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SOURCES OF RECRUITMENT: ITS EFFECT ON EMPLOYEE PERFORMANCE AND RETENTION

[1]Rikwentishe Rimamnde, [2]Tanko Danjuma Ngati, [3]Tsintop Danjuma Useini, [4]Bulus Ishaya Abekpa

Department of Business Administration, Federal University Wukari.

[1]rikwentishe@fuwukari.edu.ng, [2]tankongati58@gmail.com, tsintop8@gmail.com, [4]ishaya@fuwukari.edu.ng

Abstract

The Study evaluated the impact of recruitment sources on attracting qualified employees, using Adama Beverages Yola as a case study. The variables unit are Sources of recruitment, job qualification status, employee performance, and employee retention. The study specifically evaluates the impact training policy and compensation strategy has on Firms profitability. The sample size of the study was 400 employees. A survey research design was used for the collection of data. Simple percentages, virtual charts, and cross-tabulations were used for describing the data collected, and logistics and linear regression analysis and correlation analysis were used to analyze the data collected. The findings of the study reveal the more a firm utilizes formal sources of recruitment the better their chance of attracting highly qualified employees, and this is needed for a higher performance of employees and retention. The findings attribute effective recruitment sources as that which makes use of formal sources of recruitment. The major recommendations of the study are that Proper recruitment and selection policy that makes use of formal sources of recruitment should be adopted to obtain a better employee performance and overall get a very highly qualified set of employees. Also, recruitment sources mix of 80:20 should be adopted during recruitment exercises.

Keywords: Recruitment, Employees, Performances, Retention, Adamawa.

INTRODUCTION

In today's business environment, people are one of the most valuable company assets and recruitment serves the important function of bringing the necessary talent into the organization. The recruitment of high-quality employees remains a fundamental goal for organizations because there will always be hard-to-fill vacancies for which organizations must compete fiercely to attract potential applicants, also the most talented job seekers continue to have enough options to compare potential employers. It is perceived that the ability to find, attract and retain best employees was perceived is the two most critical people management issues that are faced by small and medium scale enterprises today (Hughes & Rog 2008).

As noted by Chandrasekara and Perera (2016) recruitment is a set of activities an enterprise uses to attract job candidates who have abilities and attitudes to help the enterprise to achieve its objectives. Employee retention entails a combination of activities that, when engaged well that will ensure the employee stays with the organization for a long time (Hendricks 2006). As mentioned by Josee et al. (2014), recruitment is the process of engaging and finding the people an organization needs. It can also be defined as any exercise or activity carried on an organization with the primary purpose of identifying and attracting potential employees (Amin et al. 2014). Employee retention entails a combination of activities that results in employee stay with the organization for a longer period (Hendricks 2006). Employee retention is the ability to maintain and retain the most desirable employees for a longer period in the organization (Gupta 2014).

Nowadays, recruiters are capable to utilize various versatile recruitment sources either the formal or informal sources which offer diverse, potential advantages to the user. Commonly named

recruitment sources are websites, advertisements in newspapers or magazines, referrals, job centers, walk-ins, campus events, social networking sites or organizational brochures (Baum & Kabst, 2014). These sources possess different characteristics and for instance, vary in the amount and type of information they offer to job seekers. By choosing from the variety of sources to communicate messages to applicants, "the recruitment function has responsibility for attracting new employees with the appropriate knowledge, skills, abilities, and aptitudes" (Allen et al., 2004). According to Breaugh (2008) recruiters' (employee) actions in utilizing recruitment, sources intend to win the attention of

potential job candidates and to influence them to apply for a vacancy. The author proposed that, after having established recruitment objectives (i.e. filling a certain number of positions), the recruiting strategy is developed, which indicates "whom to recruit", "where to recruit" and "how to reach targeted individuals" (Breaugh, 2008). Informal sources of recruitment (employee referrals, walk-ins) are the best sources of longer-tenured and less absent employees, while formal methods of recruitment (newspaper ads, employment agencies) are among the worst sources (Barma & Gupta, 2015). In line with this, Williamson, King Jr., Lepak and Sarma (2010), "the strategic actions by firms to attract applicants during the initial phases of the recruitment process have important implications for the development of a high-quality workforce", meaning that small and medium scale enterprises can influence the quality of their applicants. Hence, the underlying idea is that recruitment source characteristics may in effect impact which job a employee chooses to apply for vacancies, depending on what and how information are communicated and presented to job seekers. Referring to the effectiveness of the recruitment process, the qualifications of applicants as the "output" of recruitment sources are of interest. To Ongori (2010), "recruitment practices are the key factors to the entry point of human resources to any organization which also tends to determine the success and sustainability of Companies".

