



STAFF RECRUITMENT, RETENTION STRATEGIES AND ORGANIZATIONAL SUCCESS

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ABSTRACT

This paper discussed the concepts of staff recruitment, retention strategies and organizational success. The study focuses on two major objectives – (a) identifying the link between individual level constructs such as staff recruitment or retention strategies and organizational level constructs such as organizational success; and (b) advancing a position and clarification of the concept of organizational success that differs from other related concepts such as performance and effectiveness. In conclusion, it was affirmed that staff recruitment and retention strategies play critical roles in enriching and sustaining the human capital content of the organization and as such advance features that contribute towards the continuity, value and relevance of the organization – hence its success. It was also recommended that the focus on human capital must emphasize on its actual link and role in driving the wellbeing of the organization.

Keywords: Organizational survival, retention strategies, staff recruitment, compensation, positive work climate, supervisor support.

Introduction

The wellbeing of the organization is tied to the content and features of its human resource. Fleck (2001) described successful organizations as those which are able to sustain their operations through the creation of value based on the effective application of its human capital. The role of human capital in the functionality and wellbeing of organizations is yet reinforced by Opatha (2010) in stating that the organization is primarily its people – and where such people are deficient in capabilities or fail to effectively channel their skills and knowledge to the betterment of the organization, then that could pose a problem to the organization. Thus it becomes imperative that organizations recruit and at the same time retain their valued and competent staff through effective retention strategies.

Studies on retention strategies have often advanced from the position of engaging the employee – addressing issues such as commitment and individual level performance (Adebayo, 2001; Ejiofor & Mbacgu, 2001); however, as Henry and Temtime (2009) observed, individuals, units and groups in the organization ultimately reflect the stance and functionality of the organization. This is because when it comes to factors such as competence, performance and even competitive, these are inherently tied to the human capital features of the organization. In this vein, it is therefore important that in discussions or studies on individual level constructs within organizations, reference and links must be established with regards the implications of such for the overall wellbeing and success of the organization.

In view of the noted implications of human capital for the wellbeing and outcome of organizations – this paper discussed the concepts of staff recruitment and retention strategies in the actualization of organizational success. The paper thus aligns and reinforces its earlier stated observation on the need for linking individual level actions and features with organizational outcomes. Moreso, the paper is justified on the basis that it offers a more specific operational definition and review of the concept of organizational success which differs substantially from other related concepts such as organizational performance or organizational effectiveness.

REVIEW OF RELATED LITERATURE

Baseline Theory

The Resource-Based View Theory: The baseline theory for this paper is the resource-based view theory. Resource Based View (RBV) of Barney (2001) suggests that sustainable competitive advantage is attainable when firms have a human resource pool which cannot be imitated or substituted by rivals. According to the Resource-Based view, firms should constantly evaluate their workforce to ensure that they have the right people with the right skills in the right places to ensure sustained competitive advantage (Barney, 2001) and when this is not the case, firms should make-up for the shortfall by employing appropriate recruitment and selection criteria.

The theory maintained that the major part of any firm's strength or weakness stem from the calibre of the people employed and the quality of their working relationships. To this end, Boxall and Purcell (2008) revealed that firms which recruit and retain exceptional individuals have the capability of generating human capital advantage. According to Sparrow et al., (2002), technology and capital can be acquired by most firms any time, for a price, but it is not easy to acquire a ready pool of highly qualified and motivated employees. As explained by Opatha (2010) recruitment is the process of finding and attracting suitably qualified

people to apply for job vacancies in the organization. It is a set of activities an organization uses to attract job candidates who have the needed abilities and attitudes. Recruitment is the process of generating a pool of qualified applicants for organizational job vacancies.

For Ofori and Aryeetey (2011) recruitment is the process of generating a pool of competent individuals to apply for employment within an organization. Evidence has shown that larger corporations are more likely than smaller organizations in implementing sophisticated recruitment processes (Bacon & Hoque, 2005) with majority of smaller organizations relying on referrals and advertising as their recruitment practices of choice (Opatha, 2010). The general purpose of recruitment according to Gamage (2014) is to provide the organization with a pool of potentially qualified job candidates. The quality of human resource in an organization highly depends on the quality of applicants attracted because organization is going to select employees from those who were attracted. In the same vein, Henry and Temtime (2009) construed recruitment as the entry point of manpower into an organization and the path an organization must follow from there on in order to make sure that they have attracted the right individuals for their culture and vibes so that the overall strategic goals are achieved

Concept of Staff Recruitment

According to Banjoko (2003), staff recruitment is the process of reaching out, searching for and attracting a large supply of people or a large pool of interested applicants from which the organization can choose those it considers competent or most qualified for the job. Studies have shown that the human resource is the most valuable asset in any organization (Adebayo, 2001; Ejiofor and Mbachu, 2001; Olowu and Adamolekun, 2005). The human factor is therefore fundamental to the achievement of organizational goals. As a result, the need to put in place appropriate strategy for employee recruitment of organizational workforce cannot be overemphasized. In order to realize the goals of social service delivery and development, capable workforce is required. And these are products of employee recruitment and retention strategies of organizations as a way of enhancing its success. According to Olowu and Adamolekun (2005), it is becoming more essential to secure and manage competent human resource as the most valuable resource of any organization, because of the need for effective and efficient delivery of goods and services by organizations, whether in public or private sector. Therefore, for an organization to realize its goals, appropriate strategies for staff recruitment is a sine-qua-non for organizational success.

