to the questionnaire.

Table 4.1.2: Summary of questionnaires returned as per bank ownership

Type of ownership	Number of questionnaires returned	Percentage
Foreign owned	8	26.6
Locally owned	11	36.7
Joint venture	11	36.7
Total	30	100

Source: Research data

Table 4.1.2 above reveals that the locally and jointly owned banks constituted the majority of respondents, at 36.7 % each. It would however be imprecise to conclude that the majority of banks in Kenya are locally owned or otherwise. It may be possible that locally and jointly owned banks responded while the others chose not to. Local ownership implies that all the shareholding within the bank belongs to citizens of Kenya. Results from the study also indicated that the majority of the jointly owned banks were largely foreign owned.

4.2 Respondents' scope of operation

The table below shows the geographical scope of operation of the respondent banks:

Table 4.2: Geographical scope of operation of the respondent banks

Scope of operation	Number of banks	Percentage
National (only in Kenya)	18	60.0
Regional (within East and Central Africa)	2	6.7
International	10	33.3
Total	30	100

Source: Research data

Banks whose scope of operation is national constituted more than half of the respondents (60 %) while the regional banks were very few (6.7 % of the respondents). This implies that the results generated from this study are based mainly from Kenyan owned banks.

4.3 Respondent size: Number of branches

The number of branches per bank varied significantly amongst those surveyed. The table below shows the sizes of the banks as determined by the number of branches.

32

Table 4.3: Number of respondent banks per number of branches

Branches	Number of banks	Percentage
Less than 5	19	63.3
Between 6 and 10	5	16.7
Between 11 and 15	1	3.3
More than 15	5	16.7
Total	30	100

Source: Research data

From the table above, it is clear that most of the respondents (63.3%) were the small

banks with at most five branches while the large banks constituted 16.7 % of the

respondents. It is not the intention of the researcher to create the impression that the

turnover of these 'small' banks is also small. In fact, the researcher found out from the

annual results of some of the banks that the turnover of some of the 'small' banks was

much higher than that of their 'bigger' peers.

4.4 Number of Employees

The number of employees in the 30 banks surveyed ranged from below 100 to over 1000.

Table 4.4: Number of respondent banks against number of employees per bank.

Number of employees	Number of banks	Percentage
1-100	14	46.7
101-200	8	26.7
201-500	3	10.0
501-1000	3	10.0
over 1000	2	6.6
Total	30	100

Source: Research data

From the information above, banks with one hundred or less employees constituted 46.7% of the respondents, those with more than 100 but with less than 200 constituted 26.7% while those with over 1000 employees were a paltry 6.6%. Coincidentally the banks with 100 or less employees had a branch network of less than 5 and were classified as 'small' banks above.

4.5 Structure of the Human Resources function

This question was seeking to establish the structure of the Human Resources function, which is responsible for recruitment. Primarily, the study was seeking to find out how independent the human resources departments in these institutions were.

Table 4.5 below shows the respondent's structure of human resources function.

Table 4.5: Structure of Human Resources function of respondent banks

Structure of HR function	Number of banks	Percentage
Fully fledged HR dept	17	56.7
Supported by other depts	9	30.0
Partially out-sourced	3	10.0
Fully out-sourced	1	3.3
Total	30	100

Source: Research data

The above figures indicate that 17 of the banks representing 56.7% of the respondents had fully-fledged Human Resources departments headed by independent managers. 30% of them had the human resources service as a subset of other departments like finance or administration. The researcher did not witness the opposite. 10 % of the respondent banks reported hiring out some of the human resources function. The researcher found out that most of the human resources functions hired out included recruitment, payroll administration. A very small proportion (3.3%) had the Human resources function fully out-sourced.

4.6 Human Resource Information System (HRIS)

All the 30 banks surveyed had computerised Human Resources Information Systems (HRIS) save for one respondent bank that reported completely hiring the human resources function. The purpose of inquiring about computerised human resources information systems is that it forms the backbone of e-recruitment.

Table 4.6: Human Resources functions served by the computerised HRIS

Extent / HR function	To a great extent		Somewhat		A little		Not at all		Mean Score
	No.	%	No.	%	No.	%	No.	%	
Compensation	30	100	0	0	0	0	0	0	4.0
Staffing and recruitment	18	60	8	26.7	4	13.3	0	0	3.5
Employee Development	20	66.7	7	23.3	2	6.7	1	3.3	3.5
Organizational Performance	4	13.3	2	6.7	6	20.0	18	60.0	1.7

Source: Research data

With a mean score of 4.0, all the banks reported using their computerised HRIS extensively in compensation. 20 respondent banks (representing 66.7%) reported using HRIS extensively in staff development, while 23.3% use it three out of four times for the same. With a mean of 3.5 out of 4, the banking sector utilises 87.5 % of staff development facility of their HRIS. 18 respondent banks (60 % of the respondents) reported wide use computerised HRIS for staffing and recruitment, and therefore qualify this study. All the respondents use HRIS in different variations in staffing and recruitment. Majority (60 %) of the respondents reported non utilization of HRIS for organizational performance activities.

4.7 Ownership of Web-site, Corporate Intranet, and e-mail addresses

In order to fully utilise e-recruitment practices, an organization must be connected to the internet, either externally or internally. The responses to the questionnaire on inquiries about these issues produced the following results.

Table 4.7 Summary of position of the surveyed banks relative to web site, intranet and e-mail address

	Yes		No	
	Number	%	Number	%
E-mail address	30	100	0	0
Corporate intranet	10	33.3	20	66.7
Web site	10	33.3	20	66.7
HR web page	3	10.0	27	90.0

Source: Research data

It is revealed from the table above that all the 30 banks surveyed had e-mail addresses while only 10 (33.3%) had both the corporate intranet and external Uniform Resource Locator (URL) addresses. By no coincidence, the banks with intranets also had corporate websites. A paltry 3 out the 30 respondent banks had a human resources web page on their internet sites.

Extent of use of e-recruitment practices

4.8 Extent of use of internal advertisement on intranet

Advertising vacant positions on the corporate intranet is one way of recruiting qualified candidates internally. The summary of results from the survey is presented in the table 4.8.1 below.

