

# Effect of recruitment and selection practices on organisational strategic goals

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## Abstract

**Purpose:** This study aimed at examining how recruitment and selection practices influence organisational strategic goals.

**Research methodology:** A descriptive case study design was employed. Data was collected from 311 employees of Nestle Water Company who were randomly selected.

**Results:** The study showed that screening affects profitability and market share positively though the effects were insignificant. The selection test on the other hand affects profitability both positively and significantly. There was however a positive insignificant relationship between the selection test and market share. Lastly, the study showed that there exists a positive significant relationship between e-recruitment and profitability; as well as e-recruitment and market share of Nestle water company.

**Limitations:** This study focused on just four recruitment and selection tools as well as employees of Nestle water company.

**Contribution:** The general assertion of scholars that screening, selection tests, e-recruitment, and employee referral have the capacity to stimulate an increase in the profitability and market share of an organisation was confirmed. It is recommended that future studies consider other recruitment and selection tools which were not considered in this study.

**Keywords:** *Recruitment, Selection, Practices, Strategic, Goal*

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## 1. Introduction

Several studies have stressed the need for human resource (HR) executives to ensure that the most suitable applicants are selected for a particular role. This is to ensure that organisational strategic goals are achieved. Several tools are used to achieve this purpose though it is not clear which of the tools is most effective and has the potential to facilitate the attainment of strategic goals. Organisational strategic goals, according to Amadike (2018), refer to specific business objectives and achievements that an entity desires to achieve at a predetermined future time, generally ranging from three to five years. Strategic goals are objectives set to determine how a corporate plan will be carried out (Bans-Akutey, 2020). These objectives may be measured both financially and non-financially. Top managers of business organisations are able to measure the results of a business strategy and operation by evaluating the financial performance of the business. Amadike (2018), explains that financial performance is the performance of a business organisation over a predetermined time period described as either total profits or losses. According to Ekwoaba, Ikeije, and Ufoma (2015), the success of any business is closely related to the performance of its employees. This indicates that an organisation's worth and value are inextricably connected to its performance (Phina, Ogechukwu, & Shallom, 2021). Among the various measurement for financial performance is profitability. According to Agelyne and Musau (2021), profitability refers to the revenue of a business entity that surpasses its expenditure. Every business has to make an adequate profit so as to pull through at the end of the financial period. Profit, fundamentally, measures the attainment of objectives in financial terms. Profitability, on the other hand, measures the sustainability of the generated profit.

On the other hand, non-financial performance is the use of operational key performance indicators, such as the rate of innovation and creativity, customer happiness, market share, and market turnover to measure the output of businesses (Ogidi & Pam, 2021). Another instrument for non-financial performance measures is market share. Market share is the percentage that belongs to an enterprise out of the total purchases of a product by a customer (Usman, 2020). Market share is deduced from the number of sales in a given period divided by the overall sales of the industry during the same time period. An increase in market share connotes more sales, less effort to sell more, and a tight barrier of entry for other competitors. Higher market share offers businesses a long-term competitive advantage. Many factors can influence the performance of manufacturing companies. Samwel (2017) emphasized aspects such as recruiting and selection procedures, method of performance assessment, health, and safety bonuses or perks, shareholder engagement, dispute procedures and settlement, remuneration, motivation, and employee-employer communication skills, among others.

The Human Resource (HR) function is the backbone of most businesses and cannot be avoided. Recruitment and selection procedures are the basic activities through which employees get admitted into businesses. Makhamara, Waiganjo, and Kwasira (2016) define recruitment as an orderly and planned process in which potential workers are gathered from a range of sources for selection and placement in the company. Candidates can be found through educational institutions such as universities, polytechnics, and colleges of education, as well as recruitment firms as well as internet recruiting.

The rate at which an economy grows or develops is directly or indirectly linked to the presence of companies that manufacture goods. In most countries, most business enterprises desire to employ the best workforce so as to direct every effort into achieving excellent organisational performances; increasing productivity and job satisfaction; as well as meeting and exceeding clients' expectations that are related to quality, cost, time and safety. Notwithstanding, very little information is available regarding how the selection of workforce is done in most Nigerian industrial companies. The recruitment and selection procedures of several employees have been a matter of concern to researchers and other stakeholders; and require attention (Jolaosho, Shodiya, Olajide, & Akintan, 2018). Being able to employ a skilled workforce that is competent to perform excellently on the job has become a very complicated and challenging activity. With time, this activity has become costly, time-consuming, plus the increased rate of employee turnover causes a decline in productivity. It can be very costly to find the right person to hire.

