THE ROLE OF E-RECRUITMENT AND SELECTION FUNCTIONS ON THE ORGANIZATIONAL OUTCOMES IN HELB, KENYA

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ABSTRACT

The Human Resource Management function has been on the forefront of integrating Technology in organizations. The twenty-first century has brought with it the ever-increasing effects of globalization and technology. Organizations are adopting the usage of technology to not only propel Human Resource to a new era and attain competitive advantage in a dynamic market space, but to also adapt to the needs of the ever-changing workforce. The main reason for carrying out this study was to provide insights into the role played by e-HRM functions in enhancing organizational commitment, employee satisfaction and employee engagement at the Higher Education Loans Board and beyond. There is need to make deliberate efforts in enhancing employee satisfaction, organizational commitment, and employee engagement since this translates to a workforce that has the drive to employ concerted efforts in enabling increased loan recoveries, reduce the default rate and generate innovative ideas to improve service delivery at the Higher Education Loans Board. The study particularly sought to assess the influence of e-recruitment and selection function, e-training and development function, e-compensation function and e-self-service function on the overall organization outcomes, in particular employee satisfaction, organizational commitment and employee engagement at the Higher Education Loans Board, Kenya. This in turn is to enable the Higher Education Loans Board to execute its mandate more effectively and efficiently while saving costs. The study’s specific objectives include; to examine the role of e-recruitment and selection function on organizational outcomes in Higher Education Loans Board, Kenya. The study employed a descriptive research design. Questionnaires were used as the main mode of data collection. Data collected was analyzed by use of statistical tools for data analysis namely, MS-Excel and Statistical Package for Social Sciences (SPSS). The study concludes that e-recruitment and selection function has a significant effect on the organizational outcomes in HELB, Kenya. In addition, the study found that e-compensation function also has a significant effect on the organizational outcomes in HELB, Kenya. The study findings, it is recommended that the management of the Higher Education Loans Board should optimize use of the online recruitment for fairness and objectivity in the entire process, enhance transparency and turn-around time.

INTRODUCTION

The study sought to investigate the role of e-human resource management functions on organizational outcomes namely employee satisfaction, organizational commitment and employee engagement. Human Resource can play a strategic role in organizations and it is now generally accepted that the more strategic the approach to human resource management (HRM), the greater the contribution of HRM to organizational performance and outcomes. This is because HRM impacts on policies, practices and systems that influence employees’ behavior, attitude and performance (Gloet & Berrell, 2015).
Jager (2017) believes that HRM will acquire a new dimension with the emergence of e-business. Wright and Dyer (2020) agree with this and note that e-business is emerging and therefore Human Resource and Human Resource professionals are faced with the challenge of performing in ways that are in line with business. In their view, Human Resource functions can become critical partners in driving success but to do so, HR requires changing its focus, its role and its delivery systems.

In line with this approach, e-HRM practices such as e-recruiting, e-learning, e-performance appraisal can be seen as activities that help the firm meet its objectives through leveraging on the relational aspect of e-HRM. e-HRM can also be distinguished as the utilization of IT for supporting and networking at least two (individual and/or collective) actors in their shared performance of HR tasks (Strohmeier, 2017). e-HRM therefore, is viewed as a way of implementing HR strategies, policies and practices in organizations through a conscious and directed support of and/or the full use of web technology-based channels. e-Human resource management forms an integral part of workforce management which has a bearing related on organizational outcomes, behavior of employees in an organization (Bulla and Scott, 2016).

HELB has grown tremendously since its inception in 1995 through an Act of Parliament, HELB Act Cap 213A, Laws of Kenya. Over time, the mandate of the Higher Education Loans Board has been broadened to cover not just the Degree program students in Public Universities as was the case initially, but also encompasses disbursement of loans, scholarship and bursaries to Kenyan students in Institutions within the East African Community, Technical and Vocational Education students, Medical Training College students and select professional courses. HELB has also signed Memoranda of Understanding to manage funds towards pursuit of education for various County Governments, Constituencies, Professional bodies, Kenya Revenue Authority and the Public Service.

In view of this, HELB needs to enhance organizational outcomes through the usage of e-HRM with a view to improving efficiency and effectiveness while also reducing costs in service delivery. This study will focus on the interaction of e-human resource functions (e-recruitment and selection, e-compensation, e-training and development and e-self-service with the organizational outcomes, in particular, employee satisfaction, employee engagement and organizational commitment. Until 1980’s, the HRM in the form of Personnel Management involved mainly policy formulation processes in the working environment around recruitment, performance appraisal, work discipline, administration of health issues, decision making and implementation.