Table 4.8.1: Extent of use of internal advertisement of vacant positions on corporate Intranet

	To a great extent		Somewhat		A little		Not at all		Avera
	No.	%	No.	%	No.	%	No.	%	
Internal advertisement on intranet	1	3.3	2	6.7	2	6.7	25	83.3	1

Source: Research data

Table 4.8.2: Number of banks that advertise internally on their intranets

Number of banks with corporate intranets	Number that advertises internally on intranet
10	5

Source: Research data

From the statistics above, it is clear that most of the banks (83.3 %) do not at all advertise for positions on their corporate intranets. An equal number of respondents (2) at 6.7 % either somewhat advertise or do it a little. Table 4.8.2 reveals that of the 10 banks with intranets, five of them, in one way or another advertise with only one (3.3 %) doing it extensively. With a ratio of 1.3 out of 4, it would be prudent to say that intranet advertisement goes on at 32.5% in the banking industry in Kenya, a very low rate.

4.9 External advertisement on the corporate web site

External advertisement on the corporate website involves posting vacant positions on the company URL with an intention of attracting qualified candidates from audience over a wide region. Advertisements would normally be on the home page of the company website, which would have a link to either a careers page or the human resources page. The responses from the survey are summarised in the tables 4.9.1 and 4.9.2.

Table 4.9.1: Extent of use of external advertisement on corporate website

	A great extent		Somewhat		A little		Not at all	
Advertising externally on web site	No.	%	No.	%	No.	%	No.	%
	1	3.3%	0	0	2	6.7	27	90

Source: Research data

Table 4.9.2: Number of banks with web sites versus those that advertise for positions on the web sites

Number of banks with web sites	Banks that advertise on web site
10	3

Source: Research data

The data indicates that even those with websites hardly advertise for vacant positions on their websites. Only three banks (10 % of the respondents) advertise on the web with a

single one (3.3 %) widely practising it. 27 banks (90 %) never advertise on their website. The positions most advertised lie in the senior management level; primarily because it needs highly qualified and experienced personnel – which must be sought from as far wide as possible. The reasons given for not advertising on the website included;

- No or few jobs to advertise
- Outsourcing of the recruitment function to recruitment agencies

At the ratio of 1.2 out of 4, this aspect of e-recruitment is at 30 % within the banking industry in Kenya.

4.10 Advertising with e-recruitment firms

Recruitment firms play a significant role in the recruitment process. They act as agents to firms that wish to hire by doing the initial screening of candidates. As internet technology expands, the trend has moved to a situation where recruiting firms either contract the process or place job advertisement with e-recruitment firms, which are frequented by job seekers. By the time of writing this report, about four e-recruitment firms were in existence in Kenya. The table below summarises the results of the questionnaire on the placement of advertisements the internet through e-recruitment firms.

Table 4.10.1: Extent of advertising for vacant positions with e-recruitment firms

	A great extent		Somewhat		A little		Not at all		Average
	No.	%	No.	%	No.	%	No.	%	
Advertising with e-recruitment firms	1	3.3	2	6.7	3	10	24	80	1.3

Source: Research data

As with external advertising on the web, 24 banks representing 80% of the respondents do not place advertisements for vacant positions on the web sites of e-recruitment firms. One bank (3.3 % of the respondents) extensively advertises on websites of e-recruitment firms. Reasons given by banks for not advertising on e-recruitment agents included:

- Inability to reach a wider audience and therefore limiting the number of qualified candidates who would apply for the position

- The fees charged by some of the e-recruitment firms are prohibitive- sometimes up to a third of an employee's first year salary if selected charged on the recruiting firm.
- 40 % of the respondents conceded ignorance of the existence of such e-recruitment firms.

With an average of 1.3 out of 4, advertising on web sites of e-recruitment firms is at 32.5% ; less than a third of what is needed.

4.11 Advertising with newspaper web sites

One way of advertising for vacant positions is paying for an some space either on the website home pages of daily newspapers or magazines which are most frequented by readers. By the time of compiling this report, three daily newspapers in Kenya had web sites; but only one had a jobs database for job seekers. The responses of banks with respect to this aspect of e-recruitment is summarised below:

Table 4.11: Extent of advertising on newspaper web sites

	A great extent		Somewhat		A little		Not at all		Average
Advertising with newspaper web sites	No.	%	No.	%	No.	%	No.	%	
	0	0	1	3.3	1	3.3	28	93.3	1.1

Source: Research data

Only two banks (6.6 %) attempt to post advertisements for vacant positions on web sites maintained by newspapers and other media. 28 firms, representing 93.3 % of respondents do not advertise on web sites maintained by daily newspapers. None of the respondents reported doing it extensively.

The reasons given for not using this aspect of e-recruitment were:

- 21 banks representing 70 % of the respondents reported the inability of this medium to reach adequate numbers of qualified candidates and hence its unreliability.
- 14 banks (representing 46.7 %of the respondents) believed that this practice was expensive yet the yield rate was very low.
- Ignorance was reported by 50 % of the banks.

With an average score of 1.1 out of 4, this aspect is at 27.5 %.

4.12 Sending resumes electronically

The traditional way of sending resumes has always been by post. As information technology expands, communication between organizations and prospective candidates for employment is significantly shifting to electronic. It is becoming increasingly common for recruiting organizations to encourage candidates for advertised positions to send their resumes electronically. The practices in this aspect have been:

- Letting prospective candidates for recruitment open electronic accounts on the organization's recruitment website that feeds into some database. When a position falls vacant, candidates apply for it by accessing their accounts and asking the system to send their resumes an appropriate office electronically.

- Giving candidates an e-mail address to which they can send their resumes and covering letters electronically.

Table 4.12 below summarises the responses of banks in the survey on the apsect of asking candidates to send their resumes electronically.

Table 4.12: Extent of encouraging candidates to send resumes by e-mail

	A great extent		Somewhat		A little		Not at all		Average
	No.	%	No.	%	No.	%	No.	%	
Sending resumes by e-mail	6	20.0	7	23.3	5	16.7	12	40.0	2.2

Source: Research data

Though all banks reported having e-mail addresses, the aspect of encouraging candidates to send thier resumes by e-mail did not reflect a similar trend. However the trend was fairly different from the other aspects of e-recruitment. 18 banks (60 % of the respondents) encourage candidates to send resumes by e-mail as opposed to 12 (40 %) which do not. 6 banks (representing 20 % of the respondents) reported extensive use of

this aspect of e-recruitment, 7 banks (23.3 % of the respondents) somewhat use this aspect while 16.7 % use it to a small extent.

With a ratio of 2.2 out of 4, this aspect of e-recruitment goes on at 55 %.

