IMPACT OF MODERN TECHNOLOGY ON RECRUITMENT AND SELECTION PRACTICES IN PUBLIC SECTOR BANKS

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ABSTRACT:

Technological advancement is helping to overcome the communication barriers and also bridging the gap between the countries in general and people in specific all over the world. Technology is also helping the companies all over the world in managing changes in its operations/business and financial/banking industry is not an exception. This paper makes an attempt to explore the uses of technology in various public sector banks and also measures the impact of technology on recruitment and selection practices. A total 450 public sector bank employees were selected as a sample of the study. A self-prepared questionnaire was used to collect the responses of bank employees regarding the impact of technology on recruitment and selection practices. The results show that modern technology (internet, intranet, social networking websites and mobile technology) has significant positive impact on recruitment & selection in terms of time saving, cost saving, quality and transparency.

Keywords: Technological Advancement, Communication Barriers, Modern Technology

Introduction

Technological advancement has changed traditional Human Resource Management (HRM) into e-HRM. The technology has created new dimensions in HRM through virtual workforce, e-recruitment, e-human resource planning, reducing layers of management, e-job design and analysis, e-training, e-compensation, e-performance appraisal, e-self service system hence redefining the role of HR as a strategic partner in the era of technology (Sinha & Mishra, 2014). During the last decades, job sites and internet have played an important role in recruitment and selection process. Employers are able to fill up vacant positions quickly and inexpensively due to technology (Galanaki, 2002).

Technology is helpful in increasing competitiveness, improving HR operations, shift HR focus from administrative to strategic HRM and reengineer the entire HR functions of companies (Beckers and Bsat 2002).

Technology helps in reducing the work of HR professionals, Speeds up transaction processing, reduces information errors. It also helps in improving the tracking control of human resource actions and also improves service delivery (Lengnick-Hall and Moritz, 2003).

Chapman and Webster (2003) found that technology based recruitment and selection tools improved efficiency and transparency. Similarly, Lengnick – Hall, Moritz (2003) and Carroll & Jones (2005) also stated that the use of technology based human resource practices enhance efficiency by reducing the cycle time for processing paper work, increases data accuracy and reduces human resource work force in every institutions. E-channels also help the banking sector to get global talent easily. Galanaki (2002), Verhoeven and Williams (2008) found that

internet provides better applicants to the institutions than traditional methods. Ahmed, I et. al. (2010), found that human resource practices are considered to be every effective in retaining the valuable human capital.

Technology is being adopted in all the fields/industries with the objectives to save time, speed, quality enhancement, space saving, cost cutting and also to bring transparency in the present system. With the same objective the adoption of technology in banking sector has transformed the banks from branch banking to networked banking system. It is always believed that employees of any organization play a vital role in achieving the objectives of technology adoption. Keeping in view the role of employees, this paper considers the question whether the employees of public sector banks themselves view/feel the impact of modern technology or not? Further, the purpose of this study was to explore the impact of modern technology i.e. Internet, Intranet, Social Networking Websites and Mobile technology on recruitment and selection practices in public sector banks in terms of time saving, cost saving, quality and transparency.

Objectives of The Study

The main objective of the study was to find out the impact of modern technology on recruitment and selection practice in public sector banks.

Hypotheses of The Study

Modern Technology has no significant impact on recruitment and selection practice in public sector banks.

Research Methodology

The present study has been designed to study the impact of modern technology on recruitment & selection practices in public sector banks. This study follows the survey research methodology. Based on previous research a questionnaire was constructed to study the impact of modern technology on recruitment & selection practices in terms of time saving, cost saving, quality and transparency. The data was collected from eight public sector banks which were selected purposively. Further, the employees were also selected on the basis of purposive sampling technique Four hundred and fifty employees of selected banks located at various places in Haryana. The five point likert scaling technique i.e. Strongly Agree, Agree, Undecided, Disagree, Strongly Disagree has been used for obtaining responses on each question from bank employees. The questionnaire covered items related to the impact of technology on recruitment & selection in terms of time saving, cost saving, quality and transparency.