Statement of the Problem

The success of organizations depends on the caliber of the manpower that steers their day to day affairs. When the right person is selected, the productivity of the selected person tends to be high or meet the standard set by the organization. Though it is the wish of every organization to attract the best human resource to channel their collective efforts into excellent performance, unconventional selection practices can mar attainment of Organizational objectives. In Nigeria, there has been an increase in the rate of companies' failure, closure and poor performance due to the low productivity of employees (Oaya et. al., 2017).

In reviewing these recruitment studies, it is evident that several other important research questions have yet to be addressed. First, prior research has focused on behavioral measures (e.g., tenure, absenteeism, and performance) at the exclusion of attitudinal measures. Only one study (Breaugh, 1981) has investigated the relationship between recruitment source and employee attitudes. However, this study is limited in two respects, in that (a) single item attitudinal measures were used and (b) the nature of the sample (research scientists) limits the study's generalizability. More research investigating the relationship of recruitment sources with attitudinal measures in other samples is needed. Building on these previous studies, the purpose of the present study was to investigate the relationship between the source by which an individual was recruited and employee attitudinal measures (job involvement, job satisfaction, and organizational commitment). This is in line with Onyeaghala and Hyacinth (2016) who stated that it is obvious that hiring someone who does not fit into a particular job or who does not suit the culture of the organization may bring about disciplinary problems, disputes, absenteeism, high labor turnover, fraud, poor service delivery to customers, suppressed creativity, innovations and learning, inability to cope with new challenges or changes, non-competitiveness, poor quality production, waste of organization's money, time and other valuable resources. All these may culminate at a low level of organizational productivity; this is because employees have critical roles to play in ensuring the organizations achieve a competitive advantage over the competitors for the achievement of goals and objectives. It is against the backdrop of the above vexing problems, that this study was designed to examine the extent to which recruitment sources affect employees' performance and retention.

Objectives of the Study

The study seeks to; -

i. To evaluate the extent to which effective recruitment sources attract qualified employees in Adama Beverage Limited (FARO), Yola, Adamawa state.
ii. To evaluate the impact of formal sources of recruitment on employee performance and retention in Adama Beverage Limited (FARO), Yola, Adamawa state.
iii. To evaluate the impact of informal sources of recruitment on employee performance and retention in Adama Beverage Limited (FARO), Yola, Adamawa state.

LITERATURE REVIEW

Concept of Recruitment

Recruitment is the process of finding and hiring the best-qualified candidate (from within or outside of an organization) for a job opening, in a timely and cost-effective manner. Armstrong (2010) defines recruitment as the process of searching the candidates for employment and stimulating them to apply for jobs in the organization. Recruitment can also be defined as a process of finding and attracting capable applicants for employment (Ahmad et al., 2002). Recruitment is also the process of generating a

pool of capable people to apply in an organization for employment (Bratton & Gold, 2007).

Recruitment and selection (or staffing) are said to the best-represented area of research in people management in smaller, growth, or entrepreneurial organizations with more scholarly work done conducted than other functional aspects of HRM (Cordon & Stevens, 2018) as cited in Taylor (2019). The recruitment and selection process thus forms the first stage of the psychological contract between applicants and organizations, where information is mutually exchanged and role expectations are clarified and negotiated (Anderson, 2004). Recruitment 'includes those practices and activities carried out by the organization with the primary purpose of identifying and attracting potential employees' (Breaugh and Starke, 2000) and has long been regarded as an important part of HRM as it 'performs the essential function of drawing an important resource, human capital into the organization' (Appiah, et. al., 2013).

As explained by Opatha (2010) recruitment is the process of finding and attracting suitably qualified people to apply for job vacancies in the organization. It is a set of activities an organization uses to attract job candidates who have the needed abilities and attitudes. Recruitment is the process of generating a pool of qualified applicants for organizational job vacancies. For Ofori and Aryeetey (2011) recruitment is the process of generating a pool of competent individuals to apply for employment within an organization. Evidence has shown that larger corporations are more likely than smaller organizations in implementing sophisticated recruitment processes (Bacon & Hoque, 2005) with the majority of smaller organizations relying on referrals and advertising as their recruitment practices of choice (Barber, Wesson, Roberso & Taylor, 1999). Cloete (2017) stated that recruitment is all about making sure qualified people are available to meet the job needs of the government. Ineffective recruitment prevents any chance for effective candidate selection because when recruitment falls short, selection must proceed with a pool of poorly qualified candidates. He further opined that the task of recruitment is to generate a sufficient pool of applicants to ensure that there are enough people available with the necessary skills and requirements to fill positions.

Effective selection processes allow both the candidate and the organization to properly assess the degree to which the candidate fits the job specification and are in keeping with all applicable legislation. Selection is an opportunity for companies to choose candidates that they believe are most suitable for the job. Snell and Bohlander (2010) define selection as a process of choosing individuals who have relevant qualifications to fill existing or projected job openings. This researcher defines selection as the process of choosing the person(s) from the pool of potential candidates who meet the requirement of the vacancies identified in the organization.

