

Assessing How Recruitment and Selection Practices Influence Employee Performance

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Abstract: *This study examines the relationship between recruitment and selection practices and employee performance, highlighting their significance within human resource management (HRM). It investigates how effective hiring strategies contribute to employee performance including productivity and engagement by taking into account the long-term outcomes. The study aims to determine the extent to which structured, competency-based recruitment and selection processes influence employee performance among selected organizations from manufacturing industry. The findings support the proposed hypothesis that recruitment and selection significantly influence employee performance. The analysis demonstrates a moderate positive correlation between recruitment and selection practices and employee performance. By emphasizing the effective, fairness and transparent process of recruitment and selection, the employee performance will positively develop. The research recommended that other HR practices that not discussed in this research should be carried out in line with employee performance. This research offers practical insights for HR professionals and reinforces the critical role of recruitment and selection in building a skilled and sustainable workforce.*

Keywords: Recruitment and Selection, Employee Performance, Human Resource Management (HRM), Social Exchange Theory (SET)

1. Introduction

In today's competitive business environment, organizations increasingly recognize that human capital is among their most valuable assets. Human resources constitute the cornerstone and principal catalyst through which an organization advances toward the fulfillment of its vision, mission, and overarching goals (Immawati & Rauf, 2020). Human resources are important because they affected the efficiency and effectiveness of the company, and are the company's main function in running its business and increasing the company's added value (Mulyapradana, Zulkarnain, Anjarini, & Satriawan, 2021). Therefore, management should develop a well-structured program for planning, recruiting, and selecting the right people in ensuring their placement is both effective as well as aligned with the organization's goals and producing effective employee's performance (Abbas, Ismail, Taqi, & Yazid, 2022).

Recruitment and selection processes play a critical role in shaping the quality and performance of this workforce. Recruitment is a core function of the Human Resource Department and serves as the initial step in building a competitive and high-quality workforce. The recruitment

is the main function of HR department and the recruitment process is the first step towards making the competitive quality and the recruitment strategic advantage for the association (Othman, Gardi, Sorguli, & Aziz, 2021). The recruitment process commences when an organization initiates the search for suitable candidates through various channels, inviting prospective applicants to submit their application materials for consideration (Girsang, Tarigan, & Sipayung, 2023). Besides, recruitment also has been defined as the process of identifying and attracting qualified and suitable candidates to fill vacant positions within an organization (Anwar & Abdullah, 2021). Recruitment is defined as a series of activities undertaken by an organization to attract job applicants possessing the skills and competencies required to support the achievement of its objectives and goals (Othman, Al Kake, & Hasan, 2019). Not only that, the recruitment process plays a vital role in aligning with the company's strategy, vision, and values; identifying current and future hiring needs in response to significant organizational changes; and integrating with HR planning, job design, and job analysis to support initiatives aimed at effectively managing a diverse workforce (Girsang, Tarigan, & Sipayung, 2023).

While, selection is the process of assessing and interviewing candidates for a specific role to identify and appoint the most suitable individual, ensuring they possess the capabilities to perform the job successfully (Prabhu, Abdullah, & Ahmed, 2020). The selection process seeks to align the qualifications, skills, and attributes of prospective employees with the requirements specified in the job description. This alignment ensures that individuals are placed in roles where they can perform effectively, thereby actualizing the principle of "the right person in the right place" (Girsang, Tarigan, & Sipayung, 2023). In addition, well-designed selection systems can match the right individuals to the right roles, which in turn fosters higher levels of employee engagement, job satisfaction, and commitment. According to (Priansa, 2014), the selection process commences once a pool of qualified candidates has been generated through recruitment. It entails a sequence of stages that increase both the complexity and duration of the process before final recruitment decisions are made by the human resources department. In the views of Henry and Temtime (2009), it emphasizes that selection is a critical determinant of organizational effectiveness and efficiency. Thus, to sustain operational quality and performance, it is essential to position appropriately qualified individuals in roles that best match their skills, thereby enhancing overall organizational outcomes.

