A study on offer declines and effect of candidate experience in offer acceptance during on and off- campus hiring

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ABSTRACT: In India One of the major sources of hiring freshers is through on and off campus hiring. The offer to joining hit rate is low in fresher graduate hiring through on and off campus hiring, this was the problem identified while working in an IT firm in Bangalore. The purpose of this study is to assess reasons for offer declines and study the effect of candidate experience in offer acceptance decision. The suitable data was collected through a questionnaire with 150 respondents. Percentage analysis, meta-analysis and factor analysis was carried out using MS excel and SPSS package. The study shows that salary, bond period and job description are the important factors candidates consider while applying for a company. Better offer, bond period and opting for higher education are the major reasons for offer decline post acceptance.

INDEX TERMS: Offer decline and acceptance, Candidate experience, campus hiring, recruitment, Off-campus hiring, fresher hiring.

I. INTRODUCTION:

On- Campus and off- campus hiring are two major sources of fresher Graduate Hiring in India. The offer to joining hit rate is low in campus and off campus hiring due to high offer declines. This problem was identified while working with an IT Firm in Campus hiring team. This study is an attempt to understand the reasons for offer declines in On and Off campus hiring and study the effect of candidate experience on offer acceptance and suggest measures to increase the joining Hit rate during fresher hiring through on and off campus. There are many factors which play a role in candidate decision making whether to join an organization or not. Some of the factors might be pay structure of the company, base location, offer from another organization, delay in the offer letter, huge gap between course completion date and joining date, candidates opting for higher education and the bond or service agreement to be signed by the candidate to join the organization. Candidates also involved in carrying out basic research on company like employer ranking and employer awards, employee ratings and employee reviews in websites like glass door, Quora etc. Feedback received from alumni working in the same organization also plays a major role in candidate's interest towards the organization or the offer. Factors of candidate experience like selection process, role clarity, communication, panel behaviour, delay in offer letter, panel behaviour and rescheduling also influences candidate's offer acceptance or offer decline decision.

II. LITERATURE REVIEW:

Esteban M. Aucejo, Jacob French, Maria Paola Ugalde Araya, Basit Zafar, (2020), in order to determine the causal relationship between the COVID-19 epidemic and students' current and anticipated outcomes, researchers conducted a poll of almost 1500 students at one of the largest public universities in the United States. Results across several dimensions demonstrate significant detrimental effects. Because of COVID-19, 13% of students have postponed graduation, 40% have lost a job, internship, or job offer, and 29% anticipate making less money when they are 35. These impacts have also been very varied. Due to COVID-19, one quarter of students increased their study time by more than 4 hours a week, whereas a different quarter reduced it by more than 5 hours a week. This heterogeneity frequently corresponded to existing socioeconomic disparities. Students with lower incomes are 55% more likely than their friends with higher incomes to have postponed graduation because of COVID-19. Finally, we demonstrate that socioeconomic considerations play a significant role in explaining the significant (and varied) effects of the pandemic by systematically varying the economic and health-related shocks caused by COVID-19.

Sandra J Miles, Randy McCamey, (2018), the candidate experience has recently gained importance. The results examine relationship between the job applicant and the employer. This article explains a model which shows exchanges between firm, candidate and talent acquisition process that will lead to formation of positive employer brand and candidate experience which will increase efficiency of TA function and business performance.

Leigh Carpenter, (2012), this survey is focused on the candidate's experience and the details of the programme conducted. The research was conducted using the data shared by the organisations about the candidate experience processes and practices. The organisations from which they collected data include GE Capital, Adidas Group, and Deloitte. The total research findings from 857 candidates. Organisations find it very difficult to source the right talent for the position when the candidate's experience is not being considered and recognised. The candidates expect ROI and time invested to become currency. The main expectations are accurate, time-constrained, and transparent communication.

William J. Becker, Terry Connolly, Jerel E Slaughter, (2010), examine whether applicants accept faster offers or not during the candidate interview and extension of offers. The purpose of this survey is to investigate the impact of the offer timing on acceptance and employment outcomes in a large company from the perspectives of both freshmen (N = 906) and seasoned candidates (N = 2,106). As a result, the recruitment processes of the two groups were different, but job seekers were more likely to accept earlier job offers. There were no other differences found between employees who accepted the offer quickly and those who accepted later in terms of performance or turnover. As a result, post-interview job offer acceleration may benefit employers by increasing acceptance rates and reducing vacancies without incurring performance or penalty turnover costs. Findings, in Post-hoc analysis 224 offers were declined because of alternative offer.

