

The Influence of Social Media on Recruitment and Selection Process in SMEs

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Abstract

The goal of this research is to investigate the influence of social media on recruitment and selection in Small and Medium Enterprises (SMEs) in the United Arab Emirates (UAE). Social media networking provides great opportunities for businesses and job seekers to a certain extent. A mixed method is utilized for this research which consists of both quantitative and qualitative data collection tools from the selected participants. The population was selected from 1000 firms listed in the Yellow pages of Etisalat. A random sampling procedure was used to select 400 firms from different types of sectors. The respondents of this study incorporated 200 business owners with a 50 percent response rate. The results show that 58 percent of employers in SMEs are using social media to search for high qualified candidates. The highest benefit from using social media in recruitment and selection is to hunt for high qualified employees with 79 percent of the respondents. The paper provides rational evidence for employers and recruiters to have a clear recruitment strategy that is consistent and ongoing to attract job seekers using various methods of social media networking and to build a clear selection method for the hiring process.

Keywords: Social Media, Recruitment and Selection Process, SMEs, UAE Social Media

1. Introduction

Social media is growing dramatically in United Arab Emirates (UAE) and the Gulf region. A global consensus on the essential role of entrepreneurship in economic growth has emerged in the past decades. In emerging markets, it's hard for entrepreneurs to find the right candidate in the local markets. The employers and recruiters in private sector need to be aware of the power of social media and mobile devices to locate the right potential candidates around the globe. Furthermore, the country is relying heavily on foreign workforce in economic development.

Social media has enriched the staffing process by creating an open environment for participants to search for the right position (Bondarouk & Olivas 2013). On the other hand, relying solely on social media can hinder the relationship between the industry, HR recruiters, and the job seekers (Raj 2010). This research examines the influence of social media on the recruitment and selection process in the SMEs in the UAE. It explores the role of main social media networking such as Facebook, LinkedIn, Twitter and Instagram in the process of recruiting and hiring professional workforce in the private sector.

1.1 Problem Statement

Starting a new business in the UAE, just like other nations, can be challenging. Some of these challenges related to obtain business license or to find the right local sponsor for the proposed business, especially if the new business is planned to be out of the assigned Free Zones in the country.

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Therefore, private business owners are limited in attracting highly qualified employees because the country is heavily reliant on foreign labor to achieve the economy growth. Social media can influence recruitment and selection process in the private sector and can provide free information on highly qualified candidates.

1.2 Rationale for the Research

According to Noe (2012), "organizations spend efforts and time on recruitment and selection process. Social media has been successful in many aspects of the career path, from networking to marketing specialized goods and services (Bondarouk & Olives 2013). According to Head worth (2011), Social media is found to be essential among the working population and became the main medium of communication.

Public and private companies all over the world were successful in employing social media in their daily operations and human resource recruitment and selection process (Head worth 2011). Indeed, the era of new technology and the users of internet are increasing dramatically around the world. Many companies realized that if they want to compete in the market place, their presence in social media is important to stay close to their customers and respond quickly to the new trends.

1.3 Study Objectives

The goal of this paper is to examine the influence of social media on recruitment and selection process in the SMEs.

2. Explore the different industries who are engaged in using social media in recruitment and selection process
3. Explore the different methods of social media sites that are mostly used in recruitment and selection process.
4. Discuss the reasons of using social media in recruiting and selecting individuals.

4.1 Limitation of the Study

The influence of using social media on recruitment and selection is a new topic in the MENA region and there is a lack of research results in the UAE. In addition, the study is conducted only in the UAE and precisely covered only the private sector. Since confidential information is involved, some information is conducted through verbal interviews. The definition of highly qualified candidates is relative to the job requirements and thus may not be standard across all business sectors. Although candidates can be reached effectively and easily via social media networks, the risk is, if this strategy is not accompanied with other traditional recruitment search methods, then some talented candidates may not be targeted because there are still many people who do not use these networks and prefer the traditional way of searching and applying for a job. Furthermore, online profiles don't certainly give an accurate picture of the individuals. Assessing someone's potential and skills based only on an online profile leaves the door open for questionable practices.

