



ST.MARY'S UNIVERSITY
SCHOOL OF GRADUATE STUDIES

**ASSESSMENT OF RECRUITMENT AND SELECTION
PRACTICES: THE CASE OF AWASH BANK**

BY
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SMU
DECEMBER, 2016
ADDIS ABABA, ETHIOPIA

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**A THESIS SUBMITTED TO ST.MARY'S UNIVERSITY,
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Elizabeth Berecha

ACRONYMS /ABBREVIATIONS

AB- Awash Bank

F- Frequency

HR- Human Resource

HRP- Human Resources Planning

KSA- Knowledge, Skill, Attitudes

N- Number of Respondents

SPSS - Statistical Package for Social Science

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ABSTRACT

Recruitment, as a human resource management function, is one of the activities that have the greatest impact on the performance of an organization. While it is understood generally that poor recruitment practices can low organizational performance and stifle goal achievement, many organizations are yet to take programmatic steps to evaluate their recruitments methods with the view to identify and implement new, effective hiring strategies .The study overall objective to examine the current recruitment and selection practices in the course of selecting the best human power demanded and provide possible ways in order to improve the problems in current recruitment and selection process of Awash Bank. To this end, descriptive research method was used. Questioners, interview and review of documents were designed based on the objectives. To analysis the research was used stratified random sampling to distribute 99 questionnaires to employees of AB where all were filled and returned. Interview was also with human resource directorate head of the AB. This completed questionnaire were processed and analyzed by using table, graph, pie chart and textual write ups. The findings of the study illustrated the recruitment and selection practice HRM. AB has clear policy which is practiced by Human Resources manual but the staff members are not aware of it. Moreover, the recruitment and selection process are not effective at recruitment stage and all selection process were not pursued. Provide recommendation for improving recruitment and practice at the AB and from this finding. Hence, the Awash Bank should periodically review its policies and procedures, strategy in order to attract new employees and commit the existing once.

Key words: Human Resources, Recruitment, selection

CHAPTER ONE

INTRODUCTION

This introductory chapter is intended to provide information concerning of the study.it involves background of the study, statement of the problems and research questions, objectives, significance and scope /delamination of the study. Also it includes the definition of important terms and the organization of thesis.

1.1 Background of the Study

Without having competent employees any organization cannot reach its intended goal. Human resource is the most important entity that put an organization in a competitive advantage. The success and failure of an organization to a large extent depends on the employees` knowledge, skills, attitudes and commitment. The acquisition of employees with the right abilities and skills is primarily ensured by the proper implementation of recruitment and selection process. Through proper recruitment and selection practice organizations get and retain the right employees who achieve organization goals. Bratton and Gold (2007) confirm that recruitment and selection are crucial practices in organizational process which help organizations achieve high performance and engage motivated staffs who like their job. Recruitment is the process of finding and engaging the people the organization needs. Selection is the process of making a hire or no hire decision regarding each applicant for a job. Gomez, (1991) Therefore, applying the appropriate recruitment and selection practices in the organizations like awash international bank play a significant role to increase organizational effectiveness and capability.

Hunting of competent employees, whether professional, skilled or unskilled is a major issue in every kinds of organizations. It is a challenge for the management of many organizations from large amount of applicant's pool for one vacant post. If best candidates are not selected they will not perform as per the expected standards and as said earlier that will have its own big influence on the performance of the organization. (Bratton and Gold, 2007)

By using the right selection methods one can ensure that the candidate does not only has the right skills for the job, but also possesses the right personality to fit into the existing organizational culture. Once that “right” person has been employed, the company has to ensure that the right incentives are put in place. However, recruitment and selection is characterized by potential difficulties and it is necessary to keep development that organizations should increasingly be inclusive in their employment offering as younger generations have grown up with the notion of flexible working, while older people have an interest in flexible working as an alternative to retirement. (Armstrong, 2009)

Awash International Bank S.C is one of the private banks established following the proclamation of the licensing and supervision of banking business No. 84/1994. It acquired its license from National Bank of Ethiopia on November 10, 1994. The Bank finally opened its doors for services on February 13, 1995. Awash International Bank S.C was established with an authorized and subscribed capital of birr 23.7 million, which presently has grown to Birr 1.8 billion capitals. Awash International Bank S.C has above 237 branches spreading over major towns in Ethiopia and convenient sites in Addis Ababa. This research work seeks to identify employee recruitment and selection practices in the Awash International Bank S.C. (AB Post, 2016).

1.2 Statement of the Problem

People are organizations most valuable resources. The effectiveness of an organization depends on its staff and their training, organization and discipline. Good quality work depends on good quality people recommend their own relatives and friends to be employed by their organization). Consequently, an organization that has a poor recruitment and selection practice unlikely to recruit the right people. This may lead to poor performance, low profitability and eventual demise. (Gomez, 1991)

De cenzo, D. and Robbins, S.P (2005) wrote: “recruitment is that set of activities an organization uses to attract job candidates who have the abilities and attitudes needed to help the organization achieve its objectives .the recruiting efforts thus consist of where to search (sources) and how to notify applicants of positions (methods).

It is an undesirable fact that most recruitment in Ethiopia lack creditability, as well as the much talk about whom you know” culture (the organization) consequently square pegs are put in round holes, resulting in poor service delivery. The recruitment and selection procedure therefore becomes a formality as opposed to an objective means to ensure the selection of the best candidates fit for the job. (Stredwick, 2005)

Moreover, although literature in the field of recruitment and human resource management in general is abundant, most focuses upon developed economies to the neglect of developing economies. As most developed countries are collaborating with developing countries in business developments there is the need to adopt a new dimension to the study of the field. Studies need to factors in the perspective of other economies; especially those in Africa.

Recruitment and selection are seminal topics within human resource management, ensuring that organizations have the necessary human skills, knowledge and capabilities that will enable the organization to continue into the future. Recent recognition of the strategic potential of recruitment and selection to enhance organizational performance put a lot of emphasis on getting the ‘right person’ for a post. (Armstrong, 2009)

All companies and organizations exist to accomplish certain goals and objectives. This assessment, as indicated above, focuses at the practice of recruitment and selection of employees in the case of Awash Bank.

At present Awash Bank have 6003 employees which 4020 of them are males 1983 of them are females HR staff members in AB are constantly engaged in recruitment and selection for replacement of resigned staff members at different positions. HR unit statistical data indicate that in 2015/16 physical year employees where resigned 398 from their job and 334 employees where hired. Even once get hired majority of the employees will not stay long this figure indicates that which creates high turnover, employee dissatisfaction and reduce performance in different instances. Preliminary investigation on the bank’s practices of recruitment, selection indicates that there is lack of training; there is delay in the recruitment of new employees and the employees of the bank have some complaints on the

benefit package of the organization which could affect the employees in the bank. Moreover, there are also good practices that should be sustained. So this study tries to assess the practices of recruitment and selection activities and its effectiveness at this particular.

1.3 Research Questions

This research was conducted to examine the practices of recruitment and selection in Awash Bank. Consequently, the research tried to answer the following specific research questions in the problem statement.

- What are the recruitment and selection procedures of AB?
- What kind of recruitment and selection policy does the bank have?
- To what extent does the recruitment and selection policy of AB match to the accepted HR practices?
- How effective is the recruitment and selection process used by the AB?
- What are the challenges associated with the recruitment and selection practices of AB?

1.4 Objectives of the Study

The study has the following general and specific objectives

1.4.1 General Objective

The overall objective of this research was to examine the current recruitment and selection practices in the course of selecting the best human power demanded and provide possible ways in order to improve the problems in current recruitment and selection process of Awash Bank.

1.4.2 Specific Objectives

The specific objectives of the research include:

- To identify the recruitment and selection procedures of AB.
- To assess the existence of a comprehensive recruitment and selection policy in the AB.
- To examine the extent to which recruitment and selection policy of Awash Bank match to the accepted HR practices.
- To examine the effectiveness of recruitment and selection process used by the Awash Bank, and
- To explore/describe the challenges which affect the staff recruitment and selection process in the Awash Bank.

1.5 Significance of the Study

The major purpose of this study is to help AB to adopt measures in the context of human resource recruitment and selection practices. The study was very significant because it adds to the existing literature or the research has added to the document already written on human resource and selection practices. Also the study is important because it reveals the importance of good recruitment and selection practice to the performance of AB. Furthermore the study may serve as a spring board to those who want to research much into human resource. And last this study helps the researcher to know about recruitment and selection in detail and to improve his research knowledge.

1.6 Scope of the Study

The study is delimited to recruitment and selection Practices of employee, which is essential as the success of an organization depends on the people who work within the organization. The researcher actually chose to descriptive research design to analyzing the research. The study is conducted at the head office of the Awash Bank and some selected branches. Also the study was delimited to 99 respondents of questioner and the interview within hr. directorate head. This thesis work has focused in reviewing the policies of the organization in designing and implementing the practices. The study has also tried to

examine problems and challenges the organization faces and made recommendations for further improvement.

1.7 Organization of the Study

The study organized in five chapters. The first chapter includes background of the study, statement of the problems, objectives of the study, significance of the study, scope of the study, research design and methodology and organization of the study. In the second chapter literature review was viewed that have relation to the subject matter under study. The third chapter deals with in deep presentation of research design and methodology, in this part research design was discussed, population, sample size and sampling techniques was shown, what type of data required and from which source it obtained, what analysis method be implemented. The forth chapter consists of results and discussion from respondents. The last chapter includes summary of major findings, conclusion and recommendation part. Finally the references and appendixes attached at the end of the research paper.

1.8 Definition of Terms

- **Human Resources (HR):** People in working environment gifted with the right ability, skills and attitude (Bratton and Gold, 2007).
- **Human Resources Management (HRM):** Body of knowledge that encompass staffing, rewarding, employee development, employee maintenance and employee relations (Bratton and Gold, 2007)
- **Recruitment:** is the process of generating a pool of capable candidates to apply to an organization for employment (Bratton and Gold, 2007).
- **Selection:** is the process of making a hire or no hire decision regarding each applicant for a job. (Gomez, 1991)

CHAPTER TWO

REVIEW OF RELATED LITERATURE

2.1 Introduction

The intention of this chapter is to examine the extensive body of literature related to the recruitment, selection practices. Human Resource Management literature covers the areas of recruitment, selection in considerable detail, setting down the formal processes and procedures that are identified as the considered position of recruitment, selection.

2.1 Theoretical Literature Review

2.2 Recruitment and Selection Policy

According to Armstrong (2006) cited by University of Groningen (2011) a clear policy on when and how recruitment and selection will be conducted is important for the management, staff and the applicants because of the potential dangers of subjectivity.

Much can be achieved through clear policy statements on each aspect of recruitment and selection process. Some of the gains are well described by Armstrong (2006) who says that recruitment and selection policy helps the organization to: provide guidance on how and when jobs will be advertised, provide guidance on how selection will be conducted, state priorities for consideration, instruct on how disputes are to be handled and indicate the effect on other policies in the organization.

These benefits are likely to be achieved if specific principles are used in stating recruitment and selection policy. These are:

- Defining the key concepts in the policy.
- Stating the rationale for the policy.
- Adhering to the principal legislations of the country.
- Focusing on appointment based on merit.

- Adhering to fairness on recruitment and selection (equal opportunity).
- Considering cost effectiveness in the recruitment and selection process.
- Attracting and selecting the most valuable employees.
- Taking into account the role of the management, the human resource department, selection panel, and the job applicants in the recruitment and selection process.

Developing talent at different leadership levels in the organization is considered important. Much greater openness in succession planning is encouraged, and more consideration is given to the required balance between internal talent development and external talent.

2.3 Source of Recruitment

Vacancies in upper level management can be filled externally by hiring people from outside the organization or internally by promoting lower level managers. Both strategies have advantages and disadvantages.

2.3.1 Internal Recruiting

According to Stewart, G and Brown, K (2009) internal recruiting is the process of filling job openings with employees who are already working for the organization. When job vacancies exist, the first place that an organization should look for placement is within itself. An organization's present employees generally feel that they deserve opportunities to be promoted to higher-level positions because of their service and commitment to the organization.