In connection with previous research (Yullyanti, 2011), has found that three variables (recruitment, selection and performance) in different industrial area did not influence each other. However, recently the findings of study found in contrast where there is significant positive relationship between recruitment and selection towards employee performance among Nigerian Tertiary Institutions (Okikiola et al., 2024). While, the study in the same context with different background of respondents (Girsang, Tarigan, & Sipayung, 2023) shows that recruitment (X1) and selection (X2) together have a significant effect on employee performance (Y). Besides, the determination test (R2) states that recruitment and selection variables affect employee performance variables by 71.4%. As a result, understanding the link between recruitment and selection and employee job performance remains an important area of research for scholars and practitioners alike. Despite extensive research on various aspects of human resource management (HRM), there remains a need to better understand how recruitment and selection specifically affect employees' job performance, particularly within the manufacturing sector where operational efficiency and productivity are vital for sustainability and growth.

Research gaps in previous studies have shown that there are different effects of recruitment and selection variables on employee performance. Despite extensive research on various aspects of human resource management (HRM), there remains a need to better understand how recruitment and selection specifically affect employees' job performance, particularly within the manufacturing sector where operational efficiency and productivity are vital for sustainability and growth. Therefore, this study aims to examine the influence of recruitment and selection practices on employee job performance, focusing on Leform Sdn. Bhd., a manufacturing company based in Rawang, Selangor. By exploring the links between recruitment and selection and performance outcomes, this research seeks to provide insights that can help HR practitioners design more effective hiring strategies to enhance individual and organisational performance.

2. Literature Review

Recruitment and Selection

The effects of recruitment and selection on organizational effectiveness have been extensively researched and they are essential elements of Human Resource Management (HRM). Selective hiring can reduce turnover rates and improve productivity by ensuring that employees have proper training and certificates (Dimba, 2010). Recruitment constitutes a strategic component of human resource management planning, involving decisions on the required number of employees, the timing of their acquisition, and the qualifications or criteria necessary to meet organizational needs (Abbas, Shah, & Othman, 2021). According to Anwar and Surarchith (2015), organization's strategies success also depends on aligning recruitment tactics with organizational objective.

In addition, recruitment is a process that facilitates the entry of qualified and desirable candidates seeking suitable employment into the organization, with the aim of building a talent pool that can contribute to achieving a competitive advantage (Abbasi, Tahir, Abbas, & Shabbir, 2020). There are various techniques of recruitment practices range from the previous to the latest technique based on the firm's capacity. Based on the review Abbas, Shah and Othman (2021), the previous technique such; advertisement, contracting agencies and employee referrals. While, the same source highlighted the latest and most techniques being used currently include; E- Recruitment and E- Advertisement. Particularly, since the COVID-19 has started, social media has become a widely used recruitment platform (Ali et al., 2020). Besides, the statement has been support by recent article that has reported LinkedIn to be one of the best social media platforms for job searching and advertisement and has predicted its further growth and launch of more similar platforms in the future (Hosain & Liu, 2020).

According to Firman and Inrawati (2023), failure in addressing recruitment problems in a company can reduce its effectiveness and efficiency, and in some cases, lead to financial losses and even complete failure. It was supported by Girsang, Tarigan and Sipayung (2023), the importance of the recruitment process includes being consistent with the company's strategy, insights and values, to determine the company's current and future recruitment needs related to major changes in the company. In recent times, the rise of technology has significantly impacted employee recruitment and selection, shaping nearly every stage of the hiring process (Woods, Ahmed, & Nikolaou, 2020). In addition, to relate recruitment with employee's performance it has stated that recruitment sources are intrinsically connected to various organizational outcomes, including employee turnover rates, levels of job satisfaction, individual aspirations, and the overall commitment within the organization (Karim, Bhuiyan, Nath, & Latif, 2021).

Employee Performance

Employees are considered the most valuable asset of any organization, as their dedicated efforts significantly contribute to the organization's growth, advancement, and overall success (Zameer et al., 2014). Employee performance is widely recognized as a critical factor in contemporary business environments, serving as a key determinant of organizational sustainability. Employee performance is a measure of the extent to which an employee is able to fulfill his duties and responsibilities properly and effectively (Darvishmotevali & Ali, 2020). Employee performance can be measured based on work results, efficiency, work quality, initiative, and work attitude (Mabrouk, 2019). Furthermore, there is an argument where high employee performance enables organizations to achieve their objectives more efficiently, whereas low employee performance may result in significant setbacks or losses for the organization (Sitopu, Sitinjak, & Marpaung, 2021). On the other side, activities such training, selective recruiting and job stability are some of the elements that influence employee performance (Abdullah, 2021).