5. Literature Review

With the era of social media, the approach to working and finding jobs has changed. Social media will not disappear completely, indeed, it's expected to increase dramatically in the next few decades; therefore employers and recruiters can take advantage of this by adopting hiring and recruitment methods that utilize social media networks. Social media, however, has some limitations associated with its use in recruitment and selection process. Although employers can get some benefits; using social media solely for recruitment and selection may hinder the relationship between job seekers and HR professionals, as well as the impact on the selection criteria of individuals.

Instead of identifying social media as a recruitment solution, employers should realize and understand that they need to work more closely with the professionals to be able to get the right candidates they are looking for, rather than spending time, money and other resources without any return on their investments. Many researchers believe that social media cannot solely replace the traditional recruitment methods in the near future.

5.1 Theoretical Framework

Recruitment is the process of finding, selecting, attracting and hiring qualified personnel to be employed within an organization and contribute to the achievement of its goals and objectives (Molnar 2011). Philips (2012) believes that the recruitment process may involve trying to attract highly qualified and talented individuals, screening the applications, and selecting the right applicant for the job. He argues that the recruitment and selection of personnel is considered a very critical component of the human resource's function which drives the organizations' success and development.

While selection is the process of screening applicants to determine which candidates meet the job requirements in terms of knowledge, skills and abilities (Philips 2012). Many organizations worldwide use traditional ways of recruiting and some of them tend to use a mixture of both traditional ways and online recruiting with the use of social media networks (Molnar 2011). He expects an increase trend in using corporate websites and social networks in recruiting and selecting individuals globally. Recruiting e-recruitment, or recruiting via the use of social media networks and internet, is a phenomenon that has led to the appearance of a new market in which there is an unprecedented level of interaction between employers and potential employees (Bondarouk & Olives 2013). Noe (2012) believes that "online technology and the use of social media in recruiting are crucial to companies that compete for the best talented candidates in a high speed job market". This is because the use of the social media can save a lot of time, cost and effort and also allows organizations to target more qualified candidates all over the world (Noe 2012).

Examples of the online social media networks which are used heavily are; LinkedIn, Facebook, Instagram and Twitter. According to Madia (2011), social network sites can be defined as "web-based services that allow individuals to construct a public or semi-public profile within a bounded system, articulate a list of other users with whom they share a connection, and view their list of connections". These network sites nowadays have connected people all over the world and most individuals are using these sites to search for jobs besides the other purposes of entertainment and connecting with other people (Madia 2011). Some organizations have already planned and used these networks in their recruitment process in order to target more qualified individuals worldwide and minimize the cost. Many organizations use social media networks to advertise for their job openings and at the same time brand their business by adding the company profile (Raj 2010).

Furthermore, by using social media sites, the vacancies can be filled faster and therefore save the time that can be spent in searching for qualified candidates through the uses of traditional methods of advertising and job posting (Sweeny 2011). He argues that social media sites can also help organizations increase their brand visibility online which can establish an excellent image and brand for these organizations. Using social media networks in recruiting and selection employees in the SMEs may reduce placement costs that are expended in advertising for job postings and it can also help them to promote their businesses and build their images through the use of these sites. Small business owners in the UAE face tremendous challenges of finding skillful and talented candidates that they need to hire in order to meet the job requirements and compete in the market place. As suggested by Philips (2012), this problem of finding the right candidate can be solved by finding other strategies of recruiting such as the use of social media networks. Thus, business owners in the UAE can benefit from the use of these social networks to make its vacancies and job posting open internationally to all people; this will help immensely as there would be a wider pool of applicants and it will be much easier to find talented potentials.