4.13 E-recruitment of Top management

Using the internet for recruitment may be more suitable for some categories of staff than others. In some organizations it is quite normal to use the web to advertise for the position of Chief Executive Officer (C.E.O.), while it is almost taboo in others. Traditional methods of recruiting C.E.O.s have been headhunting, advertising in leading international magazines, local dailies with large circulation and probably on the websites of these dailies. The responses of banks with respect to this aspect of recruitment are summarised below.

Table 4.13: Extent of using e-recruitment practices to hire top management

	A great extent		Somewhat		A little		Not at all		Average
e-recruitment of Top mgt	No.	%	No.	%	No.	%	No.	%	
	0	0	1	3.3	0	0	29	96.7	1.1

Source: Research data

The data indicates that 29 out of the 30 banks surveyed do not use the internet at all to recruit their top managers. Only a single one (3.3 %) attempts to use e-recruitment for top management hiring. This means that banks have not graduated from the traditional methods of recruiting their senior managers. With a ratio of 1.1 out of 4, this aspect of e-recruitment is at 27.5 %. The reasons given for not extensively using the web to hire senior managers were similar to those given in section 4.11 and included:

* No need for advertising because senior managers are headhunted

* It would be expensive, especially if the candidate is hired

4.14 E-recruitment of Middle level management

The methods of e-recruitment of middle level managers have been advertising for positions in the press. Table 4.14 below summarises the responses from the banks.

Table 4.14: Extent of use of e-recruitment practices to hire middle management

	A great extent		Somewhat		A little		Not at all		Average
	No.	%	No.	%	No.	%	No.	%	
e-recruitment of mid-mgt	0	0	0	0	1	3.3	29	96.7	1.0

Source: Research data

29 banks, representing 96.7 % of the total in the survey did not use e-recruitment in the hiring of their middle level managers, while one bank (representing 3.3 % of the responses) does it on a small extent. With a ratio of 1.0 out of 4, e-recruitment of middle managers is at 25 %, a significantly low percentage.

4.15 E-recruitment of supervisory staff

Supervisory staff is composed of low level management staff, and includes management trainees. The traditional way of recruiting this cadre of staff has been advertising in the local dailies or recruiting from leading colleges. The responses from the banks are summarised in table 4.15 below.

Table 4.15: Extent of use of e-recruitment practices to hire supervisory staff

	A great extent		Somewhat		A little		Not at all		Average
	No.	%	No.	%	No.	%	No.	%	
Supervisory Staff	2	6.7	1	3.3	1	3.3	26	86.7	1.3

Source: Research data

From the above table, it emerges that though the situation is better for this category of staff than the previous two, the number of banks that do not utilize e-recruitment is still significantly high at 26 (representing 86.7 % of the respondents). 2 banks reported extensively utilizing e-recruitment for this category of staff while the remainder lie in between.

Averaging 1.3 out of 4, one would say that e-recruitment of low-level management staff goes on at 32.5 % in the banking industry in Kenya.

4.16 E-recruiting non-management staff

Non-management staff include clerks, secretaries, cashiers, marketing representatives, and others who hold no supervisory positions. Traditionally, and from unpublished sources, employers do not necessarily have to advertise for these positions. By the time of compiling this report, an e-recruitment firm was offering employers an opportunity to advertise for these positions free of charge on its website. The table below summarises the results from the survey:

Table 4.16: Extent of use of e-recruitment practices to hire non-management staff

	A great extent		Somewhat		A little		Not at all		Average
Non-mgt Staff	No.	%	No.	%	No.	%	No.	%	
	0	0	0	0	0	0	30	100	1.0

Source: Research data

All the respondent banks reported not hiring non-management staff using e-recruitment techniques.

4.17 Examinations, Conferencing and electronic application by candidates

E-recruitment may also involve candidates taking preliminary examinations through the web, downloading application for employment forms from the internet, conducting recruitment interviews on the web through video conferencing, or the human resources department searching for appropriate resumes on the internet to fill vacant positions.

Table 4.17: Use of other e-recruitment practices to hire staff

	YES		NO	
	No.	%	No.	%
Conducting preliminary examinations on internet	1	3.3	29	96.7
Video conference interviews on internet	0	0	30	100
Application forms available online	2	6.7	28	93.3
Candidates applying for positions online	1	3.3	29	96.7
Searching for appropriate resumes online	0	0	30	100

Source: Research data

Table 4.17 above reveals that only one of the banks surveyed conducts preliminary examinations on the internet, while the rest (96.7 % of the respondents) do not. The reasons given for not conducting examinations through the web included:

- Expensive software

- No regular recruitment and therefore no need for such software

- Lack of expertise in the area

None of the respondent banks reported researching for appropriate resumes for the people they want on the Internet. 21 banks, representing 70 % of the respondents argued that there was no local website to search for local employees. The available ones were hosted in distant countries. However, by the time of compiling this report, a local website where employers could search for appropriate resumes had just been launched. Others argued that no special positions had fallen vacant to necessitate searching for resumes on the web

Some two respondents (6.6 % of the surveyed total) place forms on their websites which candidates can download to enable them apply for positions within the banks. The remaining 28 (93.4 % of the respondents) do not place forms online.

4.18 Benefits of using e-recruitment techniques

This was an open-ended question that was directed to banks that use any form of e-recruitment. The intention was to solicit from banks any benefits they accrue from the use of e-recruitment practices. Only 4 banks representing 13.3 % of all those surveyed responded to this question. The table below indicates the responses received:

Table 4.18: Benefits of e-recruitment

Benefit	No. of banks that responded	Percentage (relative to no. of responses)	Percentage (relative to no. surveyed)
Cheap	3	75 %	10 %
Computer literate candidates	3	75 %	10 %
Filters out unwanted candidates	1	25 %	3.3 %
Better Candidates	2	50 %	6.7 %
Paperless environment	3	75 %	10 %
Reduction in workload	4	100 %	13.3 %
Fast (vacancies filled fast)	3	75 %	10 %
Convenient	2	50 %	6.7 %

Source: Research data

From the above statistics, internet enabled recruitment offered banks the following benefits;

- Reduction in the amount of work that is associated with traditional methods of recruitment (13.3 %)
- Cheaper than other means of recruitment because it does not involve advertisement fees (10 %)
- Banks get computer literate candidates (10 %)
- Banks maintain a paperless environment (10 %)
- It is a fast means of filling vacant positions (10 %)
- Banks are able to get better candidates than using other methods (6.7 %)
- It is a convenient method of recruitment (6.7 %)
- It filters out less qualified candidates (3.3 %)

4.19 Factors that hinder the adoption of e-recruitment practices

This was an open-ended question directed to banks that do not use e-recruitment techniques. There was response from 18 banks, representing 13.3 % of all those surveyed.