Sources of Recruitment

The commonly used sources used for advertising about the job opportunities includes newspapers, notice boards, professional journals, university recruitment, agencies, job center's, radio/television/cinema, Internet sites, job fair (Margaret, 2011). Recruitment sources can be categorized as formal and informal were formal sources include employment agencies, television and newspaper advertisements whereas informal sources include referrals, internet-based hiring, self-initiated walk-ins by the jobseekers and rehires (Zottoli, 2000). Higher use of informal sources of recruitment is positively linked with more advantageous results such as high organizational assurance whereas the use of formal recruitment is linked with less advantageous results. Further Informal sources of recruitment are reliable and cost-effective, save time from the hassle of recruiting people outside the organization and help in reducing executive turnover and boost morale and loyalty among the existing employees (Amy & Landis, 2007).

Employee Performance and Retention

Performance is an increasingly important issue for all business enterprises in developed and developing economies in both public and private enterprises. Individual performance is a topical issue in today's business environment, to the extent that organizations go to the length to appraise and manage it (Appiah, et. al., 2013). Performance has been defined by Hayward (2005) as the level of an individual's work achievement after having exerted effort. Hayward (2005) stated that individual performance is a product of the ability to multiply by motivation. With environmental factors influencing performance primarily through their effect of individual determinants of performance, ability, and motivation, Appiah, et. al., (2013) concur with the belief that performance is ultimately an individual phenomenon (Hayward, 2005). Qureshi and Ramay (2006) argue that HR practices are positively correlated with profitability and suggest that management of an organization must focus on these HR practices (recruitment and selection) resulting in an improved organizational profit. To get maximum output from employees, it is important to consider a fit between successful candidates and the organization.

Employee performance is the job-related activities expected of a worker and how well those activities were executed. Many business

personnel directors assess the employee performance of each staff member on an annual or quarterly basis to help them identify suggested areas for improvement. A performance management process sets the platform for rewarding excellence by aligning individual employee accomplishments with the organization's mission and objectives and making the employee and the organization understand the importance of a specific job in realizing outcomes (Armstrong 2010). Human resources is an important and indispensable part of a business organization. Qualified workers ensure greater productivity. Strengthening employee performance ultimately benefits the company. Qualified, skilled, and motivated workforce contributes a lot to achieve the organization's success. More than just an annual performance review, performance management is the continuous process of setting objectives, assessing progress, providing on-going coaching, feedback to ensure employees meet their objectives and career goals. Employee retention refers to the ability of an organization to retain its employees (Tanveer et al 2011).

Empirical Analysis

The commonly used sources used for advertising about the job opportunities includes newspapers, notice boards, professional journals, university recruitment, agencies, job center's, radio/television/cinema, Internet sites, job fair (Margaret, 2011). Recruitment sources can be categorized as formal and informal were formal sources include employment agencies, television and newspaper advertisements whereas informal sources include referrals, internet-based hiring, self-initiated walk-ins by the jobseekers and rehires (Zottoli, 2000). Higher use of informal sources of recruitment is positively linked with more advantageous results such as high organizational assurance whereas the use of formal recruitment is linked with less advantageous results. Further Informal sources of recruitment are reliable and cost-effective, save time from the hassle of recruiting people outside the organization and help in reducing executive turnover and boost morale and loyalty among the existing employees (Amy & Landis, 2007).

According to Zottoli (2000), formal sources of recruitment include employment agencies, television and newspaper advertisements whereas informal sources include referrals, internet-based hiring, self-initiated walk-ins by the jobseekers and rehires. A study was done by Sinha & Thaly (2013) to understand the emergence of sourcing channels for effective hiring looked at the following sourcing channels for recruitment: 1. Employee Referral, 2. Campus Recruitment, 3. Advertising, 4. Recruitment Agencies/Consultants, 5. Job sites/portals, 6. Company Websites, 7. Social Media (LinkedIn, etc). Amongst the overall hiring for various organizations, their study found that job sites/portals, social media, and campus recruitment constitute 28%, 23%, and 22 % respectively. Other preferred channels were employee referral (11%), recruitment agencies/consultants (7%), advertising (4%), and company websites (5%). More and more companies currently recruit online, partly because of cost savings and competitive pressure, and partly because it is the best way to reach their target group of applicants (Thielsch et. al., (2012). A 2009 survey conducted by careerbuilder.com found that 45% of over 2600 hiring managers reported searching social networking sites (SNSs) to learn about job candidates (Brown & Vaughn, 2011).