6. Material and Methods

A mixed method is utilized for this research which consists of both quantitative and qualitative data collection tools in order to provide more in depth data collection and ensure more accurate results on the impact of social media on recruitment and selection process. Qualitative method is used through a semi-structured interview with randomly selected participants in this research. Quantitative method is used for quantifying data that will be collected from a questionnaire survey.

6.1 Participants

The population was selected from 1000 firms listed in the Yellow pages of Etisalat. A random sampling procedure was used to select 400 firms from different types of sectors. The respondents of this study incorporated of 200 business owners with a 50 percent response rate. The SMEs in the private sector in the UAE were selected based on a random or probability sampling, so all participants will have equal opportunity to take part in this research. Selected participants will answer a questionnaire structured to analyse the impact of social media on recruitment and selection process.

6.2 Instruments

Gathering data and analyzing them was performed through using a mixed method, where a survey questionnaire is applied as a quantitative method and semi-structured interviews is conducted as a qualitative method. The semi-structured interviews took place between June 5th and August 4th 2016 in the UAE. The interview was based on well-prepared questions either during an in-person interview or by phone. The participants were aware that the information will be collected solely for educational purposes.

6.3 Questionnaire development

Three questions were used to determine the possible relationship between the variables (social media and recruitment and selection). All questions were selected carefully to be relevant to the topic and to reflect the aim of this study and enable to get the right results. The questionnaire has the following topics:

1. The usage of internet and social networks to target talented candidates.
2. Participants' first choice of social media method in recruitment and selection process.
3. The reasons of using social media in recruitment and selection process.

Results

Table 1 shows the descriptive statistics of the respondents. 200 participants responded to this study. The most popular categories shown below were selected from the UAE Etisalat Yellow Pages. The respondents' positions were either the owners of the business or the HR managers.

Table 1. Illustrates the respondent's position and the most popular categories (N= 200)

Position	Most Popular Categories	N	%
Owner/ HR Manager	Construction Companies	25	13%
	Real Estate	32	16%
	Travel Agents	21	11%
	Professionals	23	12%
	Restaurants	12	6%
	Dentists & Dental Clinics	5	3%
	Merchandisers	55	28%
	Wholesalers	11	6%
	Education	16	8%
	Total	200	100%

Figure 1: show the respondents' answers to the question, whether they are using social media in recruitment and selection process.