Table 4.19: Factors that hinder the adoption of e-recruitment techniques in commercial banks in Kenya

Factor	Number of banks	Percentage(relative to responses)	Percentage(relative to banks surveyed)
Expensive	17	65.4	56.7
IT infrastructure	16	61.5	53.3
Don't need it (don't recruit regularly)	5	19.2	16.7
Our size is small	3	11.5	10.0
Not popular among candidates	5	19.2	16.7
Ignorance	2	7.7	6.7
Recruitment has been outsourced	6	23.1	20.0
Personnel to man the system	2	7.7	6.7

Source: Research data

Factors that hinder the adoption of e-recruitment as revealed by the table above are:

- Internet technology and connectivity in Kenya are expensive
- Appropriate Software is not easily available
- The technology is not important because recruitment is not done frequently
- Small size
- Method is not popular among candidates and therefore would make the banks lose out on good candidates who may not be exposed to it

4.20 Comparison between bank characteristics and extent of use of e-recruitment practices

4.20.1 Bank age and use of e-recruitment practices

<u>Hypothesis 1</u>

H_0: There is no relationship between year of incorporation (age) and use of e-recruitment practices
H_1: There is a relationship between year of incorporation and use of e-recruitment practices

Table 4.20.1a: Relationship between year of incorporation and use of e-recruitment practices (Observed frequencies)

Year of Incorporation	Use of e-recruitment		Total
	No	Yes	
Before 1970	8	3	11
Btn 1971 & 1980	2	1	3
Btn 1981 & 1990	5	0	5
Btn 1991 & 2000	10	1	11
Total	25	5	30

Source: Research data

To use the chi-square to test the hypothesis, expected frequencies are calculated in table 4.20.1b below.

Table 4.20.1b: Expected frequencies of year of incorporation versus use of e-recruitment

Year of Incorporation	Use of e-recruitment		Total
	No	Yes	
Before 1970	9.17	1.83	11
Btn 1971 & 1980	2.5	0.5	3
Btn 1981 & 1990	4.17	0.83	5
Btn 1991 & 2000	9.17	1.83	11
Total	25	5	30

Source: Research data

Computing $\chi 2$ gives:

$(8-9.17)^2 /9.17+ (3-1.85)^2 /1.85+ (2-2.5)^2 /2.5+ (1-0.5)^2 /0.5+ (5-4.17)^2 /4.17+ (0-0.83)^2$
$/0.83+ (10-9.17)^2 /9.17+ (1-1.83)^2/1.83$

$= 2.91092246$

Critical value of $\chi 2$ at 5 % significance level with 3 degrees of freedom $= 7.815$.

Since computed value is less than critical value, which means it lies within the acceptance region. We fail to reject the null hypothesis (H_0) and conclude that there is actually no relationship between year of incorporation (age) of bank and the use of e-recruitment practices. This implies that the use of e-recruitment practices is not directly related to the age of the bank; young banks use them while some old ones (established before 1970) do not even use even a single aspect of e-recruitment. This could be related to management's attitudes or lack of it towards Information technology. It is also interesting to note that some banks only automate in certain aspects that affect their business when there is no other alternative or when it has proved successful elsewhere.

4.20.2 Bank Ownership and use of e-recruitment practices

Hypothesis 2
H_0: There is no relationship between bank ownership and the use of e-recruitment practices
H_1: There is a relationship between bank ownership and the use of e-recruitment practices.

Observed relationship between bank ownership and the use of e-recruitment practices is summarized in the contingency table 4.20.2a below.

Table 4.20.2a: Relationship between bank ownership and use of e-recruitment practices

Ownership of bank	Use of e-recruitment		Total
	No	Yes	
Foreign	6	1	7
Local	11	0	11
Joint venture	8	4	12
Total	25	5	30

Source: Research data

Expected frequencies

Table 4.20.2b: Expected frequencies of bank ownership and use of e-recruitment practices

Ownership of bank	Use of e-recruitment		Total
	No	Yes	
Foreign	5.8	1.2	7
Local	9.2	1.8	11
Joint venture	10	2	12
Total	25	5	30

Computing χ_2 Value in table 4.20.2c below:

Table 4.20.2c: Computation of the value of χ^2

Observed frequency, f_o	Expected frequency, f_e	$(f_o-f_e)^2/f_e$
6	5.8	0.006896551724
1	1.2	0.033333333333
11	9.2	0.352173913
0	1.8	1.8
8	10	0.4
4	2	2
		$\Sigma(f_o-f_e)^2/f_e = 4.592403798$

Critical value of χ^2 at 0.05 significance level with two degrees of freedom = 5.991, which is greater than the computed value at 4.59. It follows that we fail to reject the null hypothesis (H_0) and conclude that there is no relationship between bank ownership and the use of e-recruitment practices. There is always the notion that foreign owned institutions are quicker than locally owned ones in embracing technology. The results of this study show that in the banking industry, this is not the case; especially as it relates to e-recruitment.

4.20.3 Scope of operation and use of e-recruitment practices

Hypothesis 3

H_0: There is no relationship between scope of operation of bank and use of e-recruitment practices.

H_1: There is a relationship between scope of operation of bank and the use of e-recruitment practices

Observed relationship between scope of operation and use of e-recruitment is summarised in the table below.

Table 4.20.3a: Observed relationship between scope of operation and use of e-recruitment practices

Scope of operation	Use of e-recruitment		Total
	No	Yes	
National	16	2	18
Regional	2	0	2
International	7	3	10
Total	25	5	30

Source: Research data

Expected frequencies

Table 4.20.3b: Expected frequencies (scope of operation and use of e-recruitment practices)

Scope of operation	Use of e-recruitment		Total
	No	Yes	
National	15	3	18
Regional	1.7	0.3	2
International	8.3	1.7	10
Total	26	4	30

Computing χ^2 gives:

$$(16-15)^2/15 + (2-3)^2/3 + (2-1.7)^2/1.7 + (0-0.3)^2/0.3 + (7-8.3)^2/8.3 + (3-1.7)^2/1.7$$

$$= 1.95$$

Critical value of χ^2 at 95 % confidence with 2 degrees of freedom = 5.991, which is a lot higher than the computed figure of 1.95 giving reason for failure to reject the null hypothesis. The conclusion therefore is that there no relationship within the banking sector between the scope of operation and the use of e-recruitment practices. Ordinarily, one would expect banks with operations beyond the borders to extensively use e-recruitment practices. Though a number of banks with a wider scope of operation provide a trend that tends to lean towards this, the results of this study dispute that. Even banks operating locally with just a handful of branches were found to have completely

embraced e-recruitment practices, leaving out big ones with regional or international scope of operation. This could also be attributed to management's attitude towards embracing technology.