Strohmeier and Kabst (2019) in their study of 2,336 organizations in 23 European countries to examine which factors influence the cross-national organizational adoption of electronic human resource management (e-HRM) in Europe, revealed that e-HRM is a common practice throughout Europe since two-thirds of all organizations had already adopted e-HRM. Major general determinants of e-HRM adoption, according to the study were size, work organization, and configuration of HRM. They note that HR professionals should be informed about the advanced state of e-HRM adoption.
In Turkey on the other hand, Findikli & Bayarcelik (2015) did a study to explore the outcomes of electronic Human Resource Management (e-HRM) and perspectives for choosing the applications for the system and sought to establish the observed organizational outcomes in leading service companies. Sixteen (16) Human Resource specialists from leading service industry firms participated in the study. The result of the in-depth interviews with the Human Resource specialists showed that time management, easy acquiring and access to personal data, and reduction of administration costs were the primary motivators for electronic human resource applications.

In Africa, e-HRM is fairly new and because of this, its introduction and adoption in organizations are fraught with challenges. Most of the studies on e-HRM are focused on South Africa with minimal literature available on other regions. Ukandu et al (2018) aimed at exploring the influence of electronic human resource management (e-HRM) systems in decision-making specifically to uncover the benefits and challenges of using e-HRM systems in the human resource management (HRM) functions of South African tertiary institutions. By examining the influence of e-HRM systems on HRM functions, this research was done to enable the HR managers improve their HR functions. They posit that e-HRM system was introduced into South Africa as an IT support system for human resource practitioners and was supported by Human Resource information systems. They stated that 75% of South African companies intended to improve e-HRM capabilities within a period of two years.

In Kenya in particular, protocols put in place to curb the spread of COVID-19 from 2020 saw various organizations embrace the use of technology driven human resource strategies particularly online recruitment, online training and development and a greater uptake of e-government services. This was put in place behind a backdrop of limited physical interactions amongst employees in organizations arising from measures put in place by Government to curb the COVID-19 spread. Bissola & Imperatori (2017) examined the relationship between e-HRM functions and employee attitude towards the organization noting that organizational outcomes as the dependent variable vary according to different researchers. They fall generally into two categories: financial and non-financial measures. Contribution of synergetic relationship among e-HRM functions to organizational outcomes needs to be explored and measures generated.

The Higher Education Loans Board (HELB) is a State Corporation in the Ministry of Education established in July 1995 by an Act of Parliament ‘Higher Education Loans Board Act’ Cap 213A due to the need to create a sustainable higher education financing programme. The Higher Education Loans Board is domiciled and operates within the republic of Kenya. The objective and purpose for which HELB was established is for management of a fund to be used for granting loans to assist Kenyan students to obtain higher education at recognized institutions within and outside Kenya and for matters incidental thereto and connected there with. The mandate of the HELB as conceptualized is to source for funds and provide competitive financing to Kenyans pursuing Higher Education; disburse loans and bursaries to needy Kenyan students pursuing higher education, recover all outstanding university loans given to Kenyan students since 1974, establish a viable and sustainable revolving fund.
The Higher Education Loans Board in executing its mandate serves various stakeholders. Among them are the Kenyan students in Public and Private Universities domiciled in Kenya and within the East African region, Technical and Vocation Training Education students in Government institutions and Medical Training College students in Government and faith-based institutions. It also serves employers across the country who have employed former or current loanees. The Higher Education Loans Board also serves the various Universities, Technical and Vocational Institutions and Medical training institutions across the nation, both Public and Private, being that it disburses tuition funds directly to the institutions. The Higher Education Loans Board has also partnered with various entities such as County Governments, Constituencies, Public Service, Kenya Revenue Authority and a number of Professional Certification bodies in managing their education and training funds and disbursing the same to eligible students.

HELB has employed a number of initiatives with a view to improving service delivery to all its clients. To attain this, HELB came up with a Strategic Plan dubbed HELB Agenda 2019-2023 (HELB, 2021) with 4 key pillars to support its activities. One of the pillars speaks to the most important resource, the human resource. It notes that people are a strategic resource that defines an organization’s distinctive capabilities and establishes competitive advantage. It states that during the plan period, the focus will be on attracting and retaining people with the right talent and motivation to drive the successful delivery of the mandate. It is therefore a priority for HELB to attract and retain top talents by providing competitive benefits, conducive work environment and opportunities for growth. This study seeks to assess the role of e-human resource management functions on organizational outcomes, in particular employee satisfaction, employee engagement and organizational commitment as envisaged in the strategic plan.

