



ISSN: 2278 – 0211 (Online)

## Recruitment And Selection Practices And Customer Service Delivery Among Selected Banks In Ekiti State, Nigeria

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### **Abstract:**

*One of the major psychological variables considered essential to the achievement of efficiency and effectiveness in an organisation is recruitment and selection (Eze, 2004). The recruitment and selection practices of banks can cause a work environment or culture that will provide requirements for optimal satisfaction of customers and build competitive advantage through service quality excellence. This study examines empirically the relationship that exists between banks recruitment and selection practices and service quality. Primary data were sourced through a pretest questionnaire. Six hundred commercial bank customers and one hundred employees of the banks in Ekiti State were randomly selected. Data collected were analysed using descriptive statistics and analysis of variance. The results indicate a wide gap between the banks recruitment and selection process and the objective of maintaining qualitative banking services that will not only meet the need of the customers satisfactorily but ensure also loyalty. It was concluded that the quality of services being rendered by the banks were not only ineffective and inefficient, but it is also obvious that the banks' contact employees failed to meet customers' expectation of service delivery. This has led to increasing mobility of customers among competing financial providers.*

**Key words:** Recruitment, Selection, Customer Service, Customer Satisfaction

### **1.Introduction**

The need to be customer-focused in the rapidly changing marketing environment has never been more important for banks and financial services institutions than it is nowadays. However, under the present circumstances, not enough, contact employees need to be perceived by their customers as providing extremely qualitative service. (Hassan, Chachi and Latiff, 2008).

The above has therefore re-affirmed the imperative of quality customer delivery services to the survival and growth of any business. This was supported by the survey carried out by KPMG in 2008 in Nigeria which maintained that service quality was the most important factor considered by individuals and business in making a decision on the choice of banks. The ability to identify customers needs and consequently fashion out an effective delivery process that ensure customer satisfaction in a cost effective manner is a critical success factor for any business enterprise.

Bank customers are more discerning and demanding (BGL, 2010), hence a carefully crafted customer service strategy needs to be in place to win and retain them for improved market share and profitability. The faster a bank can deliver service to customers satisfaction, the higher the rating of such service by the customer.

The ability therefore to provide an improved service depends upon the quality of human resources being paraded by the bank. Werther and Davis (1993) corroborated this by stating that the competitiveness of modern firms is a function of the quality of employees in terms of skill and competence.

The individual's effectiveness and efficiency on the job will significantly impact on team effectiveness (Druker, 1967).

The above position was buttressed by Nayer (2010) who stressed the need to put employees first and customer second with a position that value creation process starts with the organisation's employees. There is no gainsaying that effective recruitment and selection practices can help an organisation to maximize competitive advantage most especially when qualified and competent employees are selected in a cost efficient manner (Kleiman, 2005). Moreover, the goal of recruitment and selection programme is to attract highly qualified candidates and to ensure that the right person is recruited for the right job (Fisher, Schoenfeldt, & Shaw, 2004; Kleiman, 2005; Mathis & Jackson, 2005).

Hence, this study seeks to examine the extent to which recruitment and selection practices in Nigeria banks has improved and maintained quality service delivery to their customers.

## 2.Literature Review

Part of any business strategy is to be competitive. However, to be competitive, an organisation needs to think about its people as part of its competitive advantage (Stewart et al, 2003). While people have been central to organisations, today's employees are critical in helping to build a firm competitive advantage. Competitive advantage is the capacity or quality that an organisation has that gives it an edge over its competitors and one of the advantages according to Hamel and Prahalad (1994) is delivery of qualitative customer service. This means that to deliver qualitative customer service, people-embodied know-how is required (Prahalad and Hamel, 1990). Parasurama, Zeithaml, & Berry (1985) found employees as important aspect determining the delivery of qualitative service to satisfy consumers. Schneider and Bowen (1993) also assert that for service organisations (such as banks), effective recruitment and selection strategies are superior Human Resource Management practices that are key to sustainable competitive advantage in a dynamic business environment. Banks recruitment and selection practices are very germane to the achievement of organisational performance through qualitative customer service delivery (Vencatachellum & Mathavirin, 2010). Highly satisfied customers drive growth and profitability and all aspects of the operation that affect customers' satisfaction should be managed under what is called the service profit chain. According to Vencatachellum & Mathavirin (2010), service profit chain ensures that employee satisfaction increases when internal service quality is enhanced, which in turn strengthens employee loyalty and raises employee productivity. In turn this productivity creates greater external service value for customers, hence improving customers' satisfaction and loyalty. Therefore, to provide qualitative service, banks should pay cognisance to its employees with greater attention given to the recruitment and selection practices. This is why recruitment and selection as part of human resource management practices has been identified as significant to qualitative customer service delivery (Browning, 1998; Tsaur & Lin, 2004).