According to Okikiola et al., (2024), the achievement of organizational performance is dependent on achieving employee performance hence the development of training and development is valuable for the workers to develop their performances. Poor employee performance can cause a company to lose customers, decrease productivity, and high operational costs. In contrast, high performing employees can help an organization improve product or service quality (Dianovi et al., 2022). In addition, employee performance may influence the competitiveness to sustain business in the market. It was aligned with the statement where the significance of employee performance has become more pronounced in the context of globalization and intensifying competitive pressures (Thin et al., 2022). Therefore, companies need to optimize the potential of their employees to generate added value and achieve organizational goals (Yong et al., 2020). Research on employee performance has shown a growing trend across various scopes and areas of focus, reflecting an increasing awareness of its importance as shown in Table 1 below.

Table 1: Focus study factors affecting employee performance

Author	Year	Focus of study
(Okikiola et al., 2024)	2024	Investigating the correlation between staffing and employee performance among Nigerian Tertiary Institutions
(Kettapan et al., 2022)	2022	Analyze factors that affect employees' performance in modern trade organizations
(Fahlevi, 2021)	2021	Investigate important factors that affect employee performance in a private hospital
(Sardjono et al., 2020)	2020	Discuss about the performance indicators development process
(Alefari et al., 2018)	2018	Discuss a conceptual model through system dynamics of the factors that affect employee performance and the different improvement initiatives

Conceptual Framework



Figure 1: Conceptual Framework of Study

In this study, the independent variable(s) represent the key factors or elements that are presumed to exert an influence, while the dependent variable reflects the outcome being measured. Recruitment and selection are independent variable (IV) and employee performance as dependent variable (DV) in this research. By mapping these relationships, the conceptual framework not only highlights the theoretical assumptions underpinning the study but also assists in aligning the research objectives, hypotheses, and methodology. Figure 1 presents the conceptual framework of the study, which demonstrates the direct linkages between the independent variable(s) and the dependent variable, thereby offering a visual representation of the study's central proposition. Besides that, by integrating these constructs, the framework provides a coherent model to explain how various organizational factors collectively contribute to enhancing or constraining employee performance. Based on the figure above, the assumption of the framework is recruitment and selection activity influence employee performance at work.

Hypothesis Development

In this research, the independent variable is recruitment and selection, while the dependent variable is employee performance. The hypothesis assumes that recruitment and selection practices directly influence the performance of employees. This assumption is grounded in the view that when organizations implement systematic and effective recruitment and selection processes, they are more likely to attract and retain individuals who possess the skills, knowledge, and attitudes necessary to perform effectively.

The research objective:

RO1: To determine the correlation between recruitment and selection toward employee performance.

The hypothesis is stated as follows:

H1: Recruitment and selection have a significant influence on employee performance.

This statement implies that recruitment and selection activities, are expected to result in higher levels of employee performance. On the other term, a good quality of recruitment and selection will produce high quality of employee performance. Conversely, poor recruitment and selection practices may lead to hiring unsuitable candidates, which can negatively affect overall organizational productivity and outcomes.

Underpinning Theory

In support of the above justification, Presbitero (2017) argued that the theoretical basis had already been discovered to explain employee performance through the Social Exchange Theory (SET) standards, which outlines the mutually agreed relationship between the parties. In relation, the Social Exchange Theory (SET) standards that classify the mutual relationship between parties have found a better hypothetical basis to understand and study on employee performance (Presbitero, 2017). The Social Exchange Theory (SET) provides useful frameworks for understanding how recruitment and selection can relate to employee affective commitment. Employers build a strong psychological contract by choosing applicants based on merit, equity and compatibility with company values which the engagement can build emotional commitment to the company (Sharma, 2023).

Additionally, SET build employees are more likely to exhibit positive attitudes and behavior in return for positive organizational activities with their values (Presbitero, 2017). In addition, individuals are more likely to develop a sense of commitment and belonging when they

perceive that their selection resulted from a fair and equitable process. This is a sense of belonging that encourages staff members to continue being adaptable and receptive to organizational changes (Alam, 2024). The prediction is by using SET, makes it obvious that recruitment and selection are strategic processes that have a big impact on employee performance, loyalty and flexibility rather than merely being routine HR duties.