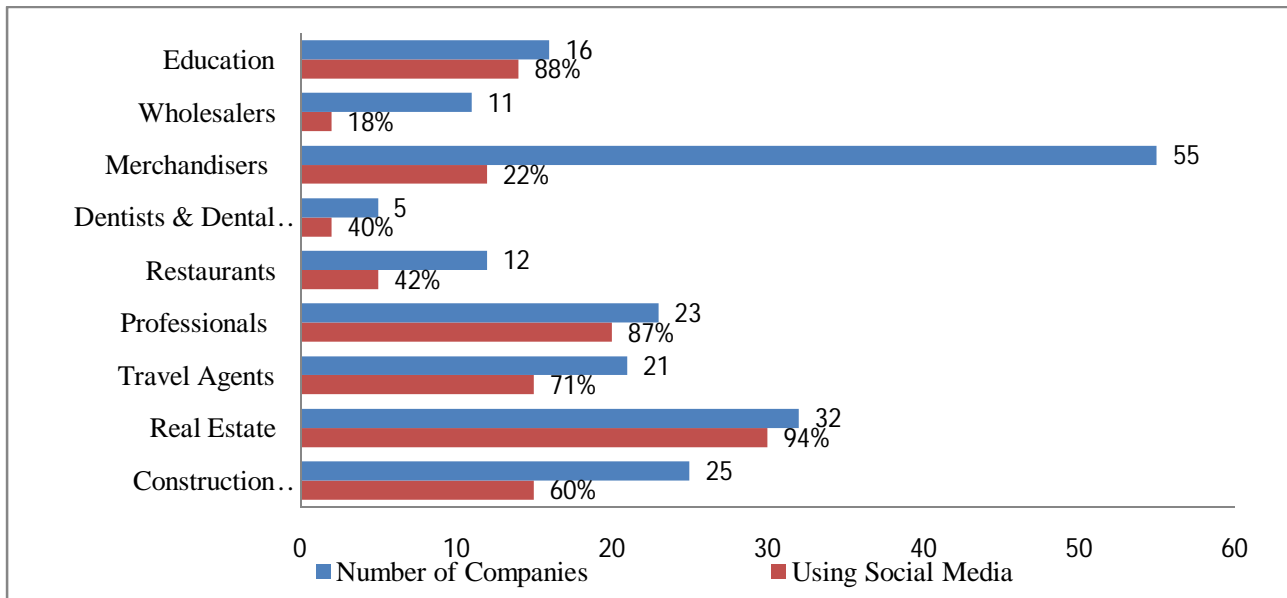


Figure 1. Illustrates the number of SMEs who are using social media in recruitment and selection

The results shows real Estate Companies rank number one in using social media tools for posting job ads and hiring by 94 percent. Education in private industries such as schools and training centers and professional as lawyers and accountants and comes second and third by 88 percent and 87 percent, respectively. Many respondents in the three sectors stressed the need for “targeting qualified candidates”. Travel agents 71 percent, construction companies 60 percent, restaurants 42 percent. Many respondents in this industry explained the need for “competitive advantages in restaurants industry”. Dentists and dental clinics noted 40 percent. Merchandisers and wholesalers responded by 22 percent and 18 percent respectively.

Table 2 shows the tools in social media that have been used by participants from different industries in the UAE.

Table 2. Shows the tools of social media used by respondents for recruiting and selection.

Types of Social Media	N	%
LinkedIn	75	38%
Facebook	65	33%
Instagram	20	10%
Twitter	18	9%
Others	22	11%
Total	200	100%

LinkedIn is the highest social media and network with 38 percent. Many respondents refer to LinkedIn as a “Professional social network”. Many employers hunt for job seekers through this network. Facebook with 33 percent comes in as the second most popular network. Facebook is a social network where people can add friends and update their professional profiles. Instagram comes third with 20 percent. The majority of young adults visits Instagram network. The fourth social media network is Twitter with 18 percent. Twitter enables users to send and read text messages linked to users’ profiles. Other networks noted by participants were “Google +, Google scholars and blogs”.

Figure 2: shows the benefits of using social media networking in recruiting and selection process according to respondent's answers.