Statement of the Problem

Research from across the globe indicate that e-HRM functions play a significant role in reducing the organizational costs, increasing interaction between manager and employees and effectively increasing commitment to organization. Locally, there is limited literature on the role of e-HRM on organizational outcomes. This study seeks to contribute to the existing body of knowledge. HELB seeks to increase employee satisfaction to 65% in its Strategic Plan 2019-2023. The study seeks to establish the influence e-HRM on this strategic objective bearing in mind Ruel et al (2002) assertion that there has been a changing nature of the employment relationship which has shifted the power balance in the direction of the employees with the employee wanting to steer their own career paths. The e-HRM for example would enable employees to update their personal details, apply for leave, check growth of pension benefits, view and apply for internal job vacancies, participate in online learning, access and compare pay slips. Studies also identified a major benefit as the provision of HR services to employees in a geographically decentralized company (Hawking et al, 2014). With a number of HELB staff in regions, the study thus sought to assess whether e-HRM would harness this benefit thus enhance employee engagement, employee satisfaction and organizational commitment.
Objectives of the study

To examine the role of e-recruitment and selection functions on the organizational outcomes in HELB, Kenya.

LITERATURE REVIEW

Theoretical Framework

Harvard Theory

The Harvard model was initially developed by several experts led by Michael Beer in 1984 at Harvard University. The theory works as a strategic map to guide all managers in their relationship with employees and focuses on the human or soft aspect of HRM. It strives at employee commitment, not control. It also works on the premise that employees need to be congruent, competent and cost-effective (Poorangi et al., 2017). The Harvard Model aims to guide top level managers to relate well with their employees and concentrate on soft (human) aspects of e-human resource management. The Harvard model operates with five components; situational factors, stakeholder interests, HRM policies, HRM outcomes and long-term consequences. The limitation of this model is that it considers soft HRM approach that focuses on employees while ignoring the hard HRM approach with a focus on the needs of the organization thus bringing about more social loafing process and increasing work conflicts at workplace (Tong & Sivanand, 2015).

The dependent variable e-self-service is underpinned in this theory as it focuses on the correlation between situational factors such as management philosophy and task technology, and stakeholder interests such as customers, employees and community in shaping HRM policies, whose implementation leads to the attainment of the desired HR outcomes (commitment, competence, congruence, and cost-effectiveness). Harvard Theory was therefore used in this study to assess the role of e-Self Service on the organizational outcomes in HELB, Kenya.

Empirical Literature Review

Poorangi et al (2017) opines that the e-recruitment technology is viewed as a pathway to improving internal and external interactions and communication between employees, job seekers and other stakeholders as well as to build data bases to store and recall data. It is also defined as the process of identifying and attracting potential employees, whereas selection is the process of making the decision on prospective employees (Strohmeier, 2018) that meet the organization’s requirements. e-Recruitment and selection is a means of using information technology (IT) to perform, speed up or improve the recruitment and selection process (Tong & Sivanand, 2015). It is noted that e-recruitment is a cost-effective and fast means of reaching a wide audience of potential candidates (Swanepoel et al., 2018). The recruitment process has often been affected by challenges such as an increasing need for flexibility and responsiveness (Girard & Bernard, 2019).
According to Ogohi (2019) in his study concluded that automating the recruitment and selection process by integrating e-recruitment software with the existing recruiting activities provides competent and cost-effective procedures for human resource hiring managers and line managers noting that implementing the best practices with the support of e-recruitment software ensures that organizations are efficient in identifying and retaining talented individuals. According to Kar & Bhacharya (2019), online recruiting allows better targeting and greater availability of candidates for employers rather than the traditional methods of advertising in newspapers or on TV and radio stations. According to Cole (2016), the principal purpose of e-recruitment is to attract sufficient and suitable employees to apply for vacancies in the organization.

From the studies by various researchers, it appears that e-recruitment and selection function has many benefits that may accrue to an organization that opts to make online advertisement of vacancies. Studies show that online recruitment and selection allows for around-the-clock collection and processing of job applications (Holm, 2016), minimal human intervention thus reducing bias, while at the same time acting as a good avenue for the organization to create a brand image and market itself. It is established that online recruitment and selection effectively cuts costs, gives access to more people and a quick turn-around time compared to traditional methods of recruitment. Johan (2014) proposes that use of e-recruitment saves on time and reduces the cost of recruitment process.