Saks A M, Ashforth B E, (1999), This study examines the effects of individual differences on job search behaviours and self-esteem, self-efficacy, and perceived control over outcome at graduation and after four months. According to the findings, self-efficacy in the job search was responsible for three different behaviours. Self-efficacy in the job search was also predicted by graduation employment status and perceived predicted employment status. Preparatory job search behaviour and intensity were predicted four months after graduation, while active job search behaviour and intensity predicted employment status at graduation.

Cynthia D Fisher, Daniel R Ilgen, Wayne D Hoyer, (1979), how information favourability and the source of the information affected job applicants' perceptions of the reliability of the source and their decision to accept a job offer was studied. The findings indicated that interviewers are the least reliable source and that providing unfavourable employment information increased source credibility while lowering job offer acceptance.

Mervin Kohn, (1975), When the elements that appeal most to students who accept a job are contrasted with Maslow's "need hierarchy" theory and Herzberg's "motivation hygiene" idea, some interesting findings may be drawn. Salary, company reputation, security and fringe benefits, sort of business a corporation engages in, and all of these factors work to satisfy the physiological, safety, and love need levels as stated by Maslow and fall into his model of lower order requirements. According to Herzberg's theory, these would be considered maintenance or hygiene aspects that primarily describe the job's setting. Employee unhappiness may result from their absence, yet their presence would not be particularly motivating.

John M. Ivancevich, James H. Donnelly, (1971), the results of a programme that rewards good behaviour on a predicted measure of college seniors withdrawing their acceptance of a job offer after previous accepting was looked upon by two different businesses. 196 5s (experimental group) received reinforcement from the businesses they chose to join in total 196 additional 5s (the control group) did not get any reinforcement. Job offers from reinforcement were withdrawn at a noticeably lower rate.

III. RESEARCH OBJECTIVES:
- To study reasons for offer declines during On- Campus and Off- Campus hiring.
- To study the effect of candidate experience on candidate experience and joining.
- To recommend measures to increase the joining rate by analysing the data collected.

IV. RESEARCH QUESTIONS:
- What are the reasons for declining the offer?
- What factors of candidate experience effect the offer acceptance?
- How can we increase joining rate?

V. RESEARCH METHODOLOGY:
For the study the researchers have adopted descriptive research design. The structured questionnaire was used to collect primary data from 150 respondents. Snowball Non-Probability sampling technique was adapted. The percentage analysis, mean and mode were calculated by using Microsoft excel.

VI. ANALYSIS AND INTERPRETATION:
We have collected data from 150 respondents and performed percentage analysis to study year of pass out, stream of graduation, no of interviews attended by respondents though on and off campus and also to understand whether the candidates have applied to all the companies which came for placement.

