

Recruiting Human Resource for Optimal Performance in the Food, Beverage and Tobacco Industry in Lagos State

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Abstract

This study examined the effect of human resource recruitment on performance of organisations in the Food, Beverage and Tobacco Industry in Lagos State. The survey research setting was adopted. A total of two hundred and eighty four (284) copies of questionnaire, drawn from fourteen respondent companies, were properly completed and used for data analysis. It was hypothesised that human resource recruitment does not affect performance of organisations in the industry. The hypothesis was tested using the Pearson Product Moment Correlation and Regression analysis. The result of hypothesis tested showed that human resource recruitment had significant but low effect on all the variables measuring performance. It is recommended that for organisations to achieve quantum leap in their performance indices, they should put in place policies to guide the conduct of recruitment in order to achieve optimal performance. Recruitment methods and sources contribute to performance of organisations. Therefore, managers should give adequate consideration to these before embarking on recruitment effort. The adoption of nepotism and favouritism in recruitment should not be encouraged in private sector organisations as Government policies on preferential quota system and Federal Character Principle with respect to recruitment in the public sector need to be re-examined with a view to improving performance of private and public sector organisations in Nigeria.

Keywords: Recruitment, Human-resource, Performance, Organisations, Industry

Introduction

In all organisations, recruiting human resource is a constant reality as oftentimes when employees are hired; they are transferred or promoted to positions of higher responsibilities and eventually exit the organisation through voluntary and involuntary separation. This implies that there are always vacant positions in organisations to be filled from time to time. The efficiency and effectiveness of any workplace whether private or public sector organisation largely depend on the calibre of the workforce. The availability of a competent and effective labour force does not just happen by chance but through an articulated recruitment exercise (Peretomode & Peretomode, 2001).

Recruitment is the process of attracting a group of individuals to an organisation (Gatewood & Feild, 2001). Recruitment is the process of announcing job vacancies with a view to attracting a pool of qualified applicants to fill up vacancies in an organisation. It is regarded as a positive process. Based on practical insights, recruiting people who are wrong for the organisation can produce long-term negative effects like high training costs, recruitment costs, loss of goodwill or reputation, increased labour turnover and loss of profitability. According to Fashoyin (2005), recruitment and selection are heavily influenced by relations rather than by objective assessment of the suitability of the job applicant. This does not imply that meritocracy is never taken into consideration, but family affiliation and friendship have substantial influence. Otopo (2005, p.147) argues that “organisational efficiency can be negatively affected when recruitment and placement are unduly influenced by personal and other subjective criteria.”

The objective of this study is to examine the relationship between human resource recruitment and performance of organisations in the Food, Beverage and Tobacco Industry in Lagos State.

Literature Review

This section examines the theoretical underpinnings, conceptual issues, and some empirical researches germane to the study.

Theoretical Framework of the Study

Resource-based view or Theory- Human resource or human capital has been regarded as an important factor for an organisation to gain competitive advantage and to realise organisational goals or targets as advanced by the resource-based theory (Barney, 2001). The theory holds the view that the strategic capability of an organisation is dependent on its resource capability in the shape of people (Armstrong, 2009). The resource-based view, advocates that an organisation can gain competitive advantage by attracting, developing and retaining best human resources.

Decision-making Theory

This theory is credited to Herbert Simon. Decision-making theory “attempts to analyse how people actually make decisions, what prevents them from making decisions and how decisions might be made more effectively” (Sapru, 2009, p.186). The basis of the decision-making theory is the fact that decision-making is at the very heart of business success of any organisation (Gberevbie, 2006). For this study, the decision-making theory is adopted because recruitment practices which promote the achievement of organisational goals and objectives entails management decision.

Contingency Theory

Contingency theory states that the relationship between the relevant independent variables (e.g HRM policies and practices) and the dependent variable (performance) will vary according to influences such as company size, age, technology, capital intensity, degree of unionisation, industry/sector, ownership and location (Paauwe, 2004). This theory holds the view that human resource management is influenced by the organisation’s environment and circumstances (Legge, 1978; as cited in Armstrong, 2009). This is also true for recruitment practices and performance of organisations.

Objective Theory of Recruitment

This theory assumes that job applicants are attracted to organisations where they could have secured future in terms of career growth and advancement, robust pay or emolument as well as favourable location. Thus, this theory helps potential employees make choices regarding recruitment (Obisi, 1996).

Critical Theory of Recruitment

This theory assumes that job applicants are critical to apply to organisations owing to lack of adequate information regarding the recruiting organisation and what it has to offer. This theory emphasises the need for realistic job preview, with a view to ensuring that candidates receive a realistic impression of the company and the job. Realistic job preview involves giving an applicant an honest assessment of a job and the organisation (Aamodt, 2007). Wanous (1989) recommended realistic job preview (RJP). This entails divulging to applicants the negative as well as the positive aspects of the job. The essence is to reduce undue high expectations on the part of applicants as dissatisfaction and labour turnover may result contrariwise.

Subjective Theory of Recruitment

This theory assumes that job applicants examine their personality as well as the image or reputation of the recruiting organisation before they make a choice whether to apply to the organisation or not. Thus, when an applicant’s personality does not match the image of an organisation, he/she may have problems of adjustment (Obisi, 1996).

Conceptual Issues

According to Etomi (2002), recruitment is concerned with the process of attracting a sufficient number of individuals with the right profile in terms of qualifications, experience, skills and other relevant attributes to indicate their interest in working for the organisation. Recruitment is the process of generating a pool of qualified applicants for organisational jobs (Mathis & Jackson, 2004). Gomez-Mejia, Balkin and Cardy (2001) opine that recruitment is the first step in the hiring process and entails the process of generating a pool of qualified candidates for a particular job. Before embarking on recruitment effort, it is necessary to conduct job analysis exercise. Taylor (2008) posits that:

“Recruitment involves actively soliciting applications from potential employees which is considered a positive activity that requires employers to sell themselves in the relevant labour markets so as to maximise the pool of well-qualified candidates

from which future employees can be chosen” (p.214).