## 3.Recruitment And Selection

This is one of the human resource strategies aimed at ensuring that banks begin to recruit the right calibre of contract employees for effective and efficient service delivery. Recruitment is the process by which firms locate and attract individuals to fill job vacancies (Fisher et al, 2004; Kleiman, 2005). According to Khan (2008), it means informing the new market that people are going to be appointed. The purpose of recruitment is to have a large pool of potential qualified applicants (Stewart et al, 2003). Hence, Vencatachellum & Mathavirin (2010) in their view maintained that to compete for the best people, organisations would have to view their recruitment and selection process as a marketing exercise directed at attracting targeted employee market segments so as to ensure that candidates with the competence and commitment to add value are drawn. In this regard, banks can communicate to prospective employees through employee referrals, educational institutions, executive search firms, creating web pages on their firms' sites focused on recruiting potential applicants where they can get online job previews providing them with a realistic perspective about the work life, advertisement and so on. This practice will ensure that many candidates are exposed to the recruitment need and consequently only qualified and competent candidates who are fit for the job are selected.

Selection on the other hand is the process by which firms decide who will or will not be allowed into the organisation (Noe, Hollenbeck, Gerhart & Wright, 2006). The purpose of selection is to pick the right candidates who meet the requirement of the job and the organisation better (Khan, 2008). This means that the right candidates must have the inclination to provide service needed by the bank to satisfy their customers. Hence, such candidate should possess the required personality traits such as conscientiousness, agreeableness, emotional stability, openness to experience, extroversion, empathy, self-efficacy, self control, the need for activity and adjustment Vencatachellum & Mathavirin (2010).

## 4.Methodology

This study was carried out in Ekiti State, Nigeria. Six hundred Commercial banks' customers and one hundred employees in the state were randomly selected. Using validated structured questionnaires, the respondents' opinion was elicited on quality service delivery of their chosen banks. Various quality service deliveries related variables were incorporated and structured in 5 Likert scale form. The researchers obtained verbal consent of all the respondents before the administration of the research instrument. Data collected were analysed using descriptive statistics such as frequency counts, percentages, and analysis of variance.

### 5. Recruitment And Selection Practices As Measured By Customers

Table 1 below presents the data generated from the six hundred respondents who are customers to the various banks in Ekiti State, Nigeria which was the area of study.

Variables	Responses of respondents									
	Strongly agree		Agree		Strongly Disagree		Disagree		undecided	
	Freq	%	Freq	%	Freq	%	Freq	%	Freq	%
Bank staff shows interaction in solving customers problems	1	0.9	4	3.6	9	8.1`	54	48.6	43	38.7
The workers perform their service right the first time	2	1.8	22	19.8	9	8.1	50	45.0	28	25.2
Their services are always error free	2	1.8	5	4.5	25	22.5	41	36.9	36	98.2
The staff are always willing to help customers	4	3.7	10	9.3	16	14.8	45	41.7	33	30.6
They provide prompt service to customer.	1	1.0	9	9.3	18	18.6	47	48.5	22	22.7
Workers behaviours instil confidence in customers	-		7	6.3	18	16.2	60	54.1	26	23.4
Customers always feel safe in their transactions.	3	2.8	7	6.5	13	12.1	62	57.9	22	20.6
The staff are friendly and courteous in dealing with their customers	6	5.6	9	8.3	11	10.2	54	50	28	25.9

Table 1: Recruitment And Selection Practices As Measured By Customers

Source: Field Survey, 2012

### 6. Discussion Of Results

The analysis revealed that very low percentage of the respondents (4.5%) agreed that the bank staff engage in adequate interaction at solving customers' complaints. Perhaps because majority of the staff do not possess the necessary service capability which Berry et al, (1991) describe as the degree of required knowledge, skills and concepts required for line employee to offer excellent service.

