

Human Resource Management Journal, Volume 18, Issue 3, Pages 257-274

**AN ANALYSIS OF THE USE AND SUCCESS OF ONLINE RECRUITMENT
METHODS IN THE UK**

Dr Emma Parry and Professor Shaun Tyson
Cranfield School of Management

Dr Emma Parry

Cranfield School of Management

Cranfield

Bedfordshire MK43 0AL

Tel: 01234 754808

Fax: 01234 751806

Email: emma.parry@cranfield.ac.uk

AN ANALYSIS OF THE USE AND SUCCESS OF ONLINE RECRUITMENT METHODS IN THE UK

Abstract

The use of online recruitment methods is now widespread among UK organisations, but has not dominated the recruitment market in the way that was predicted by the popular media. This may be because organisations experience mixed success in using online methods of recruitment. This paper reports on the use of a large scale, longitudinal survey of recruitment activity to investigate the usage and perceived success of both corporate and commercial websites by employers. In addition, twenty interviews with users and providers of online recruitment were conducted, in order to provide a deeper exploration of the factors that may affect the success of these methods. The results provide valuable insights into the use and success of online recruitment in the UK and have strong implications for practitioners.

AN ANALYSIS OF THE USE AND SUCCESS OF ONLINE RECRUITMENT METHODS IN THE UK

Introduction

The Internet first emerged as a recruiting tool in the mid-1990s and was hailed in the popular management press as the driver behind a 'recruiting revolution' due to the benefits it could bring to recruiters (Boydell, 2002). Indeed some authors suggested that the Internet had 'revolutionised the way that people look for work' (Birchfield, 2002) and brought 'radical change to corporate recruiting' (Cappelli, 2001). There has been little empirical research to investigate whether these predictions have been realised, despite extensive use of the methods. We will examine the use of online recruitment and perceptions of its success in comparison to other methods in the UK by the year 2006 through our longitudinal dataset and interviews. We will then analyse our data to discover whether the successful use of online recruitment is limited to particular types of organisations or whether its success is determined by how employers use online recruitment systems.

The Internet as a recruitment method

Recruitment "includes those practices and activities carried out by the organisation with the primary purpose of identifying and attracting potential employees" (Breaugh & Starke, 2000, p. 405) and has long been regarded as an important part of human resource management as it 'performs the

essential function of drawing an important resource - human capital- into the organisation' (Barber, 1998, p. 841). The strategic significance of recruitment is often reported in the literature (Boxall and Purcell, 2003), the emphasis being upon the need to attract and retain high quality people in order to gain a competitive advantage, as is consistent with the resource-based view (Barney 1991; Barney and Wright, 1998; Wright and McMahon, 1992).

Labour market shortages and recruitment difficulties have led to a more competitive recruitment market in the last decade. Lievens, van Dam and Anderson (2002) asserted that the 'war for talent' meant that the emphasis in organisations moved from the selection to the attraction of employees. Indeed, the Chartered Institute of Personnel and Development (CIPD) reported that 84% of organisations experienced recruitment difficulties (2007), indicating the continuing tight labour market conditions and the need to choose appropriate ways to access labour markets. The already extensive range of recruitment techniques available to organisations has been augmented further with the development of technologies such as Internet recruitment.

The use of online recruitment has grown rapidly over the past ten years and the Internet is now a widely adopted medium by both recruiters and job seekers within the UK and across the world. Arthur (2001) found that 96% of US companies were online with spend on electronic advertising expected to rise from \$48 million in 2001 to \$460 million by 2006. More recently, Cober and Brown (2006) found that 50% new hires in the US were from online

sources. In the UK, online recruitment has become popular for both organisations and candidates. For instance, the CIPD (2006) found that 64% of UK organisations used e-recruitment, suggesting that the growth of the Internet as a recruitment tool has been considerable.

In the US at least, online recruitment has begun to displace other more traditional recruitment methods. Feldman and Klass (2002) have described how the Internet is 'clearly beginning to cut into other types of employment advertising revenues' (pp. 2) such as newspaper advertising and head hunters. Boehle (2000) and Quick (1998) suggested that expenditure on newspaper advertising and head hunter retainer fees have dropped 20% in the US as spend on internet recruitment has increased.

Despite the reported growth of the use of Internet recruitment, academic research regarding this topic in the UK is relatively sparse. Bartram (2000) noted that: 'The topic of study is relatively new. As a consequence there has been little time for research to have been carried out and found its way into the literature. A search of PsychLit for papers concerned with the Internet and ... recruitment found nothing' (pp.261). The situation has changed very little since Bartram's paper, with the majority of academic interest in online recruitment being from the candidate's perspective rather than the employers'. Our study will attempt to address this gap. As previous empirical research in this area is so limited, we will adopt an exploratory approach and will therefore seek to answer broad research questions rather than to prove hypotheses. Given the absence of longitudinal studies following the organisational use of

Internet recruitment, we undertook a longitudinal survey over a period of six years so that trends in the use of Internet recruitment could be analysed. We believe these to be critical years, from 1999 to 2006, when the Internet became a popular means to communicate, and a source of new information.