Job Analysis

Job analysis is the systematic investigation into the nature and requirement of a job in order to collect information in performing human resource functions. The types of information sought include work activities and responsibilities, tools and equipment to be used in doing the job as well as personnel requirements. According to Dessler (2008), job analysis produces information used for writing job description (a list of what the job entails) and job specification (what kind of people to hire for the job in terms of qualifications and experiences). This should precede recruitment and selection activities. Job analysis occupies the centre stage in the performance of human resource management functions. Methods of job analysis are observation, questionnaire, interview, diary recordings, work/technical conference, work participation or work sampling and critical incident. Outcomes of job analysis are:

Job Description

Job description is a written statement of job analysis containing duties and responsibilities pertinent to the job. Specifically, it contains the following information: - job identification, this includes job title, code number of the job if any, the department or division; job summary, it is a brief summary in a sentence or two explaining the contents of the job; supervision—if supervision is required, then it gives the number of persons to be supervised along with their job titles and the extent of supervision involved—general or close supervision. Job description is freely used in educating the new employees about their duties and responsibilities.

Job Specification

Job specification or person specification states personality requirements and lists qualifications both physical and mental, necessary to perform the job properly. It is used in informing the prospective employees about minimum acceptable qualities required to get the job and perform well. It may be a specific period of experience, a specific educational degree or specific physical requirements such as height, weight, age, sex and complexion to mention a few. These specifications relate to physical characteristics. Psychological characteristics are mental dexterity, analytical ability, alertness and concentration. It should also set out or refer to terms and conditions of employment, such as salary and fringe benefits among others. Both job description and job specification are outcomes of a job analysis exercise.

There are two major decisions that are usually taken by an organisation once it has been decided that people should be brought in to fill positions within the organisation. These are the sources and methods of recruitment. There are internal and external sources as well as methods of recruitment.

Internal Source and Methods of Recruitment

Internal source means recruiting applicants from the internal labour market or from within the organisation. Internal methods of recruitment are exemplified by job posting/bidding, employee referral, skill inventory, promotion, transfer and in some cases demotion. Job posting involves attracting employees by writing internal memos, placing such memos/notices on bulletin boards, journals and literature that is produced by the organisation. Job bidding requires employees to indicate the position they are likely to be given within the organisation. Employee referrals could be an internal or external method. This is the attraction of some employees to particular vacant positions through their ‘link’ or ‘connection’ with some other employees within the organisation.

Skill inventory is a list of the names of the employees, their special skills, age, and educational qualifications inter-alia. It is used to determine people who have some special skills at a glance. Promotion refers to a shift from a level of lesser responsibilities to that of higher responsibilities, oftentimes with increase in pay. Rao (2005) views promotion as an upward movement of an employee from current job to another that is higher in pay, responsibility and organisational level. Promotion confers on the promoted staff enhanced status, better pay, increase responsibilities and better working conditions. There can of course be “dry promotion” (Yoder & Staudohar, 1982, p. 142). Dry promotion occurs when an employee is moved to a higher level job without increase in pay. Promotion could be based on competence or merit and seniority. Competence-based promotion occurs when an employee is promoted because of superior or superlative performance in the current job or position. Merit implies an individual’s knowledge, skills, abilities and other characteristics (KSAOs) as measured from an employee’s educational qualifications, experience, training and past employment history. Seniority-based promotion means promoting staff based on the relative length of service in an organisation.

Promoting an employee who has the longest length of service is often widely welcomed by trade unions, because it is somewhat objective. It is easy to measure the length of service and judge the seniority. There is no room for favouritism, discrimination and nepotism. Seniority-based promotion is more prevalent in public sector organisations. The major limitations include, demotivation of young and more competent employees and results in high employee voluntary separation. The assumption that the employees learn more with age or length of service is spurious or invalid as some employees may learn up to a certain stage, and learning capabilities dwindle beyond a certain age. Promotion policy and procedure are usually put in place by the human resource manager in any well-meaning or well-structured organisation. Once instituted, it should be announced or communicated to all employees, particularly to the union leaders. Promotion policy should be reviewed from time to time in line with latest trends, experiences and findings of attitude and morale surveys (Rao, 2005). Promotion policy of an organisation should be based on the following:- whenever possible, vacancies should be filled by the most competent employees available from within the organisation, subject to the discretion of the organisation to embark on external recruitment in the event of not obtaining suitable or qualified employees internally.

Promotion should not be influenced by race, sex, marital status, religion and ethnicity. This implies that promotion should be devoid of favouritism and nepotism and employees should not be discriminated against in carrying out staff promotion exercise. Promotion policy should be consistent, in the sense that it is applied uniformly to all employees. In the course of promoting employees to assume higher responsibilities, there is need to assist such employees with relevant training and development programmes to expose the promotees to the challenges and responsibilities expected of him/her in the new job, otherwise such employees could be promoted to the level of their own incompetence in consonance with the Peter Principle. Peter and Hull (1969) advanced that sometimes, employees tend to be promoted to the level of their own incompetence. Thus, "in a hierarchy every employee tends to rise to his/her level of incompetence" (Peter & Hull, 1969, p.25).

Promotion is slightly different from up-gradation which implies minor enhancement in pay in tune with the limits imposed within a particular grade. A transfer implies horizontal or lateral movement of an employee to another job at the same level; there is no increase in pay, authority or status. To this effect, transfer cannot act as a motivational tool. However, promotion which is an upward vertical movement has in-built motivational value, as it elevates the status and power of an employee within an organisation (Rao, 2005). Promotion encourages employees to remain committed and loyal to their jobs and organisation. Transfers refer to lateral/horizontal internal mobility. Transfer is viewed as a change in assignment in which workers move from one job to another at the same level of the hierarchy, requiring similar skills, involving approximately same level of responsibility, same status and same level of pay. A transfer does not imply any ascending (promotion) or descending (demotion) change in status or responsibility (Rao, 2005). But transfer can be the result of promotion. Transfer could also involve a change of environment or relocation. Redeployment in response to changing or seasonal demands for labour is a necessary feature in many large organisations.