Low percent (21.6%) affirmed that workers perform their service right the first time while 6.3% believed that bank services are always error free, selected bank staff are always willing to help customers (13.0%) as well as provide prompt service to customer (10.3%). Majority of respondents disagree that workers' behaviour instil confidence in customers (70.3%), Customers always feel safe in their transactions (70.0%), and that the selected bank staff are friendly and courteous in dealing with their customers (60.2%).

The above results are all negative, indicating that majority of the customers are not satisfied with the quality of service delivery of the selected banks. The results also show that the bank's employee have failed to display necessary competence and professionalism to enhance the quality of service delivery. The results have therefore exposed the weakness in the recruitment of the contact employees. The importance of this category of employees was emphasized by Metawa and al-Mossawi (1998) which state that frontline service employees, such as customer relation advisors, "are the organisation in the customer's eyes" Hagazy, (1995) and Zeithaml and Bitner (2000) were more emphatic by maintaining that in many cases, the contact employee is the service – there is nothing else. Even if the contact employee does not perform the service entirely, he may still personify the bank in the presence of the customers. The researches observed that only 13% of the respondents agreed that the selected bank staff is always willing to help customers. This supports Jamal and Kamar, (2003) position that each of these customer contacts has the potential of positively or negatively impacting customer's satisfaction with the service as well as the company.

### 7. Recruitment And Selection Practices As Measured By Employees

The researchers decided to also evaluate the opinion of the employees on the appropriateness and effectiveness of their banks' recruitment and selection practices. The following are the results of the evaluation.

Variables	Responses of respondents									
	Strongly agree		Agree		Strongly Disagree		Disagree		undecided	
	Freq	%	Freq	%	Freq	%	Freq	%	Freq	%
Uses of various medium source	108	19.5	375	62.1	15	2.4	41	6.8	55	9.0
Job based on qualification and experience	97	16.3	238	39.9	35	5.9	111	18.6	115	19.3
Vacancy through friends and relatives	46	7.8	155	26.3	230	39.0	80	13.6	78	13.2
Vacancy through internet	52	9.0	208	35.9	91	15.7	137	23.6	92	15.9
Details of job provided before application	34	5.9	213	36.7	141	24.3	97	16.7	95	16.4
Interview environment was supportive	30	5.0	59	9.8	304	50.7	126	21.0	81	13.5
Interviewed by group of people	39	6.5	117	19.5	161	26.8	147	24.5	136	22.7
Key officers of the bank were very active during interview	74	12.4	183	30.7	84	14.1	124	20.8	128	21.4
Panellist were skilled and professional	81	13.4	240	39.7	121	20.0	89	14.7	73	12.1
Interview question was structured	24	4.0	32	5.3	314	52.0	138	22.8	96	15.9
Questions asked were related to the job	96	15.8	238	39.1	59	9.7	81	13.3	134	22.0
My competency on the job was put into test	41	6.8	99	16.5	209	34.8	107	17.8	144	24.0

Table 2: Recruitment And Selection Practices As Measured By Employees  
Source: Field Survey, 2012

### 8. Discussion Of Results

The evaluation of recruitment and selection practices as measured by employees is presented in Table 2. High percent of respondents (81.6%) asserts that the bank uses various medium sources for the best employee. An above average of (56.2%) affirmed that suitability on the job was based on qualification and experience while below average (34.1%) got the knowledge of the vacancy through friends and relatives, through the internet advertisement (44.9%) as well as provision of details before application (42.6%). Extremely low percentage (14.8%) opined that, to a greater extent, the interview environment was supportive, and interviewed by group of people (26%) and activeness of key officers of the bank during interview (9.3%). Below average percentage of respondents (43.1%) agreed that the panellist were highly skilled and professional. Fifty three percent (53.1%) observed that the interviewed question was structured. An above average (54.9%) confirmed that questions asked were related to the job but a much lower percentage (23.3%) confirmed that competency on the job was put into test.

