



## **A COMPARATIVE STUDY OF RECRUITMENT AND SELECTION PRACTICES OF TWO FMCG COMPANIES – HINDUSTAN UNILEVER LTD. AND INDIAN TOBACCO COMPANY LTD.**

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### **ABSTRACT**

Fast moving consumer goods (FMCG) continues to be the most sought after sector by Job-seekers. For freshers and mid-level employees, the sector offers most promising job prospects. The present study attempts at identifying the recruitment and selection practices in two companies from the fast moving consumer goods (FMCG) sector – HUL and ITC Ltd.

### **INTRODUCTION**

Your employees do more than carry out your vision, they're truly the lifeblood of your organization running every aspect of the business. Their expertise drives your procure, products and productivity. Thus, it is indispensable to recruit and select the right kind of employees who suit the work assigned to them. Recruitment is the process of identifying the sources of required personnel and inducing the people to apply for jobs in the organization. Recruitment of staff can be within the organization as well as from outside. Selection is the process of choosing and appointing the right candidates for various job position in the organization.

### **OBJECTIVES**

1. To identify the sources of recruitment of the two companies HUL and ITC Ltd.
2. To identify the selection process used by HUL and ITC Ltd.
3. To make a comparison of recruitment and selection practices of HUL and ITC Ltd.

### **METHODOLOGY**

**Nature of Study** – Descriptive in nature.

**Sources of Data** : Data for this study have been collected from websites of the companies concerned, books and journals.

#### **Recruitment and Selection Practices at HUL**

Before presenting findings of recruitment and selection practices at Hindustan Unilever Limited (HUL), there is a brief discussion of its background which is relevant to recruitment and selection practices.

Hindustan Unilever Limited is the largest FMCG Company of India meeting the needs of consumers everywhere. HUL is a subsidiary of Unilever Plc which has a worldwide presence in FMCG sector. HUL has about 18,000 employees.

**Sources of Recruitment:** HUL believes that in the present competitive environment, product innovation and price will be the key determining factors for the organizational success. Therefore, HUL has adopted only one major source of recruitment which is campus recruitment for recruiting fresh graduates/postgraduates in technical and management areas who can occupy higher positions in the company at a later stage. For lower categories of personnel, HUL has decentralized its recruitment and selection process. As a result, unit heads recruit such personnel through employee referrals and other sources of personal contacts. Senior positions in the company are filled through promotions. For campus



recruitment, HUL recruits personnel only from top technical and management institutes (Indian Institute of Technology and Indian Institute of Management). For campus recruitment, senior managers of human resource department and of those departments in which fresh recruits are required, visit the campus of these institutes at predetermined dates every year.

**Selection Process:** In Campus recruitment, the entire selection process is conducted at the campus itself. The selection process consists of five stages: screening of application forms, preliminary interview, group discussion, final interview and selection of candidates.

- (i) **Screening of Application Forms:** HUL usually receives a large number of applications in campus recruitment. These applications are screened keeping in mind the eligibility criteria in terms of marks scored by the candidates in various examinations and their personal attributes. Based on these criteria, suitable candidates are selected for further consideration.
- (ii) **Preliminary Interview:** Preliminary interview of the selected candidates is conducted to decide which candidates are worthy of further consideration. For conducting preliminary interview, candidates are divided into a number of groups. This interview is mostly informal and is conducted by a single manager for a group and lasts about 20 minutes. During this brief interaction with the candidates, the interviewer shares relevant information with them: nature of job, career progression in the company over a period of time and company's human resource policies. Candidates are encouraged to solicit additional information on these aspects. After all the interviews are over, the interviewers deliberate among themselves about the candidates who should be selected for the next stage of selection process.
- (iii) **Group Discussion:** Selected candidates are now required to appear for the group discussion. A group consists of 10-12 candidates. Group Discussion is conducted in two stages. In the first stage, the candidates are required to select a topic themselves after discussion. The topic may be from any field: economic, political, educational, etc. When the topic is finalized, the candidates start group discussion. During group discussion, 3-4 managers observe the performance of the candidates. In the second stage of group discussion, a case is given for analysis and discussion. About 10 minutes are allotted to candidates to mull over the case. Thereafter, case discussion starts. This process is adopted for each group of candidates.
- (iv) **Final Interview:** After group discussion is over, a final interview is conducted of all the shortlisted candidates. This interview is quite elaborate and questions are asked on various aspects. The interview is conducted by a panel of 3-4 managers.
- (v) **Selection of Candidates:** After the final interview, selection of candidates is made keeping in view their overall suitability. Selection result is communicated to the concerned candidates on the same day. They are given appointment letters containing details of terms and conditions of employment as well as likely joining date.