The haphazard handling of transfers by management can be injurious to harmonious labour-management relationship. Management could be pressured to move staff in the interest of production. But in effecting such transfers or lateral movements, managers should be aware of the phobia or fear of those affected so that the fears can be allayed as much as possible. The basic fear will be of change itself, fear of the unknown and of the disruption of a well-established situation such as change of work, environment, colleagues and travelling arrangements. More so, there will be immediate fears that the new work will make additional and unpalatable demands for extra efforts or skills. The procedures for handling staff transfers may have to include joint consultation or discussions with workers representatives on any major transfer programme. If regular transfers take place because of seasonal changes, it is best to put in place a standard procedure for making transfers which would include payment arrangements. Transfer policies should establish the circumstances when employees can be transferred and the arrangements for pay, resettlement and retraining if need be. If the transfer is prompted by the organisation or at the request of the management, it is normal to pay the employee's present rate or the rate for the new job, whichever is higher.

However, when transfers are made to avoid redundancy or lay-off in the present location or position, the rate for the job in the new department should be paid. In such situation, employees affected in this way may of course be given the option between being made redundant or accepting a lower paid job. Furthermore, transfer policies should also provide guidelines on how requests from employees for

transfer should be treated. The normal approach should be to give sympathetic hearing to such requests from longer serving employees especially if the transfer is wanted or needed on health or family grounds. According to Rao (2005), transfers can be classified as follows:

- Production transfers:- This is occasioned by changes in production
- Replacement transfers: - This is caused due to replacement of an employee working on the same job for a long time or to replace staffers on leave.
- Rotation transfers: - Transfers initiated to increase the functional flexibility or versatility of employees.
- Shift transfers: - Transfers initiated to move employees from one shift to another.
- Remedial transfers: - This is initiated to correct wrong placements.
- Penal transfers: -Transfers initiated as a punishment for indiscipline by employees.

Demotion is the downward vertical movement of an employee in the organisational hierarchy, which results in lower status and pay. It is a downgrading process where the employee suffers considerable emotional and financial loss in the form of lower rank, power and status, and lower pay (Rao, 2005). Ojo (1998) posits that demotion is the opposite of promotion, the reverse of upward mobility and thus, it has negative connotations. It involves a downward assignment of an employee to a job of lower pay, status, privileges and opportunities. The causes of demotion are many and varied. The following factors are always cited when demoting employees:-demotions may be used as disciplinary tools against errant employees. Also, due to downturn in the economy, organisations may decide to lay off some employees and downgrade some who are willing to cope with the status quo. Demotion can also occur when a promoted staff is unable to meet the challenges posed by a new assigned job. Demotions should be guided by laid down policy statements. A clear list of rules along with punishable offences should be made available to all employees by human resource professionals.

External Source and Methods of Recruitment

External source means recruiting applicants from the external labour market or from outside the organisation. External methods of recruitment are advertisement in print and electronic media, campus visitation, through trade unions, employee referral, unsolicited applications, executive search agencies (head-hunters), Ministry of Labour, walk-ins, private employment agencies, public employment agencies, professional bodies, as well as e-recruitment or on-line recruitment. With respect to the contents of recruitment message, Wanous (1989) recommended realistic job preview (RJP). This entails divulging to applicants the negative as well as the positive aspects of the job. The essence is to reduce undue high expectations on the part of applicants as dissatisfaction and labour turnover may result contrariwise.

Emerging Recruitment Methods

i. E-recruitment

E-recruitment (electronic recruitment) or on-line recruitment entails sourcing job applicants through the internet. It is the process whereby a recruiter or an organisation requests job applicants to apply on-line by posting their applications to the company's website. According to Armstrong (2012, p.222), "e-recruitment uses the internet to advertise or post vacancies, provides information about jobs and the organisation and enables e-mail communications to take place between employers and candidates." Thus, job applicants can e-mail their application forms and curricula vitae and in some cases undertake employment tests on-line.

ii. Recruitment Outsourcing

Recruitment outsourcing also called "recruitment process outsourcing" (Armstrong, 2012, p.225), entails contracting recruitment function or service to an outside provider or organisation. The reasons behind outsourcing can be varied and may relate to the need to benefit from skills, expertise and resources that cannot be provided in-house. It may also be that economies of scale are available to the company providing the service, which means that services of good quality can be provided at a lower cost. However, it may also simply be the case of a company wanting to cut costs by using an outsourcing firm that has lower labour costs. Julian, Bernadine and Peter (2006) in their study of trade unions' responses to outsourcing in the Australian public sector found that the rise of outsourcing tend to emphasise economic and human resource management factors. They observed that outsourcing is a means of individualising the employment relationship and reducing union influence.

Recruitment Metrics

Companies have to evaluate the sources and methods of recruitment carefully by looking at cost, time, quality, quantity and flexibility before earmarking funds for recruitment efforts/process. Evaluation of recruitment efforts is also called recruitment metrics or measurement. Thus, recruitment metrics are the measurement tools or instruments used to assess the effectiveness or otherwise of recruitment sources and methods. It measures both the effectiveness and efficiency of recruitment efforts. Effectiveness connotes achieving the desired goals (i.e. doing things right); whilst efficiency connotes cost effectiveness (i.e. doing the right things). In other words, effectiveness answers the question; have the desired goals been achieved? Efficiency answers the question; at what cost have the goals been achieved? The following methods are used for evaluating recruitment sources and methods.