It is worth noting that several research works have been done in the area of recruitment and selection methods and performance of business enterprises both locally and internationally. Studies like Bhoganadam and Rao (2014), Ramki (2015), Amadike (2018) and Ekwoaba et al. (2015) were carried out in various developed and developing countries. However, based on the available materials at the disposal of the researcher, previous attempts to examine how recruitment and selection techniques affect business organisations show mixed results. Amadike (2018) asserted that empirical works concerning recruitment and selection processes and the performance of business organisations in nearby nations came up with mixed findings, meaning that, there is no empirical agreement. Studies in the Nigerian context have also presented mixed results as shown in the research work of Bhoganadam and Rao (2014) and Ramki (2015); while Ekwoaba et al. (2015) concluded on no significant connection between selection techniques and performance of small and medium scale enterprises in Kwara State. Sunday, Olaniyi, and Mary (2015) asserted that recruitment and selection techniques have a positive effect on the performance of business enterprises at Cross-River. Due to these mixed results in past studies, this work seeks to examine the effect of recruitment and selection practices on organisational strategic goals; using Nestle Water Company as a case. Specifically, the study was designed to: Examine the effect of e-recruitment on the organisational strategic goals; investigate the effect of employee referral on the organisational strategic goals; assess the effect of screening on the organisational strategic goals; and determine the effect of selection on the organisational strategic goals.

To facilitate the attainment of the objectives proposed, these hypotheses were formulated and tested at 0.05 significance level-Screening has no significant effect on organisational strategic goals; Selection

tests have no significant effect on organisational strategic goals; Employee referral has no significant effect on organisational strategic goals; E-recruitment has no significant effect on organisational strategic goals.

## **2. Literature Review**

### **2.1 Recruitment**

Recruitment is a term that describes finding prospective individuals for present or expected organisational vacant positions (Amadike, 2018). Recruitment can also be considered as the process of assembling those who have vacant employment positions and requiring those vacant positions filled with another group of people who are looking for the vacant role. The perfect recruitment endeavour generally brings together a sufficient number of well-qualified people who are ready to apply; while also providing all the information required in a way that those applicants who are not qualified will automatically get themselves out of the competition. It is very necessary that a good recruitment activity should to a large extent, get the attention of qualified applicants. Unqualified applicants need not apply if a provision is made by outlining the entire requirements for the role through effective job specification and explanation. Cloete (2017) explained that “recruitment is all about making sure the qualified people are available to meet the job needs of the government. Ineffective recruitment prevents any chance for effective candidate selection because when recruitment falls short, selection must proceed with a pool of poorly qualified candidates”. It is further stated that “the task of recruitment is to generate a sufficient pool of applicants to ensure that there are enough people available with necessary skills and requirements to fill vacant positions” (Yaro, 2014). Bhoganadam and Rao (2014) opined that “recruitment process involves the sourcing, advertising and interviewing of future employees, while selection process entails the staffing and training of new employees”.

Ramki (2015) explains recruitment as the procedures involved in receiving well-suited talents who are determined and available to provide necessary services an organisation requires at the appropriate time and place in a way that is beneficial to the organisation and its stakeholders. This implies that the procedure for recruitment presents a substantial number potential employees to the organisation who are considered qualified; and thus a proper selection can then be made to fill the job vacancy. Djabatey (2012) said “recruitment is a process of attracting suitable candidates for the selection process”. A very well thought-through employment plan and proper forecast can result in successful recruitment. Recruitment therefore, means the ability to find the needed job expertise, together with a personality type that matches the organisation’s culture. These then become the pre-requisites for creating a formidable team that collaboratively works together to ensure each member remains effective in various activities or projects ((Racey, 2017); (Bans-Akutey, Afriyie, & Tiimub, 2022).

Asiedu-Appiah, Aduse-Poku, and Abeeku-Bamfo (2013) also discuss recruitment as the means of trying to appeal to prospective applicants who have the potential to bring to the organisation their acquired techniques, skills, qualities and abilities which are required to meet the expectations of top management and job requirement for the success of the business organisation. Several expositions on recruitment stress an organisation’s endeavour to accurately locate, draw in, and determine the job preferences of capable applicants. One goal of the recruitment and selection process is being able to come up with standard procedures that would enable the personnel department to accurately decide on the right individuals for the job. The personal abilities, acquired knowledge and skills necessary for the attainment of the organisation’s goals can be acquired through proper implementation of the recruitment process. Indeed Samwel (2017) recommended that if the recruitment stage is implemented effectively, the actual selection process becomes less tedious and follows through automatically while achieving all desired outcomes.

According to Sunday et al. (2015), the recruitment process can be grouped into three parts: job analysis, recruitment strategy and selection method. The first, job analysis, is basically performed so as to collect all the necessary data about what the job demands and also set the recruitment norms. After the job analysis has been completed, it gives the organisation a clearer impression of the exact requirements for the job. This can therefore be the beginning of recruitment to draw in qualified

individuals for that specific role that is vacant. Sometimes, the preferred skills required by the business organisation may be got through the recruitment procedure (Adams, 1996). The second level focuses on the recruitment strategy, which encompasses the techniques to be used to share all important information related to the job, with all the potential candidates. Finally, the third component, referring to the selection method, is the category aimed at screening the applicants' capabilities and attributes in order to measure the level of success, adaptability and compatibility of the applicant in the business organisation. Owing to the fact that the selection criteria follow the requirements of the job position, the process of recruitment and selection is aimed at adequately ensuring that the appropriate capabilities and skills are unearthed in order to attain adequate performance by individual employees and other operational teams. ((Adams, 1996); (Bans-Akutey et al., 2022)).