Organizations have identified employee referral programs (rank 1), social media sites (rank 2), corporate career sites (rank 3), and internal job boards (rank 4) as the most effective sources to hire (Aberdeen Group, 2013). Corroborating with the above, another study found personal networking to rank first, followed by internet job hunting, headhunters, newspaper advertisements, and a variety of other techniques (Thompson, et. al., 2008).

According to Sinha & Thaly (2013), the effectiveness of different recruitment sources for new employees has been the topic of research for over 60 years. The effectiveness has primarily been assessed by examining the rates of turnover (and "job survival"), as well as job performance, with referrals by current personnel, in-house job postings, and the re-hiring of former employees being considered the most effective sources.

Literature has focused on recruiting sources as they relate to employee behaviors, such as tenure, absenteeism, and performance (Barma and Gupta, 2015). These studies are conclusive in their findings, namely, that informal sources of recruitment (employee referrals, walk-ins) are the best sources of longer-tenured and less absent employees, while formal methods of recruitment (newspaper ads, employment agencies) are among the worst sources. According to them, the findings regarding performance, however, are mixed.

The attraction of qualified job candidates represents the primary objective of recruitment, playing a critical role in overall staffing effectiveness (Connerley, Carlson & Mecham, 2002). According to Sangeetha (2010), "attracting, hiring and retaining qualified workforce is decisive for the growth of an organization" as effective recruitment processes represent an important source for competitive advantage and thus the financial success of an

organization. Allen et al. (2004) added that "the recruitment function has the responsibility for attracting new employees with the appropriate knowledge, skills, abilities and aptitudes" to perform the advertised job. Recruitment is further considered as a means of attracting applicants; thus, an improved recruitment process is regarded as one potential strategy for enhancing attraction (Flecke, 2018). Breaugh (2008) stated that the recruitment process consists generally of three steps: recruitment objectives, strategy development, and recruitment activities. Recruitment objectives involve decisions about the number of positions to fill or the type of applicant required to fill the position; while strategy development is about whom and where to recruit, about the timing of recruitment activities, how to reach targeted individuals, what message to communicate, the nature of the job offer and budget considerations. Lastly, recruitment activities include recruitment methods used, the information conveyed, and recruiters used (Breaugh, 2008). In this regard, the attraction of job candidates is mainly about communicating messages to targeted individuals, namely qualified job candidates.

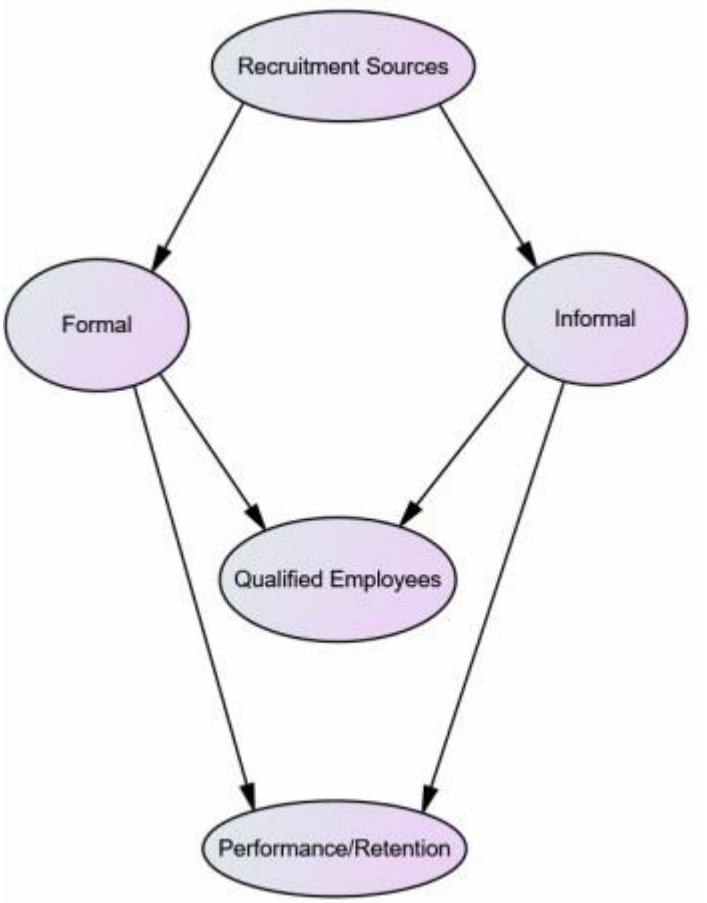
Recruitment sources as attraction strategies are of importance, which according to Rynes and Barber (1990), "differ in the extent to which they provide detailed and accurate information (to applicants and employers), as well as in the productivity-related characteristics of the applicants reached", and thus, in their characteristics. Acarlar and Bilgic (2012) supported this, highlighting that organizations possess the opportunity to attract increased amounts of attracted applicants by providing more and specific information about the organization and the vacancy. Furthermore, Catanzaro et al. (2010) emphasized that the use of recruitment literature (brochures, websites, and other forms of advertising) is one way to attract job seekers. Roberson et al. (2005) added to that by expressing that recruitment message specificity influences job seeker attraction to organizations, and that the content of recruitment messages affects individuals' intention to apply for a job; while Breaugh and Starke (2000) stated that attention is generated by, for instance, using vivid messages and messages that provide personally relevant information and by utilizing concrete language. Thus, the type of recruitment source, as well as the recruitment message communicated via this source, may affect the attraction of applicants. If organizations are aware of the effectiveness of their recruitment source characteristics, they might become capable of taking action to increase the number of qualified job candidates stemming from these sources (Flecke, 2018).