i. **Yield ratio:** We can measure the yield ratios of recruitment efforts. The yield ratio expresses the percentage of applicants who successfully move from one stage of the recruitment and selection process to the next. In general, there are few rules that say what recruitment sources is best for a given job vacancy. Therefore, it is needful for the HR professionals to monitor the quality of all their recruitment sources and methods. One way to do this is to develop and compare yield ratios for each source or method. A high yield ratio (large percentage) means that the source or method is an effective or efficient way to find candidates to fill job vacancies. Thus, by comparing the yield ratios of different recruitment sources and methods, HR professionals can determine which source or method is the best or most efficient for the type of vacancy to be filled. For instance, the organisation could find the number of candidates interviewed as a percentage of the total number of applicants or curricula vitae generated by a given source or method. That is, the number of short-listed applicants for interview divided by the number of applications generated multiplied by 100.

ii. **Cost per hire:** Another measure of recruitment success is the cost per hire. To compute this amount, find the cost of using a particular recruitment source or method for a particular type of vacancy, then divide that cost by the number of people hired to fill that type of vacancy. A low cost per hire means that the recruitment source or method is efficient, that is, it delivers qualified candidates at minimal cost. Yield ratio and cost per hire are illustrated in Table 1.

Table 1: Yield Ratios and Cost Per Hire of a Hypothetical Recruitment Effort

	Employee Referral	Newspaper Advert	Executive Search Firm
Applications generated/shortlist	50	500	20
Interview offers accepted	45	400	20
Yield ratio	90%	80%	100%
Applicants judged acceptable	40	50	19
Yield ratio	89%	12%	95%
Accept employment offers	35	25	15
Yield ratio	88%	50%	79%
Cumulative yield ratio	70% i.e.	5% i.e.	75% i.e.
	$\frac{35}{50} \times \frac{100}{1}$	$\frac{25}{500} \times \frac{100}{1}$	$\frac{15}{20} \times \frac{100}{1}$
Cost	₦15,000	₦20,000	₦90,000
Cost per hire	₦428 i.e.	₦800 i.e.	₦6,000 i.e.
	₦15,000/35	₦20,000/25	₦90,000/15

Source: Adapted from Noe, R. A., Hollenbeck, J.R., Gerhart, B. & Wright, P.M. (2004). *Fundamentals of human resource management*. New York: McGraw – Hill/ Irwin.

iii. **Time lapse data (TLD):** This shows the time lag between the date of requisition for manpower supply from a department to the actual date of filling the vacancy in that department. For instance, a company’s past experience may indicate that the average number of days from application to interview is 10 days; from interview to offer is 7days; from offer to acceptance is 10 days and from acceptance to report for work is 15 days. Therefore, if the company starts the recruitment and selection process now, it would require 42 days before the new employee joins the company. Armed with this information, the length of the time needed for alternative sources and methods of recruitment can be ascertained, before pinning hopes on a particular source and method that meets the recruitment objectives of the company.

- iv. **Survey:** Survey may also be conducted to find out the suitability of a particular source and method for certain positions by using a questionnaire.
- v. **Data on employee turnover, grievance and disciplinary action:** Data on employee turnover, grievance and disciplinary action could offer some insights into the effectiveness of a particular recruitment source and method.
- vi. **Leads or applicants generated (Measurement of Quantity):** The success of a recruitment source and method is determined by the quantity or number of leads generated via a particular source and method. For instance, we can measure the leads generated in a recruitment effort by summing the number of applicants according to vacancy and the adopted method. See example in Table 2:

Table 2: Recruitment Metrics of Leads Generated

Vacancy	Employee Referral	Advert	Consultant	Total
Admin/HR	3	10	5	18
Finance/Accts	5	12	6	23
Production	2	15	8	25
Marketing	2	8	4	14
Total	12	45	23	80

Source: From the Author

It should be noted that the higher the number of applicants, the better the chance of selecting the right candidate and the lower the selection error. From Table 2 advert generated the largest leads and it is adjudged the most effective method of attracting applicants.

Empirical Review of Literature

Firm size is an important variable in organisational research (Hausdorf & Duncan, 2004). Thus, the size of firm is the most important factor influencing HR activities including recruitment practices. There is empirical evidence for the impact of firm size on human resource management activities; such as staffing (Snell, 1992 as cited in Hausdorf & Duncan, 2004); and HR outsourcing (Marquis & Long, 2000). Scott, Gravelle, Simoens, Bojke and Sibbald (2006), observed that organisational size is significantly and positively related to many of the HRM practices. Firm size has been shown to impact on recruitment practices. Research has found that recruitment among large firms tends to be more formal, bureaucratic and resource intensive than for small firms (Barber, Wesson, Roberson, & Taylor, 1999). According to Barber et al. (1999), small firms are more likely to use internal recruitment sources, such as employee referrals and networking. Kotey and Slade (2005) opine that the use of more formal recruitment sources such as employment agencies and newspaper advertising increases with firm size. Fajana (1995) noted that in the recruitment process of small and medium enterprises (SMEs) and some large enterprises (LEs), potential employees were sought informally by word of mouth. Studies have shown that there is a relationship between recruitment sources/methods and employee tenure. In a study by Taylor and Collins (2000) as cited in Dessler (2008), it was found that recruitment sources affect the characteristics of applicants attracted. The use of employee referral yielded applicants less likely to turnover and more likely to be better performers. In a study by Aamodt and Carr (1988), it was found that applicants referred by successful employees had longer tenure than did applicants who had been referred by unsuccessful employees. Thus, only those referrals made by successful employees should be considered.

In the same vein, Gomez-Mejia, Balkin and Cardy (2001) reported that employees who were hired through referrals from current employees tended to stay with the organisation longer and displayed greater loyalty and job satisfaction than employees who were recruited by other means. Terpstra (1996) noted in a survey of 200 human resource executives that employee referrals were rated as the most effective recruitment method. Employee referral is a method whereby current employees recommend friends and family members for specific job openings (Aamodt, 1999). It is both an internal and external method of recruitment.