The first question that this study will explore is:

What trends are there in the use and perceived success of corporate websites and commercial jobs boards and what are the reasons behind these trends?

In order for online recruitment to have the impact on the recruitment process that has been predicted, it would need to offer considerable advantages over other, more established, methods of recruitment such as print advertising.

The literature has provided a reasonably long list of the advantages of Internet recruitment over other methods which included: cost effectiveness, access to more people, the ability to target the people needed, access to applicants with a technical and computing background, quicker response and turnaround times, ease of use and economy (Starke, 1996; Capelli, 2001; Galanaki, 2002; Zusman and Landis, 2002). These suggestions have been supported by the CIPD (2006), in that 71% of their survey respondents used e-recruitment to reduce recruiting costs, 60% to broaden the selection pool and 47% to improve the speed of time to hire. Lin and Stasinskaya (2002) discussed the improved accuracy and verifiability of data through online sources and Cober, Brown and Levy (2004) described the interactivity and usability of corporate websites and the ability to present more information with

fewer spatial constraints and the opportunities for employers to draw on their brands more effectively in attracting candidates.

Starcke (1996) added to this list of benefits with a list of problems, including the danger of being flooded with résumés, the increased volume of applicants, tracking difficulties and the fact that not everyone has access to the Internet. This has been supported by empirical research by IRS Employment Review (2005) that found that 74% of organisations received inappropriate responses to advertisements on the Internet. The evidence indicates that the perceived success of online recruitment may be mixed, but these assertions have not yet been fully explored empirically.

The second question that we will address as part of this study is:

Are particular 'types' of organisations more successful at using online recruitment methods than others?

Anecdotal evidence suggests that online recruitment may initially have appealed particularly to graduates and highly technical organisations, where good levels of computer literacy were assumed amongst the target labour market. However, there has been little investigation about whether online recruitment methods are better suited for particular types of organisations, for instance those of a particular size or in particular industries. Barber, Wesson, Robertson and Taylor (1999) suggested that the recruitment practices of small and large firms differ significantly. Hausdorf and Duncan (2004) however

failed to find differences in the use of companies' corporate websites for recruitment in small and large firms. Wiley (1992) found some differences in the effectiveness of 12 recruitment methods across occupational categories, but did not include online methods in her study. There remains a question therefore, as to whether the success of online recruitment is related to the kind of organisation using the method or if it is purely due to the nature and implementation of the online method used. This issue will also be addressed in this study. Finally, in order to extend this exploration and provide useful insight for practitioners, we will also consider the question:

Are there steps that employers can take to improve their success at using online recruitment methods?

To summarise, the purpose of this paper is to examine empirically the success of online recruitment methods in more detail. An investigation into the use of online recruitment and its effect on the use of other traditional recruitment media, together with information on users' perceptions may allow us some insight into how successful this method is perceived to be within the UK. In addition, a more detailed examination of the use of online recruitment methods within organisations may allow us to explore the factors that may drive the success of online recruitment. To do this, we have supplemented this survey research with interviews with employers and online recruitment providers.

Method

1. Survey

A survey of recruitment activity, including the use of online recruitment, was conducted over the period of six years. This was a quarterly survey of HR Managers, which posed a number of questions covering all aspects of recruitment including the organisational experience of recruitment difficulties and recruitment methods. Recruitment difficulties were not defined within the survey in order to focus on the respondent's own perception of the existence of recruitment difficulties at any one point in time. We are following a long tradition in the social sciences that if a person believes something to be true, to all intents and purposes, for that person, it is true and will guide their actions (Silverman, 1970). Organisations were also asked on a quarterly basis whether they had used a corporate website or commercial website over the past six months and whether this method had been successful. The context-specific nature of HRM and recruitment is such that definitions of success will be different in different circumstances. For example, whilst we would anticipate that size might be important, since in a small organisation, recruitment timing is critical, this could also be true in large organisations for specific roles or at moments of crisis. The continued use or adoption of online recruitment is dependent on the recruiter's perception of the success of this method. As a consequence of this, the approach that we have taken is to work with the respondent's own definition of success rather than to impose some criteria of success that may or may not be appropriate. Our use of a

large longitudinal data and a longitudinal study is intended to reduce any problems of individual bias on the part of respondents.

As the survey was first conducted in December (Q4) 1999, it was possible to identify trends in the use of corporate and commercial websites for a period of over six years through surveys. Corporate websites were taken to be an employer's own website, while commercial websites included jobs boards where organisations can pay to advertise a position. A further series of questions regarding internet recruitment were asked in March (Q1) 2000, June (Q2) 2001, June (Q2) 2002, June (Q2) 2003, June (Q2) 2004 and June (Q2) 2006. Respondents were asked a number of questions regarding why they did or did not use online recruitment, whether they predicted their use of the Internet for recruitment to change, and what impact they expected Internet recruitment to have on their use of other recruitment methods. The questions were developed through pilot surveys and employer practitioner feedback, as well as exposure and discussion with the recruitment industry, including online recruitment providers.