**RESEARCH METHODOLOGY**

This research study adopted a descriptive survey research design which according to Mugenda (2019) allows a detailed description of all the elements included in the study thus will be best suited to cover all the aspects of the study. The target population comprises of all the 260 employees working at HELB drawn from all the 13 departments both at the Headquarters and the regional Huduma Center offices. The unit of analysis is the departments in HELB, Kenya while unit of observation are the employees working in those departments. A representative sample of 158 respondents was selected using stratified sampling. The researcher used questionnaires as the primary data collection instrument. The questionnaires, both physical and automated, were collected immediately after they were filled. The study collected both qualitative and quantitative data. Qualitative data obtained from open ended questions was analyzed using content analysis and presented in prose form. Quantitative data was analyzed through the use of descriptive statistics such as mean, median, standard deviation, frequency tables and percentages. The analysis was done with the aid of SPSS version 25.0. Data was presented using tables, figures and graphs. The relationship between variables was measured using correlation analysis and the regression analysis.

**RESEARCH FINDINGS AND DISCUSSION**

The sample size of the study was 158 respondents who comprised of employees working at HELB drawn from all the 13 departments both at the Headquarters and the regional Huduma Centre offices. The researcher distributed 158 questionnaires. Out of 158 questionnaires
which were distributed, 151 were duly filled and returned. The response rate was therefore 95.6%. Kothari (2012) indicates that a response rate of 50% should be considered average, 60% to 70% considered adequate while a response rate of above 70% should be regarded as excellent. This implies that the response rate of 95.6% was adequate for analysis, drawing conclusions and reporting.

On gender distribution, 59.4% of the respondents were male while 40.6% were female. On age distribution, 38% of the respondents indicated 31-40 years as their age bracket, 28% indicated 41-50 years of age, 21% indicated 51-60 years, 11% indicated 26-30 years while 2% indicated less than 25 years as the age bracket. On the period worked at HELB, 38% of the respondents indicated that they had worked in their organization for 6-8 years, 35% of the respondents indicated above 8 years, 15% indicated 4-6 years, 10% indicated 2-4 Years while 2% indicated less than 2 years. On the highest Level of Education, 49% of the respondents indicated Bachelors’ degree as their highest level of education, 28% indicated diploma, 21% indicated Masters while 2% of the respondents indicated PhD as their highest level of education.

**e-Recruitment and Selection Functions and the Organizational Outcomes**

The respondents were requested to indicate their level of agreement on various statements relating to the role of e-recruitment and selection functions and the organizational outcomes in HELB, Kenya. A 5-point Likert scale was used where 1 symbolized strongly disagree, 2 symbolized disagree, 3 symbolized neutral, 4 symbolized agree and 5 symbolized strongly agree. The results were as presented in Table below.

From the results, the respondents indicated that the use of online job advertisement, online job applications and online selection affect ease of doing applications to a great extent. This is shown by a mean of 4.105 (std. dv = 0.981). In addition, the participants agreed that the use of online job advertisement, online job applications and online selection affect equal opportunity for employment to all qualified candidates to a great extent. This statement is supported by a mean of 3.959 (std. dv = 0.916). As shown by a mean of 3.768 (std. dv = 0.805), the respondents agreed that the adoption of online job advertisement, online job application, online recruitment and selection influence their commitment to HELB as their employer to a great extent.

The respondents indicated that they are able to tell if key positions are filled. This is supported by a mean of 3.795 (std. dv = 0.853). In addition, the participants agreed that the adoption of online job advertisement, online job application, online recruitment and selection influence their satisfaction as employee at HELB to a great extent. This statement is supported by a mean of 3.700 (std. dv = 0.905). As shown by a mean of 3.536 (std. dv = 0.480), the respondents indicated that the use of online job advertisement, online job applications and online selection affects equal accessibility to job vacancies to a great extent. With a mean of 1.681 (std. dv = 0.962), the respondents disagreed that HELB has implemented online job advertisement. In addition, the respondents disagreed that HELB has
implemented online request to fill a vacant position. This is supported by a mean of 1.609 (std. dv = 0.328). Further, the participants disagreed that HELB has implemented online selection. This statement is supported by a mean of 1.645 (std. dv = 0.759). This resulted in an aggregate mean of 3.138 (std. dv = 0.785).

