CHAPTER I

INTRODUCTION

1.1 Background to the Research

In the Iast few decades, the worId had a significant change in the development of the technological environment and information technology. The digital age has taken place in many aspects especially in a business environment. One of the most integrated and vital tools in today's business worId is the use of the internet. According to Statista (2020), active users of the internet have almost reached 4.66 billion people where this number encompassing 59% of the global population as of October 2020. In Indonesia from 2019 until the second quarter of 2020, internet users have almost reached 200 million users. The increase of internet users number rose to 73.7% of Indonesia's total population, which was recorded at 266.9 million according to the Internet Service Providers Association (APJII). Moreover, since 2020, the world has been facing challenges the COVID-19 pandemic, turning to the internet is one of the solutions that Indonesian users face also changes.

Industrialization and technologicaI changes invented new needs which will be required to the companies to upgrade themselves by adopting and applying modernized business and personnel principles. These changes not only influenced the task related to information management but also influenced the developments in other areas. Among the managerial areas, the human resource management

process has undergone an important transition, also, new technological trends have become very important in the human resource management process. Ekanayaka and Gamage (2019) in their studies stated that a company must adapt to the internet technology to survive in the competitive market, especially in finding a compatible candidates to fill substantial positions in a company.

Recruitment is defined as the process of finding and obtaining a compatible candidates for a specific position in the organization in a cost-effective way and at the right time. To attract candidates to apply for a certain position, the arrangement of a recruitment program is needed in order to achieve the recruitment goals (Ekanayaka & Gamage, 2019). According to Troshani et al. (2010), the global inclination in the process of recruitment is the change of the method, which is from traditional recruitment into online recruitment methods (Busser & Davis, 2001). Organizations have understood the need of changing with technology and hence they have adopted various digital media tools as per their suitability. This change is necessary for every organization to make the recruitment process more effective. (Anute et al., 2019).

Using a conventional method in the process of recruitment is no longer suitable and convenient to attract qualified applicants in a sufficient pool. To attract job seekers, adopting sophisticated recruitment and combining various recruitment methods are carried out by many companies (El-Gohary, 2012; Malik & Mujtaba, 2018). Moreover, it can be realized that the role of technology, especially internet contributes an easy way of use which leads the remaining activities to a simpler way. Including allowing access to information and easing

the process toward job-applying (Khan et al., 2013). Nowadays most organizations have started using the internet and especially social media sites for the recruitment process.

According to Barber (2006), online recruitment is now the norm for more than two-thirds of organizations that recruits graduates and is largely driven by the demand from graduates. Currently, many companies, especially large companies are implementing online recruitment as a recruitment method. Starting from job vacancies through company websites to third party websites such as Jobstreet, Karier.com, LinkedIn and other websites. Online recruitment is also applied for recruitment system of companies in order to hire human resource efficiently and effectively. In the survey of penetration & behavioral profile of internet users in Indonesia in 2019 conducted by APJII, the report shows five most reasons internet users use the internet. The reasons for using the internet for social networking or work purposes are in the top 3 positions with a percentage of 74.4%. Online recruitment has been carried out by many companies in Indonesia, especially large companies and those that have gone public. For example, in the banking sector, Bank Rakyat Indonesia (BRI), Bank Negara Indonesia (BNI), Bank Central Asia (BCA) have been using online recruitment methods for quite a while. One of another world's largest jobs seeking platforms, LinkedIn, from their Emerging Job Report Indonesia (2020) shows that there are over fourteen million Indonesian people have a LinkedIn account. The number shows a big interest of Indonesian people to seek jobs through online recruitment platforms. Nowadays, job vacancy websites are a reference for people in finding job vacancies especially millennials

(Utomo et al., 2019). Majority of research has supported that intention to use technology (i.e information technology) can be predicted using technological acceptance model (TAM) (Teo, 2001; King & He, 2006; Jahangir & Begum, 2008; Tong, 2009; Kumar & Priyanka, 2014; Ekanaya & Gamage, 2019). With a large number of interests for online recruitment, researchers predict individual users for the acceptance of technology systems.

Davis et al. (1989) firstly proposed and developed the of Technology Acceptance Model (TAM) to investigate the willingness to accept and use technology of users in information management systems filed. According to Vankatesh and Davis (2000), it was found that a substantial proportion of the variance in usage intentions and behavior is consistently explained by TAM, and that TAM compares favorably with the Theory of Planned Behavior (TPB) and Theory of Reasoned Action (TRA) as an alternative model to investigate behavioral intention. In the model of TAM, Davis et al. (1989) postulates that the easiness in using the system (perceived ease of use – PEoU) and the advantageous of the system (perceived usefulness – PU) are the fundamental aspects of user acceptance. The PEoU and PU together act as antecedents in attitude toward the use of computer (technology).