As shown in figure (1), 37% of respondents have passed out in the year 2022 and 23% in year 2021.The respondents of this study have passed out from the year 2017 to 2022. Most of the respondents (76%) have passed out after the outbreak of covid 19.
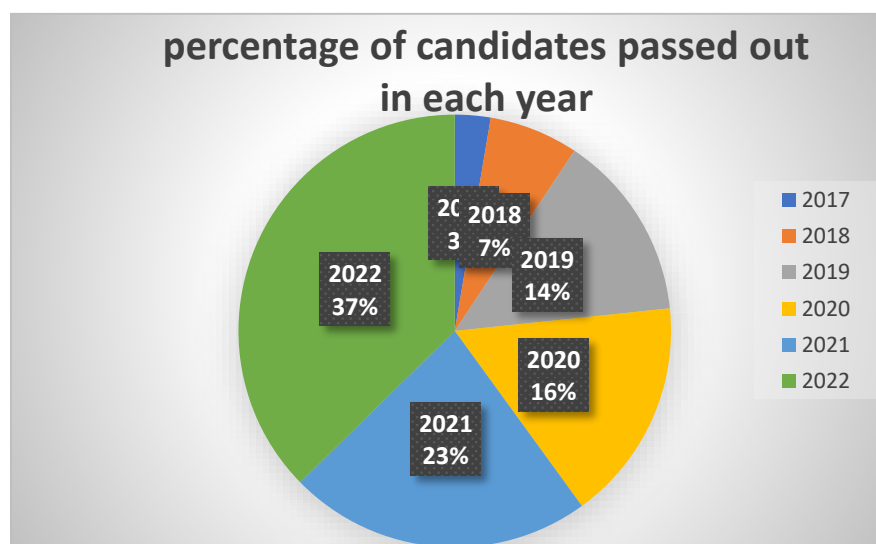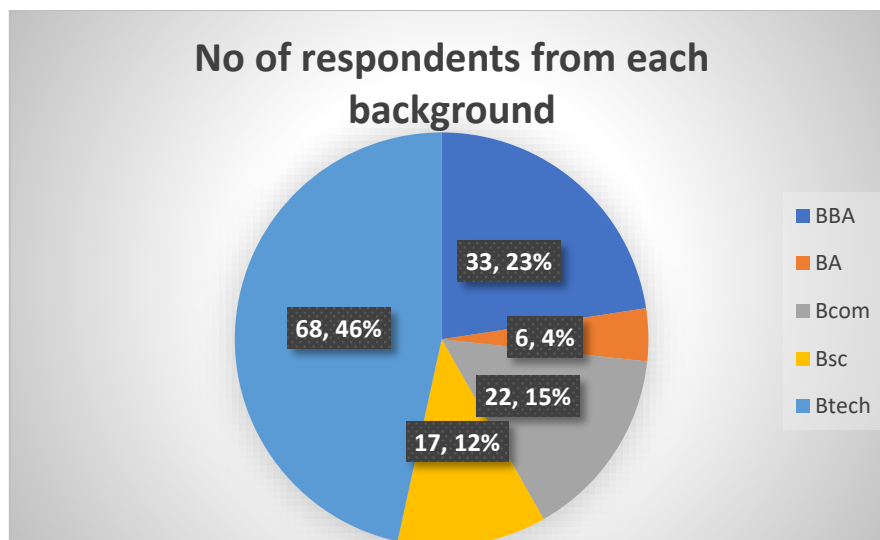

Figure 1, Percentage of candidates passed out in each year

As shown in Figure 2, In the survey the highest number of respondents, 46% are from B-tech background followed by 23% from BBA background.

Figure 2, Number and percentage of respondents from each background

As shown in figure 3, 52% of the respondents have attended either 1 or 2 interviews through on campus.5% of the total respondents have not attended any interview though campus placements.
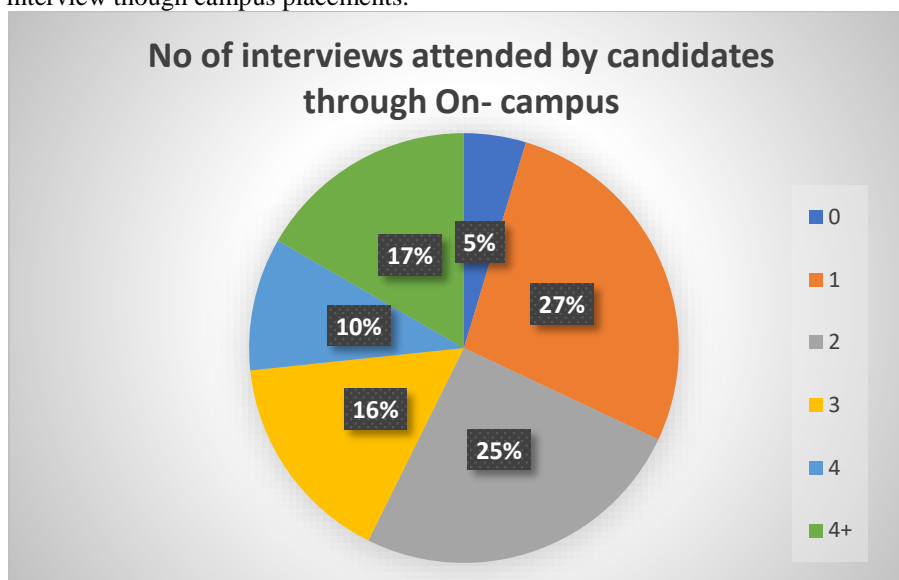
Figure 3, No of interviews attended by candidates through On- Campus.