4.20.4 Branch network and use of e-recruitment

Hypothesis 4

H_0: There is no relationship between branch network and use of e-recruitment practices
H_1: There is a relationship between branch network and use of e-recruitment practices
Observed frequencies

Table 4.20.4a: Observed frequencies of relationship between branch network and use of e-recruitment practices

Branch network	Use of e-recruitment		Total
	No	Yes	
Less than 5	16	3	19
Btn 6 and 10	5	0	5
Btn 11 and 15	1	0	1
More than 15	3	2	5
Total	25	5	30

Source: Research data

Expected frequencies

Table 4.20.4b: Expected frequencies between branch network and use of e-recruitment practices

Branch network	Use of e-recruitment		Total
	No	Yes	
Less than 5	15.8	3.2	19
Btn 6 & 10	4.2	0.8	5
Btn 11 & 15	0.8	0.2	1
More than 15	4.2	0.8	5
Total	25	5	30

Computing the value of χ^2 gives

$(16-15.8)^2/15.8 + (3-3.2)^2/3.2 + (5-4.2)^2/4.2 + (0-0.8)^2/0.8 + (1-0.8)^2/0.8 + (0-0.2)^2/0.2 + (3-4.2)^2/4.2 + (2-0.8)^2/0.8 = 3.36$

Critical value of χ^2 at 0.05 significance level with 3 degrees of freedom = 7.815. Computed value is less than Critical value and thus we fail to reject the null hypothesis (H_0) and conclude that there is in deed no relationship between the number of branches and the use of e-recruitment practices. Banks with as few as less than five branches compared favourably with those banks with more than fifteen. This may be because banks do not find recruitment as a key component in their business and therefore find no need to invest in technology.

4.20.5 Number of employees and the use of e-recruitment practices

Hypothesis 5

H_0: There is no relationship between size of bank by the number of employees and the use of e-recruitment practices

H_1: There is a relationship between the size of the bank by the number of employees and the use of e-recruitment practices

Relationship between number of employees and the use of e-recruitment practices is summarised in the table below.

Table 4.20.5a: Relationship between number of employees and the use of e-recruitment practices.

Number of employees	Use of e-recruitment		Total
	No	Yes	
1-100	12	2	14
101-200	8	0	8
201-500	2	1	3
501-1000	2	1	3
Over 1000	1	1	2
Total	25	5	30

Source: Research data

Expected frequencies

Table 4.20.5b: Expected frequencies

Number of employees	Use of e-recruitment		Total
	No	Yes	
1-100	11.7	2.3	14
101-200	6.7	1.3	8
201-500	2.5	0.5	3
501-1000	2.5	0.5	3
Over 1000	1.7	0.3	2
Total	25	5	30

Computing the value of $\chi2$ yields the following:

$(12-11.7)^2/11.7 + (2-2.3)^2/2.3 +(8-6.7)^2/6.7 + (0-1.3)^2/1.3 + (2-2.5)^2/2.5 +(1-0.5)^2/0.5$

$+ (2-2.5)^2/2.5 + (1-0.5)^2/0.5+ (1-1.7)^2/1.7+ (1-0.3)^2/0.3 = 5.14$

Critical value of χ^2 at 0.05 % significance level with 4 degrees of freedom $= 9.488$; giving reason to fail to reject the null hypothesis (H_0) and conclude that there is no relationship between the number of employees and the use of e-recruitment practices. What all this means is that the number of employees within a bank does not dictate the method used to recruit new ones, although one would have expected that banks with a large workforce to embrace e-recruitment because it leads to a paperless environment and reduces the amount of workload. Probably a major reason for this is that a good number of organizations do hire out the recruitment process to specialist firms.

4.20.6 Structure of HR function and the use of e-recruitment practices

Hypothesis 6

H_0: There is no relationship between the structure of the Human resources function and the use of e-recruitment practices

H_1: There is a relationship between the structure of the Human Resources function and the use of e-recruitment practice

Table 4.20.6a: Observed relationship between structure of Human resources function and the use of e-recruitment practices.

Structure of HR function	Use of e-recruitment		Total
	No	Yes	
Fully fledged	13	4	17
Supported by others	8	1	9
Partially outsourced	3	0	3
Fully outsourced	1	0	1
Total	25	5	30

Source: Research data

Expected frequencies

Table 4.20.6b: Expected frequencies

Structure of HR function	Use of e-recruitment		Total
	No	Yes	
Fully fledged	14.17	2.83	17
Supported by others	7.5	1.5	9
Partially outsourced	2.5	0.5	3
Fully outsourced	0.83	0.17	1
Total	25	5	30

Computing χ^2 yields;

$$(13-14.17)^2/14.17 + (4-2.83)^2/2.83+(8-7.5)^2/7.5 +(1-1.5)^2/1.5 +(3-2.5)^2/2.5+(0-0.5)^2/0.5$$
$$+(1-0.83)^2/0.83 +(0-0.17)^2/0.17 =1.585$$

Critical χ^2 at 0.05 % confidence level with 3 degrees of freedom = 7.815

Since computed value is less than the critical value, we fail to reject the null hypothesis

(H_0) and make the conclusion that there is no relationship between structure of HR

function and the use of e-recruitment practices. Although one would be of the expectation

that banks with independent and autonomous Human resources departments to embrace

e-recruitment, the results of this study do not support this fact.

4.20.7 Having a web site and the use of e-recruitment practices

Hypothesis 7

H_0: There is no relationship between hosting a corporate web site and the use of e-recruitment practices

H_1: There is a relationship between hosting a corporate web site and the use of e-recruitment practices.