Figure 1. 1
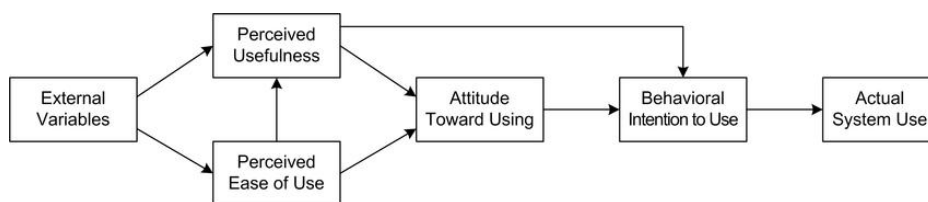
Source: Technology acceptance model (TAM; Davis et al., 1989)

From the picture above, we can explain that external variables are considered to have an effect on PEoU and PU. PEoU and PU jointly influence attitude toward usage, with PEoU having a direct impact on PU. The usage attitude has influenced the intention to use, along with the direct and indirect effects of PEoU and PU. Lastly, intention to use will give a direct effect on the actual system use of the information technology.

According to TAM, the use of web-based for job searching has been massively increased because it is considered to be effective and efficient. A study conducted by Ekanayaka and Gamage (2019) revealed that PEoU and PU have a positive relationship towards people using web-based recruitment. By using the internet people can gain various benefits such as effortless, reduce time and cost, can ensure that a particular position is suitable for a person, also access to a wider extent of information. In other studies, Alsultanny and Alotaibi (2015) also found a significant link between PEoU and PU with the attitude towards using e-recruitment while attitude strongly linked with their intention to use e-recruitment.
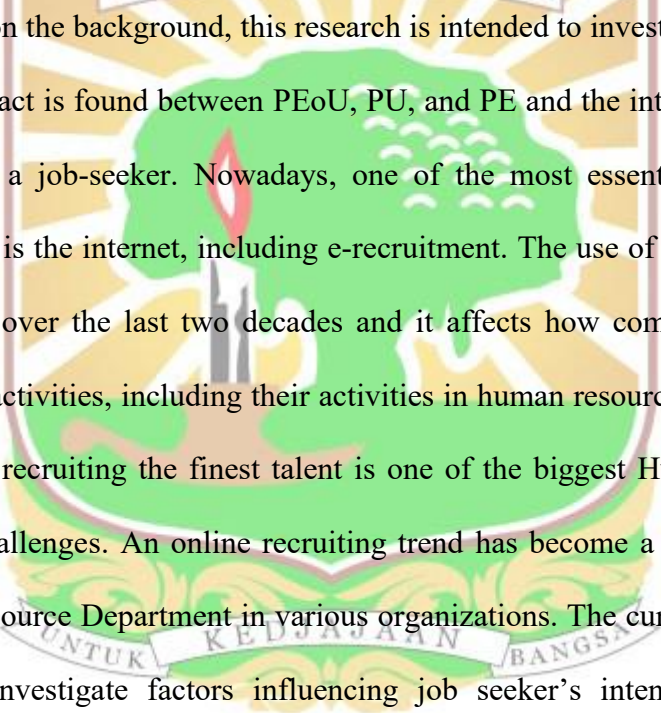
Despite the tribute given to the TAM, its ability in predicting the behavioral intention to use technology still have limitations. According to Legris et al. (2003), the latest systematic review of the TAM literature identified a shortcoming of TAM to be the non-inclusion of external variables. Therefore, a further investigation of the nature and specific affect that can change user acceptance of the technology to increase TAM external validity (Dishaw & Strong, 1999). Significant influences of subjective norm, self-efficacy, technological complexity, and other external variables to the attitude and intention to use

technology have been found. In the extension to the factors, other studies have found a prosperous construct that has an association with the core construct of TAM and favorably explains the intention to use technology, namely perceived enjoyment (PE) (Davis et al., 1992; Van der Heijden, 2004). It is important to determine the enjoyment of the use of information technology in the workplace, therefore, investigating perceived enjoyment is needed (Davis et al, 1992).

A link between enjoyment and intention behaviors has also been found through various empirical studies. Nguyen (2015) stated that one of the reasons that motivate individuals to accept new technology is the particular feeling of enjoyment and delight that they receive when using the technology. This, in line with Karim et al. (2015) findings which shows that there is a significant and positive relation between PE and the behavioral intention to use the internet as a job-seeking platform. The determinant of the success of using e-recruitment depends on the good influence of the individual which will ultimately affect the intention. Therefore, with the purpose to motivate individuals to use e-recruitment in the real world, it is evident that they must have a positive perception while using the online recruitment site (Alsultanny & Alotaibi, 2015).