Effective recruitment does not essentially mean to attract high amounts of job applicants, but to attract qualified applicants who fit the organization and who fulfill job demands. Identifying the right person, fitting to the organizational and job-related context of vacancy, is considered to be important as "selecting and recruiting the right people for the job and the organization increases the chances of success for both the individual employee in terms of employee well-being (e.g. job satisfaction) and the organization in terms of firm performance (e.g. productivity and high quality)" (Boselie, 2010,). According to Sangeetha (2010), recruitment describes the "process of identifying and hiring the best-qualified candidate (from within or outside of an organization) for a job vacancy, in a most timely and cost-effective manner"; while Bloisi (2007) stressed the activity of "sifting through the pool of applicants and making decisions about their appropriateness". Boselie (2010) additionally referred to "choosing individuals who have the relevant qualifications for the job". Alsabbah and Ibrahim (2013) suggested that qualified candidates possess the highest degree of competencies to perform the job, defining competence in this case as "a concept that describes the behavioral prerequisites for job performance and organizational results, indicated by skills attribute, character, quality, ability, capacity, and capability". The authors highlighted that well-designed recruiting activities, including the utilization of suitable recruitment sources, generate qualified employees through good selection methods, and therefore, better predict future job performance. Only the recruitment of qualified candidates enables organizations to grow and gain competitive advantage, leading to financial success over the long-term (Sangeetha, 2010). When qualified applicants withdraw from the applicant pool, the overall utility is reduced (Cascio & Boudreau, 2010). Moreover, organizations expect investments in recruitment sources to enable them to hire high-quality employers (Alsabbah & Ibrahim, 2013), as increasing the proportion of qualified job candidates is advantageous as recruitment costs are reduced, speed of recruitment processes is increased and quality of hired applicants increases (Dineen & Williamson, 2012). As stated by Sangeetha (2010), "there is increasing consciousness among the HR professionals to have an effective recruitment program that helps in hiring the right person for the right job that, in turn, would lead to increased retention, decreased cost of hiring and a good return on investment (ROI) on a company's recruitment program".

Model of the Study

The framework for the study is detailed in figure 1 below.

Figure 1: Study Model



Hypotheses

In line with the Concept of study the following hypotheses will be tested;

HO1: Effective recruitment sources do not significantly attract qualified employees.

HO2: Formal sources of recruitment do not significantly influence employee performance and retention.

HO3: Informal sources of recruitment do not significantly influence employee performance and retention.

METHODOLOGY

This research design is a survey design; it will make use of a structured questionnaire (Closed-ended questionnaires) to obtain information from the management and staff of Adama Beverages. The population of this study consists of staff from 8 departments totaling 1200 staff of the company. The population of the study is 1200 staff of the company. The sample size for this study was drawn from a population of 1200 using Krejcie and Morgan (1970) sample applying precision of 95%. The Krejcie and Morgan's sample size calculation was based given the precision of 95% accuracy. Therefore, the sample size for this study is 400. The data collected from the management about the staff was analyzed using logistic regression and linear regression. Before that descriptive statistics of the data collected would be presented using demographic analytical tools such as simple percentages, virtual charts, and cross-tabulations. This would be calculated through the use of Statistical Package for Social Scientist (SPSS version 25). This analysis tested the hypothesis of the study and explains the association-ships. The output

would be presented in tabular forms.

RESULTS

This section analyses the respondent demographics and presents the findings of the study.

Demographic Analysis of Respondents

As regard gender, 78% of the sampled employees were male (312 Males), while 22% were female (representing 88 females). As regards educational qualification, 11% of the sampled employees were having SSCE and below qualification (44 employees), 21% were having OND/NCE/CERT representing 84 of the employees, 49.3% are having their first degrees representing 197 of them, 15.5% were having master's degree representing 62 of them, while just 3.3% are Ph.D. holders, representing just 13 of the sampled employees. As regards years of experience, 59 of the sampled employees were having work experience ranging from 0-5 years representing 14.8%, 128 of them are having experience ranging from 6-10 years representing 32.0%, 120 of them are having experiences ranging from 11-15 years representing 30.0%, 78 of them are having experience ranging from 16-20 years representing 19.5%, while 15 of the respondents are having experience ranging from 21-25 years.