The survey was initially conducted as a paper-based survey but was changed to an online survey in 2001. The online and paper-based surveys were run in parallel for two quarters in order to ensure that the change in method of data collection did not have an impact on the results. In each quarter the survey was online for one month in total.

For each quarter, including the June (Q2) 2006 survey, approximately 16,000 employers were contacted via email and were asked to complete the survey using a web link that was included in the email. These potential respondents were drawn from an electronic database of employers developed specifically by the authors for this purpose. From December (Q4) 2002 onwards, this database was supplemented with a list of subscribers to a weekly UK HR magazine. The survey was also advertised in a daily broadsheet newspaper and a weekly HR publication in order to maximise its reach to the target population of recruiters. Respondents included HR directors and managers, finance directors, managing directors and recruitment specialists from a sample of UK organisations with over 25 employees. It was requested as part of the survey that the respondent should have the primary responsibility for recruitment decision-making within their organisation.

2. Interviews

15 semi-structured interviews were conducted with representatives from organisations that use online recruitment methods. The interviewees were senior HR or resourcing managers with responsibility for recruitment. While it is not possible to be representative of the population with only 15 interviews, participants from a range of organisations were included to allow some variation by industry sector, organisation size and geographical location. The organisations also varied in their use of online recruitment methods. An additional five interviews were conducted with providers of online recruitment technology in order to obtain a broader perspective. The purpose of these interviews was to supplement the survey data with a more in-depth view of

what it is that may lead to, firstly, an organisation's decision to use online recruitment and, secondly, their success at using online recruitment methods. Interviewees were asked to discuss their use of online recruitment, the reasons for their initial adoption of the method and the degree of success that they had experienced with the method. They were also asked for their opinions on why their use of online recruitment had been successful or unsuccessful.

Each interview was recorded and transcribed. The content of the interviews was analysed using the content analysis software Nvivo in order to identify common themes.

Results

The survey produced 25,224 responses over the period of December (Q4) 1999 to June (Q2) 2006 (an average of 935 organisations per survey).

For the June (Q2) 2006 survey, 39% of responding organisations had between 25 and 199 employees, 33% had between 200 and 499 employees and 34% had over 500 employees. Responding organisations were evenly spread across the UK with between 20-30% having a base in each region. A slightly higher proportion (40%) had a base in London (34%).

The breakdown of respondents by industry sector showed that the responses were broadly representative of the population, with 32% of the private sector organisations from manufacturing and 63% from the service sector. The

remaining 5% did not classify themselves as either manufacturing or services. To ensure a representative picture, the results were weighted according to industry, region and size.

The responses to the survey questions are presented below, in relation to each of the research questions. Where an in-depth exploration of the data is presented, this has been taken from the June (Q2) 2006 survey results, this being the most recent survey to examine online recruitment in detail. Under each question, the survey data has been supplemented with information from the qualitative interviews.

What trends are there in the use and perceived success of corporate websites and commercial jobs boards and what are the reasons behind these trends?

Take in Table 1

The results depicted in table 1 show that after an initial increase in the use of both corporate and commercial websites, the proportion of organisations using these methods levelled off. The use of commercial websites remained at approximately 25% since 2001, whereas the use of corporate websites was between 35% and 45% since 2002.

Survey respondents were also asked how their use of corporate and commercial websites had changed during the past year. Virtually all

respondents in June 2006 stated that their use of both corporate and commercial websites had either increased (49% and 42% respectively) or remained the same (49% and 55% respectively) during the previous year to June 2006.

In June 2004, organisations were also asked to indicate the reasons why they used corporate or commercial websites. The most common reasons were cost effectiveness (75%), followed by the ease of use for candidates (64%), a larger candidate pool (53%), ease of use for the organisation (52%), speed to hire (52%) and company policy (50%). Less common reasons for using corporate websites were the success in finding candidates (44%) and keeping ahead of competitors (32%).

The most common reason for using commercial websites was access to a large candidate pool (74%), followed by cost effectiveness (66%), ease of use for candidates (60%), speed to hire (56%) and success in finding candidates (51%). Less common reasons were ease of use for the organisation (45%), keeping ahead of competitors (24%) and company policy (10%).

The interviewees who used online recruitment gave a number of reasons for their adoption of these methods. The majority of interviewees named the need to reduce recruitment costs and to improve the efficiency of the recruitment process as significant drivers for the adoption of both corporate and commercial websites. This is in support of the survey data. About half of the interviewees also suggested that they were encouraged to adopt online

recruitment by the need to “move with the times” or to “keep up with other organisations” and approximately a third of interviewees stated that they had introduced online recruitment in order to improve the experience for applicants.