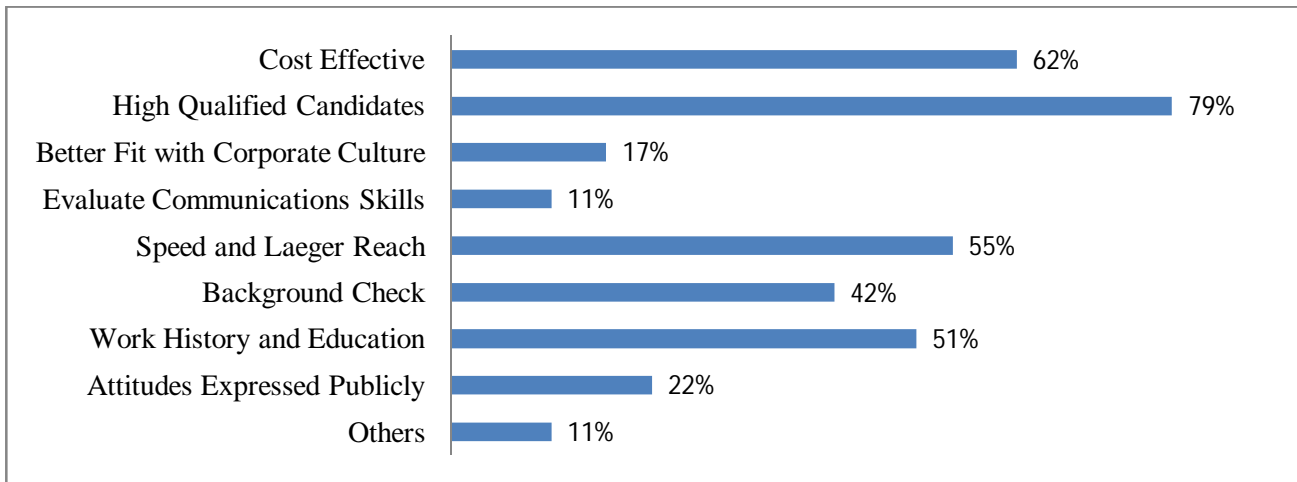


Figure 2: Illustrate the benefits of Recruiting and Selection using Social Media Tools.

The highest benefit from using social media in recruitment and selection is to hunt for high qualified employees with 79 percent of the respondents. 62 percent of the respondents noted "cost effective" as the main reason of using social media in recruitment and selection. Many participants noted "I can find the right person in the right position with no costs". It's free with most of social media network to communicate with others and colleagues all over the world and change your profile and connect with them. The third reason for using social media networking as the respondents stated is speed and larger reach with 55 percent. Many respondents stated that "Most of the time you don't find the right employee in the Gulf Region". Other respondents commented " It doesn't take time to speak directly with the potential employee using LinkedIn or Facebook".

Other respondents prefer to look at the work history and education of the potential candidates before they initiate communication with them, thus they responded with 51 percent for checking work history and education as one of the reasons to use social media in recruiting and selecting process. 42 percent of respondents stated that checking background is their priority in the hiring process. They noted "the candidates Facebook account and the friends you connect with them, and the way of communicating with them, will give us an idea of your behavior and personality traits". Attitudes expressed publically and better fit with corporate culture ranked with 22 percent and 17 percent, respectively.

Many responded have noted "a man is known by his friends". Companies nowadays are concerned with "person-organization fit" as noted by some participants. Some participants stated that one of the reasons of using social media in recruiting and selection is to check the candidate's communication skills with 11 percent. Others with 11 percent indicated that "promote our business will attract large pool of job seekers" and others noted the need for "competitive advantages".

4. Discussion

This paper aims to explore the impact of using social media on recruiting and selecting processes within the private sector in the UAE. Social media networking provides great opportunities for businesses and job seekers to a certain extent. The research results indicated that 58 percent of employers in small and medium enterprises are using social media to search for highly qualified candidates through a faster and cheaper method than posting a job.

Social media can be used in different ways. It provides business owners and recruiters with a clear idea of the identity of potential candidates before they connect with them. Recruiters may also read their profiles and gather information about the applicant's personality traits and how they might fit into their corporate culture.

LinkedIn ranked number one in social media for the employers' choice for potential candidates search. Facebook, Instagram and Twitter are also used by recruiters in the UAE private sector. Employers should have a clear recruitment strategy that is consistent and ongoing to attract job seekers using various methods of social media networking. In addition, they should build a clear selection method for their hiring process. Social media also provides information about industry trends and job seeker concerns, therefore, employers should be aware of what to share, and on what to focus, in their recruiting and selecting strategies. Employers and recruiters should prepare for the new era of mobile devices and apps. Employer applications transform mobile devices into recruiting and selecting tools. Many job seekers prefer to apply on job openings at the earliest time of a job posting. Employers should take this advantage by creating their own apps and platforms to attract highly qualified candidates.

4.1 Implication and Limitation

The research places emphasis on how social media networks benefit businesses in recruiting and selecting processes, and not on how to promote products and services in small and medium enterprises, in the UAE. The study contains a limited number of questions and a semi-structured interview. Additional research is needed to clarify the financial impact of using social media on recruiting and selecting processes on each industry.

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