Grading of Employees Based on Performance

Table 1: Grading as received about the employees

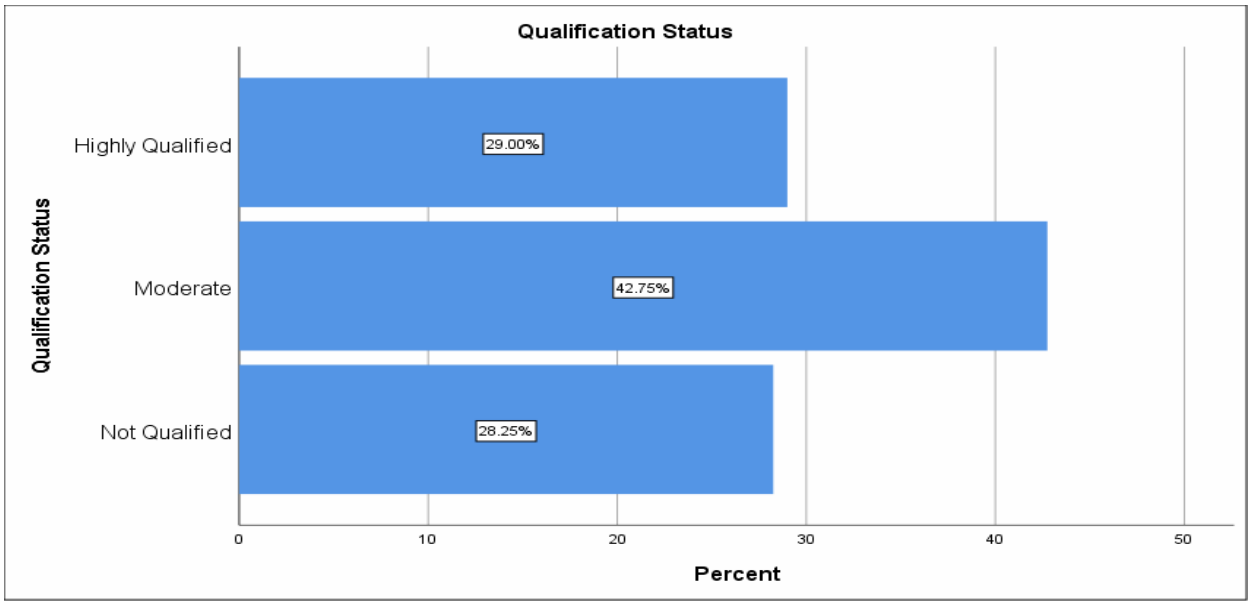
Qualification Status

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not Qualified	113	28.2	28.2	28.2
	Moderate	171	42.8	42.8	71.0
	Highly Qualified	116	29.0	29.0	100.0
	Total	400	100.0	100.0	

SPSS Output (Field Survey 2026)

Table one above revealed that 28.2% of the sampled employees were tagged not qualified as per their jobs by the management representing 113 employees, 42.8% were believed by the management to be moderately qualified for their jobs representing 171 employees, while 29.0% were tagged highly qualified for their job representing 116 of the sample employees. This is virtualized below in Figure 2;

Figure 2: Chart virtualizing the job qualification status of the employees



Sources of Recruitment

Table 2: Sources of Recruitment

Sources of Recruitment

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Informal Sources	180	45.0	45.0	45.0
	Formal Sources	220	55.0	55.0	100.0
	Total	400	100.0	100.0	

SPSS Output (Field Survey 2026)

It was revealed the sources of recruitment of the employees, 45% of the employees were recruited from informal sources, representing 180 of them, while 55% were recruited using formal sources, representing 220 of them.

Table 3: Cross-tabulation between sources of recruitment and qualification sources