Delany and Huselid (1996) found that practising an effective recruitment and selection process has positive relationship with organisational performance. Researchers have found a positive and statistically significant association between use of recruitment and selection procedure and profits (Terpstra & Rozell, 1993). A good recruitment exercise enhances productivity. It also reduces cost as it reduces labour turnover rate and employee dissatisfaction (Nwachukwu, 2000). In a study in Greece,

Katou and Bedhwar (2006) found that staffing and other HRM practices such as training and promotion, involvement of employees, incentives, safety and health have positive relationship with firms' performance. Gberevbie (2010), in a study on strategies for employee recruitment, retention and performance in the Nigerian civil service, argues that for an organisation to realise its goals, appropriate strategies for employee recruitment and retention are sine-qua-non for enhanced performance. In a study on recruitment, and quality of academic staff selection, the case of Covenant University, Nigeria; Gberevbie (2006) asserts that the success and failure of any organisation to a greater extent depend on the quality of its work-force arising from the level of importance attached to the recruitment of its work-force.

Gberevbie (2006) further observed that there is a linkage between labour sourcing decision and organisational performance. The linkage is contingent on the fact that for organisation to achieve its goals, labour sourcing decisions on where to get quality staff and when to hire them become very crucial to the performance and survival of the organisation. In a similar vein, Armstrong (2001) observed that employee resourcing strategy is a vital part of both the formulation and implementation of business strategies needed to achieve organisational performance or effectiveness.

Research Hypothesis

Ho: Human resource recruitment does not affect performance of organisations in the Food, Beverage and Tobacco Industry in Lagos State.

Research Method

Study Site and Research Design

The setting for the study is Lagos State, situated in the South-Western part of Nigeria. Lagos State is Nigeria's financial, commercial and economic capital, with the largest concentration of organisations in the Food, Beverage and Tobacco Industry. Besides, Lagos is the most urbanised State in Nigeria. The adopted research design is the survey method. The justification for choosing the survey method is based on the fact that the study is interested in gaining an understanding of the problem being investigated (Ezirim, Briggs & Maclayton, 2004) without any attempt to manipulate or control the sample subjects (Asika, 1991). More so, the study is interested in the attitude or opinion of the respondents as opposed to their behaviour. The survey method is ideal since large sample of respondents are required and the researcher is interested in subjecting the collected data to rigorous statistical (hypothesis) testing. More so, it is economical.

Participants/Sample

Participants for the study consist of senior and management staff in the Food, Beverage and Tobacco Industry in Lagos State. The target respondents for the survey were the executive management and senior employees in charge of human resource management functions. A total of fourteen (14) respondent companies were drawn from the population using the simple random sampling technique. The stratified random sampling was further adopted to determine individual respondents at different job levels. Researchers use stratified random sampling to ensure that different groups of a population are adequately represented in the sample so as to increase the level of accuracy when estimating parameters (Frankfort-Nachmias & Nachmias, 2009).

In this study, the proportional stratified sampling was used to select equal sample of thirty (30) from each of the organisations surveyed. A total of four hundred and twenty (420) research subjects were drawn from fourteen respondent companies. The sampling technique and sample size were employed in order to have representation of the various cadres of staff because the population does not constitute a homogenous group (Briggs, 2007; Kothari, 2004). The sampled companies are Cadbury Nig. PLC, Guinness Nig PLC, Nigerian Bottling Company PLC, West African Seasoning Co.Ltd, Niger Biscuit Co. Ltd., Seven-Up Bottling Co. PLC, Nigerian Breweries PLC, Ragolis Waters Ltd., Promasidor Nig. Ltd., OK Foods Ltd., Nestlé Nig. PLC, Flour Mills Nig. PLC, Friesland Foods (WAMCO) Nig. PLC and GlaxoSmithKline Consumer Nig. PLC. However, 284 copies of questionnaire were properly completed and used for data analysis. This represents 68 per cent response rate.

Instrument

The instrument was designed using opinion and factual questions or categorical questions. The Likert 4-point scale ranging from strongly agree (4) to strongly disagree (1) was adopted for opinion questions

to elicit information from respondents. Also, the 3-point scale ranging from always (3) to never (1) was adopted. The instrument is comprised of two sections with alphabetical numbering. Section A x-rayed the socio-demographic profiles of respondents. Section B sought the views of respondents regarding the adopted recruitment practices in their organisations. The research instrument was subjected to validity and reliability testing. Asika (1991) posits that validity is superior to reliability, and that both are useful in ascertaining the usefulness of measuring instruments. Validity is the ability of the research instrument or scale to measure what it is designed to measure (Asika, 2004). The domain of validity also called intrinsic validity was used for the validity estimate. The domain of validity is obtained by calculating the square root of reliability (Guilford, 1954; Uwaoma, Udeagha & Madukwe, 2011). Validity estimate is 0.93 while the Cronbach's Alpha is 0.86 being the reliability coefficient of the instrument. An alpha level of 0.70 and above is generally considered satisfactory internal consistency (Nunnally, 1978; Cronbach, 1951).

Data Analyses

Data analyses were done using Statistical Product and Service Solutions (Ho, 2006); formerly Statistical Package for the Social Sciences (SPSS) software version 20. Frequency distribution showing absolute and relative frequencies or percentages was adopted as well as pictorial representation or visual displays of data such as bar charts. The hypothesis for the study was tested using Regression Model and the Pearson Product Moment Correlation at 95 percent confidence level.