As shown in figure 4, 40% of the respondents have not attended any interview through off campus. 36% of the respondents have attended either 1 or 2 interviews through off campus. Only 7% of the total respondents have attended 4 plus interviews through off-campus.
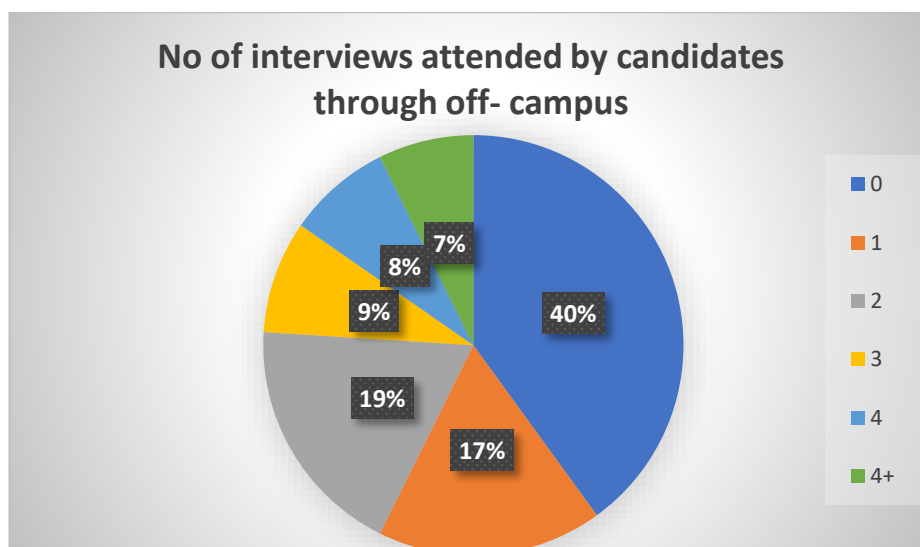
Figure 4, No of interviews attended by candidates through Off- Campus

As shown in figure 5, 61% of total respondents have applied for all the companies which came for placements without considering any factors.
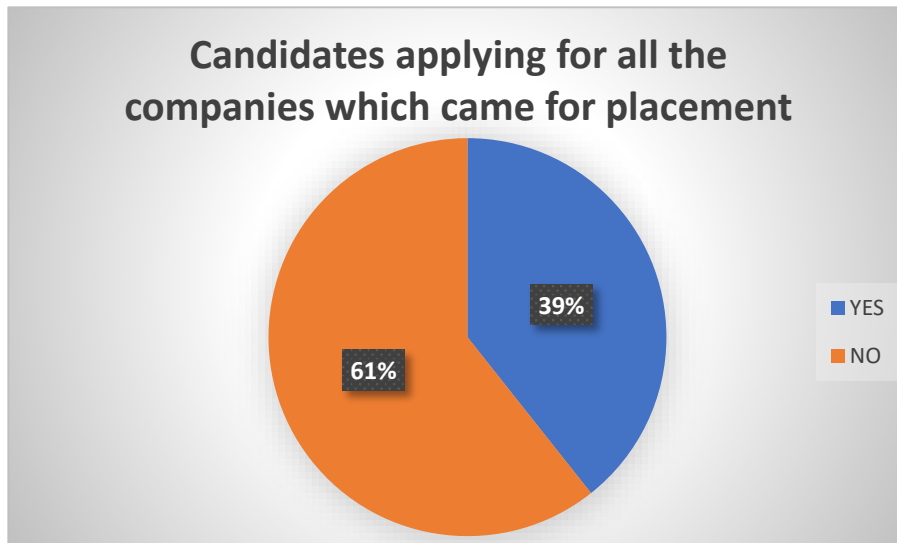

Figure 5, Percentage of candidates applying for all the companies which came for placements