#### **Recruitment and Selection Practices at ITC Limited**

Before presenting the findings of recruitment and selection practices at ITC Limited, there is a brief discussion of its background which is relevant for recruitment and selection practices.



ITC Limited has its presence in four industry segments: FMCG, including cigarette, paper and paper boards, hotels and agri-products. However, its major revenues come from FMCG business. ITC has over 25000 employees.

**Sources of Recruitment:** ITC adopts two major sources of recruitment:

- (i) Internal Method: This method includes promotion and transfers, job positions, employee referrals.
- (ii) Direct and Indirect Methods:
  - (a) Direct Method – Campus recruitment by visiting and participating in college campuses and placement centers.
  - (b) Indirect Method – Advertisement and Head Hunters are included in Indirect method of recruitment.

**Selection Process:** Selection process of ITC consists of the following steps: selection of candidates for non-managerial positions and selection of candidates for managerial positions. For selecting candidates for non-managerial positions, recruitment and selection process is undertaken by different ITC units where vacancies occur. Usually, recruitment is made through employee referrals and other personal modes of contact with the prospective candidates. For selecting candidates for managerial position advertisements are inserted in newspapers and internet. In response to these advertisements, interested candidates send their profiles in soft copies.

- (a) **Screening of Initial Applications:** At this stage, applications provided by the candidates are screened. Since ITS receives a large number of applications, screening is done by a consultant. On the basis of criteria prescribed by the company, the consultant selects suitable candidates.
- (ii) **Sending Prescribed Application Forms to Applicants:** The company sends prescribed application forms to selected candidates. This application form seeks information about each candidate's educational background, professional experience and family and personal details. In this form, a candidate is also required to provide expectations from job, future career plans, etc., in an essay form.
- (iii) **Preliminary Assessment:** At this stage, a preliminary assessment of the shortlisted candidates is done. For preliminary assessment, a number of techniques are used: preliminary interview of one or more rounds, assessment centre (a type of technique for assessing a candidate's worth), group discussion or a combination of these. This combination depends on the level of position for which a candidate is assessed. Generally, for a higher managerial position, all these techniques are used. However, for a lower managerial position, only one round of preliminary interview and group discussion is used.
- (iv) **Final Interview:** Those who are selected at preliminary assessment are required to attend the final interview. This interview is quite elaborate and covers questions on a candidate's values, expectations, career goals, knowledge, skills and abilities. In the interview, the candidate may ask any question relevant to the job.
- (v) **Final Selection:** After the final interview, the most suitable candidates get selected. Thereafter, appointment letters containing terms and conditions of employment, place of posting and likely joining date are issued to the selected candidates.



### **Findings:**

Findings of the project indicate that both the companies adopt very systematic recruitment and selection practices. However, many of these practices of the two companies differ, the differences being:

1. HUL completes its recruitment and selection process in a very short period which is very common for the companies opting for campus recruitment. In case of ITC, this process takes comparatively longer time.
2. HUL, fill its senior positions through promotions while ITC adopts two sources of filling its senior position: promotions and external recruitment.
3. HUL puts emphasis on recruiting prospective employee through campus recruitment while ITC lays emphasis on advertisement.

### **CONCLUSION:**

The present study clearly indicates that recruitment and selection of candidates is a rigorous process through which only those candidates who have the potentials and talent will get through. Nowadays, only a Resume and a covering letters is not enough to get into an organization. There are various tasks, interviews and tests on various topics that the candidates have to go through and if they clear then they might get the offer or they can ever negotiate for their needs to the employees.

### **REFERENCES:**

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