In any event it is generally important that an organization always uses internal- recruiting as part of its overall planning process because internal recruiting has several advantages. Organizations recruit internally because it provides greater motivation for good performance, gives opportunities for present employees, provides better opportunity to assess and sustain employee's abilities, improves morale and organizational loyalty, enables employees to perform the new job with little lost time and it is less expensive than external recruitment.

However internal recruitment also has some pitfalls that organizations must examine before applying it, such as, it creates narrow thinking and stale ideas, generates pressures to compete, builds homogeneous workforce and the organization might miss out on good outside talent.

2.3.2 External Recruiting

According to Denisi, (2005) external recruitment is the process of looking to sources outside the organization for prospective employees. A broad variety of methods are available for external recruiting. An organization should carefully assess the kinds of positions it wants to fill and select the recruiting methods that are likely to produce the best results.

There are some employee needs that a firm must fill through external recruitment. Among them are: filling entry-level jobs, acquiring skills not possessed by current employees, and obtaining employees with different backgrounds to provide new ideas.

Not surprisingly external recruitment has both advantages and disadvantages that are directly counter to those of internal recruiting. The external recruitment provides new ideas and insights, creates a diversified work force and creates opportunities to get people with up-to-date knowledge education and training which makes it a good recruitment source than the internal recruitment.

However external recruitment also has disadvantages like, it is more expensive and time consuming, may decrease the motivation of present employees to strive for promotion and there might be more chances to commit hiring mistakes due to difficult applicant assessment that will lead to wastage of resource.

Generally source of recruitment can be classified as internal and external but it is wise to review and indicate some of the recruitment methods.

Advertising

It is a way of communicating the employment needs within the firm to the public through media such as radio, newspaper, television, industry publications, and the Internet. It is a popular method for external recruiting.

Such agencies provide expert advice on where to place advertisements and how they should be worded and will design them attractively to achieve maximum impact (Torrington, D., Hall, L and Taylor, S 2005).

Employment Agencies

An employment agency is another common method for external recruitment. They help firms' recruit employees and, at the same time, aid individuals in their attempt to locate jobs. (Densisi 2005) There are two types of employment agencies.

□ **Public Employment Agencies;** employers register their job openings with the local state employment agency, at the same time the employment agency collects data (mostly regarding skills, experience and abilities) from unemployed persons and use these data to match qualified individuals with available jobs. Its significant advantage is that they are free and particularly useful source of job application for the minority groups.

□ **Private Employment Agencies;** these agencies are more likely to serve the white – collar labor market and they charge fee for their service.

Job Posting

Job posting is a mechanism for internal recruitment in which company uses internal communication channels (company newsletters, bulletin boards, internal memos, and the firm's intranet) to share information about job vacancies with current employees (DeCenzo, D. and Robbins, S., 2005). Any individual who is interested in being considered for the position simply files an application with the human resource department.

Executive Search Firms

Executive search firms sometimes called head hunters are specialized form of private employment agencies that place top level executives and experienced professionals. These are the organizations that seek the most-qualified executive available for a specific position and are generally retained by the company needing a specific type of individual.

Supervisory Recommendations

Supervisory recommendation is a mechanism for internal recruitment where, when new position needs to be filled, a manager simply solicits nominations or recommendations for

the position from supervisors in the organization. The supervisors look at the employees for whom they are responsible, and if any are particularly well suited for the new job opening, then the supervisor recommend those individuals to the higher level manager.

Internships

It is a special form of recruiting that involves placing a student in a temporary job. There is no obligation on the part of the company to permanently hire the student and no obligation on the part of the student to accept a permanent position with the firm. Hiring college students to work as student interns is typically viewed as training activity rather than as a recruiting activity. However, organizations that sponsor internship programs have found that such programs represent an excellent means of recruiting outstanding employees.

Professional Associations

Associations in many business professions such as finance, marketing, information technology, and human resources provide recruitment and placement services for their members. Professional associations and trade organizations provide a valuable service in bringing together professional and professional job openings. Most professional organizations have newsletters, annual meetings and trade publications that advertise job openings.

Cyber Recruiting

Organizations can also use web sites and internet sources to recruit people application submission test and interview and other recruitment and selection activities can be performed online.

Word of Mouth Recruiting

An organization simply informs present employees that positions are available and encourages them to refer friends, family members or neighbors for those jobs.

Schools, Colleges and Universities

As Bernardin (2003) described colleges and universities are the key source of recruiting for professional and managerial positions. The advantages for this method is that the organization can specify qualifications such as, major, grade point average, work

experience and so forth. It is also a relatively in-expensive method of recruiting because the colleges and universities typically provide the facilities, schedule the appointment and so forth.

Recruitment Process Outsourcing

Outsourcing is essentially the transfer by a firm of products or services to an outside vendor or supplier as opposed to sourcing the same work within the firm's own facilities. It is a strategic decision by the firm in question, and often taken in the interests of achieving cost efficiencies. The advantages of RPO are that it can save time, bring outside expertise to bear on recruitment problems and free up HR for more value-adding activities. The disadvantage is the perception by some HR people and line managers that the provider is too remote to deal with the real issues and that there is a danger of losing control (Armstrong 2006).

2.4 Recruitment and Selection Process

The overall aim of the recruitment and selection process should be to obtain the number and quality of employees required to satisfy the human resource needs of the company at minimum cost (Armstrong, 2006). There are four stages of recruitment and selection process:

2.4.1 Job Analysis and Recruitment Planning

As per Decenzo (2005) Job analysis is a systematic exploration of the activities within a job. It is a technical procedure that is used to define the duties, responsibilities and accountabilities of a job. This analysis defines and documents the duties, responsibilities, and accountabilities of a job and the conditions under which a job is performed.

The number and categories of people required may be set out in formal human resource or workforce plans from which are derived detailed recruitment plans. Requirements are set out in the form of job descriptions and personnel specifications. These provide the information required to draft advertisements, post vacancies on the internet, brief agencies or recruitment consultants, and assess candidates by means of interviews and selection tests.

Job description is a written statement of what the job holder does, how it is done, under what condition and why (DeCenzo, D. and Robbins, S. 2005). It accurately portrays job content, environment and condition of employment. It acts as source of information about the job while employees are recruited and selected.

Personnel specification- according to Decenzo (2005) also known as job specifications is the minimum acceptable qualification that a job incumbent must possess to perform the job successfully. It define the qualifications, experience and personal qualities required by the job holder and any other necessary information on the special demands made by the job, such as physical conditions, unusual hours, or travelling away from home. They should also set out or refer to terms and conditions of employment such as salary, fringe benefits, hours and holidays. (JuChuelMinBrian H. Kleiner, 2001).

According to Stewart, G and Brown, K (2009) job specification is listing of the knowledge, skills and abilities needed to perform the tasks described in a job description.

Recruitment plan is the estimate of number and composition of new hires during the year. It is also the perfect tool for the recruitment workload planning, cost allocations, budget planning, succession planning and the talent management in the organization. (www.simplehrguide.com, Jan, 10, 2015).

According to Armstrong (2006) recruitment planning contains the number and types of employees required to cater for expansion or new developments, sources of candidates, plans for tapping alternative sources and how the recruitment program will be conducted.

2.4.2 Attracting Candidates

Attracting candidates refers to reviewing and evaluating alternative sources of applicants, inside and outside the company. Attracting the best candidates is more critical to organizational success whilst those without qualifications find it increasingly difficult to become shortlisted (Chapman.D 2005). The analysis of strengths and weaknesses should cover such matters as the national or local reputation of the organization, pay, employee benefits and working conditions, the intrinsic interest of the job, security of employment, opportunities for education and training, career prospects, and the location of the office or plant. These need to be compared with the competition.

According to DeCenzo, D. and Robbins, S. (2005) the ideal recruitment effort attracts a satisfactory number of qualified applicants who want the job but certain realities cannot be ignored. Constraints on attracting candidates limit human resource recruiter's freedom to recruit and select a candidate of their choice. Some of the constraints on attracting candidates are as follows:

Organization image: a prospective candidate may not be interested in pursuing job opportunities in the particular organization. The image of the organization therefore can be a potential constrain. A poor image may limit its attraction to applicants.

Job attractiveness: if the position to be filled is an unattractive job, recruiting a large and qualified pool of applicants will be difficult. Moreover a job viewed as boring, hazardous, low paying and lacking in promotion potential seldom attracts a qualified pool of applicants.

Internal organizational policy: internal organizational policies, such as 'promote from within wherever possible' may give priority to individuals inside the organization. Such policies, when followed typically insure that all position other than the lower – level entry position will be filled from within the rank. This practice may decrease the number of applicants. In order to attract qualified applicants an organization must evaluate the sources of recruitment.

2.4.3 Selecting Candidates

After the work of attracting employees is done the next step is selecting candidates that are best fit to the organization by sifting applications, interviewing, testing, assessing candidates, assessment centers, offering employment, obtaining references; preparing contracts of employment, (Decenzo, 2005). Employee selection is the process of testing and gathering information to decide whom to hire (Greg, S and Kenneth, B 2009).

HR and line managers continue to use a variety of imperfect methods to aid the task of predicting which applicant will be most successful in meeting the demands of the job, and/or are the best fit with the work group and culture of the organization. (Torrington, D., Hall, L and Taylor, S 2005)

The following selection method criteria's will help HR and line managers in predicting which applicant is fit for the job and the organization.

Reliability: is the degree to which a selection method yields consistent results. It is concerned with consistency measurement (Stewart, G and Brown, K 2009). It indicates that the selection method that the organization uses is trusted by measuring its consistency. There are different methods of measuring the reliability of a selection method.

Test- retest method: a process of estimating reliability that compares scores on a single selection assessment obtained at different times.

Alternate-form method: a process of estimating reliability that compares score on different versions of a selection assessment.

Split-halves method: a process of estimating reliability that compares scores on two parts of a selection assessment.

Inter-rater method: is a process of estimating reliability that compares assessment scores provided by different raters.

Validity measures the quality of being justifiable and being valid. Employee selection methods must accurately predict who will perform the job well (Stewart, G and Brown, K 2009). High reliability may mean little if the selection device has low validity (DeCenzo, D. and Robbins, S. 2005). There are different types of validities such as:

Content validity: measures the extent to which a test usually measure some aspect of the job itself, or has content similar to the job content (Stewart, G and Brown, K 2009)

Criterion validity: is the degree to which a particular selection device accurately predicts the important elements of work behavior, as in the relationship between a test score and job performance (DeCenzo, D. and Robbins, S. 2005).

Predictive validity: is a form of criterion related validity estimation in which selection assessments are obtained from applicants before they are hired. (Stewart, G and Brown, K 2009)

Utility is a principle associated with employee selection method that reflects their cost effectiveness. Several factors influence the cost effectiveness of a selection method for

example when validity increases utility decrease because valid selection method results in a more accurate prediction, the other is tenure (length of time people stay employed) utility is higher when people remain in their jobs for long period of time. (Stewart, G and Brown, K 2009)

Legality and fairness is a characteristic of selection methods that reflects individuals' perceptions concerning potential bias and discrimination in the selection method.(Stewart, G and Brown, K 2009) the number of people who are unfairly eliminated decreases as validity increases, meaning that more valid tests are more fair.

Acceptability is the characteristic of a selection method that reflects applicants' beliefs about the appropriateness of the selection method. Selection method should be acceptable to all parties involved in the selection process.

2.4.4 Selection Process

According to DeCenzo, D. and Robbins, S. (2005) Selection process is the process of selecting the best candidate for the job. The selection process consists of eight steps. These are:

Step-1 Initial Screening

According to Decenzo (2005) initial screening is the first step in the selection process whereby inquiries about a job are screened. At this stage the applicant's credentials are compared with the recruitment of the position as per job specification. Sharing job description information with the individual frequently encourages the unqualified to voluntarily withdraw from candidacy which minimizes cost. As a culmination of recruiting effort an organization initiate a preliminary review of potentially acceptable candidates. Perhaps candidates lack adequate experience or education.

