



RECRUITMENT PROCESS OUTSOURCING IN INDIAN COMPANIES

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Abstract

Recruitment (hiring) is a core function of human resource management-Recruitment refers to the overall process of attracting, selecting and appointing suitable candidates for Jobs (either permanent or temporary) within an organization. Recruitment can also refer to processes involved in choosing individuals for unpaid positions, such as voluntary roles or unpaid trainee roles. Managers, human resource generalists and recruitment specialists may be tasked with carrying out recruitment, but in some cases public-sector employment agencies, commercial recruitment agencies, or specialist search consultancies are used to undertake parts of the process. Internet-based technologies to support all aspects of recruitment have become widespread.

Successful recruitment and selection practices are key components at the entry point of human resources in any organization. Efficient recruitment and selection strategies result in improved organizational outcomes. The main objective of this paper is to identify general practices that organizations use to recruit and select employees. The study also focus its attention to determine how the recruitment Process Outsourcing affect the Indian Companies. The source of data was secondary. This paper cover its benefits, & reports based on news paper, internet & Business news.

Key Words: (Recruitment Process Outsourcing), HRM.

Introduction

Recruitment Process Outsourcing is a form of business process outsourcing (BPO) where an employer transfers all or part of its recruitment processes to an external service provider. An RPO provider can provide its own or may assume the company's staff, technology, methodologies and reporting. Outsourcing has been a part of the workspace for a number of decades. The use of external suppliers for essential but ancillary services might be termed the baseline stage in the evolution of outsourcing. The model for most of the 20th century was a large integrated company that can 'own, manage, and directly control' its assets. In the 1950s and 1960s, the rallying cry was diversification to broaden corporate bases and take advantage of the economies of scale. Subsequently, organizations attempting to compete globally in the 1970s and 1980s decided to increase their flexibility and creativity. Core and critical processes were handled in-house, while the rest were outsourced. Outsourcing has been part of the fibre of corporations for years, however, it was formally identified as a business strategy post 1989 (Mullin, 1996).

The Recruitment Process Association (RPOA) defines RPO as “a form of business process outsourcing where an employer transfers all or part of its recruitment processes to an external provider. Recruitment Process Outsourcing providers can manage the entire recruiting/hiring process, or can manage one or two aspects of the process, essentially serving as an extension of the company’s human resources department”. This definition illustrates that RPO services are not outsourcing in the traditional sense, as working with an RPO provider is much more consultative and customizable than normal recruiting.

What Do RPO Services Entail?

Some RPO providers and solutions will take on a client’s entire recruiting function, but that’s only sometimes. In most cases, RPO providers offer specific services that are designed to improve what the client is already doing for recruiting, or work with a company’s recruiters to do more and to do better. Here’s a list of some of the services an RPO provider might do for a client:

- Candidate research
- Compliance tracking
- Reporting and Audits
- Hiring Manager Training
- Process Mapping
- Technology Consulting
- Third Party Vendor Management

RPO providers assume ownership of the design and management of the recruitment process and the responsibility of results. So, a provider will do more than X and Y for a company, but work with company resources to improve upon recruiting



processes and recruiting results. This makes it easier for clients to hold providers accountable and to hire the right talent for the company, instead of simply keeping positions filled.

What RPO is Not

Recruitment Process Outsourcing is not remote recruiting or giving your recruiting responsibilities away to someone else. It is not a one-size-fits-all solution, or necessarily an alternative to in-house recruiters or human resource professionals. Although you are outsourcing some aspects of recruiting to an RPO provider, RPO shouldn't be considered a one-time fix or a way to offload your recruiting problems. If you aren't committed to improving your recruiting processes and metrics, then one thing that RPO isn't is that it isn't for you.

Why Choose RPO

Is RPO for you? Or are you looking for a solution that's different from hiring a headhunter or a staffing agency? If so, then recruitment process outsourcing may be a good choice for your recruiting needs. Remember, that RPO is much more of a relationship than other outsourcing services, and recruitment process outsourcing is much more than paying someone else to do it all for you. You need to be committed to boosting your employment brand and to finding the best talent possible, instead of filling positions and simply finding people who are qualified.

Benefits of Recruitment Process Outsourcing (RPO)

Recruitment process outsourcing is still new for a lot of companies. Some may not realize that there are options in how to outsource or to improve their recruiting process, while others may stick with other solutions because that's the way it's always done and that's the way the boss likes to do things. However, if you're serious about RPO and really want to know what it could do for your organization, then here are the six awesome benefits of RPO.

1. Reduced Recruiting Costs

This is one of the top reasons why organizations choose an RPO solution, and it's also one of the biggest benefits of RPO. Many companies spend a lot of money on headhunters and job boards, or waste a lot of money through high turnover rates. With other companies, time is simply wasted in lengthy hiring processes or outdated (or a lack of) technology. An RPO provider can reduce recruiting costs by streamlining your recruiting process and showing you how to find good candidates better and with less time and money.