FACTORS TAKEN INTO CONSIDERATION	Unimportant	Slightly important	Moderately important	Important	Very Important	Total
Company ranking	12	10	11	49	68	150
Alumni feedback on the company	10	2	27	57	54	150
Glass door rating (online reviews)	11	21	36	51	31	150
Job description	6	5	10	50	79	150
Pre placement talk	9	9	23	50	59	150
Bond period (service agreement)	2	2	24	44	78	150
Location of the company	15	3	14	44	74	150
Selection process (no of rounds – Aptitude and coding test, technical rounds, HR round)	12	7	17	49	65	150
Company value & Culture	9	4	32	42	63	150
Salary	0	2	9	34	105	150
Benefits & perks	8	4	21	40	77	150
Remote working/ work from office	24	11	10	53	52	150

Table 1, Factors considered before applying for a company and no of respondents

From the table 1, it is evident that, 105 candidates consider salary as most important factor considered before applying for a company followed by job description and bond period by 79 and 78 respondents respectively. Remote working/ WFO is considered unimportant by 24 respondents.21 respondents consider glass door and other ratings as slightly important.
MEAN AND MODE:

Factors considered before applying for a company	Mean	Mode
Company ranking	4	5
Alumni feedback on the company	3.95	4
Glass door rating (online reviews)	3.46	4

Job description	4.27	5
Pre placement talk	3.94	5
Bond period (service agreement)	4.29	5
Location of the company	4.06	5
Selection process (no of rounds – Aptitude and coding test, technical rounds, HR round)	3.986	5
Company value & Culture	3.973	5
Salary	4.61	5
Benefits & perks	4.16	5
Remote working/ work from office	3.65	4

Table 2, Factors considered before applying for a company and their mean scores &mode

Table 2, represents the factors we have taken into consideration for the study to understand the relative importance of each factor to the candidate before applying for a particular company. We have calculated mean to understand the factors which are most important to the candidates while applying for a company. The salary is most important for factor for candidates with highest mean score of 4.61, followed by bond period, Job description, benefits, company's location and company ranking with means scores 4.29,4.27,4.16,4.06 and 4 respectively. Company ranking and Remote working/work from office have least mean scores of 3.46 and 3.65 respectively. The mean scores are represented graphically by a stagged bar chart in Figure 6.
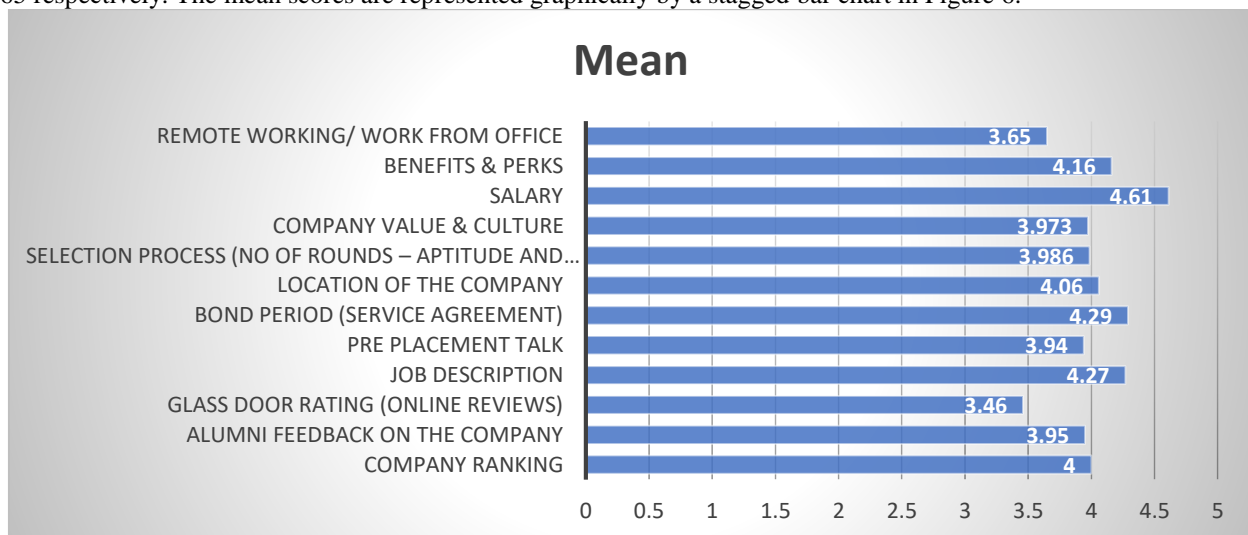