1. Results and Interpretation

S/N	Variables	Absolute Frequency	Relative Frequency (%)
1.	Sex of Respondents:		
	Male	207	72.9
	Female	77	27.1
2.	Age of Respondents:		
	Less than 20years	-----	-----
	20-29	38	13.4
	30-39	156	54.9
	40-49	85	29.9
	50 and above	5	1.8
3.	Marital Status:		
	Married	195	68.7
	Single	83	29.2
	Separated	2	0.7
	Divorced	4	1.4
4.	Qualifications:		
	OND	12	4.2
	HND	82	28.9
	First degree	115	40.5
	Master's degree	73	25.7
	Ph.D.	1	0.4
	Professional diploma	----	----
	Others(Pls. specify)	1	0.4
5.	Job Cadre:		
	Junior	-----	-----
	Senior	227	79.9
	Management Staff	57	20.1
6.	Organisational Size:		

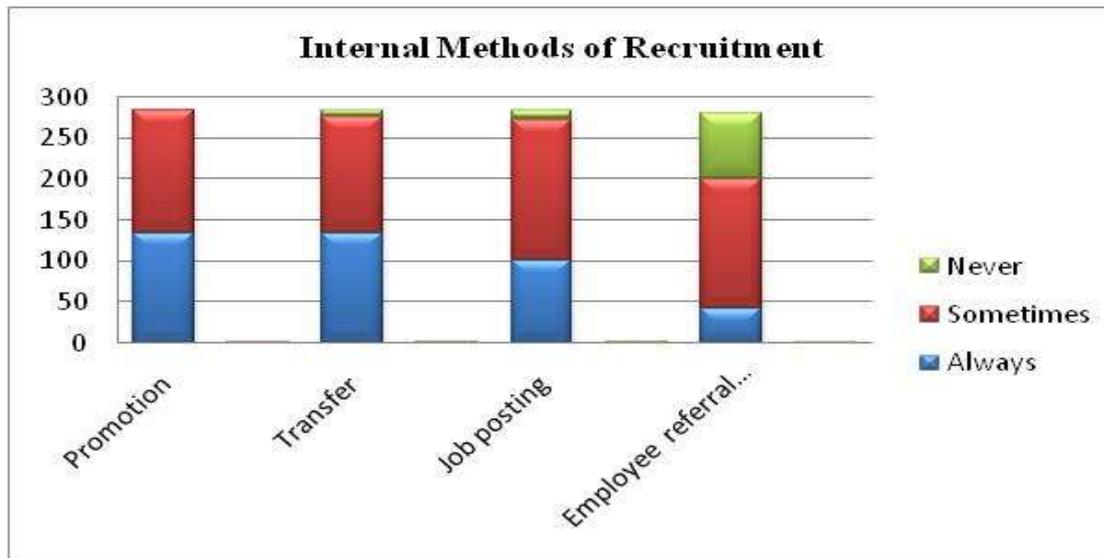
9.	Human resource recruitment affects performance of unionised organisations.	284	4 (128) 45.1%	3 (150) 52.8%	2 (6) 2.1%	1 ---	43	.54
10.	Job analysis exercise (systematic investigation in to the nature and requirements of a job) is carried out prior to recruitment of staff in my organisation.	284	(81) 28.5%	(167) 58.8%	(30) 10.6%	(6) 2.1%	3.14	0.68
11.	Job vacancies are often advertised externally in my organisation to fill job openings	284	(64) 22.5%	(150) 52.8%	(50) 17.6	(20) 7%	2.91	0.82
12.	Job vacancies are advertised internally in my organisation to fill job openings	284	(78) 27.5%	(159) 56%	(38) 13.4%	(9) 3.2%	3.08	0.73
13.	Both internal and external recruitment sources are used in filling job vacancies whenever they arise.	284	(96) 33.8%	(141) 49.6%	(41) 14.4%	(6) 2.1%	3.15	0.74
14.	In the recruitment of staff, my organisation adopts realistic and honest recruitment messages.	282	(82) 28.9%	(145) 51.1%	(45) 15.8%	(10) 3.5%	3.06	0.77
15.	The use of outsourcing recruitment strategy is practised by my organisation.	283	(83) 29.2%	(137) 48.2%	(52) 18.3%	(11) 3.9%	3.03	0.80
16.	The use of contract staff is commonplace in my organisation	283	(85) 29.9%	(122) 43%	(69) 24.3%	(7) 2.5	3.01	0.80
17.	E-recruitment or online or internet recruitment is practised by my organisation to attract prospective applicants from external labour market	284	(78) 27.5%	(95) 33.5%	(66) 23.2%	(45) 15.8%	2.73	1.03
18.	Recruitment practices are related to organisational size	283	(58) 20.4%	(173) 60.9%	(47) 16.5%	(5) 1.8%	3.00	0.67
19.	Employees' tenure in an organisation is related to adopted recruitment practices in unionised organisations	282	(39) 13.7%	(164) 57.7%	(66) 23.2%	(13) 4.6%	2.81	0.72
20.	Recruitment practices are significantly different in unionised and non-unionised organisations	276	(54) 19%	(133) 46.8%	(79) 27.8%	(10) 3.5%	2.84	0.78
21.	How often does your organisation deploy the following internal method(s) of recruitment?	N		Always	Sometimes	Never	MIS	STD

i.	Promotion	284	(135) 47.5%	(149) 52.5%	----	2.48	0.50
ii.	Transfer	284	(135) 47.5%	(141) 49.6%	(8) 2.8%	2.45	0.55
iii.	Job posting	284	(101) 35.6%	(172) 60.6%	(11) 3.9%	2.32	0.54
iv.	Employee referral (a method whereby current employees recommend friends and family members for specific job openings)	280	(43) 15.1%	(158) 55.6%	(79) 27.8%	1.87	0.65
22.	How often does your organisation deploy the following external method(s) of recruitment?	N	Always	Sometimes	Never	MIS	STD
i.	Advertisement	284	(177) 62.3%	(105) 37%	(2) 0.7%	2.62	0.50
ii.	Executive search agency(head hunters)	281	(52) 18.3%	(185) 65.1%	(44) 15.5%	2.03	0.59
iii.	Employee referral(a method whereby current employees recommend friends and family members for specific job openings)	281	(42) 14.8%	(145) 51.1%	(94) 33.1%	1.81	0.67
iv.	Through Unions	277	(20) 7%	(91) 32%	(166) 58.5%	1.47	0.63
v.	Educational Institutions(scouting)	283	(38) 13.4%	(132) 46.5%	(113) 39.8%	1.73	0.68
vi.	Private employment agency	279	(36) 12.7%	(165) 58.1%	(78) 27.5%	1.85	0.62
vii.	Public employment agency	279	(21) 7.4%	(109) 38.4%	(149) 52.5%	1.54	0.63
viii.	Professional bodies	279	(47) 16.5%	(109) 38.4%	(123) 43.3%	1.73	0.73
ix.	Unsolicited applications	282	(30) 10.6%	(167) 58.8%	(85) 29.9%	1.80	0.61
x.	Walk-in	274	(12) 4.2%	(169) 59.5%	(93) 32.7%	1.70	0.55
23.	How often does your organisation use the following recruitment metrics to determine the effectiveness and efficiency of recruitment sources/methods in your organisation?	N	Always	Sometimes	Never	MIS	STD