**e-Recruitment and Selection and Organizational Outcome**

<table>
<thead>
<tr>
<th></th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>There exists an online recruitment portal at HELB</td>
<td>6.9</td>
<td>6.9</td>
<td>22.</td>
<td>34</td>
<td>29</td>
<td>3.58</td>
<td>0.858</td>
</tr>
<tr>
<td>Online request to fill a vacant position</td>
<td>27.</td>
<td>32.</td>
<td>13.</td>
<td>14.</td>
<td>11.</td>
<td>1.609</td>
<td>0.328</td>
</tr>
<tr>
<td>Online job advertisement</td>
<td>6.</td>
<td>4.</td>
<td>8.</td>
<td>5.</td>
<td>7</td>
<td>1.681</td>
<td>0.962</td>
</tr>
<tr>
<td>Online selection</td>
<td>24.</td>
<td>25.</td>
<td>20.</td>
<td>14.</td>
<td>14.</td>
<td>1.645</td>
<td>0.759</td>
</tr>
<tr>
<td>You are able to tell if key positions are filled</td>
<td>5.5</td>
<td>8.3</td>
<td>24.</td>
<td>30.</td>
<td>31.</td>
<td>3.795</td>
<td>0.853</td>
</tr>
<tr>
<td>Equal accessibility to job vacancies</td>
<td>15.</td>
<td>11.</td>
<td>5.5</td>
<td>29.</td>
<td>38.</td>
<td>3.536</td>
<td>0.480</td>
</tr>
<tr>
<td>Ease of doing applications</td>
<td>2.8</td>
<td>9.0</td>
<td>27.</td>
<td>41.</td>
<td>19.</td>
<td>4.105</td>
<td>0.981</td>
</tr>
<tr>
<td>Equal opportunity for employment to all qualified candidates</td>
<td>4.1</td>
<td>5.5</td>
<td>29.</td>
<td>23.</td>
<td>37.</td>
<td>3.959</td>
<td>0.916</td>
</tr>
<tr>
<td>To what extent does the adoption of online job advertisement, online job application, online recruitment and selection influence your satisfaction as employee at HELB?</td>
<td>9.7</td>
<td>12.</td>
<td>7.6</td>
<td>37.</td>
<td>33.</td>
<td>3.700</td>
<td>0.905</td>
</tr>
<tr>
<td>To what extent does the adoption of online job advertisement, online job application, online recruitment and selection influence your commitment to HELB as your employer?</td>
<td>6.9</td>
<td>9.0</td>
<td>11.</td>
<td>52.</td>
<td>20.</td>
<td>3.768</td>
<td>0.805</td>
</tr>
<tr>
<td><strong>Aggregate</strong></td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td><strong>3.138</strong></td>
<td><strong>0.785</strong></td>
</tr>
</tbody>
</table>

The respondents were further requested to indicate how else e-recruitment and selection functions influence the organizational outcomes in HELB, Kenya. From the results, the respondents indicated that the e-recruitment technology is viewed as a pathway to improving internal and external interactions and communication between employees, job seekers and other stakeholders as well as to build databases to store and recall data. It is also defined as the process of identifying and attracting potential employees, whereas selection is the process of making the decision on prospective employees. In addition, the respondents recommended that automating the recruitment and selection process by integrating e-recruitment software with the existing recruiting activities provides competent and cost-effective procedures for human resource hiring managers and line managers noting that implementing the following best practices with the support of e-recruitment software ensure that organizations are efficient in identifying and retaining talented individuals.
SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

**e-Recruitment and Selection Functions**

The study found that e-recruitment and selection function has a significant effect on the organizational outcomes in HELB, Kenya ($\beta_1=0.357$, p-value= 0.002). From the results, the respondents indicated that the use of online job advertisement, online job applications and online selection affect ease of doing applications to a great extent. This is shown by a mean of 4.105 (std. dv = 0.981). In addition, the participants agreed that the use of online job advertisement, online job applications and online selection affect equal opportunity for employment to all qualified candidates to a great extent. This statement is supported by a mean of 3.959 (std. dv = 0.916). As shown by a mean of 3.768 (std. dv = 0.805), the respondents agreed that the adoption of online job advertisement, online job application, online recruitment and selection influence their commitment to HELB as their employer to a great extent.

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**Conclusions**

The study concludes that e-recruitment and selection function has a significant effect on the organizational outcomes in HELB, Kenya. Findings revealed that online job request, online advertisement and online selection influence organizational outcomes in HELB, Kenya. This implies that a unit improvement in e-recruitment and selection function would lead to improvement in organizational outcomes in HELB, Kenya.

**Recommendations**

The study found that physical applications and applications via email are still accepted in HELB, Kenya. This study therefore recommends that the management of the Higher Education Loans Board should optimize use of the online recruitment for fairness and objectivity in the entire process, enhance transparency, enhance turn-around time and also enhance brand image. In addition, the study recommends that the management of the Higher
Education Loans Board, Kenya should adopt online request to fill vacancy, online advertisement and online selection.

REFERENCES