Take in Table 2

Table 2 shows that the perceived success of both corporate and commercial websites for recruitment had fluctuated over the six years of this study but had increased slightly overall during this time. In fact, the perceived success of all of the methods examined had increased slightly during this period. This may be a sign that recruiters were being more strategic in their choice of recruitment channels to use to be successful for particular roles. Just under three quarters of those organisations using corporate websites and two thirds of those using commercial websites for recruitment in Q2 2006 found the method successful, indicating that most of those organisations that do use the method perceive that they do so successfully. If we compare the perceived success of corporate and commercial websites to other recruitment channels we can see that online methods are certainly not seen as more successful than these, and are less commonly perceived as successful than employment agencies.

The interviewees’ experiences of the success of online recruitment were mixed. When asked to define how they conceptualised the success of online recruitment, the majority of interviewees described success as generating

sufficient short-listable candidates or as enabling them to fill a vacancy. A number of interviewees had managed to attract good quality applicants through using the Internet, but this was not true for everyone.

Those interviewees who had positive experiences of online recruitment described how the use of either corporate websites or commercial jobs boards could minimise the time taken to hire employees since posting advertisements on the Internet is faster and they are no longer reliant on the mail. Online recruitment was also commonly described as saving costs through reducing paper and saving on agency costs. One interviewee described how, before they started to use their corporate website for recruitment, they were heavily dependent on agencies and other third-party recruiters. A number of interviewees also commented that the use of their corporate websites in particular, allowed them to promote their employer brand and provide a better service to candidates.

The interviewees also discussed a number of difficulties in using online recruitment. By far the most prevalent of these appeared to be the problem of receiving very large numbers of applications, a high proportion of which were unsuitable for the position advertised. One interviewee commented that:

“In the first few weeks we were horrified by the hundreds of people that just attached a CV and said I want a job. When you actually looked, there was no connection between their skills and experience and anything we were asking for”.

There was also some concern from interviewees that, in addition to not having the skills and experience for a job role, a high number of applications were also received from non-UK citizens who did not have a permit to work within the country. Another interviewee explained

“You open the floodgates when you advertise on the web so you get applications in from everywhere. No matter what you put in the advertisement about having a work permit you will get applications from everywhere in the world and that is a challenge sometimes to deal with”.

Online recruitment was therefore seen by some organisations as being resource intensive, especially when compared to agencies that sift candidates on behalf of the company. There was also some doubt among interview respondents as to whether they would find the candidates that they required through online recruitment methods, particularly through jobs boards. There was particular concern about the ability to target passive job seekers and to reach a diverse population. A small number of respondents were concerned about the impersonal nature of jobs boards and felt that they had a strong relationship with people at agencies, which was absent in online recruitment.

Survey respondents in June 2004 were also asked, if they had stopped using commercial jobs boards as recruitment methods, why they had done so. Of the respondents, 59% stated that they had stopped using commercial websites because of the large number of responses from unsuitable applicants, whilst 52% had received a low response or no response at all to advertisements on commercial jobs boards, and 24% felt that their sector was

not represented. Around a quarter (23%) had stopped using commercial websites because they were not cost effective, 17% did not have the budget to continue using this method, and 16% had found the customer support to be poor. Commercial websites were found not to be user friendly by 14% of respondents, 11% had had technical difficulties with internet use within the organisation and 5% had had technical difficulties with the website. This data was in support of the information that emerged from our interviews.

Take in Table 3

Table 3 shows that the proportion of online recruitment users expecting to reduce their use of other methods due to online recruitment rose slightly from 33% in June 2000 to 44% in June 2006. The same cannot be said however of non-online recruitment users with only 18% respondents expecting to reduce their use of other methods due to online recruitment in both 2000 and 2006.

Are particular 'types' of organisations more successful at using online recruitment methods than others?

There was a perception among the users of online recruitment interviewed that online methods are unsuitable for particular segments of the population. For example, several of the interviewees expressed the opinion that online methods are more suitable for knowledge workers and middle management and are less appropriate for blue collar jobs or very high level management.

It was also felt that older workers and “housewives” could not be recruited effectively using the Internet. This was because it was felt that these groups would not typically be using the Internet regularly. This point of view was refuted however by the five providers of online recruitment services that were interviewed. These individuals felt that Internet penetration was such that the method could be used across all levels and industries. An examination of the survey data allowed us to investigate this more objectively.

An examination of the survey data on the use and perceived success of online recruitment by organisation size showed that larger organisations are significantly more likely both to use (Pearson chi-square = 20.26; $p < 0.01$) and be successful (Pearson chi-square = 10.93; $p < 0.05$) in using their corporate website for recruitment. The picture is not so clear however for commercial jobs boards. While size is significant in terms of the use of jobs boards (Pearson chi-square = 16.60; $p < 0.01$), it appears to be the medium sized companies that are most likely to choose this method. Size is not a significant factor in the perceived successful use of commercial jobs boards.

Industry sector was shown to be a significant factor in the use of both corporate (Pearson chi-square = 23.04; $p < 0.01$) and commercial websites (Pearson chi-square = 7.40; $p < 0.05$), with public and not for profit sector organisations more likely to use their corporate websites for recruitment and not for profit organisations more likely to use commercial jobs boards. Industry sector was not significant in the perceived success of either corporate websites or commercial jobs boards.