Concept of Retention Strategies

Johnson et al (2008) define strategy as the direction and scope of an organisation over the long term which achieves advantage in a changing environment through the configuration of resources and competences with the aim of fulfilling stakeholder's expectations. Thompson et al(2004), on the other hand define strategy as a game plan which management of an organization adopts to stake out market position, attract competent employees and please customers, compete successfully, conduct operations and achieve organizational goals. Employee retention strategies refer to the means, plan or set of decision-making behaviour put in place by organizations to retain their competent workforce for performance (Gberevbie, 2008). Researchers have found that employees are more likely to remain and work for the successful achievement of organizational goals when appropriate employee retention strategies are adopted and implemented by organizations.

Chaminade (2007) on the other hand defines retention as a voluntary move by an organization to create an environment which engages employees for long term. According to

them, this attachment relationship should be durable and constant and link the employee to the organization by common values and by the way in which the organization responds to the needs of the employees. The main purpose of retention is to prevent the loss of competent employees from the organization, which could have an adverse effect on productivity and service delivery. Creating a retention strategy means placing the employees' needs and expectations at the centre of the organization's long-term agenda in order to ensure the professional satisfaction of the employee and to create a trusted relationship. In this stable relationship, the employee remains in the organization by personal choice based on free will and considered decision. Three forms of retention strategies are discussed herein as dimensions – compensation, supervisor support and positive work climate (Chaminade, 2007).

Compensation: According to Willis (2002), compensation is the most critical issue when it comes to attracting and keeping talent. A fair wage is the cornerstone of the contractual and implied agreement between employees and employers, the underlying assumption being that money can influence behaviour. Compensations are what organizations offer to their employees in response of their performance and effective contributions and at the same time the desires of employees. There are various forms of compensation. These include cash bonuses, appreciation awards and free commodities. Compensation plays a significant role in job satisfaction as they accomplish the basic necessities as well as facilitate to achieve the higher levels of goals.

Compensation system of any organization affects the employee performance and their aspiration to stay employed. As a consequence of performance and contribution, organizational rewards are the returns or benefits given to the employees as an appreciation and are regarded as the effective source of attracting and retaining them. If employees consider these rewards as a satisfactory form of appreciation employees will stop thinking about opportunities from other organization. Often effective compensation strategies offer organizations a competitive edge by enhancing their ability to attract and retain employees. The most important aspect of reward or compensation is the awareness of how such rewards are calculated or determined. Knowledge about compensation and benefit options impact retention.

In particular, employees are more likely to remain with an organization when the rewards and actions necessary to earn rewards are well understood. Again employees tend to remain with an organization when they feel their capabilities and their efforts and contributions are recognized and appreciated. Performance of employees and their desire to remain employed is affected by organizations reward system. The staff who are satisfied with organizational rewards choose to stay in the organization as they believe losing such a competitive reward to be costly and will not find such compensation anywhere. Various studies examined that employee compensation, rewards and recognition affects employee turnover and retention. Employee commitment is promoted by highly competitive wage systems and it results in the attraction and retention of a superior workforce.

Supervisor Support: One of the most important factors that have impact on retention is the relationship between a worker and a supervisor. Supervisors are the “human face” of an organization. According to Madiha (2009) a worker's view of the organization is strongly influenced by their relationship with their supervisor. By having support, workers are less likely to leave an organization and be more engaged by having good relationship and open communication with the supervisor. Supervisors interact as a link to practice applications among stated goals and expectations. By harmonizing the competing demands, they support

in managing both inside and outside the work environment. If the relationship is not pleasant, then employees will seek other opportunity for new employment and vice versa.

Supervisor support is so essential to retention that it can be said that employees leave bosses, not jobs (Madiha., 2009). It is also important to note that association between workers and the boss is a significant factor that influences the employee's retention as supervisors are the "human face" of the organizations. Hence employee's relationship with a supervisor strongly affects the employee's opinion about the organization. In view of the aforesaid, it is absolutely glaring and obvious that supervisor's support is an essential factor to change the worker's tendency to quit and create high involvement in job by establishing strong relationship and free interaction with their employees. To properly establish the place where workers desire to stay, organizations need to groom up supervisors or managers. Again the relationship between an employee and a supervisor is one of the most important factors that affect employee retention. It must be noted that employees are less probable to leave an organization and get more committed through good relationships and free communication with the supervisor when a strong support exists (Madiha, 2009).