Step-2 Completing Application Form

Application form is a company- specific employment form used to generate specific information the company wants. Once the initial screening is completed applicants are asked to complete the organization form. In general terms the application form gives applicant's name, address, telephone number. In addition to this it can incorporate job-

performance related synopsis of what applicants have been doing during their adult life, their skills and their accomplishments.

According to Armstrong (2009) application forms set out the information on a candidate in a standardized format. They provide a structured basis for drawing up short-lists, the interview itself and for the subsequent actions in offering an appointment and in setting up personnel records.

Step-3 Employment Test

As per Decenzo (2005) employment test is any selection examination that is designed to determine if an applicant is qualified for the job. Organizations historically relied to a considerable extent on intelligence, aptitude, ability and interest test to provide major input to the selection process. Even hand writing analysis and honesty test have been used in attempts to learn more about the candidate information that supposedly leads to more effective selection. Some of the employment tests are presented as follows.

Intelligence tests: it measures the range of mental abilities which enable a person to succeed at a variety of intellectual tasks using the faculties of abstract thinking and reasoning. They are concerned with general intelligence and are sometimes called ‘general mental ability’ tests.

Ability test: An Ability test establishes what people are capable of knowing or doing. The term can refer primarily to reasoning ability; such as verbal reasoning, numerical reasoning, spatial reasoning and mechanical reasoning.

Personality tests: Personality tests attempt to assess the personality of candidates in order to make predictions about their likely behavior in a role. There are many different theories of personality and different types of personality tests.

One of the most generally accepted ways of classifying personality is the five-factor model, which defines Extraversion/introversion, emotional stability, agreeableness, conscientiousness and openness to experience.

Assessment centers: assessment centers assemble a group of candidates and use a range of assessment techniques over a concentrated period (one or two days) with the aim of

providing a more comprehensive and balanced view of the suitability of individual members of the group. It provides opportunities for indicating the extent to which candidates match the culture of the organization. (Armstrong, 2009)

Work sample: is a selection device requiring the applicants to actually perform a small segment of the job. Work sample tests tend to be job specific that is, tailored individually to each different job in each organization. One of the central ways these tests differ from ability tools is through the contextualization of the content into a specific work situation. These tools can therefore provide data on the applicants' specific skills, but also assess cultural fit (Collings, D., and Wood, G., 2009).

Step-4 Comprehensive Interview

According to Decenzo (2005) comprehensive interview is a selection device in which information about a candidate can be obtained. Applicants who pass the initial screening, application form and required tests receive a comprehensive interview. Applicants may be interviewed by the HRM interviewers, senior managers within the organization, potential supervisors or some or all of these. Some of the interview types are as follows:

Individual interviews: The individual interview is the most familiar method of selection. It involves face-to-face discussion and provides the best opportunity for the establishment of close contact rapport between the interviewer and the candidate. A structured interview is one that is built around a set of predetermined questions that may be related to the competencies required as set out in the person specification (Armstrong, 2006).

Interviewing panels: Two or more people gathered together to interview one candidate is known as 'Interviewing panel'. The most typical situation is that in which an HR specialist and line managers see the candidate at the same time. This has the advantage of enabling information to be shared and reducing overlaps. (Armstrong, 2006)

Step-5 Background Investigation

The next step in the process is to undertake background investigation of applicants who appear to offer potential as employees. Background investigation (reference check) is intended to verify information on the application form is correct and accurate information. (DeCenzo, D. and Robbins, S., 2005). This can include contacting former employers to

confirm the candidates work record, obtain appraisal of his/her performance, verifying other job related and personal references and criminal record.

The main purpose of a reference is to obtain in confidence factual information about a prospective employee. This information is straightforward and essential. (Armstrong, 2009)

Step-6 Conditional Job Offer

After an applicant has passed all the selection process a condition job offer is usually made. Conditional job offer comes from the HRM representative. The conditional nature of job offer will be removed and the offer will be permanent.

Step-7 Medical or Physical Examination

It is an examination to determine an applicant's physical fitness for essential job performance. It can only be used as a selection device to screen out individuals who are unable to physically comply with the requirements of a job. Aside from its use as a screening device it is helpful in

Showing that minimum standard of health exist to enroll in companies that provide health and life insurance for their employment.

Step-8 Permanent Job Offer

According to Decenzo (2005) at this stage those individuals who perform successfully in the preceding steps are now considered to be eligible to receive an offer of employment. The final stage in the selection procedure is to confirm the offer of employment after satisfactory references have been obtained, and the applicant has passed the medical examination required for pension and life assurance purposes or because a certain standard of physical fitness is required for the work. The contract of employment should also be prepared at this stage, (Armstrong, 2009).

The person who makes the employment offer will differ from one organization to another. For administrative purpose the offer is typically made by the human resource management department, but their role should only be administrative. The actual hiring decision should be made by the manager in the department where the vacancy exists.

Step-9 Orientation and Follow Up

Once the new employees are hired the next step will be giving them orientations. As per Decenzo (2005) orientation is a system of introducing new employees to the organization and their work units. Orientation involves familiarizing new employees with company rules, policies and procedures. Orientation programs play an important role in socializing employees.

It is essential to follow up newly engaged employees to ensure that they have settled in and to check on how well they are doing. If there are any problems it is much better to identify them at an early stage rather than allowing them to fester. (Armstrong, 2006)

2.5 Evaluation of the Recruitment and Selection Process

It is the evaluation of the success of the recruitment and selection process as well as use of competencies during the process. Its purpose is to ensure that the process is meeting the needs of the organization and complying with equal opportunity requirements.

2.6 Improving the Effectiveness of Recruitment and Selection

An HRM approach can be adapted to recruitment, which involves taking much more care in matching people to the requirements of the organization as a whole as well as to the particular needs of the job. Moreover, these requirements will include commitment and ability to work effectively as a member of a team. As described by Townley (1989), both followed a conscious recruitment policy with rigorous selection procedures. Aptitude tests, personality questionnaires and group exercises were used and the initial pre-screening device was a detailed „bio data“-type questionnaire, which enabled the qualifications and work history of candidates to be assessed and rated systematically. Subsequent testing of those who successfully completed the first stage was designed to assess individual attitudes as well as aptitude and ability. The need for a more sophisticated approach to recruitment along these lines is characteristic by HRM. The first requirement is to take great care in specifying the competences and behavioral characteristics required of employees. At the very least, structured interviewing techniques should be adopted. Wherever possible, psychological tests should be used to extend the data obtained from the interview. Well-planned and administered assessment centers are the best predictors of success in a job, but

they are only practical for a limited number of more complex or demanding jobs or for selecting graduates and entrants to training programs.

2.7 Recruitment and Selection Process and Development of the Organization

Recruitment and selection process are important practices for human resource management, and are crucial in affecting organizational success Jovanovic (2004). Due to the fact that organizations are always fortified by information technology to be more competitive, it is natural to also consider utilizing this technology to re-organize the traditional recruitment and selection process through proper decision techniques, with that both the effectiveness and the efficiency of the processes can be increased and the quality of the recruitment and selection decision improved. A human resource information system is a system exploited to acquire, store, manipulate, analyze, retrieve, and distribute relevant information regarding an organization's human resources (Huselid, 1995). According to the above two authors indicates that the purpose of the system is to support human resource services from the strategic level down to the tactical and operational levels. Many decision-making problems, including recruitment and selection, are herein involved. The system facilitates automated or computerized procedures to solve the problems, and is of vital importance as an aggressive tool in the information age. Researchers indicate that effective recruitment practices and policies enable boards to find the best candidate for their organization. The personnel function becomes especially important when recruiting and selecting new administrators. A critical role for human resource management is how to elicit positive reactions from candidates when discussing administrative roles. People without administrative experiences have negative perceptions and views of the role of the administrator. In attempts to attract and support individuals to the administrator's position it is necessary to identify what barriers prevent potential candidates from applying to the pool. Job complexity and workload are perceived by employees as the two considerations having had the greatest impact on the number of applicants for administrative positions. Other factors include poor remuneration as it relates to demands and expectations of the job and lack of resources and support structures in. Many highly qualified, competent, and talented employees dismiss careers in administration because they do not want to sit in an office all day.

2.8 Factors Affecting the Selection Process

A permanent, standardized screening process could greatly simplify the selection process. However, development of such a process even if it were possible and desirable would not eliminate deviations to meet the unique needs of particular situation (Armstrong 2006).

2.8.1 Legal Considerations

Legislation, executive orders, and court decisions have a major impact on human resource management. It is important for hiring managers to see the relationship between useful and legally defensible selection tools.

2.8.2 Speed of Decision Making

The time available to make the selection decision can have a major effect on the selection process. Closely following selection policies and procedures can provide greater protection against legal problems; however, there are times when the pressure of business will dictate that exceptions be made.

2.8.3 Organizational Hierarchy

Different approaches to selection are generally taken for filling positions at different levels in the organization.

2.8.4 Applicant Pool

The number of applicants for a particular job can also affect the selection process. The process can be truly selective only if there are several qualified applicants for a particular position. The number of people hired for a particular job compared to the individuals in the applicant pool is often expressed as a selection ratio.

2.9 Empirical Literature Review

A study made by professor Worku Negash (2014) empirically examined the implementation of recruitment and selection practice in civil service institutions of Oromia national regional state, Ethiopia. The study mainly focuses on the policies and challenges of the recruitment and selection of employees. The Study concluded that the implementation process was not going well. The findings reveal that though the government showed commitment in developing a system that properly guides the process of recruitment and selection, the implementation process is not on track to achieve the desired merit-based system in the civil service sector of the region. The study recommended that the institution should carefully examine the implementation process and address the gaps that exist.

A study made by Gberevbie, D.E (2010) empirically examined employee retention strategies and performance in the Nigerian banking sector, with focus on Zenith Bank in Nigeria. The study revealed that it is more profitable for organizations to put in place appropriate employee retention strategies such as good organization's image or reputation, regular salary package, and humane treatment of employees as strategies for organizational performance. The study provides insight into what could enhance the performance of organizations in their quest for quality service delivery and profitability.

A study made by AbdulQuddus Mohammad (2015), the study investigates the current practices in employee recruitment, selection and retention in family owned small enterprises, so that new models can be developed. The researcher adopted the quantitative and qualitative approaches; the data was collected by using questionnaires and semi-structured interviews using convenience sampling. Out of the 150 administered questionnaires, 120 were returned, out of which 100 were selected upon which the analysis is based. The results suggests that majority of FOSMEs do not have a formal HR department; do not have HR Policies and practices, newspaper advertisements, agencies e-recruitment are some of the popular recruitment techniques and English language, math's test, interviews, medical test are some of the popular selection techniques and factors like good relations, recognition, salary, medical benefits are important for employees to work longer. The results from this study will facilitate the owners to face the challenges of lack of qualified labor and high employee turnover rates and also meeting the enterprise targets.

Social networking sites, such as Facebook and Twitter, allow individuals to post and share personal information, which has led many US employers to use social networking sites to screen job applicants (Shea and Wesley, 2006; Withiam, 2011). A reason for using social networking sites to screen employees is that employers might want to verify information provided by applicants. Other reasons for using social networking sites for selection purposes is that social networking sites have some advantages over traditional human resource tools, such as being accessible without costs (Jacobs, 2009) and are perceived to be reliable sources by users (Kluemper and Rosen, 2009). A research was conducted to examine the relationship between use of the social media as a recruitment source and student attitudes (Rozelle & Landis, 2002). They hypothesized that that Internet recruitment would be seen as presenting less accurate information to applicants as compared to informal forms of recruitment. In addition, greater applicant use of Internet-based recruiting information was expected to be associated with lower satisfaction with the organization. The data did not support the hypotheses, hence the role of online recruitment was significantly established through they study. A paper was recently presented at an international conference by Florea & Badea (2013), which emphasized the manner in which the organizations use technology increases or decreases its positive net effect. The findings suggest that through the Internet, HR can develop an effective recruitment program, which helps manage the highly competitive and time-consuming process of finding skilled personnel.