E-recruitment helps employers to save their time and resources. Using recruitment software helps employers to save the applicants' data and it is easy to adopt e-recruitment to shortlisting existing candidates (Chapman & Webster, 2003). The involvement of e-recruitment in the change of companies' circumstances and staff has enhanced employers' and employees' productivity and wealthiness (Sharma, 2010). Companies have used various tools on the internet to

announce job vacancies and have conducted online interviews through online source such as Skype, Viber, etc (Marler & Fisher, 2013). E-recruitment has helped recruiters to hire talented applicants with their contribution of giving a big number of candidates that are attracted to a job opening (Parzinger et al., 2013). Eventually, compared to the traditional method, e-recruitment has helped applicants in a better way because it saves time and increases the pool of applicants at a lower cost (Sills, 2014).

Based on the background, this research is intended to investigate whether a significant impact is found between PEoU, PU, and PE and the intention to use e-recruitment of a job-seeker. Nowadays, one of the most essential tool for all human matters is the internet, including e-recruitment. The use of the internet has rapidly grown over the last two decades and it affects how companies manage their business activities, including their activities in human resource management. Attracting and recruiting the finest talent is one of the biggest Human Resource Department challenges. An online recruiting trend has become a significant tool for Human Resource Department in various organizations. The current research is purported to investigate factors influencing job seeker's intention to use e-recruitment in concerning to find a job place. On the basis of the Technology Acceptance Model, these factors can be viewed from PEoU, PU, and PE. Job seekers in this context are undergraduate alumni of the Economics Faculty of Universitas Andalas which graduated in the last three years.

1.2 Problem Statements

Based on the research background, the researcher believes than an understanding of the influence of perceived ease of use, perceived ease of usefulness, and perceived enjoyment toward intention to use e-recruitment is needed. Therefore, the researcher hypothesizes three research questions to analyze the problems:

1. How does perceived ease of use influence the intention to use e-recruitment on Economics Faculty alumni of Universitas Andalas?

2. How does perceived usefulness influence the intention to use e- recruitment on Economics Faculty alumni of Universitas Andalas?

3. How does perceived enjoyment influence the intention to use e-recruitment on Economics Faculty alumni of Universitas Andalas?

4. How does perceived ease of use influence perceived usefulness on the intention to use e- recruitment on Economics Faculty alumni of Universitas Andalas?

1.3 Objectives to the Research

According to problem identification, the objective to the research is:

1. To analyze the influence perceived ease of use on the intention to use e-recruitment on Economics Faculty alumni of Universitas Andalas.

2. To analyze the influence perceived usefulness on the intention to use e-recruitment on Economics Faculty alumni of Universitas Andalas.

3. To analyze the influence perceived enjoyment on the intention to use e-recruitment on Economics Faculty alumni of Universitas Andalas.

4. To analyze the influence perceived ease of use on perceived usefulness on the intention to use e-recruitment on Economics Faculty alumni of Universitas Andalas.

1.4 Contributions of the Research

1.4.1 Theoretical Contribution

This study aims to increase knowledge about the influence of perceived ease of use, perceived usefulness, and perceived enjoyment on the intention to use e-recruitment of undergraduate Alumni of the Economics Faculty of Universitas Andalas, as well as be a guide in conducting further research.

1.4.2 Practical Contribution

The result of this study is expected to contribute to job providers or companies considering attractiveness application in using e-recruitment.

1.5 Scope of the Research

In this study, the scope of research is limited by only discussing the influence of perceived ease of use, perceived usefulness, and perceived enjoyment on the intention to use e-recruitment. This focus of this study is undergraduate alumni of the Economics Faculty of Universitas Andalas who graduated in the last three years.

1.6 Structure of Writing

Chapter I   INTRODUCTION

Chapter which contains background to the research, problem statement, objective to the research, contribution of the research, scope of the research, and ended with the structure of writing.

Chapter II   LITERATURE REVIEW

This Chapter explained about all theories that are related to this research. Theories used include definition of natural disaster, definition of crisis, crisis-preparedness, fear of failure, and performance. Also in this chapter will be provided with review of previous study, hypothesis development and theoretical framework that will become guidelines in data processing.

Chapter III   RESEARCH METHOD

This chapter explained about the research design, population and sample, data collection technique, variables and measurement, and also data analysis method used for testify the hypothesis.

Chapter IV   RESULT AND ANALYSIS

This chapter explained about the result extracted from the research questionnaire, respondent description, and data analysis method for testify the hypothesis.

Chapter V   CONCLUSION

This chapter contained the conclusion of the conducted research, the implication of the research, the limitation of the research and suggestion.