Organisations in the services sector were significantly more likely to use commercial jobs boards compared to manufacturing organisations (Pearson chi-square = 10.96; $p < 0.01$). However, there were no significant differences by sector in the use of corporate websites for recruitment or the perceived success of corporate or commercial recruitment websites.

The use and perceived success of corporate and commercial websites was also compared in organisations that did and did not experience recruitment difficulties. Organisations who experienced recruitment difficulties were significantly more likely to use commercial jobs boards for recruitment (Pearson chi-square = 4.71, $p < 0.01$). There were no differences in the use of corporate websites for recruitment or the perceived success of either corporate or commercial websites.

The proportion of organisations using corporate and commercial websites was compared in those organisations that did or did not experience recruitment difficulties. Organisations that had experienced recruitment difficulties were significantly more likely to use commercial websites ($p < 0.05$) but not to use corporate websites. There was no difference in the success of either commercial jobs boards or corporate websites in those companies that did or did not experience recruitment difficulties.

In order to examine the relative importance of the above factors of industry sector, industry, organisation size and experience of recruitment difficulties on

the use and perceived success of corporate websites and commercial jobs boards, a series of logistic regressions were performed. Industry sector, consisting of three values (private, public and not for profit), was entered into the analysis as two dummy variables with not for profit as the reference value.

Take in Table 4

The model produced a Chi-square value of 24.97 ($p < 0.01$) and a Nagelkerke R squared value of 0.045.

The logistic regression analysis depicted in table 4 showed that use of commercial jobs boards was significantly related to organisation size, sector (specifically whether or not an organisation was private sector), industry and recruitment difficulties, with these variables explaining just under five percent of the variance in the criterion variable. Larger organisations, services organisations and those with recruitment difficulties were significantly more likely to use commercial jobs boards. Private sector organisations were significantly less likely to use commercial jobs boards. These findings support the chi-square comparisons above.

Take in Table 5

The model produced a Chi-square value of 31.75 ($p < 0.01$) and a Nagelkerke R squared value of 0.054.

The analysis in table 5 showed that use of a corporate website was significantly related to organisation size and sector (specifically whether or not

an organisation was private sector), with these variables explaining just over five percent of the variance in the criterion variable. Larger organisations were significantly more likely to use their corporate website for recruitment, while private sector organisations were significantly less likely to use their corporate website for recruitment.

Take in Table 6

The model shown in table 6 produced a Chi-square value of 5.03, which was not significant.

The logistic regression analysis in table 6 showed that the criterion of perceived success of commercial jobs boards could not be predicted using the predictors of organisation size, sector, industry and recruitment difficulties.

Take in Table 7

The model produced a Chi-square value of 9.25, which was not significant.

While the logistic regression model in table 7 was not significant, the predictor of organisation size was shown to have a significant effect on the criterion of perceived success of corporate websites, in that larger organisations were more likely to find this method successful. The perceived success of corporate websites could not be predicted using sector, industry and recruitment difficulties.

Are there steps that employers can take to improve their success at using online recruitment methods?

Interviewees were asked to discuss whether there was anything that they felt that they had done that had impacted on the success or otherwise of their use of online recruitment. The analysis of this information produced a number of key themes.

Driving traffic to a corporate website

The interviews provided some evidence that those companies that use their corporate website successfully for recruitment, are those that either have a prominent brand as an employer or take steps to drive job seekers to their website. It was clear that corporate websites cannot successfully be used to recruit employees in organisations that are not already very well known unless a company adopts other advertising channels such as jobs boards or print media to drive people to the site. For instance, one interviewee from a small charity had experienced difficulties using their corporate website as job seekers rarely looked at the site. Another interviewee commented that he was “not sure how successful we would be if we only used online methods as nobody would look at our website”. Commonly, jobs boards were used to drive traffic to a company’s corporate website through the use of a web link.

Use of back-office functionality

A number of organisations had also taken steps to overcome the resource intensiveness of online recruitment by adopting additional functionality.

Advances in Internet technology have meant that a system can be designed that posts an advertisement to several jobs boards simultaneously, acknowledges applications and forwards them to line managers automatically and performs a number of initial screening activities. This removes some of the administrative burden from the HR function and makes the process less resource intensive. In fact the use of a back-office system for managing the recruitment process had led to significant efficiency savings in some organisations. One interviewee claimed that it had improved the efficiency of the recruitment processes in his organisation by 60 percent.

Creation of a talent pool

An additional benefit identified was that data about candidates could be captured automatically (rather than needing to be keyed into the system). Information about candidates could then be kept by the organisation as a kind of 'talent pool' and searched at a later date should another vacancy arise. Many of the companies who had found success in using online recruitment methods had used the Internet in this way, to become more than just an advertising point.