Organisations can either recruit employees from within the organisation, or source employees from the external labour market. Internal recruiting policies are an integral part of high-performance work systems, and companies that practice internal recruiting are more likely to be financially successful than companies that rely on external recruiting of top talent (Beigi, 2020). This is because internal recruiting is cost-effective compared to external recruiting and is believed to increase organisational commitment and job satisfaction, thereby reducing employee turnover and increasing productivity according to Saviour, Kofi, Yao, and Kafui (2016). Among external recruiting sources, a study by Armstrong (2012) on recruiting scarce information technology talent identified a set of successful recruiting practices, ranked in order of highest to lowest success rate. These are Employee Referral Programs; Dedicated Information Technology Recruiters; Express Hiring; Local Print and Radio Adverts; Company Websites with Employment Opportunities Pages; University Recruitment and Career Fairs. However, this survey focuses on electronic job listings and employee referrals, as described in the following paragraphs.

### *2.1.1 E-recruitment*

E-recruitment is the process of recruiting staff online using web-based tools. The recruitment process involves attracting, screening, and tracking applicants; selecting those who will be offered jobs, and rejecting those who are not qualified for the role. Ekwoaba et al. (2015) in a study found that there is a significant reduction in cost when employers recruited potential employees from online sources. They indicated that the cost of hiring someone online is estimated to be about one-twentieth of the total estimated cost for offline recruitment. Online or electronic jobs can use the Internet to advertise vacancies, provide information about jobs and organisations, and communicate via emails between job seekers and employers ((Dissanayake & Nandasena, 2019); (Bans-Akutey, 2022)). Job seekers can virtually apply for jobs by applying online through e-mailing application forms and resumes to employers or human resource managers of business organisations. Some tests can also be completed online at the convenience of the prospective employee (Naab & Bans-Akutey, 2021). Some examples of online recruitment platforms are corporate websites, commercial job boards and agency sites.

### *2.1.2 Employee Referral*

Afriyie, Blankson, and Osumanu (2013) explain that employee referral involves a "condition where the existing employees of a business organisation recommend an external candidate for employment in the organisation". Already existing employees who recommend potential employees are most of the time sure of the candidate's morality, personality traits as well as physical capacity to get the specified job done. It is worth noting here that if the candidate excels, credit goes to the employee who recommended the candidate and vice-versa. Such employee referral programs are used in a variety of ways; in some instances, the referred candidates get peculiar consideration throughout the application process. At other times the existing employees are given substantial incentives or financial bonuses for recommending a friend to be employed by the firm (Mondy, 2010). Ganzach, Pazy, Ohayun, and Brainin (2006) stated that there are quite evident differences between the behaviour of referred and non-referred employees, despite the fact that both referred and non-referred employees may seem the same for most evident characteristics.

## **2.2 Selection**

The first step in efficient personnel management is employee selection. It is widely accepted that a company's employer brand can truly set it apart from the competition however the role of selecting the best candidate for a vacant position cannot be overemphasized. The process of selection includes observing and vetting the best candidates for the open vacancies. There may be several stages to this procedure itself (Joshi, 2013). According to Mondy (2010), the process of selection entails picking the candidates who are most qualified for a given position inside an organisation from a pool of applications. The ability to match the appropriate individual with the right task at the right moment is the key to effective selection. Effective job matching is crucial to retention rates, individual productivity, and corporate competitiveness. .

Following recruiting, the selection is the next phase of human resource planning. According to Pushpendra, Garima, and Monika (2017), selection is the process of choosing an acceptable applicant from among the pool of job applicants, whereas recruiting is the process of looking for potential employees to apply for the job postings in the organisation. The selection process begins after the recruitment procedure is over. This suggests that selection is the process of choosing the best candidate who matches the job requirements and the candidate's skills. In the opinion of Kumari and Malhotra (2013), the selection is more than just picking the top applicant; it also entails attempting to strike a fair balance between what the applicant is capable of and desires to achieve, as well as what the organisation needs. Additionally, choosing the correct staff is crucial for three primary reasons: expenses, performance, and regulatory requirements. No matter how strong or sound a corporation may be, it ultimately depends on its employees to carry out its strategies. This indicates that selection is essential for an organisation's operational activities to be successful. Selection enables managers to pick from a pool of candidates a person or people who are more likely to succeed in the position using specialised tools. Nehmeh (2009) asserted that selection processes aim to pinpoint those people who are most likely to be dedicated to their jobs. This is accomplished using a number of techniques, including psychometric testing. However, due to personal traits, pre-entry expectations, or organisational decision considerations, everyone has a different propensity to become committed.