Work climate: This is the key factor for the success of the organization. This factor is associated with the organization's culture and practices of valuing employees as an asset, not a cost. The commitment of the employees can be developed when the work climate is harmonious and it would never make the employees to feel stressed (Hom & Kinicki, 2001). Companies that actively promote a positive work environment and who also value employee contributions while achieving a true work-life balance have been found to be more successful at communicating the idea that their employees are one of their most valuable resources. This is why the author is in agreement with other writers who have suggested that good work climate involves the aspects of the workplace as being enjoyable or fun, the organization being a special place to work, and the firm regarded as an employer of choice. These dynamics, when positively applied, portray a workplace that values its people and their talent (Hom & Kinicki, 2001).

CONCEPT OF ORGANIZATIONAL SUCCESS

Organizational success is a central issue in organizational studies, and growth is often believed to be an adequate indicator of organizational success. As Whetten (cited in Fleck, 2001) remarked, in general, organizational growth is an implicit assumption in research studies because it is generally assumed that "growth is synonymous with effectiveness", that "bigger is better" and that "there is a positive correlation between size and age. Other definitions of success emphasize the time dimension. For example, according to Miller and Friesen (cited in Fleck, 2001), success is related to the degree to which the firms are able to achieve their objectives subject to the constraints of long run viability. A related notion is organizational self-perpetuation (Fleck, 2001), i.e. the firm's ability to survive its members. On the other hand, the organizational life cycle perspective (Robbins, 2005) predicts that sooner or later, organizations enter the decline phase and face death. Though much less popular than organizational success (Fleck, 2001), organizational failure has also been referred to in the literature in different ways. These include: organizational mortality, organizational death, organizational exit, bankruptcy, decline, retrenchment and downsizing (Fleck, 2001).

Opposing growth and decline, Whetten (cited in Gomes & Gomes, 2007) has distinguished two types of decline: decline-as-stagnation referring to suicidal organizations suffering from stagnation and market share reduction, and decline-as-cutback designating organizations that fall victim of a hostile, homicidal environment that undergoes market shrinking. Weitzel and

Jonsson (cited in Fleck, 2001) have called into question the validity of both the organizational life cycle and the imperative of the organization's death. These authors view decline as a process that may lead to organizational destruction and have proposed a model of stages of decline progressing from blinded to inaction, faulty action, crisis and dissolution. From a temporal perspective, Meyer and Zucker (cited in Fleck, 2001) have coined the term permanently failing organizations to designate those entities that combine persistence of existence with persistently poor performance.

Sustaining a continued existence involves handling challenges that threaten the organization's survival. Organizational growth, for example, may bring about dysfunctional consequences, as large organizations are likely to become "too complex, too rigid, too impersonal, too inefficient and too inaccessible to outsiders" (Fleck, 2001). In Barnard's view (cited in Robbins, 2005), few organizations survive among innumerable failures because successful cooperation in organizations is the abnormal condition. The norm in human history, according to him, is faulty cooperation, disorganization, disintegration and the destruction of the organization. In line with Barnard (cited in Fleck, 2001), Selznick (cited in Gomes & Gomes, 2007) asserts that organizational rivalry may be the most important, perennial problem in organizational life because it threatens the unity of the larger enterprise. Poor cooperation and ill-managed rivalry may cause the organization's dismantling and disappearance. In short, large, diversified firms require management to focus not only on developing the businesses' competitive advantage, but also to make the whole more valuable than the sum of its parts (Robbins, 2005), and to prevent the firm from breaking apart. According to Selznick (cited in Fleck, 2001), the self-preservation of an institution goes beyond survival, for it requires the preservation of organizational integrity.

Conclusion

This paper discussed the concepts of staff recruitment, retention strategies and organizational success – advancing the imperatives of a bridging of individual level actions with organizational level outcomes. The discussion anchored on the resource-based view as its base-line theory – emphasizing on the need for actions such as compensation, support and positive work climate in not only retaining the valued and skilled members or staff, but also for driving and harnessing their potentials and creative inputs in the actualization of organizational success. It is therefore concluded that staff recruitment and retention strategies play critical roles in enriching and sustaining the human capital content of the organization and as such advance features that contribute towards the continuity, value and relevance of the organization – hence its success. It is therefore recommended that in recruiting and retaining workers, organizations must be more emphatic on the type and form of human resource that generally align with the values of the organization. This is important in bridging differences in expectations and ensuring that recruited workers shared in the organizations ideologies, participate and are resourceful in ways that better the actions and operations of the organization – thus contributing to its growth and success in the long-run.

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