Branding and the provision of information to candidates

Successful organisations have also minimised the number of unsuitable applications by taking advantage of the ability to include vast amounts of

information in different formats on their corporate recruitment websites. Potential employees can therefore learn more about the company and job role by reading text, watching videos and listening to audio files. This allows candidates to self-select as to whether they are suitable for any particular role. One of the interview respondents had even included a short self-selection test that was scored automatically in order to advise respondents whether or not they should apply for a particular role. As already noted, the use of Internet technology also allows a company to promote their employer brand. Those companies interviewed who had used the method successfully believed they had created attractive advertisements or web pages which were in accordance with the company brand.

Discussion and conclusions

This paper examines survey data on the use and perceived success of Internet recruitment over a six-year period within the UK. The paper is also based on interview data which explored the factors that may affect success for an employer when using these methods. More specifically, we have explored whether particular types of organisation are more successful at using online recruitment methods and whether there are steps that employers can take to improve their success at using online methods.

The results showed that less than a third of the organisations surveyed used corporate websites and only a quarter used commercial websites in June 2006. While Internet recruitment was used therefore by a significant proportion of the recruiting population, these results do not reflect the

phenomenal rise in the use of internet recruitment that was predicted by the media in the mid-1990s. In addition, our results did not show a large increase in the number of organisations using corporate or commercial websites over the past four years. However, given that online recruitment was first introduced around 1995, it is presumed that the growth in the use of these methods was greater prior to 2000. Interestingly, however, almost half of the organisations surveyed expected to increase their use of both corporate and commercial websites during the next year, suggesting a longer-term trend towards the expansion of Internet recruitment in the future. This suggests that they are seeing online recruitment as being a successful method in the future, thereby creating an upward trend in its overall use. However, many current non-users of online recruitment do not appear to be converting to the method, meaning that the number of organisations using it grows more slowly.

Of those organisations that did use either online recruitment method, just under three quarters found the method successful. Only 40% of current Internet recruitment users and about a fifth of non-Internet recruitment users expected to reduce their use of other recruitment methods due to their use of Internet recruitment. Most organisations recognise its benefits with regard to cost, ease of use and access to candidates, therefore supporting the previous research into this aspect (Starcke, 1996; Cappelli, 2001; CIPD, 2006). Our results however, also confirm the existence of some of the limitations of commercial websites (Starcke, 1996) in that a large proportion of responding organisations had experienced problems with applications from unsuitable candidates. The mixed success that organisations experience in using online

recruitment may be one reason behind the failure of Internet recruitment to dominate the recruitment marketplace as predicted. Clearly there are currently inhibitions to the spread of Internet recruitment. There is also a strong probability that labour market constraints discourage employers to continue with existing traditional methods, whilst also turning to use the Internet in addition.

As well as investigating general trends in the use and perceived success of corporate and commercial websites, this paper also explored whether the success of online recruitment was influenced firstly by the type of organisation using the method, and secondly by the way in which the organisation uses the method. There was a perception among corporate users of online recruitment in particular that online methods were not as appropriate for use in smaller organisations, for blue collar, lower level roles and for very senior roles. This was denied by the providers of online recruitment services that were interviewed.

The fact that the use of online recruitment remains more prevalent in larger organisations and in the services sector suggests that the perception that the Internet is more suitable for particular types of roles or organisations is commonplace and may be affecting the adoption of these methods. Similarly, larger and public sector organisations may be more likely to fill a large number of vacancies and this means that they can cope with a large candidate pool. However, our survey results suggested that the successful use of commercial jobs boards was not related to industry, sector or organisation size and the

perceived success of corporate websites was related only to organisation size. These findings strongly refute the suggestion that online recruitment can only be successful for some organisations and is therefore an important finding of this research. It may be that any organisation can find success with online methods if they adopt an appropriate strategy for their use and implementation. Indeed, with Internet penetration now at an all time high in the UK (66% of the adult UK population; IAB, 2006) there appears to be no reason why all organisations should not use this method.

Whether the Internet could replace other recruitment channels is less clear. At this point in time, it appears that, while organisations are using online recruitment, they are not prepared to discard the more traditional methods such as print media and employment agencies. There is certainly a need to use these methods to drive job seekers to a corporate site in those organisations with a less developed brand. It is perhaps too early however to draw conclusions about the future growth of online recruitment and the corresponding change in the resourcing process. The interview data suggests that the functionality of online recruitment sites can be improved in a way that will overcome their limitations and therefore make the internet more successful at recruiting across all sectors, occupations and at all levels. If organisations can use online recruitment successfully in this way, then these methods may eventually dominate the recruitment market. Indeed, the survey results have shown that our respondents believed the impact on other methods is expected to increase in the future. For the near future though, it

seems that the Internet will commonly be used in conjunction with other methods.

The interviews suggested a number of ways in which organisations can improve their chances of being successful in using online recruitment methods. The need to drive traffic to a corporate site, the use of back-office functionality such as applicant management and sifting technology, the creation of a talent pool and the need to use appropriate branding and information was discussed. There are useful lessons in this data therefore for practitioners introducing online recruitment.