Another study addressed an important issue while using social media as a hiring tool that the reliability and validity of using social networking sites to screen and select applicants is Unknown. Until the reliability and validity of the information from social networking sites is examined, hiring organizations should be cautious when relying on social networking sites to make selection decisions (Madera, 2012).

CHAPTER THREE

RESEARCH DESIGN AND METHODOLOGY

3.1 Introduction

In this chapter the overall research design and methodology explained. Hence, type of research design, population, sample size and techniques, data source, data analysis techniques and data gathering tools, validity, reliability and ethical consideration.

3.2 Research Design

A research design shows the master plan for collecting and analyzing the required data by specifying the methods and procedures that is going to be used. For this study to collect the necessary data both primary and secondary data sources was used and both qualitative and quantitative data types were collected.

The study employed descriptive research design to describe the result and findings of the study. This is relevant that it enable the researcher to gather data form single population. Kothari (1985) stated descriptive research focuses on explaining the characteristics of a particular individual, group or situation. Thus, the objective and nature of this research relevantly fall under descriptive research design.

3.3 Sample Size and Sampling Techniques

3.3.1 Population

The total populations of the study are employees of AB who works in different part of Ethiopia. There are 6003 employees who work in AB at different position throughout Ethiopia. (HR Statistical Data, 2016)

3.3.2 Sampling Size

Samplings is process of choosing a smaller and more manageable number of people to take part in the research process and generalize the results to the whole of the research population (Catherine, 2002). For this study cluster sampling was used since the population consists of top management, middle levels/supervisors and lower level /line employees as per (Sarantokos, 1998). The researcher planned to use cluster sampling techniques to select the group of population that was involved in the study. This was done because the researcher believes the HR department teams must be involved in the population since they are the star of the process. And for the rest cluster sampling technique was used in order to have fair and genuine data. The sample size of the study is 6003 workforce of the Company.

Total number of workforce (6003) by using the Catherine's (2002) formula

$$n = \frac{N}{1 + N(e)^2}$$

Where; n= sample size

N= population

e = precision (10%)

$$= \frac{6003}{1 + 6003(0.1)^2} \Rightarrow 99$$

3.3.3 Sampling Techniques

Cluster sampling method is relevant to obtain representative sample when the population is spread across a wide area (Kothari, 1985). Its divided the population into groups (clusters). The population into three categories/ clusters of job classifications namely head office, city branches and outline branches was considered to be clusters for this study. The sample size for each cluster can be calculated using the following formula.

$$N_i = \frac{n(S)}{N}$$

Where, N_i = size of sample for each cluster

n= total sample size, N= total population

S=total number of population in each cluster

Table 1: Sample Size Determination

Employee categories/ clusters	Number of Employee in each cluster	Sample of each cluster
Head office	789	13
City branches	4200	69
Outlining branches	1014	17
Total Employee	6003	99
%n/N(0.01649)		

Source: HR Statistical Data, 2016

3.4 Sources of Data and Tools of Data collection

For this study the researcher was used both primary and secondary sources of data collection. The primary data was collected through in- depth interview with the human resource directorate head of the bank to elicit their knowledge on recruitment and selection practices. Also the questioner was adopted from other research and from literature and it was developed in English and had two parts, the first part was related to demographic profile the respondents and the second part was about recruitment and selection practice in AB.

The secondary data collection method that was used includes annual reports, HR policy and procedure, Human Resources Manual of the organization, literatures, journals, previous researches and websites or internet.

3.5 Procedures of Data Collection

The researcher plans used both primary and secondary sources of data collection. After getting the list of employees from head office the human resources directorate the researcher was communicated the directorate heads for their willingness to have an interview with her and make a schedule with each of them who are willing to participate. The researcher herself was distributed the questioner to employees who are working under each directorate and willing to respond her questions based on the sample size for the city

branches and for outline branches the questioner was sent and collect by post office in closed envelop. For the secondary data's the researcher was communicated the HR unit to provide her all the necessary materials which are helpful for this study. A time was scheduled two week for collection the questioner and for interview arrangement.

3.6 Data Analysis Method

Descriptive data analysis was mainly used to analyze the data collected through the questionnaire and data has analyzed according to the study and framing the different sections of the questionnaire and the variables under each construct. The researcher used both qualitative and quantitative research methods. Quantitative analyzing tools like average, percentage and tables are used to analyze the data that are collected through questioner. The researcher also deals with qualitative phenomena where issues like the analysis of recruitment and selection polices, challenges of recruitment and selection as responded in the interview and documentary analyzed are described and interpreted qualitatively. The close-ended questions data were analyzed by using SPSS; put in frequency and Percentile was computed. Open-ended questions were used by coded the issue raised within the organization.

3.7 Pilot Study

Pilot study was conducted to test the reliability and validity of the questionnaire. This was undertaken to test the reliability and validity of data collection instruments .According to Dempsey (2003) pilot study is the process of conducting preliminary test of data collection instruments in order to eliminate data collection problems that may led to low data validity and reliability. Pilot study was thus conducted to help in identification of errors in data collection instruments and make necessary adjustment in order to ensure valid and reliable data was collected. Pilot test was conducted 15 employees at human resource department. Based on the outcome of the pilot test the questionnaires were modified and redesigned.

3.7.1 Validity

Validity refers to the extent to which an instrument measures what is supposed to measure. Data need not only to be reliable but also true and accurate. If a measurement is valid, it is also reliable (Joppe 2000). The content of validity of the data collection instrument was determined through discussing the research instrument with my advisor. The valuable comments, corrections, suggestions given by my advisor assisted in the validation of the instrument. The content of the responses given by the respondents were checked against the study objectives. Evidence of content relevance, representativeness and relevance to the research variables indicates that the research instruments are valid (Joppe 2000).

3.7.2 Reliability

Reliability refers to the consistence, stability, or dependability of the data. Whenever an investigator measures a variable, he or she wants to be sure that the measurement provides dependable and consistent results (Cooper & Schindler2006). A reliable measurement is one that if repeated a second time gives the same results as it did the first time. If the results are different, then the measurement is unreliable (Mugenda2008). To measure the reliability of the data collection instruments, an internal consistency technique using Cronbach's alpha was applied (Mugenda2008). Cronbach's alpha is a coefficient of reliability that gives an unbiased estimate of data generalizes ability (Zinbarg2005). An alpha coefficient of 0.75 or higher indicated that the gathered data are reliable as they have a relatively high internal consistency and can be generalized to reflect opinions of all respondents in the target population (Zinbarg2005). The result of Cronbach's Alpha coefficient is presented below.

Reliability statistics

Cronbach's Alpha	No of Items
.922	31

3.8 Ethical Considerations

Confidentiality and privacy are some of the most corner stone of field research activities in order to get relevant and appropriate data. The researcher assured the purpose of the research paper and confidentiality of any information gathered through questionnaire on the introductory part of the paper. A final report was made available to the organization for perusal and for academic purpose. Moreover, all materials consulted to conduct the study have been duly acknowledged.

CHAPTER FOUR

RESULT AND DISCUSSION

4.1 Introduction

This chapter deals with data presentation, analysis and interpretation. Thus, demographic characteristics of the respondents and data obtained on the practices of recruitment and selection is presented and interpreted.

Among the distributed 99 questioners 13 for head office, 69 for city branches and 17 for outline branches; all the questionnaires returned from employees. All in all 100% questionnaires were returned.

4.2 Demographic Characteristics of the Respondents

This section describes the frequency distribution of respondents' personal or demographic characteristics. Thus, Demographic characteristics like gender, age, marital status, education level, working experience and job category described by using frequency and percentage.

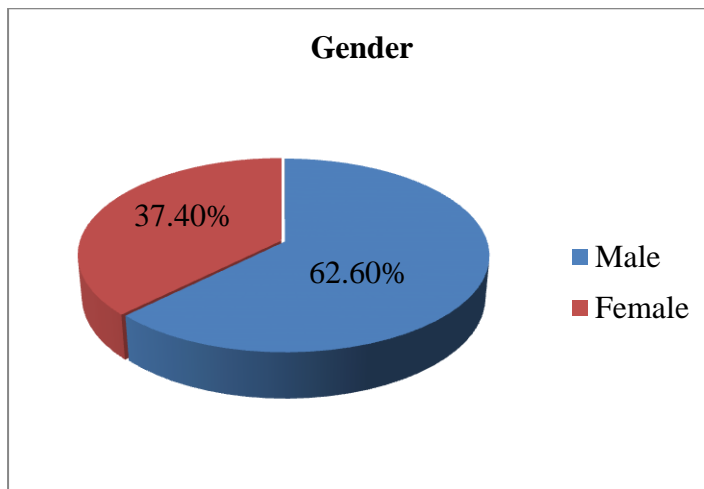


Figure2: Gender of employee

Source: Own Survey, 2016

The above pie chart shows the summary of respondents' demographic factors. 62.60% is male and the rest 37.40% is female. Based on the information, the researcher can infer that the majority of respondents are male. This implies that the organization needs to encourage female to give equal employee opportunity.

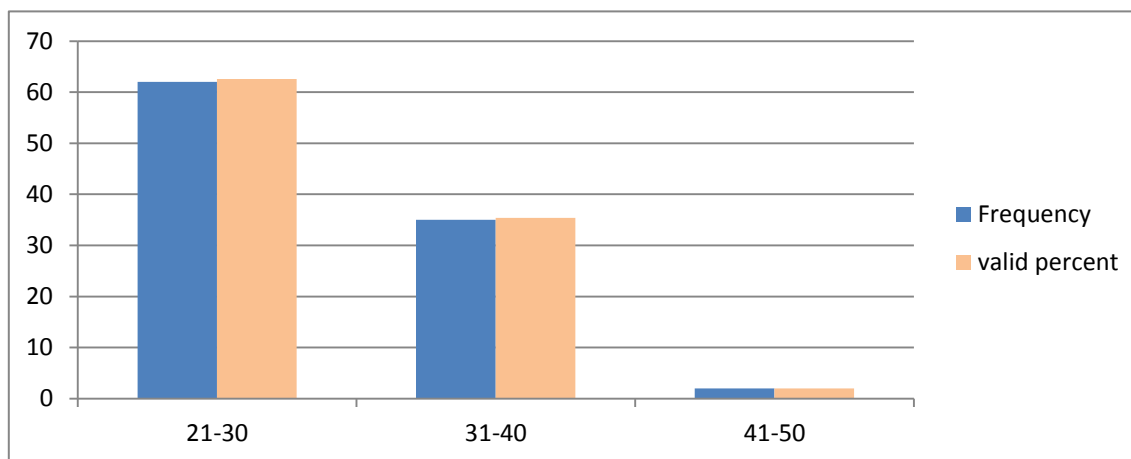


Figure3: Age of employee

Source: Own Survey, 2016

The graph of age distribution of the respondents, As the result the greatest number, 62.60% of the respondents are in their 21 to 30 age group, followed by respondents aged 31 to 40 which is equal to 35.40 % and the least group found age group 41-50 which is 2% of the respondents. Therefore, almost 63% of current employees of Awash Bank are less than age group of 30 years. This shows that most of the respondents are in the productive age so that they can contribute a lot for the success of the Institution.

Table 2: Frequency Distribution-Demographic Characteristic

No	Item	Measurement	Freq.	Percentage	
				Valid %	Cumulative %
1	Educational Qualification	Diploma	9	9.1	9.1
		Degree	80	80.8	89.9
		Master	10	10.1	100
		Total	99	100	
2	Working Experience	Less than 5 year	42	42.40	42.40
		6 – 10 years	41	41.40	83.80
		11 – 15 years	14	14.10	98
		More than 15 years	2	2	100
		Total	99	100	

No	Item	Measurement	Freq.	Percentage	
				Valid %	Cumulative %
3	Job Category	Management	8	8.10	8.10
		Supervisor	28	28.30	36.40
		Employee	63	63.60	100.0
		Total	99	100	--

Source: Own Survey, 2016

Item 1 of the table is concerning the educational qualification of the respondents. Consequently, the largest numbers of the respondents are degree holders which are 80.8% of the respondents followed by diploma holder 9.10% and 10.10% of Masters Holders. From this, one can easily understand that most employees of AB were well educated and can contribute a lot for the success of the organization.