Table 4.20.7a: Observed relationship between hosting a corporate web site and the use of e-recruitment practices

Web site avalability	Use of e-recruitment		Total
No	17	0	17
Yes	8	5	13
Total	25	5	30

Source: Research data

Table 4.20.7b: Expected frequencies

Web site availability	Use of e-recruitment		Total
No	14.17	2.83	17
Yes	10.83	2.17	13
Total	25	5	30

Computing χ^2 gives

$(17-14.17)^2/14.17 + (0-2.83)^2/2.83 +(8-10.83)^2/10.83 +(5-2.17)^2/2.17 = 7.825$

Critical value at 95 % confidence level with 1 degree of freedom =3.841. Since computed value is greater than critical value, we reject the null hypothesis (H_0) and conclude that there is a relationship between the availability of a web site and the use of e-recruitment practices. It would be impossible for a bank not hosting a website to embrace e-recruitment. This result has the other implication that banks that do not embrace technology in other areas except their core business will be left behind in these areas.

CHAPTER FIVE

SUMMARY AND CONCLUSIONS

This Chapter presents a summary of the findings of the study. It also gives conclusion drawn from the study, limitations of the study and recommendations for further research.

5.1 Summary and Conclusions

The objectives of the study were to:

- To establish the extent of use of e-recruitment practices among commercial banks in Kenya

- To find out the factors, if any, that hinder the adoption of e-recruitment practices in the banking sector in Kenya

The "extent" of use of e-recruitment practices was taken to refer to how much of the aspects of e-recruitment were utilized by the banks, the number of banks using the practices, and the type of practices used by the banks.

To achieve these objectives, a survey of all the banks was carried out. Thirty of these responded and data was analyzed using the response of these banks. The results of the study are in the following summary.

It was found that all the respondents had e-mail addresses while 33.3 % of them had corporate intranets and external Uniform Resource Locator (URL) addresses. 10 % of the respondents had human resources sections on their intranets.

16.7 % of the respondent firms did some kind of internal advertisement on their corporate intranets despite 33.3 % of them having intranets. The mean score here was below

average at 1.3 out of a possible 4. Only one bank representing 3.3 % of all those surveyed extensively advertises internally through the corporate intranet.

An almost similar trend was observed with advertising for vacant positions to external parties. Three banks representing 10 % of the respondents advertised on their web sites with an average score of 1.2. Only one bank (3.3 % of the population) extensively advertises on its web site. Rate of practice is 30 %.

20 % of banks surveyed said they have one time or another placed advertisement for vacant positions on the web sites of recruitment firms. The average score here was 1.3 out of 4 with one bank reporting doing it more extensively than all the rest. Practised at 32.5 %.

With an average of score of 1.1, two banks (6.6 % of the respondents) reported posting vacancies on web sites maintained by widely read media like newspapers. None of banks reported doing this extensively. Generally practised at 27.5 % in the banking sector.

60 % of respondents encourage applicants for vacant positions to send their resumes by electronic mail but with varying degrees of extent of use. 6 banks (20 %) use it to a great extent, while 12 banks hardly use it. The average score for this aspect of e-recruitment was above average at 2.2 out of 4 implying that it is practised at 55 %.

Almost all the respondents (29 out of 30, representing 96.7% of the respondents) never use e-recruitment techniques to employ their top management. At an average score of 1.1 out of 4, we would say that this is practised at 27.5 %.

With an average of 1.0 out of 4, the aspect of recruiting middle management is at 25 % within the banking sector, implying that no e-recruitment takes place for middle level management.

At an average of 1.3 out of 4, e-recruitment of supervisory staff stands at 32.5 % which means just a little goes on.

E-recruitment of non-management staff does not go on at all.

Only one respondent (3.3 %) and two (6.7 %) either conduct preliminary examinations on the Internet or have application forms on the internet respectively. None of the respondents neither conducts videoconference interviews on the Internet nor searches for appropriate resumes online.

The benefits from e-recruitment as reported by respondents include (in order of frequency):

- Less amount of work especially compared with the traditional methods of recruitment.
- Less cost compared to other means
- Getting computer literate candidates
- Maintenance of a paperless environment
- Fast in filling vacant positions
- Better candidates compared with the traditional methods of recruitment

It was also established that most banks have not embraced e-recruitment because of expenses involved in software acquisition and connectivity, the unpopularity of the method amongst candidates and unfortunately ignorance among others.

The most widely used technique was the encouragement of candidates to send their resumes through e-mail, while the least were videoconferencing and the use of the web to search for appropriate candidates.

A comparison between the extent of use of e-recruitment practices revealed that there was no relationship between use of e-recruitment and bank characteristics like ownership, year of incorporation (age), branch network, number of employees, and scope of operation except for hosting of a web-site.

From the foregoing summary, it can be concluded that banks in Kenya have not embraced e-recruitment practices to an extent worth reporting.

5.2 Recommendations

On the basis of the findings, it is clear that most of the banks have not embraced e-recruitment practices. The extent of use was found to be extremely low. Yet literature on the subject indicates that e-recruitment has worked well in and greatly benefited organisations. There is a great and urgent need to sensitise the banking sector on e-recruitment. In these days of Information technology explosion, every effort must be made to maximise on its positive effects.

There is also need to reduce Internet inter-connectivity charges to enable more banks and other organisations enjoy the benefits of e-recruitment and others that come with the Internet.

5.3 Limitations of the study

This study used a structured questionnaire. The researcher predetermined the questions the respondents were expected to answer. The researcher assumed that all the questions could be answered by all respondents. The researcher notes here that there may have been cases where respondents just answered questions even when they did not understand them.

While trying to test hypotheses in section 4.20, it was discovered that the expected frequencies were too small, and may have resulted in underestimation of the chi-square statistics; resulting in too many "fail to reject" decisions and therefore wrong conclusions. It was impossible to combine cells to arrive at expected frequencies of 5 or more because this would have reduced the number of categories of data and made the analysis impossible. Less information would be gained from the contingency table if the cells were combined to achieve a frequency of 5 or more. There may be a possibility of arriving at different results using a different statistical tool to test the hypotheses.

While trying to establish the relationship between the different characteristics of banks and the use of e-recruitment practices, the researcher utilised responses from the open-ended part of the questionnaire in section C. Those that responded to the first part were categorised as utilising e-recruitment practices; while those that did not respond or responded to part two were categorised as not utilising e-recruitment. It may be possible to come up with different categorisation using the objective part in section C and arrive at divergent results from those presented in this study.

This was an exploratory study, with no locally published literature known to the researcher and little available from abroad through the Internet. It is possible that the researcher left out relevant questions from the questionnaire. There are also chances that some of the respondents either did not respond appropriately or missed to respond altogether because they may not have understood some of the questions for lack of

familiarity with some of the e-recruitment practices. There is a possibility that this part was poorly constructed.

The study was limited to the banks only.