The purpose of this paper was not to examine the use of online testing or applicant management systems, but it appears, based on the information from these interviews that the ability to use online recruitment methods successfully may be related more to the extent and understanding of functionality and support than to the nature of the organisation itself. It may be that the shift from traditional to online methods is not as simple as just swapping recruitment channels. The use of online recruitment may require a change in the wider recruitment process rather than just the advertising medium. If an organisation simply transfers traditional recruitment advertising methods online then they may encounter difficulties with the volume of applicants as discussed above. Indeed, the benefits of online recruitment may only be realised if the organisation's approach to the way that they recruit is fundamentally adjusted. The use of online tools for sifting and the use of high validity selection tools early in the recruitment process, in conjunction with

applicant management systems, may allow an organisation to cope effectively with the increased volume of applicants that may result from the move online. Research from AGR (2007) suggested that many employers are now moving in this direction with 77% of respondents to their survey only accepting online applications. This may however be a characteristic of graduate recruitment compared to the more general recruitment studied in our research. Future research to compare those organisations that have adopted the above approach and those that have simply moved traditional approaches online would provide more insight into this area. In the meantime, the implications for practitioners are clear. They must pay attention to the effective development and implementation of online methods to drive traffic to corporate websites, invest in systems which sift and manage applicants and see how they can promote their employer brand, if they are to find success using online recruitment.

The above research is not without its limitations. We have conducted survey research using single respondents from each organisation who are responsible for recruitment but have enriched this data through the use of longitudinal data and qualitative interviews. Our research has therefore provided a vital first step in empirically exploring the usage and perceived success of online recruitment within the UK and has suggested that the successful use of online recruitment channels may be more complex than initially predicted. Further research is needed in order to empirically test the theories explored above in more detail and with a larger sample of online recruitment users. Our study, as the first empirical analysis of the

development of online recruitment in the UK, provides a sound basis for this research and some important insights into the use and potential success of online recruitment methods. In addition, the results of our study provide some direction for practitioners when considering the adoption of online recruitment and therefore provide an important step towards a more thorough understanding of the successful use of online recruitment within the UK.

References

Arthur, D. (2001). Electronic Recruitment. In *The Employee Recruitment and Retention Handbook*; U.S.A.; Amacon.

Association of Graduate Recruiters (2000). 'Going to work on the web: Web-based graduate recruitment'. *AGR Briefing No,11, July, Association of Graduate Recruiters*.

Barber, A.E. (1998). *Recruiting Employees*. Thousand Oaks, CA, Sage Publications.

Barber A., Wesson M., Robertson Q. & Taylor M. (1999). A tale of two job markets: organisational size and its effect on hiring practices and job search behaviour. *Personnel Psychology*, 52 (4), pp. 841-867.

Barney, J. B. (1991), "Firm Resources and substantial competitive advantage", *Journal of Management*, vol. 17, no. 1, pp. 99-120.

Barney, J. B. and Wright, P. M. (1998), "On becoming a strategic partner: The role of human resources in gaining competitive advantage", *Human Resource Management*, vol. 37, no. 1, pp. 31-46.

Bartram, D. (2000). Internet recruitment and selection: Kissing frogs to find princes. *International Journal of Selection and Assessment*; 8 (4); pp261-274.

Bernard Haldane Associates (2003).

Birchfield, D. (2002). Top jobs online. *New Zealand Management*. 49 (9).

Boehle, S. (2000). Online recruitment gets sneaky. *Training*. 5 (May 2000).

Boxall P & Purcell J. (2003). *Strategy and Human Resource Management*. New York, Palgrave MacMillan.

Boydell, M. (2002). Internet recruitment helps HR careers. *Canadian HR Reporter*, Feb 11 2002, Canada.

Breaugh, J.A. & Starke, M. (2000). Research on employee recruitment: so many studies, so many remaining questions. *Journal of Management*, 26 (3), 405-434.

Britton C. L. & Ball D. F. (1994). Executive search and selection consultants in France. *European Business Review*, 94 (1), 24-29.

Buckley, P. Minette, K., Joy, D. and Michaels, J. (2004). The use of an automated employment recruiting and screening system for temporary professional employees. A case study. *Human Resource Management (USA)*. Vol. 43, 2,3. pp 233 – 241.

Cappelli, P. (2001). Making the most of online recruiting. *Harvard Business Review*. March 2001; pp. 139-146.

Chartered Institute of Personnel Development (2007). *Recruitment and Retention 2007*; CIPD, June 2007

Chartered Institute of Personnel Development (2006). *Recruitment and Retention 2006*; CIPD, June 2006

Cober R. and Brown D. (2006). *2006 Direct Employers Association Recruiting Trends Survey*, Booz Allen Hamilton, 2006.

Cober, R.T., Brown, D.J. and Levy, P.E. (2004). Form, content and function: an evaluative methodology for corporate employment websites. *Human Resource Management (USA)*. Vol, 43, 2,3. pp 201- 218.

Feldman, D. & Klaas, B. (2002). Internet job hunting: A field study of applicant experiences with online recruiting. *Human Resource Management*, 41 (2).