Selection, according to Mathis and Jackson (2005), is the process of choosing the best candidates. They claim that the procedure begins after the recruitment process has been completed and is directed by specified selection criteria such as job descriptions, job specifications, and job profiles. According to Robbins and Judge (2009), the goal of the selection process is to fairly and legally match the applicant's ability, knowledge, skills, and experience with the job requirements. They argue that the procedure is governed by predetermined selection criteria, such as job descriptions, job specifications, and job profiling, which indicate that the selection process's goal is to fairly and legally match applicants' abilities, knowledge, skills, and experience with job requirements.

Employer decisions about employee selection are crucial to the functioning of organisations and to a number of outcomes that are important to people, organisations, and society. Managers who are involved in the hiring process must be aware of the qualifications needed for a position and identify individuals who possess those qualifications. Applications, resumes, reference checks, examinations, and interviews can all be used to distinguish between candidates. Managers can choose candidates more effectively if they are fully aware of their strengths and flaws. Screening, reference and background checks, interviews, and selection tests are examples of selection practices and techniques. However, this research will focus on selection and screening tests.

### **2.2.1 Screening**

The first phase after the application process is completed and the recruitment process has also been completed is screening, also referred to as shortlisting. All applications that are received by the deadline are examined in this step, according to Kumari and Malhotra (2013), and those that do not meet the criteria given in the job posting are promptly disqualified. Most of the time, the shortlisting criteria that are used are determined by comparing the entries received to the specifications listed in the job adverts.

### *2.2.2 Selection Tests*

When a large number of candidates are needed for a position and it is not possible to fully rely on exam results or information about prior experience to forecast future performance, selection tests are frequently utilised as a part of the selection method (Kumari & Malhotra, 2013). The process at an evaluation center typically includes tests. When the intellect is a crucial aspect yet there is no other accurate way to measure it, intelligence tests are especially helpful. The most helpful vocations for aptitude and attainment assessments are those requiring precise, quantifiable abilities, like typing or computer programming (Sutherland & Canwell, 2008). Personality tests may be most useful in professions like selling where personality is valued and where obtaining quantifiable criteria for validation is not too tough.

### *2.3 Organisational Strategic Goal*

A strategic goal is a long-term, overarching ambition for a firm as opposed to a quick fix to a problem or obstacle (Rahmany, 2018). Instead of setting goals that only enhance or correct what the organisation is already doing, strategies aid the business in improving how it functions and establishing new ones. The definition of an organisational strategic goal by Pushpendra et al. (2017) explains it as the discovery and development of plans that will assist in achieving macro goals like increased profitability, expansion, diversification, debt reduction, risk management, increased employee retention, or a decrease in taxes. The strategy begins with the ultimate objective and does not initially specify the tactics or means by which the objectives will be met (Moradi & Beigi, 2020).

Strategic goals, according to Robbins and Judge (2009), are crucial because they direct activities like priority setting, resource allocation, capability requirements, and budgeting. They also inform the team and individual goals that are used to focus and align the efforts of all employees, as well as plans for the upcoming years in marketing, operations, information technology (IT), and human resources (HR). Strategic objectives can either be "soft" or "hard," or exactly measurable or not. Both types of objectives ought to be specified for a range of parties involved, without limitation to clients, staff members, communities, and shareholders.

According to Ullah (2010), a company's critical success factors (the crucial components necessary to attain its goals) and strategic scope are the other two categories that the management team of the organisation must explain as part of the process of strategic planning (the products and services that will be offered, to whom and where). Regardless of the size of the firm, decision-makers can evaluate the financial performance to know and assess the status quo of an enterprise and assess the success of a corporate strategy and activity in objective monetary terms ((Khan, 2020); (Moradi & Beigi, 2020)).

With reference to Amadike (2018), financial performance is the performance of a business organisation over a specific time frame presented in terms of total profits and losses. According to Ekwoaba et al. (2015), the success of any business is closely related to the performance of its employees. This indicates that an organisation's worth and value are inextricably connected to its performance. Among the various measurement for financial performance is profitability (Mappadang, Wijaya, & Mappadang, 2021). On the other hand, non-financial performance is the use of operational key performance indicators, such as the rate of innovation and creativity, customer happiness, market share, and market turnover to measure the output of business organisations (Ogidi & Pam, 2021). In the context of this study, profitability and market share will be conceptualized.