Analysis and Interpretation

The results of the study were statistically analyzed and interpreted. Mean score, standard deviation, t-test, ANOVA and regression have been used for the analysis.

Impact of Modern Technology on Time Saving in Recruitment & Selection Practices

Regression analysis technique was applied to determine the impact of various types of modern technology on time saving factor in recruitment and selection process. The regression results have been reported in tables 1.1, 1.2 and 1.3. The model explains 79.7 percent of variation in the value of dependent variable (adjusted $R^2 = .797$). The DW statistics is 1.626. This pointed out the insufficient evidence of autocorrelation in the model. The ANOVA table 1.2 depicts that a significant model emerged, F=352.844, p<.05 at 5 percent level of significance. The regression results in table 1.3 indicate that Internet (t=12.464, p<.05), Intranet (t=8.476, p<.05), Social Networking Websites (t=15.853, p<.05) & Mobile Technology (t=11.575, p<.05) are positively and significantly related to time saving in recruitment and selection practices. Regression coefficient is statistically significant at 5 percent level of significance in all the factors.

The positive relationship can be interpreted in the sense that modern technology leads to time saving in recruitment & selection practices.

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Table 1.1 Regression results on Time Saving in Recruitment & Selection

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.894	.799	.797	.2856	1.626

Table 1.2 ANOVA: Time Saving in Recruitment & Selection

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	143.896	5	28.779	352.844	.000
	Residual	36.214	444	.082		
	Total	180.110	449			

Table 1.3 Regression Coefficient on Time Saving in Recruitment and Selection

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
Internet	.400	.032	.293	12.464	.000
Intranet	.299	.035	.223	8.476	.000
Social Networking Websites	.601	.038	.381	15.853	.000
Mobile Technology	.291	.025	.328	11.575	.000

Impact of Modern Technology on Cost Saving in Recruitment & Selection Practices

Regression analysis technique was applied to determine the impact of various types of modern technology on cost saving factor in recruitment and selection process. The regression results have been reported in tables 2.1, 2.2 and 2.3. The model explains 23.2 percent of variation in the value of dependent variable (adjusted R^2=.240). The DW statistics is 1.567. This pointed out the insufficient evidence of autocorrelation in the model. The ANOVA table 2.2 depicts that a significant model emerged, F=28.06, p<.05 at 5 percent level of significance. The regression results in table 2.3 indicate that Internet (t=2.290 p<.05) and Social Networking Websites (t=6.722, p<.05) are positively and significantly related to cost saving in recruitment and selection practices whereas Intranet (t=.506,

p>.05) and mobile technology (t=1.278, p>.05) are not significantly related to cost saving in recruitment & selection. Regression coefficient is statistically significant at 5 percent level of significant in all the factors except intranet and mobile technology.

The positive relationship can be interpreted in the sense that modern technology leads to cost saving in recruitment & selection practices.

Table 2.1 Regression results on Cost Saving in Recruitment & Selection					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	490	.240	.232	.4852	1.567

Table 2.2 ANOVA: Cost Saving in Recruitment & Selection

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	33.026	5	6.605	28.060	.000
	Residual	104.513	444	.235		
	Total	137.539	449			

Table 2.3 Regression Coefficient on Cost Saving in Recruitment and Selection

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
Internet	.125	.055	.105	2.290	.022
Intranet	.021	.041	.021	.506	.613
Social Networking Websites	.433	.064	.314	6.722	.000
Mobile Technology	.055	.043	.070	1.278	.202

Impact of Modern Technology on Quality in Recruitment & Selection Practices

Regression analysis technique was applied to determine the impact of various types of modern technology on quality factor in recruitment and selection process. The regression results have been reported in tables 3.1, 3.2 and 3.3. The model explains 57.3 percent of variation in the value of dependent variable (adjusted R^2=.573). The DW statistics is 1.728. This pointed out the insufficient evidence of autocorrelation in the model. The regression results have been reported in table 3.1, 3.2 and 3.3. The ANOVA table 3.2 depicts that a significant model emerged, F=121.340, p<.05 at 5 percent level of significance. The regression results in table 3.3 indicate that Internet (t=4.317 p<.05), Intranet (t=5.007, p<.05), Social Networking Websites (t=9.826, p<.05) & Mobile Technology (t=8.050, p<.05) are positively and significantly related to quality in recruitment and selection practices. Regression coefficient is statistically significant at 5 percent level of significance.