i.	Yield ratio (yield ratio expresses the percentage of applicants who successfully move from one stage of the recruitment and selection process to the next)	263	(88) 31%	(120) 42.3%	(55) 19.4%	2.13	0.73
ii.	Cost per hire (cost of using a particular recruitment source/method for a particular type of vacancy, then divide that cost by the number of people hired to fill that type of vacancy).	267	(68) 23%	(136) 47.9%	(63) 22.2%	2.02	0.70
iii.	Survey(using a questionnaire)	263	(29) 10.2%	(127) 44.7%	(107) 37.7%	1.70	0.66
iv.	Data on turnover(data on staff leaving the organisation)	266	(51) 18%	(171) 60.2%	(44) 15.5%	2.03	0.60
v.	Leads or applicant generated (quantity or number of applicants generated via a particular method)	266	(39) 13.7%	(142) 50%	(85) 29.9%	1.83	0.66

Source: Field Survey, 2016.

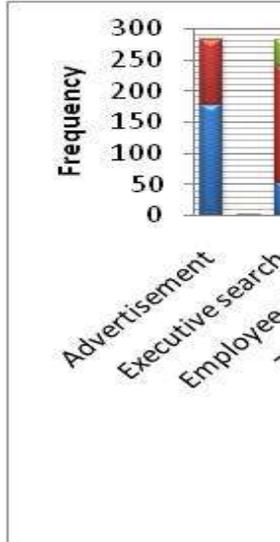
Legend: N= Respondents: SA= strongly agree: A= Agree: D= disagree: SD= strongly disagree:
MIS= mean Item Score: STD= standard deviation/ variation ratio



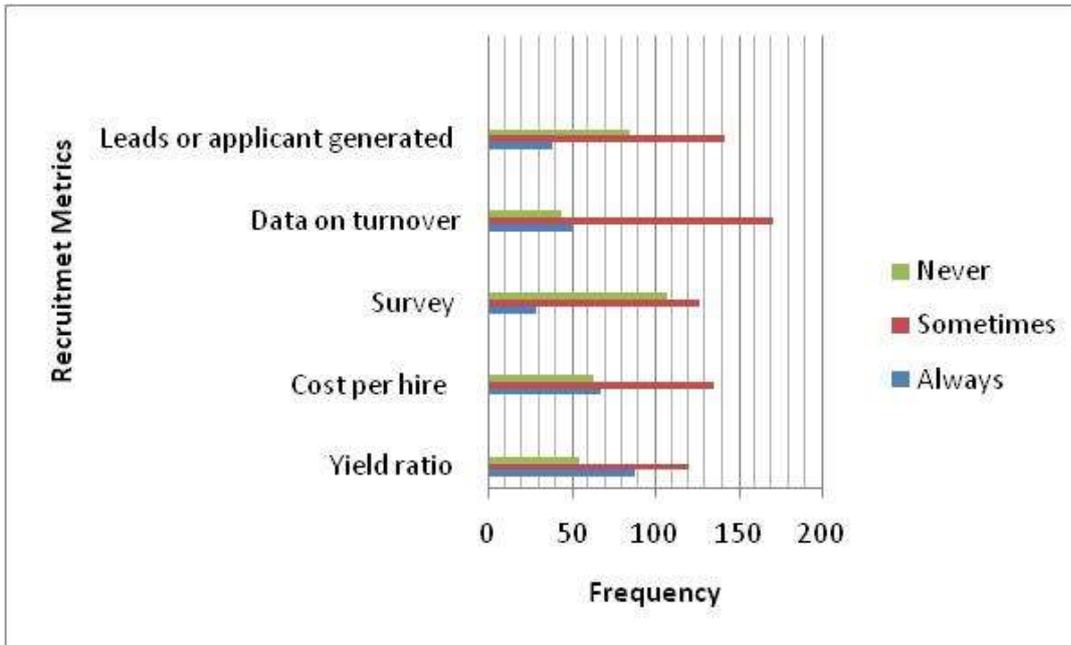
Source: Generated by Author from Table 4

Fig. 1: Bar Chart of Internal Methods of Recruitment

S/N	Measures of Performance	Overall Model Summary	Human Resource Recruitment
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Source: Generated by Author from Table 4
 Fig. 2: Bar Chart of External Methods of Recruitment



Source: Generated by Author from Table 4
 Fig. 3: Bar Chart of Recruitment Metrics

It was hypothesised that recruitment practices do not affect performance of unionised organisations. The result of hypothesis test shows that recruitment practices exhibited significant relationship between public image, staff morale and rate of sales. Although, there exists significant negative relationship between sales and recruitment practices ($r = - 0.121$; $p < 0.05$). However, recruitment practices have positive and significant relationship with public image ($r = 0.120$; $p < 0.05$) and staff morale ($r = 0.140$; $p < 0.05$).