2. Scalable Recruiting Capacity

Christmas season is here, and many employers during this time go through a hiring spree for seasonal employees. If that's you, then an awesome benefit of RPO is having a recruiting process in place that can scale up for the Christmas season, and then scale back down at the beginning of the next year. RPO is also great for companies that are growing rapidly, that may need extra help in scaling their recruiting capacity to meet growth.

3. A Consistent and Predictable Recruit-to-Hire Process

Candidates don't like it if they don't know where they stand in the recruiting process, or if they don't know what's happening or what's supposed to happen next. This problem could also plague companies who have multiple entities or multiple departments, where each one could have their own hiring process. RPO can help get everything together and make the recruit-to-hire process consistent and predictable for both parties and across the entire organization. This makes it easier to know what's going on and what everyone is doing to when recruiting or hiring someone.

4. Increased Candidate Quality

Hiring managers know that a great candidate is much more than a combination of experience and education, but also includes personality and previous accomplishments. Hiring managers who are pressed for time to fill a position, or have a ton of candidates to go through, may not necessarily take a look at the qualities that determine whether or not the new hire will stick with the position. An RPO solution can get into those qualities while still looking for candidates who have the needed experience and education.

5. Increased Hiring Manager Satisfaction

The increased hiring manager satisfaction comes from many aspects of RPO. Hiring managers now have better way to assess the success of their efforts. Hiring managers now have more support from executives in the recruiting process. Hiring managers now aren't stretched so thin and are better able to do their jobs. With the help and partnership of an RPO provider, hiring managers will be more satisfied with what's accomplished and how candidates are recruited and brought into the company.

6. Enhanced Employment Brand

The employment brand is essentially the identity of the company as an employer, and when every other aspect of the recruiting process is in place and doing well, the employment brand improves. If your candidate quality improves, that only looks good to other potential candidates for your organization. If your hiring managers are satisfied and are



working in a consistent recruit-to-hire process, then people who go through that process will only have good things to say about it and your company as an employer. Overall, RPO helps the company in many more ways that just cutting recruiting costs or filling positions faster. RPO can actually help a business become a better place to work.

India among Favourites for Recruitment Process Outsourcing

NEW DELHI: In a bid to cut costs, corporate giants based in the United States and the UK are looking to leverage their recruitment process outsourcing services from emerging market locations like India, a survey says. According to global consulting and research firm Everest Group, increasing cost pressures in the current economic environment has led North American and UK buyers to start receiving the back-office RPO services from offshore location such as India. "The value proposition of RPO is still resonating with buyers that are looking for a cost-effective option to withstand the current turmoil and at the same time create an efficient talent acquisition process that can be scaled up quickly when business environment improves," Everest Group Principal and Country Head Gaurav Gupta said. Indian suppliers such as Infosys, Wipro and Caliber Point have already entered this space in the past two years, while Western suppliers such as Momentum and People Scout are also leveraging India for delivering RPO services. The survey further highlighted that a significant number of North American-head quartered large. MNCs adopt RPO for their European and Asia-Pacific operations.

Hire-Pro Launches Online Platform for Campus Recruitment Process Outsourcing

BENGALURU: Recruitment firm Hire-Pro has launched an online platform for campus recruitment process outsourcing (CRPO), which will bring together colleges, students and corporate to manage the entire selection process.

The platform aims to connects over 1 million students in 5000+ colleges with 0.5 million jobs. The CRPO tool will manage a span of transactions covering talent branding, application processing, assessment, offer rollout and follow-up till on boarding. Most of these transactions will be rendered paperless and can be managed remotely in real time.

Pilot implementations have resulted in a reduction of effort and cycle time by more than half. The platform aims to enhance talent connectivity by providing access to under-tapped academic programmes, regionally disadvantaged locations and sections of society.

"In Campus RPO, we have applied the principles of supply chain management and assembly line manufacturing to enhance talent connectivity," said Rishi Das, CEO, Hire-Pro.

Established in 2003, Hire-Pro provides technology-enabled recruitment solutions for the knowledge economy. The company's recruitment solutions and services portfolio includes recruitment process outsourcing, assessments, talent branding, programme management, career interface management and managing on-demand recruitment needs.

Conclusion

The current valuation of the RPO industry in India is Rs 400 crore and is expected to grow at a rate of 40-50 per cent According to recent reports; more than 70 per cent of Indian employers are likely to outsource the recruitment function either partially or completely. The current valuation of the RPO industry in India is Rs 400 crore and is expected to grow at a rate of 40-50 per cent. When organizations outsource their recruitment process, they save as much as 40 per cent of their recruitment costs. The experience, expertise and economies of scale of a partner can help companies improve the quality of recruits along with an overall faster process.

As I have observed over the years, the HR function in companies is diversifying and RPO is closely related to it. Today HR has evolved from a mere support function to a strategic function geared towards organizational development and hence the axiomatic need to focus on key functions. The advent of outsourcing opened the doors for companies to channel their energies on the redefined core HR undertakings.

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