Figure 6, Representing mean scores of the factors considered before applying for a company

VII.   REASONS FOR OFFER DECLINE:

What is your reason for declining the offer post acceptance?	SDA	DA	N	A	SA	Total
Better offer	11	13	12	49	65	150
No communication after offer letter	23	14	24	56	33	150
No pay during the training	32	16	34	43	25	150
Huge gap between offer date and joining date	26	16	24	37	47	150
Opting for higher education	33	13	24	26	54	150
Sign a bond	18	12	24	37	59	150
Any other reasons	29	5	16	29	71	150

Table 3, Reasons for offer decline post acceptance

As evident from table 3, 65 respondents strongly agree that they have declined the offer because of better offer after acceptance followed by opting for higher education and huge gap between offer date and joining date by 54 and 47 candidates respectively. 56 respondents agree that no communication after offer letter is the reason for offer decline post acceptance.

MEAN AND MODE:

REASON FOR DECLINE	MEAN	MODE

Better offer	3.96	5
No communication after offer letter	3.41	4
No pay during the training	3.08	4
Huge gap between offer date and joining date	3.42	5
Opting for higher education	3.71	5
Sign a bond	3.72	5
Any other reasons	3.36	5

Table 4, Reasons for Decline and their mean scores & mode

Table 4, represents the factors we have taken into consideration for the study to understand the reasons for decline. We have calculated mean to understand the reasons for decline. Better offer is one of the main reasons for offer decline with highest mean score of 3.96, followed by bond period and opting for higher education with means scores of 3.72 and 3.71 respectively. No pay during the training has less impact on offer decline with a least mean score of 3.08. The mean scores are represented graphically by a stagged bar chart in Figure 7
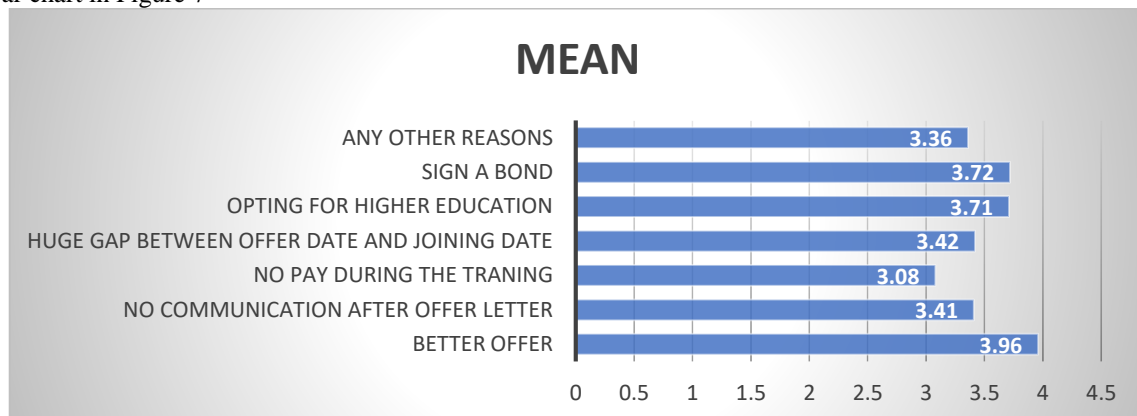
Figure 7, Representing mean scores of reasons of offer decline.

VIII.   FINDINGS AND RECOMMENDATIONS:

Salary, bond period, job description are the top factors that candidates consider before applying for a particular company according to our study with mean scores of 4.61, 4.29 and 4.27 respectively. Better offer, signing a bond, opting for higher education, huge gap between offer date and joining date and no communication after the offer letter are the top reasons for candidate offer decline post acceptance with mean scores of 3.96, 3.72, 3.71, 3.42 and 3.41 respectively. To reduce the offer declines, company's pay scale should be in line with the market average. As the world is moving towards GIG economy, companies should remove the policy of making candidates sign a service agreement for 1 to 3 years (as candidates are expecting the same). A mechanism should be developed by TA team, to understand the intention or future plans of higher education of job applicants. The joining date should be closer to the course completion date. SPOC (Single point of contact) should be assigned from TA team to the candidate for communication after the offer release and candidate engagement activities should be panned accordingly. Job descriptions should be clear (role and competencies required to perform the task).

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