The positive relationship can be interpreted in the sense that modern technology leads to quality improvement in recruitment & selection practices.

Table 3.1 Regression results on Quality in Recruitment & Selection

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.760	.577	.573	.196	1.728

Table 3.2 ANOVA: Quality in Recruitment & Selection

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	23.287	5	4.657	121.340	.000
	Residual	17.042	444	.038		
	Total	40.329	449			

Table 3.3 Regression Coefficient on Quality Saving in Recruitment and Selection

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
Internet	.095	.022	.147	4.317	.000
Intranet	.121	.024	.191	5.007	.000
Social Networking Websites	.256	.026	.343	9.826	.000
Mobile Technology	.139	.017	.330	8.050	.000

Impact of Modern Technology on Transparency in Recruitment & Selection Practices

Regression analysis technique was applied to determine the impact of various types of modern technology on Transparency factor in recruitment and selection process. The regression results have been reported in tables 4.1, 4.2 and 4.3. The model explains 60.0 percent of variation in the value of dependent variable (adjusted R^2=.600). The DW statistics is 1.661. This pointed out the insufficient evidence of autocorrelation in the model. The ANOVA table 4.2 depicts that a significant model emerged, F=135.697, p<.05 at 5 percent level of significance. The regression results in table 4.3 indicate that Internet (t=5.957 p<.05), Intranet (t=6.083, p<.05), Social Networking Websites (t=4.943, p<.05) & Mobile Technology (t=10.798, p<.05) are positively and significantly related to transparency in recruitment and selection practices. Regression coefficient is statistically significant at 5 percent level of significant.

The positive relationship can be interpreted in the sense that modern technology leads to transparency in recruitment & selection practices.

Table 4.1 Regression results on Transparency in Recruitment & Selection

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.777	.604	.600	.25509	1.661

Table 4.2 ANOVA: Transparency in Recruitment & Selection

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	44.148	5	8.830	135.697	.000
	Residual	28.891	444	.065		
	Total	73.039	449			

Table 4.3 Regression Coefficient on Quality Saving in Recruitment and Selection

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
Internet	.171	.029	.197	5.957	.000
Intranet	.192	.032	.224	6.083	.000
Social Networking Websites	.167	.034	.167	4.943	.000
Mobile Technology	.243	.022	.429	10.798	.000

Findings of The Study

Following are the main findings of the study:

- It was found that Internet, Intranet, Social Networking Websites & Mobile Technology are positively and significantly related to time saving in recruitment and selection practices. The existence of positive relationship clearly depicted that modern technology leads to time saving in recruitment & selection practices.
- Internet and Social Networking Websites found to be positively and significantly related to cost saving in recruitment and selection practices whereas Intranet and mobile technology are not significantly related to cost saving in recruitment & selection. The positive relationship showed that Internet and social networking websites leads to cost saving in recruitment & selection practices while Intranet and mobile technology had no impact on recruitment & selection practices.
- The regression results indicated that Internet, Intranet, Social Networking Websites & Mobile Technology were positively and significantly related to quality in recruitment and selection practices. The positive relationship showed that modern technology leads to quality improvement in recruitment & selection practices.
- It was also found that Internet, Intranet, Social Networking Websites & Mobile Technology were positively and significantly related to transparency in recruitment and selection practices. The positive relationship depicted that modern technology leads to transparency in recruitment & selection practices.

Conclusion

The results show that modern technology has a high positive impact on recruitment and selection practices. Use of modern technology (Internet, Intranet, Social Networking Websites & Mobile Technology) leads to time saving in recruitment and selection practices. These channels are helpful not only in cost saving but in maintaining quality and bringing transparency in recruitment & selection practices. No doubt Intranet and mobile technology are frequently used by the banks in recruitment & selection but more improvement are needed for making them more effective.

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