#### *2.3.1 Profitability*

Profit has been the basic drive of all manufacturing firms. Every organisation must generate enough profit, in accordance with Oyedokun, Job-Olatunji, and Sanyaolu (2018), in order to last over the long term. It serves as a gauge for rising living standards, higher national income, and economic success. In essence, profitability is the measurement of the ongoing profit made, whereas profit is typically a measure in monetary terms. Profit is achieved when the revenue generated by a commercial activity outweighs the costs, fees, and taxes associated with operating that business. Owners of businesses receive profits, which they can either keep or reinvest in their businesses. Profit is calculated by deducting total costs from total revenue. According to Ajibola, Wisdom, and Qudus (2018), profitability is the ratio that demonstrates the total effectiveness and performance of a business.

Profitable businesses find it simple to pay their shareholders, which draws more investors' interest. There are two different kinds of profitability ratios: one that displays returns and the other that displays margins (Kusumawati, 2020). The firm's capacity to efficiently generate returns for shareholders is measured by the ratios that display returns. On the other hand, ratios that display margins depict the company's capacity to transform revenues into profit at all stages of assessment. Profitability will be the first metric used to assess the performance of the company by any stakeholder.

### **2.3.2 Market Share**

Market share is the proportion of a company's total sales of a product that is owned by customers (Christoph, Matthes, & Ebner, 2020). Typically, market shares are determined by either value or volume. While volume market share refers to the actual number of units an enterprise sells out of all the units sold in the market, value market share is determined by a company's overall share of all sector sales. The value-volume market share equation is typically nonlinear when comparing the two types of market share, which means that a unit could have a high-value but few units. Consequently, a high-value market share and a low-volume market share are possible.

Market share measures a customer's preference for a certain product in comparison to similar alternatives (Adesanya, Yang, Iqdara, & Yang, 2020). Gaining market share indicates more sales, less effort to increase sales, and a high barrier to entry for rival businesses. Small and medium-sized businesses (SMEs) have a competitive advantage when they have a larger market share. Due to their big orders, SMEs with strong market shares are able to negotiate favorable cost prices with manufacturers, which also strengthens their purchasing power ((Olubiyi, Egwakhe, JAmos, & Ajayi, 2019); (Naab & Bans-Akutey, 2021)). An increase in market share indicates that the leader collects more than the competition as the market grows. In a similar line, a market leader needs to grow the market in order to succeed. A product, brand, business, SME, organisation, etc. that accounts for the biggest percentage of total sales is simply referred to as a market leader. Increased market share can be achieved through innovation, improved customer relationships, skilled hiring procedures, and attracting competition.

### **2.4 Human Capital Theory**

The Human Capital theory was formulated and further developed by Becker and Schultz in 1961 and 1964 respectively. Becker (1964) Human Capital Theory promotes the idea that investing in employees' education, whether formal or informal, will increase productivity. Decisions made by organisations are based on this theory. Theoretically, education or training boosts workers' productivity by transferring practical knowledge and skills, increasing an employee's lifetime earnings (Githinji, 2014). The human capital theory focuses on how employee skill variation affects performance. The application of the human capital theory places a strong emphasis on how well-rounded employees are in organisations. According to Özkoç and Çalışkan (2015), the economic importance of the human capital theory holds that "capital invested in people is the most valuable of all capital." Human capital used specifically for an organisation is distinguished from general human capital. The difficult issues of the human capital theory are underemployment of credentialed knowledge, created as a result of the time people invest in obtaining advanced formal educational qualifications but are unable to find employment that is commensurate with the qualification, in light of Purcell's (2009) finding. A sizable and expanding body of research shows a positive relationship between organisational performance and the growth of human capital. The focus on human capital in organisations reflects the idea that market value is more dependent on intangible resources, particularly human resources, than it is on tangible ones. But finding and keeping the best employees is only one aspect of the puzzle. The company must also make the most of the abilities and skills of its workers by promoting both individual and organisational learning and cultivating a welcoming environment where knowledge can be produced, disseminated, and applied. In essence, the human resources must be worthwhile; they must be dormant with potential for productivity (Cardy, 2004). Consequently, acquiring exceptional skills is necessary for gaining a human capital advantage.

### 3. Research Methodology

A quantitative research approach was adopted for the study through a case study research design. A sample of 311 employees was randomly drawn from a population of 1392 employees using Taro Yamane's formula (1967) which is given as  $n = \frac{N}{1 + N(e)^2}$ ; where N is the population size, n is the sample size and e is the level of significance. A population of 1392 employees resulted in a sample size of 311 employees. Structured questionnaires were used to collect data from respondents. The collected data was analysed the use of descriptive statistics and hierarchical regression. The estimation techniques used were R-square, F-statistics and P-value. The regression models that were used are indicated below:

First,

$$PRO = f(SCR, SET, EMR, ERE) \dots\dots\dots 3.1$$

Second

$$MSH = f(SCR, SET, EMR, ERE) \dots\dots\dots 3.2$$

Where:

PRO = Profitability

MSH = Market Share

SCR = Screening

SET = Selection Test

EMR = Employee Referral

ERE = E-Recruitment

f = functional relation

The equations of the models were given below:

Equation 1

$$PRO = \alpha_0 + \alpha_1 SCR + \alpha_2 SET + \alpha_3 EMR + \alpha_4 ERE + U \dots\dots\dots (3.3)$$

Equation 2

$$MSH = \alpha_0 + \alpha_1 SCR + \alpha_2 SET + \alpha_3 EMR + \alpha_4 ERE + U \dots\dots\dots (3.4)$$

0 = Intercept

1- 4 = Coefficient of the Independent variable

U= Takes care of additional factors that cannot be observed or calculated due to a lack of data and captures additional variables that are not included in the model.