Item 2 of the table is regarding the working experience or service years of the respondents in the organizations. It indicates that 42.40% of respondents have been working in the organizations for less than 5 years, 41.40% for 6 to 10 years, 14.10% for 11 to 15 years and only 2.0% of respondents have been working for greater than 15 years. Therefore, the majority of the respondents have been working for less than five years in the organizations this implies that it incurs costs for new employee recruitment.

Item 3 of the table is regarding the job category of the respondents in the organization. It indicates that 63.60% of the respondents are employees where as 28.30% supervisors and the rest 8.10% are managements this implies that Awash bank used proper hierarchy structure to manage the activity.

4.3 Data Analysis Pertaining to the Study

This section is the data analysis pertaining to the study it presents the frequency distribution of respondents' opinion on different thematic area. The data obtained from questionnaire and interview. In addition, the organization's staff selection policy would be analyzed with reference to the best practices and cohesive with the analysis of questionnaire and interview data. Each of them described by using frequency and percentage as captioned below.

4.3.1 Recruitment and Selection Practice

In this section responses obtained on the general consideration of recruitment and selection were presented and interpreted.

Table 3: Recruitment and Selection Practices

No	Statements	Strongly Agree		Agree		Neutral		Disagree		Strongly Disagree		Total	
		F	%	F	%	F	%	F	%	F	%	F	%
1	AB has clear policy and procedure of recruitment and selection.	11	11.1	22	22.2	24	24.2	16	16.2	26	26.30	99	100
2	Vacant positions usually filled by recruiting a new employee.	7	7.10	30	30.3	32	32.3	18	18.2	12	12.1	99	100
3	HR Department strictly follows the policy and procedure in relation to staff selection.	9	9.10	14	14.1	16	16.2	29	29.3	31	31.30	99	100
4	The selection procedure is nondiscriminatory regarding gender, appearance, race, and political affiliation.	11	11.1	19	19.2	18	18.2	24	24.2	27	27.30	99	100
5	The need for new recruitment always comes from human resources planning.	13	13.1	29	29.3	34	34.3	11	11.1	12	12.10	99	100
6	AB performs job specification, and job description before advertising vacancies	10	10.1	17	17.2	21	21.2	32	32.3	19	19.2	99	100

Source: Own Survey, 2016

As shown in the above table the first statement is regarding AB has clear policy and procedure of recruitment and selection majority of the respondents which is 26.30% of the them are strongly disagree about there is policy and procedure of recruitment and selection, followed by 24.2 % and 22.2 % of respondents who are not sure about it and agree

respectively. On the other hand 16.2% of the respondents disagree and 11.10% of them strongly agree that AB has a clear policy. Hence, from this figure the researcher can conclude that the majority of the respondents are not aware whether AB has clear recruitment and selection policy or not. From interview with the staff members under the Human Resources unit that AB has clear policy which is practiced by Human Resources manual under article 3. Thus, the researcher can say that AB has policy which the staff members are not aware of it, this can be an indication of lack of transparency in recruitment and selection practices, and in addition, the necessary periodic refreshment trainings about the internal policy and procedure of the organization are not being given.

The second statement is on the factor vacant positions usually filled by recruiting external employee which is raised to understand whether especial consideration is given for internal staff members or not. Accordingly, the above summery table shows majority of the respondents 32.3% which are not sure followed by about it 30.3% of them are Agree and 18.2% of them who are disagree. On the contrary, 12.10% of the respondents strongly disagree and 7.10 % of them strongly agree about it. Therefore, from this we can conclude that AB doesn't give priority for its internal staff members, this might create a firm may incur both short and long run costs.in the short run, morale may degenerate; in the long run, firms with a reputation for consistent neglect of in-house talent may find it difficult to attract new employees and to retain experienced ones.

The third statement is about whether HR Department strictly follows the Human Resources Policy and Procedure in relation to staff selection practice or not. Accordingly, as indicated in the above table the respondents which are 31.30 % and 29.30% of respondents who are strongly disagree and disagree about it followed by 16.20% and 14.10 % are neutral and agree. On the other hand there are 9.10 are respondents who strongly agree that the unit follows the policy and procedure. Here it can be conclude that the majority of the respondents are not aware about the policy or they are not satisfied by the HR unit activity inline the proper practicing of the staff selection activities, possible reasons for this dissatisfaction are lack of consistency at implementation, lack of credibility, lack of transparent procedure at every step and the like.. From interview with the HR staff members it was learned that AB has clear policy of staff selection which is being practiced. However, there might be very rare inconstancy case due to work overload of the unit, in relation to this it was also mentioned that the staff members in the human resources unit are

always engaged with the routine and unplanned activities, that couldn't allow them to do the recruitment and selection practice strategically.

The fourth statement shows the summary of respondents' response on the factor the selection procedure is nondiscriminatory regarding gender, appearance, race, political affiliation. Accordingly, majority of the respondents, which is 27.30%, strongly disagree that The selection procedure is nondiscriminatory followed by 24.20% respondents who are disagree about it and 19.20 and 18.20% respondents are agree and not sure respectively. And at last 11.10% respondents strongly agree. Therefore, based on the information the researcher can conclude that the selection procedure is discriminatory regarding gender, appearance, race, political affiliation. This lead to an organization can't get right candidates. However, in the interview accordingly to human resource manual equal opportunity for employment shall be provide to all candidates under article 1.4 and systematically favor women and minorities in hiring and promotion decisions.

The fifth statement is summary of respondents' response on the factor the source for new recruitment was also tried to be investigated with statement the need for new recruitment always comes from Human Resources Planning. Accordingly, Majority of the respondents 34.3% of them not sure about the case followed by 29.3% of the respondents who are agree about it and 13.10% of the respondents who strongly agree. On the other hand, there are 12.10% and 11.10% of respondents who disagree and strongly disagree. And also from interview they believe recruitment is initiated by HRP this implies AB lead to have a strategic recruitment and selection policies.

The last statement about AB performs job description, and job specification. Accordingly, majority of the respondents 32.30% of them are disagree about it and followed by 21.2% of the respondents who are not sure and 19.20 % of them who strongly disagree. 17.20 of the respondent are agree .on the other hand 10.10% of the respondents are strongly agree Therefore, form this we can understand that AB doesn't consistently perform job description and job specification before advertising vacancies this implies it difficult to fix employee duties and responsibilities.

4.3.2 Vacancy Advertisement

Vacancy advertisements may be the first impression of a company for many people, and the first impression the firm makes goes a long way to determining interest in the job opening being advertised. Vacancy advertisements typically should have a uniform layout and contain the major elements: In this section responses obtained on the AB vacancy advertisement practices presented and interpreted.

Table 4: Vacancy Advertisement Practices

No	Statements	Strongly Agree		Agree		Neutral		Disagree		Strongly disagree		Total	
		F	%	F	%	F	%	F	%	F	%	F	%
1	The vacancy advertisement provides sufficient information about the job.	11	11.1	41	41.40	13	13.10	21	21.20	13	13.10	99	100
2	The media used for the job vacancy advertisement is well known and have large coverage.	16	16.2	33	33.3	20	20.20	16	16.20	14	14.10	99	100
3	The application process for open vacancies is very easy, Efficient and courteous for all applicants.	9	9.10	28	28.3	34	34.3	17	17.20	11	11.10	99	100
4	The most of the time there is enough number of applicants pool from vacancy advertisements	17	17.2	34	34.30	29	29.30	12	12.10	7	7.10	99	100
5	The vacancy advertisement has its own consistent format which is applicable to all type of job vacancies	12	12.1	28	28.30	31	31.30	18	18.20	10	10.10	99	100

Source: Own Survey, 2016

The first statement shows the summary of respondents' response on the factor the vacancy advertisement provides sufficient information about the job. Accordingly, out of 99 respondents' majority of the respondents, which is 41.40%, agree that the vacancy advertisement provides sufficient information about the job followed by 21.20% respondents disagree about it and 13.10% respondents strongly disagree and not sure about it that the vacancy provides sufficient information and 11.10% of the respondent agree. Therefore, based on the information we can conclude that the vacancy advertisement of AB has provided sufficient information about the job and it contains the major elements. Also it is mentioned under human resource article 2.2. This lead to the candidate can get full information about vacancy and it's easy for the organization when knows the candidates before they apply.

The second item is the summary of respondents' response on the factor the Medias that are used for the job vacancy advertisement are well known and have large coverage. Accordingly, out of 99 respondents those who are agree which are 33.3% respondents for each which holds the majority number from the respondents, followed by 20.20% respondents who are not sure about the case and Those who are strongly agree and disagree have the same number which is 16.20 respondents and at last there are only 14.10% respondents who strongly disagree. Therefore, from the researcher can conclude that the Medias that are used for the vacancy are well known and have large coverage so that AB has the possibility to get large number of applicant's pool from it vacancy advertisement. And also from interview they have the same idea.

The third statement is on the summary of respondents' response on the application process for open vacancies is very easy, efficient and courteous for the candidates. Consequently, out of 99 respondent's majority of them, 34.30 % not sure that the application process is very easy, efficient and courteous for the applicants followed by 28.30 % respondents who are agree about the case and 17.2% respondents who disagree and 11.10% and 9.10% respondents are strong disagree and strongly agree. Hence, from this we can also conclude that the application process of AB is not easy, efficient and courteous for the candidates/ Applicants. Therefore, since every willing applicant cannot submit his/ her application easily it can difficult for applicants and for organization may not get qualified candidates.

The fourth statement is about the application pool. Consequently, for the point most of the time there is enough number of applicants pool from vacancy advertisements majority of them, 34.30%, agree that there is enough number of applicants pool from vacancy advertisement, followed by 29.30% respondents who are not sure about the case, and 17.20% respondents who are strongly agree finally there are also 12.10% respondents who are disagree and 7.10 % respondents are strongly disagree. Hence, from this the researcher can also conclude that most of the time there is enough number of applicants pool from vacancy advertisements therefore, has no as such problem in having enough number of applicants pool for one position. from interview , the staff attraction mechanisms that AB use its image to attract new staff that is AB is the leading private bank in terms of number of branches ,capital, profit and revenue that help to attract employees.

The last statement is on the factor, the vacancy advertisement has its own consistent format which is applicable to all type of job vacancies. Consequently, out of 99 respondents majority of them, 31.3%, are not sure about the format whereas 28.30% agree and 18.20 % of them disagree and 12.10% are respondents who are strongly agree and the last 10.10% are strongly disagree that the vacancy advertisement doesn't have a consistent format. Hence, from this the researcher can conclude that even though AB has a format for its vacancy advertisement they may not be consistently used or it is not applicable to all type of positions this imply if it's not easy for candidates, its more critical to organizational success whilst those without qualifications employee.

4.3.3 Selection Test

Testing is an important device of screening employees for further selection, accordingly in this section responses obtained on the selection test practice were presented and interpreted.

Table 6: Selection Test Practices

No	Statements	Strongly Agree		Agree		Neutral		Disagree		Strongly Disagree		Total	
		F	%	F	%	F	%	F	%	F	%	F	%
1	The selection test were relevant to the job you have applied at your first employment in AB.	13	13.1	31	31.3	24	24.2	22	22.20	9	9.10	99	100
2	The selection tests were administered strictly not to create room for irregularities.	3	3	24	24.2	41	41.4	23	23.20	8	8.10	99	100
3	Selection questions were appropriate to measure the knowledge, skills and abilities that are required for the open position.	8	8.10	23	23.2	32	32.3	22	22.20	14	14.1	99	100

Source: Own Survey, 2016

As shown in the above table the first statement is about the relevancy of the applied selection test on the first employment. Accordingly, summary of respondents' response on the factor that the selection tastes were relevant to the job you have applied at your first employment in AB. Shows out of 99 respondent's majority of them, 31.3%, are agree about case followed by 24.2% who are not sure about it, and 22.20% who disagree about it and 13.10% who strongly agree on the other hand finally there are also 9.10% respondents who strongly disagree. Hence, from this we can also conclude that most of the time selection tests are relevant to the job this implies AB can get a qualified employee for one position.