3. Methodology

This study aims to examine the relationship between recruitment and selection practices and employee performance. In this study, a quantitative research methodology is employed and it supported since it enables the collection of numerical data that can be statistically analyzed to test the theories and identify the patterns (Creswell, 2014). The research applies both descriptive and correlational designs to summarize respondents' data and assess the strength of relationships between variables. Correlational techniques are particularly appropriate, as they help determine whether changes in recruitment and selection practices are associated with variations in employee performance (Boougie, 2016). The target population or the respondents in this study is employees from selected company which is a manufacturing company, Leforn Sdn. Bhd. Besides, convenience sampling has been used in this study because participant accessibility and time constraints was taken into considerations. It was supported by Etikan (2016) where accessibility and bare minimum needed to guarantee statistical validity will be taken into consideration when determining the sample size.

Data for this study were gathered through a structured, self-administered questionnaire comprising sections on demographic information, recruitment practices, selection processes, and employee performance. Responses were measured using a five-point Likert scale, a widely recognized instrument for assessing perceptions and attitudes. To ensure broader participation, the questionnaire was distributed both physically and electronically. Data were analyzed using the Statistical Package for the Social Sciences (SPSS). Descriptive statistics, including mean, standard deviation, frequency, and percentage, were used to summarize sample characteristics and overall trends. The relationship between recruitment and selection practices and employee performance was examined using Pearson's correlation coefficient, which assesses the strength and direction of associations between continuous variables. This approach helps determine whether improvements in recruitment and selection are positively related to employee outcomes.

4. Findings

Descriptive Analysis

Table 2: Descriptive Analysis

Variable	Mean	Standard Deviation
Employee Performance (DV)	4.3033	.38129
Recruitment and Selection (IV)	4.3500	.52172

Table 2 reports the descriptive analysis of the study variables. Employee performance (DV) shows a mean of 4.30 (SD = 0.38), suggesting that respondents rated performance at a relatively high and consistent level. Recruitment and selection (IV) have a mean of 4.35 (SD = 0.52), also indicating favourable perceptions, though with slightly greater variability among responses. Overall, the results suggest that both employee performance and recruitment and selection practices were perceived positively by participants.

Correlation Analysis

Table 3: Correlation Analysis

Variable	Correlation
Employee Performance (DV)	1.00
Recruitment and Selection (IV)	0.589

Table 3 presents the correlation analysis between the study variables which shown employee performance (DV) is perfectly correlated with itself ($r = 1.00$). Recruitment and selection (IV) demonstrate a moderate positive correlation with employee performance ($r = 0.589$, $p < 0.01$). This suggests that improvements in recruitment and selection practices are associated with higher levels of employee performance. In other words, organizations that apply fair, transparent, and well-structured recruitment and selection processes are more likely to observe stronger employee outcomes.

Interpretation of findings

The findings support the proposed hypothesis that recruitment and selection significantly influence employee performance. The analysis demonstrates a moderate positive correlation between recruitment and selection practices and employee performance ($r = 0.589$, $p < 0.01$). This indicates that when organizations implement effective recruitment and selection strategies—such as clearly defining job roles, applying fair evaluation methods, and appointing candidates whose qualifications align with job requirements—employee performance is likely to improve. Although the strength of the correlation is moderate, the results confirm that recruitment and selection play a meaningful role in shaping performance outcomes. Therefore, the findings support the hypothesis statement (H1) which the recruitment and selection practices have a significant influence on employee performance.

5. Conclusion

The positive link between recruitment and selection practices and employee performance suggests that effective recruitment and selection are valuable investments for organizations. It is widely recognized when the employees get positive treatment through the execution of recruiting practices, they reimburse the association by being gainful in their work. By bringing in talented and motivated individuals, and giving them the right opportunities to perform, organizations can not only enhance individual success but also strengthen overall growth and productivity. The statement was supported which characteristically, when employees see that their association executes a staffing practice which is reasonable and doesn't separate in the recruitment and selection measure, they will perform better (Okikiola et al., 2024).

The main objective of this research is to examine the relationship between recruitment and selection practices and employee performance with the Social Exchange Theory (SET) supports. Convincingly, this study succeeds in providing evidence through the results of the study which recruitment and selection is directly relevant with employee performance. However, its not refusing employees performance may not only influenced by recruitment and selection activity, but also many other elements that can influence the level of their performance as well. Therefore, it is suggested for future researchers to be able to expand the scope of the research by adding other independent variables such as motivation and leadership so as to get even better research.

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Conflict of Interest Statement

The authors declare that there is no conflict of interest regarding the publication of this study.

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