#### 4. Results and discussion

Table 1: Analysis of Screening

Items	Mean	Standard Deviation	Remark
Shortlisting is a common technique used in selection process	3.15	1.215	Agreed
The short-listing process is based on the criteria required for the appointment in the company	3.42	1.438	Agreed
By the due date, all the received applications are screened for further processes	3.25	1.411	Agreed

Source: Field Survey, 2022.

From Table 1, respondents agreed that shortlisting is a common technique used in the selection process at Nestle water company. Also, it was agreed that the short-listing process is based on the criteria required for the appointment in the company. Furthermore, it was unveiled that all the respondents agreed that by the due date, all the applications received are screened for further processes.

Table 2: Analysis of Selection Tests

	Mean	Standard Deviation	Remark
For jobs requiring a lot of recruits, selection tests are frequently used as part of the selection process	2.90	1.256	Agreed
Typically, tests are a part of the process at assessment techniques.	2.78	1.353	Agreed
Tests of aptitude and attainment are frequently used as a benchmark.	3.14	1.620	Agreed

Source: Field Survey, 2022.

The table above shows that the respondents agreed that for jobs requiring a lot of recruits, selection tests are frequently used as part of the selection process. Also, the respondents agreed that tests are a part of the assessment techniques in Nestle company. Consequently, all the respondents agreed that aptitude and attainment tests are often used.

Table 3: Analysis of E-recruitment

Items	Mean	Standard Deviation	Remark
Recruitment exercise takes place online	2.67	1.526	Agreed
Adequate information about the job offers is made known to the public	2.87	1.306	Agreed
Screening and tests are completed online.	2.73	1.253	Agreed

Source: Field Survey, 2022.

From the study conducted, it shows that Nestle Water Company's recruitment exercises take place online. Also, the respondents agreed that adequate information about the job offers is made known to the public via the company's recruitment website. Finally, the respondents agreed that screening and tests are completed online.

Table 4: Analysis of Employee Referral

Items	Mean	Standard Deviation	Remark
Sometimes, some of the employees are referred by the management	3.51	1.471	Agreed
The management who recommend an employee is expected to	2.55	1.436	Agreed

be assured of the candidates' moral and physical capability Special consideration is given to the recommended candidates during the application process.	2.90	1.256	Agreed
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Source: Field Survey, 2022.

Table 4 shows that sometimes, some of the employees are referred by the management of the company. Also, the respondents agreed that the management who recommends an employee is expected to be assured of the candidates' moral and physical capability. The respondents further agreed that special consideration is given to the recommended candidates during the application process.

**Table 5 Analysis of Profitability**

Items	Mean	Standard Deviation	Remark
As a result of the availability of the right employees, the productivity of the company increases at a high rate	2.78	1.353	Agreed
Employing competent employees with adequate human relation skills boost the sales turnover of the organisation	3.14	1.620	Agreed
An increase in sales promotes the profitability level of the company at the long run.	2.67	1.526	Agreed

Source: Field Survey, 2022

To analyse the profitability of Nestle company, table 5 revealed that as a result of the availability of the right employees, the productivity of the company increases at a high rate. The respondents also agreed that employing competent employees with adequate human relation skills boost the sales turnover of the organisation. Consequently, the respondents agreed that an increase in sales promotes the profitability level of the company in the long run.

**Table 6 Analysis of Market Share**

Items	Mean	Standard Deviation	Remark
The company holds a greater share in the market	2.87	1.306	Agreed
The market share of the company is based on value and volume	2.73	1.253	Agreed
Market share appraises the preference of a customer for a particular product in relation to similar alternatives	3.51	1.471	Agreed

Source: Field Survey, 2022.

Table 6 shows the respondents agreed that the company holds a greater share in the market. Also, the respondents agreed that the market share of the company is based on value and volume. Furthermore, it was agreed upon by the respondents that the market share of Nestle company appraises the preference of a customer for a particular product in relation to similar alternatives.