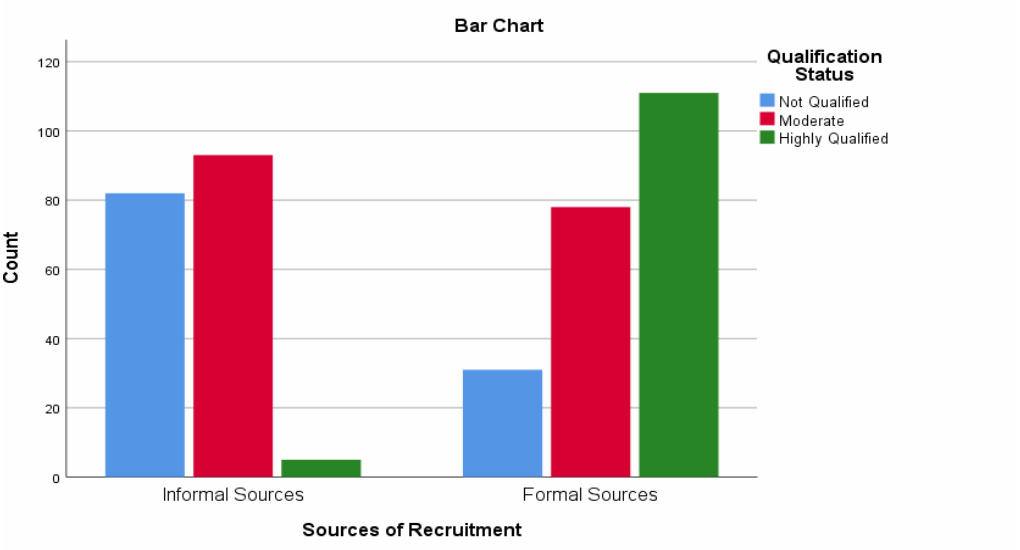
Sources of Recruitment * Qualification Status Crosstabulation

		Qualification Status			Total
		Not Qualified	Moderate	Highly Qualified	
Sources of Recruitment	Informal Sources	82	93	5	180
	Formal Sources	31	78	111	220
Total		113	171	116	400

SPSS Output (Field Survey 2026)

Table 3 above gives details about the employee's job qualification status and their corresponding sources of recruitment. Those employees classified not qualified, a majority (82) of them came from informal sources while just 31 of them were recruited using formal sources. Those moderately qualified, a near balance of sources of recruitment is evident, as their numbers stood at 93 for informal sources and 78 from formal sources. Finally, those highly qualified employees, the vast majority were recruited from formal sources while just 5 out of 116 of them were recruited using informal sources. Figure 3 virtualizes the findings and it is evident that the vast majority of highly qualified employees are recruited using formal sources, while the vast majority of unqualified employees were recruited using informal sources, a near balance is observed with those moderately qualified.

Figure 3: Chart virtualizing the cross-tabulation output



Data Analysis

This sub-section gave an inferential analysis of the data collected per the objectives of the study, categorized in sub-sections

Extent recruitment sources attract qualified employees

Logistic regression was conducted to analyze the likelihood that recruitment sources attract qualified employees.

Table 4: Logistic Regression

Binary Logistics

		B	S.E.	Wald	Df	Sig.	Exp(B)
Step 1[a]	Qualification Status	1.699	.183	85.829	1	.000	5.469
	Constant	-3.137	.373	70.634	1	.000	.043

a. Variable(s) entered on step 1: Qualification Status and Sources of Recruitment

SPSS Output (Field Survey 2026)

From the Logistic regression, qualification status is having a data of +1.699, implying that sources of recruitment are more likely to attract qualified employees, the degree of freedom stood at 1 with a significant value of 0.000 (0.01) implying that the result is statistically significant. The Exponential data stood at 5.469, implying that sources of recruitment have 5 times the potentials in attracting qualified employees.

Table 5: Correlation Result

Correlation Matrix

	Sources of Recruitment
Qualification Status	.946

SPSS Output (Field Survey 2026)

Table 9 gave the correlation value of +0.946, this indicates a positive correlation exists between both variables, and with a coefficient of 0.946, there exists an excellent correlation between both variables.

Impact of Formal Sources of recruitment on Employees Performance & Retention

This sub-section entails linear regression model summary and results.

Table 6: Model Summary

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.842[a]	.125	.102	1.35561

a. Predictors: (Constant), Formal sources

SPSS Output (Field Survey 2026)

From Table 6, R which is the correlation coefficient between the independent variables (Formal source of recruitment) and the dependent variable (employee performance and retention) has a positive value of 0.84. R Square which measures

covariance between sources of recruitment and employee performance and retention has a value of 0.125 indicating that a 12.5% increase in employee performance and retention is due to utilization of formal sources of recruitment. The Adjusted R square has a value of 0.102, this is more reliable than our R Square value because it takes into account our sample size. The Standard Error which measures the variability of actual employee performance and retention values from the predicted employee performance and retention values has a value of 1.35561, this is the same as standard deviation.

Table 7: Regression Results

			Linear Regression			
			Unstandardized Coefficients	**Standardized Coefficients**	**T-value**	**Sig**
Model		B	**Std. Error**	**Beta**		
1	(Constant)	3.083	.222		13.902	.000
	Formal Sources	.433	.136	.697	3.181	.002

a. Dependent Variable: Employee Performance & Retention

SPSS Output (Field Survey 2026)

Table 7 entails the result of the regression analysis, formal sources of recruitment are having a positive t value of 3.181. Both indicate that there is a positive relationship existing between formal sources of recruitment and employee performance and retention. The level of significance stood at
0.002 (0.01). Formal sources of recruitment are having a Beta Value of 0.697, indicating that a major decision about formal sources of recruitment would lead to 69.7% in employee performance and retention.