The above results clearly revealed that the recruitment and selection process are faulty and deficient. These results are no doubt in conformity with earlier results obtained from the evaluation of customers' perception of the services delivery and contact employees behaviour and competence. These results have therefore confirmed the findings of Hiltrop (1996) which found that employee recruitment and selection have a statistically significant impact on employee performance outcomes. Singh and Finn, (2003) also maintain that an organisation's ability to attract and retain capable employees can be the most important determinant of organisational effectiveness because recruitment and selection play significant role at enhancing organisational survival and success in competitive and turbulent business environment.

### 9. Ascertaining The Effects Of Recruitment And Selection Practice On Quality Service Delivery

S/N	Variables	Df	Mean square	F	Sig
I	Uses of various medium source	1	4.844	6.144	.013*
		567	.788		
		568			
Ii	Job based on qualification and experience	1	4.844	1.978	.160
		559	.788		
		560			
Iii	Vacancy through friends and relatives	1	12.054	6.141	.014*
		552	1.963		
		553			
Iv	Vacancy through internet	1	19.289	12.325	.000*
		547	1.565		
		548			
V	Details of job provided before application	1	7.326	4.211	.041*
		547	1.740		
		548			
Vi	Interview environment was supportive	1	.447	.305	.581
		563	1.465		
		564			
Vii	Interviewed by group of people	1	58.066	39.150	.000*
		563	1.483		
		564			
Viii	Key officers of the bank were very active during interview	1	.669	.032	.858
		560	20.749		
		561			
Ix	Panellist were skilled and professional	1	2.215	1.151	.284
		567	1.924		
		568			
X	Interview question was structured	1	11.525	9.440	.002*
		567	1.221		
		568			
Xi	Questions asked were related to the job	1	9.696	6.827	.009*
		571	1.420		
		572			
Xii	My competency on the job was put into test	1	3.069	1.782	.182
		563	1.722		
		564			

Table 3: Ascertaining The Effects Of Recruitment And Selection Practice On Quality Service Delivery

Source: Field Survey, 2012, \* Significant At 5%

### 10. Discussion Of Results

The effects of recruitment and selection practice on Quality Service Delivery were ascertained using analysis of variance. Seven of the identified practices were statistically significant at 5% level. The results of the analysis are as presented in Table 3 above.

The results indicate that usage of various form media source, knowledge of the vacancy through friends and relative, information through the internet advertisement, provision of details of the job before application, group interview, structured interview question and asking questions related to the job were the significant factors at conventional level (5%). Job based on qualification and experience, supportive interview environment, presence of key officers during interview, test of competency on the job were not significant at conventional level.

Usage of various form media source was significant ( $F = 6.144, P = 0.013$ ) at 5 per cent level. Also, knowledge of the vacancy through friends and relative was also ascertained to be a statistically significant ( $F(1, 568) = 6.141, P = 0.014$ ) factor of quality service delivery in the banking sector. Similarly, provisions of details of the job before application, group interview were also ascertained to be significant factors of quality service delivery.

## 11. Conclusion

The findings of this research work have revealed a wide gap between the banks' recruitment and selection process and the objective of maintaining qualitative banking services that will not only meet the need of the customers satisfactorily but also ensure loyalty. The results obtained from both the customers' and employees' survey corroborated each other in the affirmation of this position. The study has no doubt established the imperative of competent and committed contact employee to the success of the service organisations such as banks. The services literature has also widely recognised the importance of contact employees' behaviour for customers' satisfaction and loyalty (Naseer, Tamal and al-Kahatib, 1999, Farrell et al, 2001; Ganesh et al 2000; Oladele and Akeke, 2012). It is therefore the conclusion of the researchers that the quality of services being rendered by the sampled banks are not only ineffective and inefficient, but it is also obvious that the banks' contact employees failed to meet customers' expectation in the area of service delivery and behaviour. It is therefore the opinion of the researchers that the increasing mobility of customers among competing financial providers is a result of lack of satisfaction. Solomon et al (1985) corroborates this opinion by stating that customers' satisfaction and repeat patronage may be determined solely by the quality of the personal encounter.

The above evidential issues suggest that Nigerian banks should focus attention on their recruitment and selection practices to ensure that the right calibre of employees are recruited. The process should also be supported with regular professional banking and customer relations training.

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