Fish A. & Macklin R. (2004). Perceptions of executive search and advertised recruitment attributes and source quality. *Personnel Review*, 33 (1), 30-54.

Galanaki, E. (2002). The decision to recruit online: a descriptive study. *Career Development International*, 7 (4).

Hausdorf P. & Duncan D, (2004). Firm size and Internet recruiting in Canada: A preliminary investigation. *Journal of Small Business Management*, 42 (3), pp. 325-334.

Horowitz F. H., Heng C. T. & Quazi H. A. (2003). Finder's keepers? Attracting, motivating and retaining knowledge workers. *Human Resource Management Journal*, 13 (4), 23-44

Internet Advertising Bureau (2007). www.iabuk.net

IRS Employment Review (2005). *Survey on online recruitment*. IRS Employment Review.

Lievens, F., van Dam, K. & Anderson, N. (2002). Recent trends and challenges in personnel selection. *Personnel Review*, 31 (5), 580-601.

Lin, L. & Stasinskaya V. (2002). Data warehouse management issues in online recruiting. *Human Systems Management*, 21 (1), Amsterdam.

Quick, R. (1998). Your cyber career: Using the internet to find a job? *Wall Street Journal*, March 5 1998.

Silverman D. (1970). *The Theory of Organisations*. Heinman; London

Starcke, A. (1996). Internet recruiting shows rapid growth. *HR Magazine*; 41 (8); pp.61.

Total jobs (2004). www.totaljobs.co.uk.

Wiley, C. (1992). Recruitment research revisited: Effective recruiting methods according to employment outcomes. *Journal of Applied Business Research*, 8 (2), pp74-80.

Workthing (2003). *E-recruitment study, 2003*. Workthing.com.

Wright P. and McMahon G. (1992). Theoretical perspective for strategic human resource management. *Journal of Management*, 18, pp. 295-320.

Zusman R. and Landis R. (2002). Applicant preferences for web-based versus traditional job postings. *Computers in Human Behaviour*, 18, pp. 285-296.

Table 1: Use of online recruitment methods

	Corporate website (%)	Commercial website (%)
2000	21	15
2001	30	25
2002	45	25
2003	41	26
2004	42	24
2005	37	25
2006	36	21

Note: Each yearly figure represents the average proportion of organisations using the method over four quarters, with the exception of 2006 that represents the proportion of organisations using the methods in Q1 2006.

Table 2: Perceived success of online recruitment compared to other recruitment methods

	Corporate website (%)	Commercial website (%)	National newspapers (%)	Regional newspapers (%)	Professional magazines (%)	Employment agencies (%)
2000	48	43	41	52	52	57
2001	49	43	64	68	64	69
2002	52	59	55	76	69	86
2003	58	58	72	73	68	77
2004	59	63	67	68	62	75
2005	61	57	66	67	63	75
2006	71	67	66	71	62	78

Note: Each yearly figure represents the average proportion of organisations using the method that are successful over four quarters, with the exception of 2006 which represents the proportion of organisations using the methods that are successful in Q1 2006.

Table 3: Percentage of organisations expecting to reduce use of other recruitment methods due to Internet recruitment

	Current internet users (%)`	Non-internet users (%)
Q1 00	33	18
Q2 01	19	8
Q2 02	39	20
Q2 03	32	17
Q2 04	41	19
Q2 06	44	18

Table 4: Logistic regression examining factors influencing the adoption of commercial jobs boards (N=811)

Variable	B	Wald	Significance
Organisation size	0.177	8.41	P<0.01
Public sector (dummy)	-0.67	3.77	NS
Private sector (dummy)	-0.65	4.60	P<0.05
Industry	0.31	4.85	P<0.05
Recruitment difficulties	0.46	4.05	P<0.05
(Constant)	-2.20	18.97	P<0.01

Table 5: Logistic regression examining factors affecting the adoption of corporate websites (N=811)

Variable	B	Wald	Significance
Organisation size	0.17	9.13	P<0.01
Public sector (dummy)	-0.12	0.13	NS
Private sector (dummy)	-0.77	7.07	P<0.01
Industry	0.05	0.14	NS
Recruitment difficulties	0.15	0.56	NS
(Constant)	-1.06	5.39	P<0.5

Table 6: Logistic regression examining factors affecting the perceived success of commercial jobs boards (N=811)

Variable	B	Wald	Significance
Organisation size	-0.07	0.30	NS
Public sector (dummy)	-0.07	0.01	NS
Private sector (dummy)	-0.73	1.49	NS
Industry	-0.03	0.01	NS
Recruitment difficulties	-0.50	0.91	NS
(Constant)	2.28	4.88	NS

Table 7: Logistic regression examining factors affecting the perceived success of corporate websites (N=811)

Variable	B	Wald	Significance
Organisation size	0.20	4.17	P<0.05
Public sector (dummy)	-0.40	0.56	NS
Private sector (dummy)	-0.36	0.54	NS
Industry	-0.26	1.17	NS
Recruitment difficulties	0.60	3.09	NS
(Constant)	0.35	0.17	NS