Impact of Informal Sources of recruitment on Employees Performance & Retention

This sub-section entails linear regression model summary and results.

Table 8: Model Summary

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.171[a]	.029	.027	1.35259

a. Predictors: (Constant), Informal Sources

SPSS Output (Field Survey 2026)

From Table 8, R which is the correlation coefficient between the independent variables (Informal source of recruitment) and the dependent variable (employee performance and retention) has a positive value of 0.72. R Square which measures

covariance between sources of recruitment and employee performance and retention has a value of 0.029 indicating that 2.9% changes in employee performance and retention is due to the utilization of informal sources of recruitment. The Adjusted R square has a value of 0.027, this is more reliable than our R Square value because it takes into account our sample size. The Standard Error which measures the variability of actual employee performance and retention values from the predicted employee performance and retention values has a value of 1.35259, this is the same as standard deviation.

Table 9: Regression Result

Linear Regression

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.135	.192		16.347	.000
	Informal Sources	.309	.089	.171	3.456	.001

a. Dependent Variable: Employee Performance & Retention

SPSS Output (Field Survey 2020)

Table 9 entails the result of the regression analysis; informal sources of recruitment are having a positive t value of 3.456. Both indicate that there is a positive relationship existing between formal sources of recruitment and employee performance and retention. The level of significance stood at
0.001. Informal sources of recruitment are having a Beta Value of 0.171, indicating that a major decision about informal sources of recruitment would lead to 17% changes in employee performance and retention.

Test of Hypotheses

HO1: *Effective recruitment sources do not significantly attract qualified employees*. (Null Hypothesis is rejected and Alternate Hypothesis accepted). This is Justified from Table 4 (Logistic regression results) where the p-value stood at 0.01, this is less than the p-value of 0.05 which now gives room for the rejection of the Null hypothesis, implying that effective recruitment sources do significantly attract qualified employees.

HO2: ***Formal sources of recruitment do not significantly influence employee performance and retention.*** (Null Hypothesis is rejected and Alternate Hypothesis accepted). This is Justified from Table 7 (Linear regression results) where the p-value stood at 0.02, this is less than the p-value of

0.05 which now gives room for the rejection of the Null hypothesis, implying that formal sources of recruitment have a significant influence on employee performance and retention.

HO3: ***Informal sources of recruitment do not significantly influence employee performance and retention.*** (Null Hypothesis is rejected and Alternate Hypothesis accepted). This is Justified from Table 9 (Linear regression results) where the p-value stood at 0.01, this is less than the p-value of

0.05 which now gives room for the rejection of the Null hypothesis, implying that informal recruitment sources do also significantly influence employee performance and retention attracts qualified employees.

DISCUSSION

Effective recruitment utilizing formal sources has shown to be a far more effective way of attracting qualified employees going from the findings of the logistic regressions. The results proved that recruitment sources are far more likely to attract employees and going by the exponential beta, shows that a 5 times (5x) increase in chances of attracting qualified employees is a function of the sources of recruitment adopted. The study split the recruitment sources into two (Formal and Informal sources) of which both do influences employee performance and the likelihood of firm retaining such employee, albeit the formal sources of recruitment has a more significant impact on employee performances and retention than informal sources of recruitment.
Formal sources of recruitment accounted for 69.7% attraction rate of getting qualified employees that has

high performances. Informal sources just accounted for a 15% attraction rate of getting highly qualified employees. Performance and retention wise, formal sources and informal sources both have a significant impact on employee retention and performances but on the positive notes, formal sources have a higher percentage for better employee performance and retention. This partially supports the findings of Banrna and Gupta (2015), that informal sources of recruitment do not contribute to better employee performances. Catona 2010 supported that formal sources of recruitment have a perfect correlation with higher productivity rates.

CONCLUSION

This study employed a survey research design to examine recruitment sources and their impact on attracting qualified employees, employees' performances and retention of such employees. Sources of recruitment were categorized into two (formal sources and informal sources), employee performance scorecard stands as a unit of analysis for employee's performances, which was provided by management. The findings of the study reveal the more a firm utilizes formal sources of recruitment the better and higher the chances of attracting highly qualified employees. Informal sources of recruitment account for a below-average performance of an employee and consequently lower retention of such employees. In light of this conclusion, it is therefore recommended that;

1. A proper recruitment policy that utilizes formal sources of recruitment should be adopted. Flaws in areas of recruitment and selection has an impact on the attraction of highly qualified employees, Adoption of formal sources of recruitment eliminates these flaws.
2. Sources of recruitment mix should be 80:20, where formal sources of recruitment policy accounting for 80% while informal sources should account for just 20%.

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