5.4 Suggestions for further study

This study was limited to the banking industry in Kenya, which may be recruiting an insignificant number of employees compared with other industries. Research could be carried out in other industries of the economy that do a lot of recruitment.

Through unpublished sources, the researcher found out that some non-governmental organisations, donor agencies, and the United Nations organisations based in Kenya might have embraced e-recruitment more than local organisations. A similar study could be carried out to amongst these institutions.

Responses from the questionnaires and informal conversations with human resources managers indicated that a number of them have out-sourced the recruitment function to recruitment firms. A study on e-recruitment could be carried out on recruitment firms.

A more exhaustive and conclusive study would be to narrow down to e-recruitment firms based in Kenya.

REFERENCES

Beardwell Ian et al (1997): **Human Resources Management**, Pitman Publishing, London

Cappelli Peter (2001): **Making the most of On-line Recruiting**, Harvard Business Review, Mar/Apr 2001, pp.139-146.

Carrel R. Michael et al (1995): **Human Resources Management: Global Strategies for Managing a diverse workforce**, 5th edition, Prentice-Hall, Englewood Cliffs, NJ.

Cascio F. Wayne (1998): **Managing Human Resources: Productivity, Quality of work Life, Profits**, 5th edition, Irwin McGraw Hill, Boston.

Castells Manuel (2002): **The Internet Galaxy**, Oxford University Press, Oxford.

Comer E. Douglas (2001): **Computer Networks And Internets**, 3rd edition, Prentice Hall, Englewood Cliffs, NJ.

De Ceuzo A. David et al (1988): **Personnel/ Human Resources Management**, 3rd edition, Prentice Hall, London.

Dessler Gary (1991): **Personnel/ Human Resources Management**, 5th edition, Prentice-Hall, Englewood Cliffs, NJ

Finnigan John (1983): **The Right People In The Right Jobs**, 2nd edition, Gower, Aldershot.

Gatewood D. Robert et al (1986): **Human Resource Selection**, CBS College Publishing, Chicago

Government of Kenya: **Laws of Kenya: Chapter 488; The Banking Act**, Government Printer, Nairobi.

Mathis L. Robert et al (1994): **Human Resources Management: Strategy, Design and Implementation**, Scott, Foresman & Company, London.

Milkovich George et al (1988): **Personnel-Human Resource Management, A diagnostic Approach**, 5th edition, Business Publications Inc, Plano (Texas).

Miner B. John et al (1994): **Human Resources Management, The Strategic Perspective**, Harper Collins College Publishers, New York.

Moody Glyn (1996): **The Internet with Windows**, Butterworth Heinemann, Oxford.

Muganda Nixon (2001): **An investigation of the business value of e-commerce. The case of selected firms in Kenya**, Unpublished MBA project, University of Nairobi.

Nyambati Richard (2001): **Information Technology Planning Practices In Kenyan Banks**, Unpublished MBA project, University of Nairobi.

Nyambura M. N (2000): **Challenges Facing Internet Growth in Kenya**, Unpublished MBA project, University of Nairobi.

O'Brien A. James (2001): **Introduction to Information Systems**, 10th edition, McGraw Hill, Boston.

Sherwin R. Gregory et al (1999): **Connecting Online, Creating a Successful Image On the Internet**, The Oasis Press, Central Point (Oregon)

Sisson Keith (1994): **Personnel Management**, Blackwell Publishers, Cambridge.

Steed Colin (1999): **Web- based Training**, Gower, Hampshire

Turban Efraim, Mclean Ephraim, and Wetherbe James (2002): **Information Technology for Management**, 3rd edition, John Wiley & Sons, New York.

Twiss Brian   (1992): **Managing Technological Innovation**, 4th edition, Pitman, London

Weitzman Jennifer (1999): **From On-Line Banking to On-Line Recruiting**, American

Banker, Apr 1999, Vol. 164, Issue 84.

APPENDIX I

UNIVERSITY OF NAIROBI
FACULTY OF COMMERCE
DEPARTMENT OF BUSINESS ADMINISTRATION

Telephone : 732160 Ext. 208
Telegrams: "Varsity", Nairobi
Telex: 22095 Varsity

P.O. Box 30197
Nairobi, Kenya

Introductory Letter

August 2003.

Dear Respondent,

I am a postgraduate student at the University of Nairobi, Faculty of Commerce. As part of the fulfilment of the MBA degree, I am undertaking a management research project titled: "A Survey of e-recruitment practices among commercial banks in Kenya."

You fall within the population of interest and has been selected to form part of this study. This therefore is to kindly request you to assist me collect data by filling out the accompanying questionnaire or according me an opportunity to come and assist you fill it.

The information provided will be used exclusively for academic purposes. My Supervisor and I assure you that the information you give will be treated with strict confidence. I promise that a copy of the final report will be available to you on demand. Your honest participation in this research will be highly appreciated.

Yours Faithfully,

Mr. Chunguli Odemo.
MBA Student

Mr. George Omondi.
Supervisor and Senior lecturer
University of Nairobi.

APPENDIX II: QUESTIONNAIRE TO RESPONDENTS

Please answer the following questions by placing a tick in the right box.(For respondents answering on-line, click inside the appropriate box. On-line respondents are advised to answer the questions by typing in the gray spaces, saving the file and sending it to odemo2002@yahoo.com)

1. When was your bank incorporated?

   ☐ Before 1970

   ☐ Between 1971 and 1980

   ☐ Between 1981 and 1990

   ☐ Between 1991 and 2000

   ☐ After 2000

2. a)How would you classify your bank in regard to ownership?

   ☐ Foreign owned

   ☐ Locally owned

   ☐ Joint Venture

   b) In case of joint venture between local and foreign investors, what would you say is

   the proportion of ownership?

   ☐ Largely foreign owned

   ☐ Largely locally owned

   ☐ Equally owned

3. Which of the following would you say best describes the geographical scope of operation of your bank?

   ☐ National (only in Kenya)

   ☐ Regional (within East and Central Africa)

   ☐ International (operating in two or more countries, some outside the region)

4. How many branches does your organization have in Kenya?

   ☐ Less than 5

   ☐ Between 6 and 10

   ☐ Between 11 and 15

   ☐ More than 15

5. How would you classify your organization relative to the number of employees?

    ☐ 1-100

    ☐ 101-200

    ☐ 201-500

    ☐ 501-1000

    ☐ Over 1000

6. Which of the following statements best describes the structure of the Human resources function of your organization?

    ☐ Fully fledged

    ☐ Supported by other departments e.g. finance

    ☐ Partially outsourced (e.g. recruitment, payroll being hired out)

    ☐ Fully outsourced (all Human resources functions hired out)

If supported by other department, please state which one?...................................