1.	Rate of Sales	R= 0.390 R ² = 0.152 (F= 9.573 ; p< .01)	β= -0.286 t-value =-4.180 p-value = 0.000 Remark: s
2.	Operational Efficiency	R=0.322 R ² =0.104 (F= 6.197 ; p< .01)	β= -0.221 t-value =-3.157 p-value =0.002 Remark: s
3.	Performance Stability	R=0.355 R ² =0.126 (F=7.738 ; p< .01)	β=-0.181 t-value =-2.621 p-value =.009 Remark: s
4.	Public Image	R=0.428 R ₂ = 0.183 (F= 12.003 ; p< .01)	β=-0.073 t-value = -1.090 p-value =0.277 Remark: ns
5.	Staff Morale	R= 0.408 R ² = 0.167 (F= 10.681 ; p< .01)	β=-0.026 t-value =-0.381 p-value =0.704 Remark: ns
6.	Innovativeness	R= 0.382 R ² =0.146 (F= 9.110 ; p< .01)	β=-0.063 t-value =-0.920 p-value =0.358 Remark: ns
7.	Growth rate of number of employees	R= 0.426 R ² =0.181 (F= 11.821 ; p< .01)	β=0.020 t-value =0.303 p-value =0.762 Remark: ns
8.	Adaptability	R=0.328 R ² =0.107 (F= 6.451 ; p< .01)	β=-0.122 t-value =-1.746 p-value =0.082 Remark: ns
9.	Market Shares	R= 0.216 R ² = 0.047 (F= 2.624 ; p<0.05)	β= -0.061 t-value =-0.845 p-value =0.399 Remark: ns
10	Profitability	R=0.317 R ² =0.101 (F= 5.986 ; p< 0.01)	β=-0.152 t-value =-2.158 p-value =0.032 Remark: s

Table 5: Regression Results

Legend: ns = non-significant s = significant

Similarly, in Table 5, it could be observed from the results of the regression analysis that human resource recruitment affects performance of organisations in the Food, Beverage and Tobacco Industry in Lagos State, as it can explain the variation on each variable slightly between 10 and 18% ($R^2 = 0.10- 0.18$), with very low goodness of fit.

The overall picture could be interpreted that human resource recruitment negatively associate with financial performance and positively associate with non-financial performance. This result indicates that the relationship between human resource recruitment and financial performance of organisations may not be linear but non-linear. Since, recruitment is supposed to provide a pool of applicants from which qualified and capable applicants are selected through the selection process. We can conclude that there is a positive association between human resource recruitment and non-financial performance of the organisations surveyed.

Discussion of Findings

The findings of the study are consistent with the literature. Nwachukwu (2000) found that a good recruitment exercise enhances productivity, and also reduces cost as it reduces labour turnover rate and employee dissatisfaction. The finding also corroborates Gberevbie (2010), who in a study on strategies for employee recruitment, retention and performance in the Nigerian civil service, argued that for an organisation to realise its goals, appropriate strategies for employee recruitment and retention are sine-qua-non for enhanced performance. Also, in a similar study on recruitment, and quality of academic staff selection, the case of Covenant University, Nigeria; Gberevbie (2006) asserts that the success and failure of any organisation to a greater extent depend on the quality of its work-force arising from the level of importance attached to the recruitment of its work-force. The study revealed that human resource recruitment is contingent on the size of the organisation. This finding is consistent with the literature.

Research has found that recruitment among large firms tends to be more formal, bureaucratic and resource intensive than for small firms (Barber, Wesson, Roberson, & Taylor, 1999). They further said that, small firms are more likely to use internal recruitment sources, such as employee referrals and networking. Kotey and Slade (2005) opined that the use of more formal recruitment sources such as employment agencies and newspaper advertising increases with firm size. Similarly, Fajana (1995) noted that in the recruitment process of small and medium enterprises (SMEs) and some large enterprises (LEs), potential employees were sought informally by word of mouth. One of the findings of the study is that recruitment practices are significantly different in unionised and non-unionised organisations. This finding is consistent with the literature. According to Armstrong (2009), the contingency theory tells us that what happens in organisations will be influenced, even governed by their internal and external environment. Armstrong noted that many of the differences that exist between unionised and non-unionised workplaces could be explained by the generally smaller size of the non-unionised firms. As noted by Kotey and Slade (2005), the use of formal recruitment sources and methods is dependent on firm-size. Most non-unionised organisations are small in size thereby necessitating the use of informal human capital resourcing practices.

It was also found that employees' tenure or length of service is related to adopted recruitment practices. Studies have shown that there is a relationship between recruitment sources/ methods and employee tenure. This finding is consistent with the literature. In a study by Taylor and Collins (2000) as cited in Dessler (2008), it was found that recruitment sources affect the characteristics of applicants attracted. The use of employee referral yielded applicants less likely to turnover and more likely to be better performers. In a study by Aamodt and Carr (1988), it was found that applicants referred by successful employees had longer tenure than did applicants who had been referred by unsuccessful employees. In the same vein, Gomez-Mejia, Balkin and Cardy (2001) reported that employees who were hired through referrals from current employees tended to stay with the organisation longer and displayed greater loyalty and job satisfaction than employees who were recruited by other means.

Conclusion and Recommendations

This study set out to examine the effect of human resource recruitment on performance of organisations in the Food, Beverage and Tobacco industry in Lagos State. Based on practical insights, recruiting people who are wrong for the organisation can produce long-term negative effects like high training costs, recruitment costs, loss of goodwill or reputation, increased labour turnover and loss of profitability. From the foregoing, it is recommended that for organisations to achieve quantum leap in their performance indices, they should put in place policies to guide the conduct of human resource recruitment in order to achieve optimal performance. Recruitment methods and sources contribute to performance of organisations. Therefore, managers should give adequate consideration to these before embarking on recruitment effort. The adoption of nepotism and favouritism in recruitment should not be encouraged in private sector organisations as Government policies on preferential quota system and Federal Character Principle with respect to recruitment in the public sector need to be re-examined with a view to improving performance of public sector organisations in Nigeria.

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