**Table 7: Result of Pearson Correlation Matrix**

Var.	PRO	MSH	SCR	SET	EMR	ERE
<b>PRO</b>	1					
<b>MSH</b>	0.415	1				
<b>SCR</b>	0.510	0.510	1			
<b>SET</b>	0.509	0.538	0.503	1		
<b>EMR</b>	0.583	0.577	0.494	0.463	1	
<b>ERE</b>	0.498	0.576	0.520	0.582	0.460	1

Source: Data Analysis, 2022

From the result presented in table 7, there is a positive relationship between PRO, MSH, SCR, SET, EMR and ERE with the correlation coefficient of 0.415 for PRO and MSH, 0.510 for PRO and SCR, 0.809 for PRO and SET, 0.683 for PRO and EMR and 0.498 for PRO and ERE. This indicates that the variables moved in similar directions across the sampled company. Similarly, the result also showed that there exists a positive relationship between MSH, SCR, SET, EMR and ERE with the correlation coefficient of 0.510 for SCR, 0.538 for SET, 0.677 for EMR and 0.676 for ERE, a positive relationship between SCR, SET, EMR and ERE with the correlation coefficient of 0.503 for SET, 0.494 for EMR and 0.520 for ERE. The result further revealed that the relationship between SET and the other predictor variables were positive with the values of 0.463 for EMR and 0.682 for ERE. For EMR, all its relationships with the other predictor variables were also positive to the tune of 0.460 for ERE. Finally, it was shown that the relationship between ERE and other predictor variables was positive. In relation to the presence or absence of multi-collinearity, the highest correlation coefficient between the predictors was 0.583 and it informs the absence of multi-collinearity because the correlation coefficient was moderate and not too high. The rule of thumb is that a high correlation coefficient of at least 0.6 between the predictors might endanger the regression results because of multi-collinearity.

**Model I: The effect of recruitment and selection practices on the profitability of Nestle water company**

Table 8 Multiple Regression  
Series: PRO, SCR, SET, EMR, ERE

Variable	Coefficient	Std Error	T-Test	Probability
Constant	.844	.321	2.628	.009
SCR	.053	.038	1.390	.165
SET	.775	.038	20.320	.000
EMR	.493	.037	13.426	.000
ERE	.217	.035	6.131	.000
R-square	0.801			
Adj. R-square	0.799			
F-statistics	301.293			
Prob(F-stat)	0.000			

Source: Data Analysis, 2022.

According to the multiple regression estimation results shown in table 8, SCR, SET, EMR, and ERE have a positive impact on Nestle Water's profitability. While SET, EMR, and ERE had significant effects with coefficient and probability values of 0.775 ( $p=0.000 < 0.05$ ), 0.493 ( $p=0.000 < 0.05$ ), and 0.217 ( $p=0.000 < 0.05$ ), respectively, SCR's positive effect was insignificant with values of 0.053 ( $p=0.165 > 0.05$ ). According to the adjusted R-square statistics, SCR, SET, EMR, and ERE together account for about 80% of the systematic variation in Nestle Water Company's profitability, with other variables not included in this study accounting for the remaining 20%. The model is fit, as evidenced by the F-statistics of 301.293 and the probability value of 0.000.

Table 9: Normality Test Result

Shapiro-Wilk Stat	Probability
0.057	0.552

Source: Data Analysis, 2022

Table 9 shows that the error term estimated models' Shapiro-Wilk statistics and probability values were 0.057 and 0.552, respectively. There is enough evidence to support the null hypothesis that the error term of the estimated model is normally distributed because the P-value is greater than 0.05, proving this.

Table 10: Breusch-Pagan Godfrey Heteroscedasticity Test Results

F-statistics	Probability
1.262	0.092

Source: Data Analysis, 2022.

Table 10 gives the probability and f-statistics values as 1.262 and 0.092, respectively. The null hypothesis of error term constant variance cannot be rejected given the likelihood of the reported f-statistics. Thus, the test showed that the error term for the estimated models is not heteroscedastic.

**Model II: The effect of recruitment and selection practices on the market share of Nestle water company**

Table 11 Multiple Regression  
Series:MSH, SCR, SET, EMR, ERE

<i>Variable</i>	<i>Coefficient</i>	<i>Std Error</i>	<i>T-Test</i>	<i>Probability</i>
Constant	1.413	.387	3.650	.000
SCR	.063	.046	1.370	.172
SET	.004	.046	.083	.934
EMR	.460	.044	10.409	.000
ERE	.368	.043	8.641	.000
R-square	0.630			
Adj. R-square	0.625			
F-statistics	127.035			
Prob(F-stat)	0.000			

Source: Data Analysis, 2022

According to the adjusted R-square statistics in Table 11, SCR, SET, EMR, and ERE together account for about 63 percent of the systematic variation in Nestle Water Company's market share, with other variables not included in this study accounting for the remaining 37 percent. It was discovered that Nestle Water Company's market share is positively impacted by SCR, SET, EMR, and ERE. SCR and SET had insignificant effects, with coefficient and probability values of 0.063 ( $p=0.172 > 0.05$ ) and 0.004 ( $p=0.934 > 0.05$ ) respectively, while EMR and ERE had a significant positive effect, with coefficient and probability values of 0.468 ( $p=0.0000.05$ ) and 0.368 ( $p=0.0000.05$ ) respectively. The model is fit, as shown by the F-statistics of 127.035 and the probability value of 0.000.