7. Does your organization have a computerized Human Resources Information System?

    ☐ Yes

    ☐ No

8. If your answer to the above question is 'no', please indicate the reasons for lack of it.

....

....

....

9. To what extent does the Human Resources Information System serve the following Human resources functions?

    ☐ Compensation and benefits

    ☐ Staffing activities

    ☐ Employees development activities

    ☐ Organizational performance

10. Does your organization have an e-mail address?

    ☐ Yes

    ☐ No

11. Does your bank have a corporate intranet?

☐ Yes

☐ No

12) a) Does your organization have a website?

☐ Yes

☐ No

b) If your answer to the above question is Yes, does the website have a human resources

page?

☐ Yes

☐ No

Rate the extent to which the following aspects of e-recruitment are carried out in your bank using the scale provided as under:

4= **To a great extent**
3=**Somewhat**
2=**A little**
1= **Not at all**

13) a) Your bank advertises internally through the corporate intranet

☐ **4: To a great extent** ☐ **3: Somewhat** ☐ **2: A little** ☐ **1: Not at all**

b) If your organization does not advertise on the corporate intranet, please explain

why.

... .

14) a) Your organization advertises for positions on the corporate website

☐ **4: To a great extent** ☐ **3: Somewhat** ☐ **2: A little** ☐ **1: Not at all**

b) If your answer to question 14 is **1: Not at all**, please explain why.

... .

15) a) Your organization advertises for vacant positions on job boards (e-recruitment firms)

☐ **4: To a great extent** ☐ **3: Somewhat** ☐ **2: A little** ☐ **1: Not at all**

b) If your answer to the above question is **1: Not at all**, please explain why.

... .

16) a)Your organization advertises for positions on websites of widely accessed/read print media.

☐ **4: To a great extent** ☐ **3: Somewhat** ☐ **2: A little** ☐ **1: Not at all**

b) If your answer to the above question is **1: Not at all**, please explain why.

... .

17) a)Your organization encourages candidates for recruitment to send their resumes electronically.

☐ **4: To a great extent** ☐ **3: Somewhat** ☐ **2: A little** ☐ **1: Not at all**

b) If the answer to question above is 1: Not at all, please explain why.

....

Rate the to which your bank uses any of the e-recruitment practices to hire the following categories of staff.

18) Senior management

☐ **4: To a great extent** ☐ **3: Somewhat** ☐ **2: A little** ☐ **1: Not at all**

19) Middle level management

☐ **4: To a great extent** ☐ **3: Somewhat** ☐ **2: A little** ☐ **1: Not at all**

20) Supervisory staff

☐ **4: To a great extent** ☐ **3: Somewhat** ☐ **2: A little** ☐ **1: Not at all**

21) Non supervisory staff

☐ **4: To a great extent** ☐ **3: Somewhat** ☐ **2: A little** ☐ **1: Not at all**

22) a)Does your bank conduct preliminary examinations on the internet to recruits?

☐ Yes   ☐ No

b) If your answer to question 22 (a) is NO, please explain why.

....

23) a)Does your bank conduct interviews on the internet through video conferencing or otherwise?

☐ Yes   ☐ No

b) If your answer to the above question is NO, please explain why.

... .

24) Does your bank provide employment application forms through the web for prospective candidates to download?

☐ Yes   ☐ No

25) Does your bank search for resumes of appropriate candidates on the web?

☐ Yes   ☐ No

TO BANKS THAT USE SOME FORM OF E-RECRUITMENT OR ANOTHER

What benefits has your bank realised as a result of using e-recruitment practices. (Please explain)

....
....
....
....
....
....
....
....
....
....
....
....
....

TO BANKS THAT DO NOT USE E-RECRUITMENT PRACTICES.

What, in your opinion, are the major factors that hinder the adoption of e-recruitment techniques? ...

....
....
....
....
....
....

....

....

....

....

....

THANK YOU VERY MUCH FOR TAKING TIME TO FILL THIS QUESTIONNAIRE

APPENDIX III

LIST OF COMMERCIAL BANKS IN OPERATION AS AT 31/05/03

1. AFRICAN BANKING CORPORATION LTD
2. AKIBA BANK
3. BANK OF BARODA LTD
4. BANK OF INDIA
5. BARCLAYS BANK OF KENYA
6. BIASHARA BANK OF KENYA
7. CFC BANK LTD
8. CHASE BANK (KENYA) LTD
9. CHARTERHOUSE BANK LTD
10. CITIBANK N.A.
11. CITY FINANCE BANK LTD.
12. COMMERCIAL BANK OF AFRICA LTD
13. CONSOLIDATED BANK OF KENYA LTD
14. CO-OPERATIVE BANK OF KENYA LTD.
15. CO-OPERATIVE MERCHANT BANK
16. CREDIT AGRICOLE INDOSUEZ
17. DEVELOPMENT BANK OF KENYA LTD
18. CREDIT BANK LTD
19. DIAMOND TRUST BANK KENYA LTD
20. DUBAI BANK KENYA LTD
21. EQUATORIAL COMMERCIAL BANK LTD
22. FIDELITY COMMERCIAL BANK LTD
23. FINA BANK LTD
24. FIRST AMERICAN BANK OF KENYA LTD
25. GUARDIAN BANK LTD
26. GIRO COMMERCIAL BANK LTD
27. IMPERIAL BANK LTD
28. HABIB BANK A.G. ZURICH

29. HABIB BANK LTD

30. INDUSTRIAL DEVELOPMENT BANK LTD

31. INVESTMENTS & MORTGAGES

32. KENYA COMMERCIAL BANK

33. K-REP LTD

34. MIDDLE EAST BANK KENYA

35. NATIONAL BANK OF KENYA

36. NATIONAL INDUSTRIAL CREDIT BANK LTD

37. PARAMOUNT UNIVERSAL BANK LTD

38. PRIME BANK LTD

39. SOUTHERN CREDIT BANKING CORP. LTD

40. STANBIC BANK KENYA

41. STANDARD CHARTERED BANK (K) LTD

42. TRANS-NATIONAL BANK LTD.

43. VICTORIA COMMERCIAL BANK LTD.

Source: Central Bank of Kenya (2003). www.centralbank.go.ke