The second statement is on the factor that the selection tests were administered strictly not to create room for irregularities. Accordingly, majority of the respondents 41.40 % who are not sure about it and followed by 24.20 % of the respondents who agree and 23.20% who disagree and 8.10% respondents who are strongly disagree. On the other hand, there are 3 % of respondents who strongly agree. From this we can understand that there is gap in the test administration practice of AB which needs strict attention.

The last statement is on the appropriateness of selection questions to measure knowledge, skills and abilities of open positions. Accordingly, respondents' response on the factor that Selection questions were appropriate to measure the knowledge, skills and abilities that are required for the open position indicates out of 99 respondents, 32.3%, are not sure about case followed by 23.20% who are agree about it, and 22.20% who disagree about it and 14.10 % respondent who strongly disagree .On the other hand, there are also 8.10% respondents who agree. Hence, from this we can conclude that selection questions are not appropriate to measure the knowledge, skills and abilities that are required for the open position this implies it's difficult to choose the right candidates.

4.3.4 Conduction of Selection Interview

This Section responses obtained on AB interview practice were presented and interpreted.

Table 7: Interview Practices

No	Statements	Strongly agree		Agree		Neutral		Disagree		Strongly Disagree		Total	
		F	%	F	%	F	%	F	%	F	%	F	%
1	There is always structured interview to address consistent question for each candidates.	14	14.10	25	25.3	29	29.3	19	19.20	12	12.10	99	100
2	You were asked about the knowledge, experience and characteristics, interest that are relevant to the open position.	10	10.10	37	37.40	24	24.20	19	19.20	9	9.10	99	100
3	The type of interview was group interview when you were recruited.	9	9.10	19	19.20	17	17.20	28	28.30	26	26.30	99	100
4	The interview was very interactive and you were given a fair and thorough hearing on your first interview.	13	13.10	30	30.30	26	26.30	15	15.20	15	15.20	99	100

Source: Own Survey, 2016

The first statement Accordingly, the summary of respondents' response on the factor there is always interview protocol/Structured interview to address consistent question for each candidates shows out of 99 respondents, 29.3%, are not sure about the case followed by 25.3% respondents who are agree about it, and 19.20% who are disagree about it and 14.10% respondents who are strongly agree .On the other hand, there are also 12.10% respondents who strongly disagree. Hence, from this we can conclude that most of the time is no structured interview which is able to address consistent question for each candidates. This implies it's difficult to assess applicants for Awash Bank and its inconsistency.

The Second statement is on respondents' response on the factor you were asked about the knowledge, experience and characteristics, interest that are relevant to the open position. Consequently, out of 99 respondents, 37.40%, are agree about case followed by 24.20% respondents who are not sure about it, and 19.20% who disagree about it and 10.10% who strongly agree . On the other hand, there are also 9.10% respondents who strongly disagree. Hence, from this the researcher can conclude the interview making the interviewee at ease and may get potential candidates.

The Third statement is on the type of interview, to identify whether it is group interview or one to one. Accordingly, respondents' response on the factor type of interview was group interview when you were recruited shows out of 99 respondents, 28.30 % and 26.30% of respondents who are disagree and strongly disagree respectively followed by 19.20% of the respondents who are agree and 17.20% of the respondent who are not sure about it. On the other hand 9.10% of the respondents strongly agree. Therefore from this we can conclude that the interview is not group interview this implies less formal and where probing question are forward.

The last statement is about the interview environment, accordingly, summery of respondents' response on the factor the interview was very interactive and you were given a fair and thorough hearing on your first interview indicates out of 99 respondents, majority of the respondents, 30.3%, agreed that the interview was very interactive followed by 26.3 % of the respondents who are not sure and those who are disagree and strongly disagree have the same number which is 15.20% respondents. On the other hand 13.10% of responds who strongly agree. From this the researcher can conclude that most of the time

the interview creates friendly environment for interviewees. This imply it create more effective your recruitment process

4.3.5 Pre-Employment Checkup

This section responses obtained on Pre-employment practice were presented and interpreted.

Table 8: Pre-employment checkup practices

No	Statements	Strongly agree		agree		Neutral		disagree		Strongly disagree		Total	
		F	%	F	%	F	%	F	%	F	%	F	%
		1	Minimum three reference were checked when you were recruited.	6	6.10	26	26.3	28	28.3	22	22.2	17	17.2
2	You were requested to go through medical checkup when you were recruited	43	43.4	26	26.3	17	17.2	5	5.10	8	8.10	99	100

Source: Own Survey, 2016

As indicated in the above table, the first statement shows the summary of respondents' response on the factor minimum three references were checked when you were recruited. Consequently, out of 99 respondents, 28.3%, are not sure about case followed by 26.3% respondents who are agree about it, and 22.20% who disagree about it and 17.20%respondentes who are strongly disagree . On the other hand, there are also 6.10% respondents who strongly agree. Hence, from this the researcher can conclude that most of the time reference is not consistently checked that lead to may not get further information that verify accuracy and objectivity of applicants credentials and claims. However from interview with HR representative specify that most of the time references checked for high level position.

The second statement is regarding the entry on duty medical checkup, accordingly as shows in the above summary of respondents' response on the factor you were informed to go

through Medical Checkup when you were recruited indicates out of 99 respondents, majority of the respondents which is 43.40% strongly agree followed by 26.3 % of respondents who are agree about it and 17.20%and 8.10% respondent are not sure about it and strongly disagree about it respectively on the other hand 5.10% of respondents who disagree. Accordingly form this figure the researcher understand that AB is conducting entry on duty medical assessment when new employees are recruited. Also AB article 2.8b medical examination results and police report obtained during recruitment phase. This implies the employee is physically and mentally capable to perform the work.

4.3.6 Orientation and Induction

Table 9: Selection Test Practices

No	Statements	Strongly Agree		Agree		Neutral		Disagree		Strongly Disagree		Total	
		F	%	F	%	F	%	F	%	F	%	F	%
1	You were informed about the vision, mission, and goal of AB	18	18.2	30	30.3	36	36.40	10	10.10	5	5.10	99	100
2	You were introduced about your job immediately after you were selected.	15	15.2	30	30.3	28	28.20	18	18.2	8	8.10	99	100
3	You were introduced to your co-worker in the AB.	14	13.9	37	36.6	25	24.8	18	17.8	5	5	99	100

Source: Own Survey, 2016

The first statement Accordingly, the summary of respondents' response on the You were informed about the vision, mission, and goal of AB shows out of 99 respondents, 36.40%, are not sure about the case followed by 30.3% respondents who are agree about it, and 18.20% who are strongly agree about it and 10.10% respondents who are disagree .On the other hand, there are also 5.10% respondents who strongly disagree. Hence, from this we can conclude it implies the practice of orienting new recruits about the vision, mission and goal tends to be not effective this lead to disruption and create recurrent cost such as the costs of obtaining replacements, induction cost (Armstrong,2009)

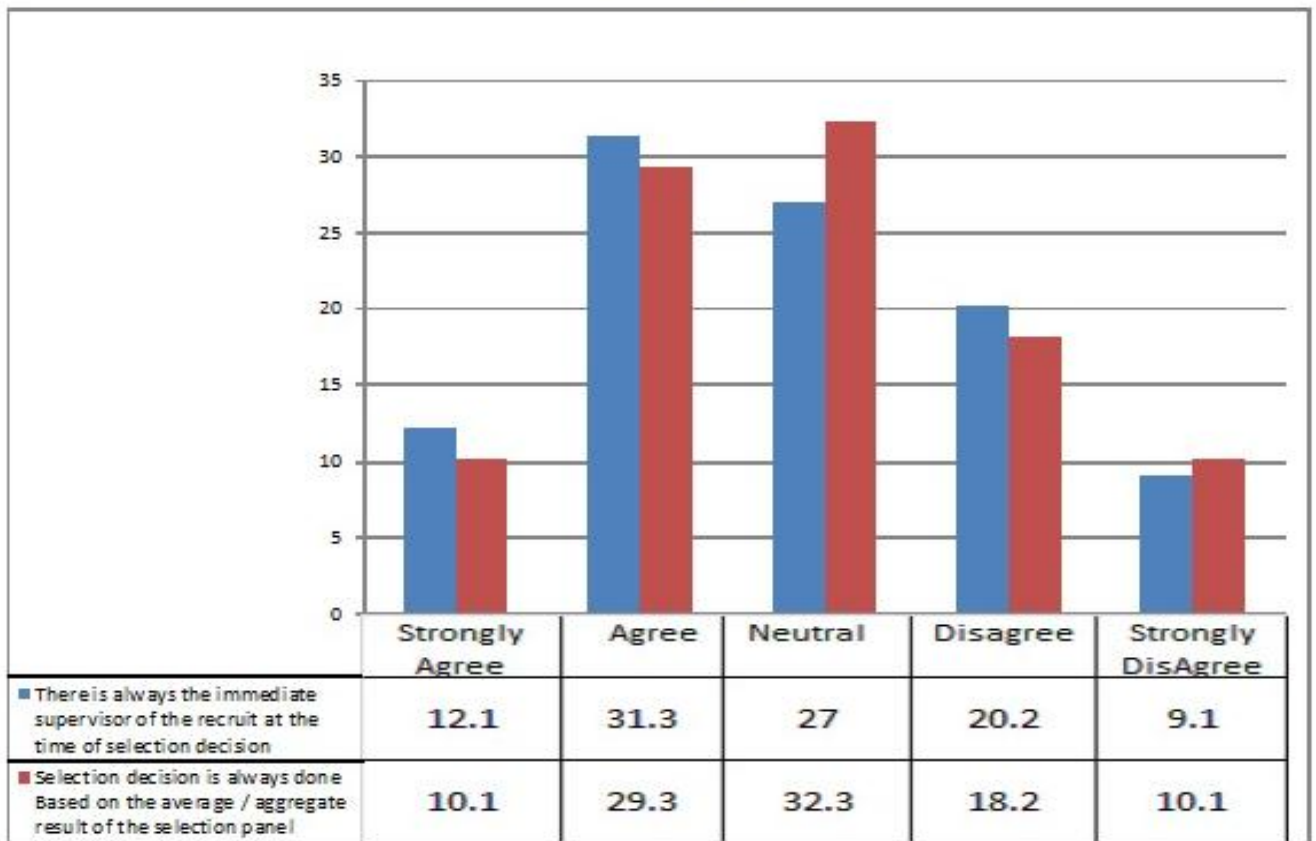
The second statement Accordingly, the summary of respondents' response on the You were introduced about your job immediately after you were selected shows out of 99 respondents, 30.3%, are agree about the case followed by 28.20% respondents who are not sure about it, and 18.20% who are disagree about it and 15.20% respondents who are strongly agree. On the other hand, there are 8.10% respondents who strongly disagree hence, from this we can conclude it the majority of respondents, showed that the introduction about their job immediately this obtain effective output from the new employee in the shortest possible time.(Armstrong,2009)

The last statement Accordingly, the summary of respondents' response on the You were introduced to your co-worker in the AB, shows out of 99 respondents, 36.6%, are agree about the case followed by 24.80% respondents who are not sure about it, and 17.80% who are disagree about it and 13.9% respondents who are strongly agree. On the other hand, there are 5% respondents who strongly disagree hence, from this we can conclude it the majority of respondents, introduce to their co-workers. Therefore, this establishes quickly a favorable attitude to the organization in the mind of new employees.

4.3.7 Selection Decision

Selection decision is the final decision on selecting the preferred candidate. Accordingly, in this section responses obtained on selection decision were presented and interpreted.