Table 12: Normality Test Result

Shapiro-Wilk Stat	Probability
0.798	0.125

Source: Data Analysis, 2022

The error term estimated models' Shapiro-Wilk statistics and probability values were 0.125 and 0.798, respectively, according to Table 12. The estimated model's error term is confirmed to be normally distributed because the P-value is greater than 0.05, which is insufficient evidence to reject the null hypothesis that it is not.

Table 13: Breusch-Pagan Godfrey Heteroscedasticity Test Results

F-statistics	Probability
1.047	0.084

Source: Data Analysis, 2022.

1.047 and 0.084 are the f-statistics and probability values, respectively, in Table 13. There is no justification to reject the null hypothesis of error term constant variance given the likelihood of the reported f-statistics. Thus, the test showed that the estimated models' error term does not have a heteroscedasticity problem.

**Discussion**

The first finding is that screening affects Nestle Water Company's profitability and market share in a positive but insignificant way. Hence, screening has no capacity to significantly stimulate a considerable increase in profitability and level of market share. The positive effect is in line with the

a-prior expectation (Endri et al., 2020; Saluy et al., 2021). However, the positive effect became insignificant probably because of the lack of transparency in the screening processes during the recruitment exercise in Nestle water company. The finding failed to give credence to the submission of Jolaosho et al. (2018) that screening has a positive and significant effect on employee performance in manufacturing firms in Nigeria.

Also, it was unveiled that the selection tests exerts a positive and significant effect on the profitability of Nestle water company. This might be due to the fact that selecting the applicants on merits would enhance the productivity level of the company as examined by Saluy et al. (2021), thus contributing to the success of the company in the long run. The corollary of this discovery is that Nestle Water's profitability could be stimulated through an effective and efficient selection test.

Correspondingly, the study revealed a positive but insignificant relationship between selection test and the market share of Nestle water company. This might be attributed to the fact that if most of the potential employees' have failed all the required tests during the selection process with the company, this causes great damage to the goodwill of the company in the market world. The corollary of this discovery is that the selection test has no capacity to influence the market share of Nestle company significantly. This finding failed to strongly support the findings of Rahmany (2018) that the selection test has the potency to influence employee performance in government offices in Afghanistan.

Further research revealed that e-recruitment has a favorable and significant impact on Nestle Water Company's profitability and market share. More money will be saved on the recruitment and selection exercise with the e-recruitment system (Shahnia et al., 2020). Consequently, it helps the company to be profitable. Similar to this, the company tends to be very noticeable in the online world as a result of the online recruitment practice. More customers' focus could be attracted as a result. In the long run, this increases the company's market share. This finding agreed with the findings of Alade et al. (2015) that e-recruitment has the potency to influence employee performance in organisational performance in Oyo Metropolis, Oyo State.

Employee referral has been found to have a positive and significant impact on Nestle Water Company's profitability and market share. The logical conclusion may have been reached as a result of the selection process's verification of the candidate's level of creativity and innovation, which in turn helped to improve organisational corporate performance. This suggests that in Nigerian manufacturing firms, employee performance and employee referral have a positive and significant relationship.

## **5. Conclusion**

### **5.1 Conclusion**

There exists a gap to be filled regarding the impact of recruitment and selection practices on organisational strategic goals, despite extensive and competent research discussing organisational strategic goals in manufacturing firms. The study aimed at filling this gap with the use of Nestle Water Company as a case study. A sample of 311 employees was randomly selected from a population of 1392 employees. The study revealed the impact of screening, the selection tests, e-recruitment, and employee referral practices on the organisational strategic goals of Nestle Water. According to the study's findings, screening affects profitability and market share positively though the effects were insignificant. The selection test on the other hand affects profitability both positively and significantly. There was however a positive insignificant relationship between selection test and market share. Lastly, the study showed that there exists a positive significant relationship between e-recruitment and profitability; as well as e-recruitment and market share of Nestle water company. This, therefore, confirms that Nestle Water Company's recruitment and the selection practices are effective at promoting the organisation's strategic goals. It further implies that organisations that intend to improve the rate of achievement of organisational goals, should make use of proper screening, selection tests, employee referrals, and e-recruitment.

## 5.2 Limitation

The study was limited to four selection tools which are screening, selection tests, employee referrals and e-recruitment. Also, this study was limited to Nestle water company which is likely to affect the generalisability of results of the study.

## 5.3 Suggestion

Future studies could look into other recruitment and selection tools that were not tested in this study. Also, since this study was limited to Nestle water company, further studies can be conducted on other manufacturing firms in order to generalise the findings.

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