Selection Destion



Source: Own Survey, 2016

Figure 4: Selection Decision

As captioned in the above table the first statement is regarding the involvement of the recruit immediate supervisor on selection decision. Accordingly, the summary of respondents' shows out of 99 respondents, 31.3% , are agree about case followed by 27.3% who are not sure about it, and 20.2% who disagree about it and 12.10% respondent who strongly agree . On the other hand, there are also 9.10% respondents who strongly disagree. Hence, from this we can conclude that even though it is not consistently followed most of the time immediate supervisors are involved at the time of selection decision this imply Awash bank does not use fair selection decision and it's difficult to get qualified employee.

The second statement is on the factor selection decision is always done based on the average / aggregate result of the selection panel members. Accordingly, out of 99 respondents, majority of the respondents, 32.3%, not sure about it .followed by 29.3 % of the respondents who are agree and 18.2% of respondents who disagree the case and those

who are strongly agree and strongly disagree have the same number which is 10.10% respondents. Accordingly from this we can conclude that most of the time selection decisions are not made based on the average result of the selection panel members this implies inappropriate selection decision invalidate reward and development strategies.

4.3.8 Challenges

A common problem in recruitment and selection is poor HR planning .the key goal of HR planning to get the right number of people with right skills, experience and competencies in the right jobs at the right cost .detailed and robust recruitment and selection policies, such as recruitment and selection procedures, assessing criteria, talents auditing and processing the information about the labor market are important in recruiting and deploying appropriate employees at the right time. The major challenge facing in AB in its recruiting and selection practice is lack of key talents in the job market for specialized area like in consultant and information technology area.

There are various factors which affect recruitment and selection practices of any organization. For that reason, responses obtained from the challenges / factors affecting staff selection practices are presented.

It was learnt that the unit has been understaffed since long period of time and they consider this as one of the internal challenge that hinder them for consistency. From interview with the staff members under the Human Resources unit it was learned that AB has clear policy. Thus, we can say that AB has policy which the staff members are not aware of it; this can be an indication of lack of transparency in recruitment and selection practices and a major challenge for Awash Bank.

In addition, the bank faces challenges in acquiring competent candidates; and also faces delays with respect to the standard time of recruiting new employees when it uses recruitment agencies. Shortage of manpower in the market for some specific positions like consultants, lack of qualified and experienced peoples in the market for higher level posts, this leads to spend high cost for consultancy and for the employee training program. And last government policy (National Bank of Ethiopia) restricted different policy are the challenges which are discovered. According to the human resource directorate head the

bank faces challenges in finding competent employees and recruitment agencies delay the standard time to recruitment and selection applicants, which in turn affects organizations performance.

4.4 Discussion

AB's Recruitment and Selection Procedure In Comparison With Scholarly Written Practices

The study tried to analyze further the HR recruitment and selection practices of the bank on the basis of Decenzos' best practice of recruitment and selection procedure. These practices are discussed in detail in the literature review of this study.

4.3.1 Job Analysis and Recruitment Plan

As per Decenzo (2005) Job analysis is a systematic exploration of the activities within a job. It is a technical procedure that is used to define the duties, responsibilities and accountabilities of a job. This analysis defines and documents the duties, responsibilities, and accountabilities of a job and the conditions under which a job is performed. While recruitment plan contains the number and types of employees required to cater for expansion or new developments, sources of candidates, plans for tapping alternative sources and how the recruitment program will be conducted.

Even though it is not clearly stated on the recruitment and selection procedure of the bank, job specification is made by the line manager of the process (department) which requests the hiring of new employees. But the HR team leader is the one that checks and verifies whether the vacancy is prepared per the job specification. The bank's recruitment and selection procedure doesn't clearly state the recruitment plans. But, it states that the first step of the recruitment and selection process is additional staff need request.

Therefore this shows that the bank needs to clearly state the job analysis process and it's outcomes on the recruitment and selection documents. In addition to that, the recruitment plan needs to be vividly stated.

4.3.2 Attracting Candidates

The scholarly written procedure states that attracting the best candidates is very critical to organizational success because it's a matter of identifying, evaluating and using the most appropriate source of applicants. The ideal recruitment effort attracts a satisfactory number of qualified applicants. An organization can attract applicants through its image, job attractiveness or simply benefits.

Based on the recruitment and selection procedure, the bank first gives priority for internal sources to recruit employees but if there is no employee that is qualified for the job, the vacancy will be announced for the external sources. The hr. directorate also mentioned on the interview that the job advertisement will be handed over to the selected press agency (newspapers) by HRM officer or the employing branches immediately after finalizing the advertisement preparation and selection of the press.

The bank mainly uses newspapers and notice boards to advertise the job vacancies. Applicants shall submit applications in person or via fax to the HR team for a minimum of 5 working days after the first date of announcement.

Thus when comparing the bank's procedure with the scholarly written procedure, AB's procedure does not state any strategy which highlights the banks strength so that they can attract employees to apply for vacancies. In addition to this the bank should use different types of job advertisements in order to attract a sufficient number of candidates.

4.3.3 Selection of Candidates

The subsequent step next to attraction of employees is, selecting candidates that are best fit to the organization by sifting applications, interviewing, testing, assessing candidates, offering employment, obtaining references; and preparing contracts of employment. Comparing the scholar written procedure with the AB's procedure the bank follows the following steps in selecting candidates. As per Decenzo (2005) the selection methods must be chosen based on criteria's like reliability, validity, utility, acceptability and legality.

Unfortunately the bank's procedure does not mention the basis for selecting the selection criteria.

Step 1- Initial Screening

It is the first step in the selection process whereby job inquiries are sorted. The applicants credentials are compare with the recruitment position as per the job specification. An organization initiates a preliminary review of potential acceptable candidates. (Decenzo, 2005)

Based on AB's recruitment procedure After the work of attracting employees is done the human resource officer undertakes a preliminary screening of applicants based on the requirements of the vacancy announcement and prepares summarized report and forwards it to the human resource team leader. The number of applicants shortlisted for written exam is decided based on the number of vacant post to be filled. The human resource officer or outlying branch-office assistant will communicate the short listed applicants to inform them about the date and venue of the exam.

Therefore when comparing the bank's process with the scholarly written policy, the bank is applying the initial screening practice in a good manner.

Step 2- Completing Application Form

As per Decenzo, (2005) the application for is used to generate specific information the company requires from the applicants. It contains applicant's skills, accomplishments, experience and references. It provides a structured basis for drawing up short lists.

The bank recruitment procedure shows that once the initial screening is completed the human resource officer makes the short listed applicants fill standard application form and checks the completeness of the forms. However, the procedure does not point out the specific information stated on the application form.

Accordingly based on the scholarly written procedure the bank uses application forms but the document should clearly state the information included on the application form.

Step 3- Employment Test

Employment test provides a major input for the selection process. It is used to select applicants that possess the required knowledge and skill. Intelligence, ability and personality tests are some of the employment tests developed to support the selection process. (Decenzo, 2005)

As stated on the recruitment and selection document of AB written exams, interviews and practical exams are used based on the type of jobs. The branch manager, senior customer service manager and customer relationship officer prepare a written exam in close consultation with HRM process team; however the procedure does not mention the type of employment test the bank uses (intelligence, ability or personality test). If the exam is to be given by outside source, selected testing agents shall be handled as per bank's procurement procedure. The team short lists for interview only those candidates who will score half of the points assigned for written exam.

Therefore based on the above points one can conclude that the bank does not integrate the various types of employment tests while examining candidates.

Step 4- Comprehensive Interview

As per Decenzo (2005) interview is a selection device used to obtain in-depth information about a candidate. It is designed to probe areas not easily addressed through the application form or employment test, such as assessing once motivation, value and ability to fit in with the organization.

Based on the recruitment and selection procedure the human resource officer contacts the short listed applicants and members of an interview team informing them the date and avenue of the interview. The bank usually uses panel interview in which an interview team interviews one candidate at a time. The HRM process prepares structured interview questions in close consultation with the concerned process. The interview mainly focuses on the theoretical background of the candidate, conformity to the particular job, ability of the candidate in oral communication and self-confidence.

Thus from the above points it can be concluded that the bank has a good comprehensive interview procedure.

Based on the recruitment and selection procedure the HR officer compiles the average interview result with the examination result.

Step 5- Background Investigation

The purpose of background investigation is to verify information on the application form is correct and accurate. This can include confirming the candidates work record, verifying educational accomplishments and criminal records are some of the information that will be verified.

According to the recruitment and selection procedure of the bank, candidates are asked to bring police certificate to ascertain that the candidate has not been convicted of any crime which contravenes with the value of the bank. But the human resource officer or branch manager contacts references checks are being done randomly for selected positions, most of the time for higher level positions. Candidates must submit clearance letter from their former employer before they get employment letter from the bank.

Accordingly based on the above points it is revealed that the bank has background investigation procedure but it's not appropriate for all position.

Step 6- Conditional Job Offer

It is a tentative job offer that becomes permanent after certain conditions are met, such as physical and medical examination. (Decenzo, 2005)

As per the recruitment and selection procedure, after all the formalities are fulfilled and the applicant is selected for a job, a conditional letter of acceptance and temporary ID card shall be issued to the candidate by the VP- resource management/director HRM/ HRM team leader as the case may require. The conditional recruitment letter includes employee's full name, place of assignment, job title, job description and request to the receiving unit to make fortnight progress report of the employee during the probation period together with collective agreement. List of candidates that were not selected for the position will be kept in the waiting list for six months to fill future openings in the same post.

Therefore based on the above point the bank offers its applicants a conditional job and keeps unsuccessful applicants in the waiting list properly.

Step 7- Medical Examination

It is an examination to determine an applicant's physical fitness for essential job performance. It can only be used as a selection device to screen out individuals who are unable to physically comply with the requirements of the job.

As per the recruitment and selection procedure applicants are required to take medical examination at the bank's clinic or medical institutions contracted by AB's outlying branch to determine fitness of the candidate for the job.

As per the above practice one can conclude AB has an effective medical examination procedure.

Step 8- Conducting Induction Program

It is an activity that introduces new employees to the organization and their work unit. It familiarizes the new member with the organizations objectives, history, procedure, company benefits, duties and responsibilities.

As per the procedure of the bank, human resource development officer facilitates the induction program. The program focuses on the bank's vision, mission and values; the bank's major policies and procedures; employees code of conduct; employees duties and responsibilities and briefing about their job and performance plan and expectation. Coaches will also be assigned to which the employees are placed during the probation period.

As a result there is an excellent induction program for new employees.

Step 9- Follow Up and Permanent Job Offer

Individuals who successfully perform in the preceding steps are now considered eligible to receive the employment offer. The offer is made by the HRM representative. Based on the procedure of the bank, a probation period of 45 days and 90 days will be applied to employees and managers respectively. The director shall appraise and report the performance of the employees every 15 days during the probation period. If the probation period performance report of the new employee who undergone necessary induction, on job training, support and follow up during probation period is less than 60%, termination letter

will be issued by the director of the HRM while permanent employment letter will be issued to employees who successfully completed their probation period.

Therefore even though permanent job offer comes before the induction of employees on the scholarly written procedure it is still well designed and valuable in recruiting and selecting applicants.

Evaluating the Recruitment and Selection Process

The recruitment and selection procedure does not state anything about evaluation of the whole recruitment and selection process. But during the interview made with the Human resource manager, the process is evaluated quarterly or semi-annually by the internal audits.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter presents the summary of the results and the findings based on the analysis conducted throughout the entire study. This research work has attempted to study the practices of recruitment and selection at AB. Hence, based on the data discussions, analysis and interpretation the following summary of major findings, conclusion and recommendation are presented here under.

5.2 Summary of Major Findings

The main aim of this study is to examine the practice of recruitment and selection at AB. Based on that the following research results are found.

The study revealed that majority(26.30) of respondents were not aware of formal recruitment and selection policy at Awash Bank and AB doesn't give priority for its internal staff members in its recruitment and selection process as 32.3%of respondent confirmed.

The analysis realized that of 31.30% respondents were of the opinion AB has clear policy of staff selection which is being practiced. And even though the HR representative specify that there is no discrimination in AB there is a discriminatory regarding gender, race and political, as confirmed by majority (31.30%) of the respondent. recruitment is initiated by HRP However AB doesn't consistently perform job analysis and job specification before advertising vacancies, as confirmed by majority (32.3%) of the respondent.

The vacancy advertisement of AB is found effective which presents all the necessary information about the vacant post, as confirmed by majority (41.40%).The analysis realized that of 33.3% respondents were of the opinion Medias that are used for the vacancy are well known and have large coverage so that AB has the possibility to get large number of applicant's pool from it vacancy advertisement.

The human resource directorate also mentioned on the interview that the job advertisement will be handed over to the selected press agency (newspapers) so the organization used limited source.

The interview type was not group interview, as confirmed by majority (28.30%). But, as majority (37.40%) respondent that most of the time the interview questions are not structured one which creates inconsistency. However, interview was effective that include relevant KSA`s as confirmed majority (37.40%) of respondent and the analysis realized that of respondents were of (30.3%) the opinion create friendly environment for interviewees.

AB is conducting entry on duty medical assessment when new employees are recruited as 43.40% of respondent confirmed. However, most of respondent (28.3%) agreed reference is not consistently checked in the Awash bank. In addition to the respondent result the interview indicates reference checked for higher level position only.

Awash bank introduce about their job immediately and with their co-worker this obtains effective output as 30.3% of respondent confirmed.

From internal challenges, AB has policy which the staff members are not aware of it; this can be an indication of lack of transparency in recruitment and selection practices From external challenges ,shortage of manpower in the market for some specific positions like consultants, lack of qualified and experienced peoples in the market for higher level posts and In addition, the bank faces challenges in acquiring competent candidates; and also faces delays with respect to the standard time of recruiting new employees when it uses recruitment agencies. And last government policy (National Bank of Ethiopia) restricted different policy.

5.3 Conclusions

The following conclusions are drawn based on the basic research questions and the set research objective.

As per the findings of the study, it is vividly illustrated that there indeed exists a procedure that guides the process of recruitment and selection in Awash bank. Nevertheless, there are areas of improvement with regard to its proper implementation. Furthermore, it was discovered that the recruitment and selection procedure itself is not revised as often as it should be. In addition, the bank's recruitment and selection procedure does not show the banks strength in attracting competent candidates, despites employees are attracted on the basis of different factors this implies it difficult to get best candidate.

The study found out that the bank's recruitment strategy is not diversified as it should be; it uses only local newspapers as a channel to announce vacancies. Moreover, the tests do not integrate the various types of employment tests. Besides, the bank also needs to revise the job description as frequently as needed. The recruitment and selection document of the bank does not include evaluation of the whole recruitment and selection procedure. In addition, the bank faces challenges in acquiring competent candidates; and also faces delays with respect to the standard time of recruiting new employees when it uses recruitment agencies.

The recruitment and selection practices of AB are not comprehensive enough to include all the accepted staff selection principles. All the staff selection techniques and procedures are not pursued at each stage which limits the capability to recruit best candidate and ensure best employer brand.

The recruitment and selection practice fails to include significant steps like selection test and feedback to unsuccessful candidates. In addition, professional reference checks are being done randomly for selected positions, most of the time for higher level positions. This leads to may not get further information that verify accuracy and objectivity of applicants' credentials and claims. The organization doesn't use different option for

advertisement, it is limited. This implies that the other methods were not effective that lead to may not get large pool of applicants for best candidates.

The recruitment and selection practice in Awash bank is challenging, Awash Bank has policy which the staff members are not aware of it, which shows the lack of transparency and lack of refreshment trainings for staff members. The shortage of manpower in the market for some specific positions like consultants, lack of qualified and experienced peoples in the market for higher level posts, this leads to spend high cost for consultancy and for the employee training program. In addition, the bank faces challenges in acquiring competent candidates; and also faces delays with respect to the standard time of recruiting new employees when it uses recruitment agencies. And last government policy (National Bank of Ethiopia) restricted different policy are the challenges which are discovered. It has challenges the organization not to be flexible.

5.4 Recommendations

In view of the above conclusions drawn from the findings, the following recommendations were made to contribute to the practices of recruitment and selection of AB. The integral benefits of the identified recruitment and selection practices cannot be overlooked; nevertheless, the following recommendations must be well noted.

The selection practice of AB needs to be consistent with its selection policy and best practices. The policy need to match to the accepted practices of staff selection and the recruiting body has to follow the procedure firmly.

The staff selection policy of AB need to include strategic objectives which is not only aimed to select the best candidate but it need to be more strategic in building a good employer brand, considering special group interest, and state the role of the institution as equal opportunity employer.

Formal staff selection policies would help the organizations in attracting internal and external candidates in filling any vacant position. Existence of formal policies can also improve the transparency and accountability in staff selection. Policies should also be changed in course of time.

Before any recruitment and selection practices implementation job analysis to determine job description, job specification, and job evaluation. Through proper job analysis, organizations will be able to fix up the specific duties and responsibilities of every employee. Job analysis will help in determining skills and knowledge to be possessed by the employees to hold various positions. It will also facilitate in providing effective compensation packages to the employees.

AB shall consistently implement the HR manual at all times where the gap regarding the internal recruitment and selection process is well aligned to the guideline and modern HR concepts. Attention to this will result in motivating staff for improved performance and engagement as well as will help to retain outstanding performers.

AB provides induction and orientation to staff upon joining AB. However strengthening the process at all times is necessary to support new joiners to engage them on their performance as well as retain them in AB.

AB shall work on the possible available media to post the openings of jobs where internal applicants can easily access the job posting on time. This can be using the internal outlook facility or providing links that leads to internal job postings and also to achieve a large number of applicants, recruitment practice is expected to employ alternatives level of recruitment methods.

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APPENDIX 'A'

**ST. MARRY UNIVERSITY
SCHOOL OF GRADUATE STUDIES
MA IN BUSINESS ADMINISTRATION (MBA)
DEPARTMENT OF GENERAL MANAGEMENT
MBA PROGRAM**

Questionnaires to be filled by Employees of Awash International Bank S.C

Dear respondents;

This questionnaire is designed to collect data on the recruitment and selection practice in Awash International Bank S.C which will be used as an input for a thesis in partial fulfillment of General MBA. I assure you that, all your responses will be kept in absolute confidentiality and you will not be held responsible for the research outcome. Therefore, your genuine, frank and timely responses are quite vital to determine the success of this study. So, I kindly request your contribution in filling the questionnaire honestly and responsibly.

NB. No need of writing your name.

Thank you in advance for your cooperation!

Part-I: Personal Data

Instruction: - Encircle the letter of your choice.

1. Gender
A. Male B. Female
2. Age
A. Less than 20 B. 21-30 C. 31-40 D. 41-50 E. More than 50
years
3. Education Level
A. Certificate B. Diploma C. Degree D. Masters
4. Work Experience
A. Less than 5 years B. 6-10 years C. 11- 15 years D. More than 15 years
5. Job category

A. Management position

B. Supervisor position

C. Employee

Part-II: General Questions:

Instruction: - Put the [✓] mark in the box provided.

1. The following statement relates to the general recruitment and selection practice of your organization.

Please indicate your level of agreement/disagreement by ticking [✓] in the box for your exact feeling based on the scale below.

N.B:-

1= Strongly Agree 2= Agree 3= Neutral 4= Disagree 5= Strongly Disagree

No.	Statements on recruitment and selection practice	Scale				
		1	2	3	4	5
1.1	AIB has clear policy of recruitment and selection.					
1.2	Vacant positions usually filled by recruiting external employees					
1.3	Human Resource Department strictly follows the policy and procedure.					
1.4	The selection procedure is nondiscriminatory regarding gender, race, political affiliation etc.					
1.5	The need for new recruitment always comes from Human Resources Planning.					
1.6	AIB performs job analysis (i.e. duties, responsibilities, skills etc. required for a particular job) and job evaluation before advertising vacancies.					
No.	Statements on vacancy advertisement.	Scale				
		1	2	3	4	5
2.1	The vacancy advertisement provides sufficient information about the job.					
2.2	The Media Used for the Job Vacancy Advertisement is well known and has Large Coverage.					
2.3	The application process for open vacancies is very easy, efficient for the candidates.					

2.4	There is Enough Number of Applicants Pool from Vacancy Advertisements.					
2.5	The vacancy advertisement has its own consistent format which is applicable to all type of job vacancies.					
No.	Statements on selection test	Scale				
		1	2	3	4	5
3.1	Selection test were relevant to the job you have applied at your first employment in AIB.					
3.2	The selection tests were administered strictly not to create irregularities.					
3.3	Selection questions were appropriate to measure the knowledge, skills and abilities that are required for the open position.					
No.	Statements on selection interview	Scale				
		1	2	3	4	5
4.1	There Is Always Structured Interview to Address Consistent Question For Each Candidates					
4.2	You were asked about the knowledge, experience and characteristics, interest that are relevant to the open position.					
4.3	The Type of Interview Was Group Interview When You Were Recruited.					
4.4	The Interview was Very Interactive and You Were Given a Fair and Thorough Hearing on Your First Interview					
No.	Statements on pre-employment checkups	Scale				
		1	2	3	4	5
5.1	Minimum three Reference were Checked when you were Recruited.					
5.2	You were requested to go through Medical Checkup when you were recruited					
No.	Statements on orientation and induction	Scale				
		1	2	3	4	5
6.1	You were informed about the vision, mission, and goal of AIB.					

6.2	You were introduced about your job immediately after you were selected.					
6.3	You were introduced to your co-worker in the AIB.					
No.	Statements on Selection Decision.	Scale				
		1	2	3	4	5
7.1	There is Always the Immediate Supervisor of the Recruit at the time of Selection Decision					
7.2	Selection Decision is Always Done Based on the Average / Aggregate Result of the Selection Panel Members.					

2. What are the major challenges that AIB is facing in relation to staff recruitment and selection?

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APPENDIX 'B'

**SCHOOL OF GRADUATE STUDIES
MAIN BUSINESS ADMINISTRATION (MBA)
DEPARTMENT OF GENERAL MANAGEMENT
MBA PROGRAM**

Interview Questions with Human Resource Manager and selected department heads.

1. How the AIB clear policy, guidelines and plan for recruitment and selection of employees? Do you think that every staff member is aware of the policies?
2. Where does the need for recruitment and selection come from? Is it initiated by the vacant positions created due to different reasons or HRP?
3. What are the staff attraction mechanisms that AIB use to have good number of applications from the vacancy advertisement?
4. Do you think that the selection process of AIB is very relevant for every position and free from misuse?
5. Do you use reference checks on selection process?
6. Do you explain whether the AIB any job analysis before advertising vacancies for employment? Is there a job analysis for every position?
7. How the recruitment and section practices of AIB affected your employee performance?
8. What factor help to improve recruitment and selection practice at AIB?
9. What are the effectiveness of recruitment and section practice of AIB?
10. What are the major challenges that AIB is facing in relation to staff recruitment and selection.

STATEMENT OF DECLARATION

I Elizabeth Berecha, hereby declare that the work entitled Practice of recruitment and selection: the case of Awash Bank is the outcome of my own effort and study and that all sources of materials used for the study have been acknowledged. I have produced it independently except for the guidance and suggestion of my Research Advisor Goitom Abrham (Ass. Professor) This study has not been submitted for any degree in this University or any other University. It is offered for the partial fulfillment of the award of Master degree in Business Administration.

Elizabeth Berecha

St. Mary's University, Addis Ababa

Signature

December, 2016

LETTER OF CERTIFICATION

This is to certify that Elizabeth Berecha has carried out this project work on the topic Practice of recruitment and Selection: the case of Awash Bank under my supervision. This work is original and suitable for the submission in partial fulfillment of the award of Master Degree in Business Administration.

Goitom Abrham (Ass Prof)
Research Advisor
St. Mary's University, Addis Ababa

Signature
December, 2016