

A Study on Recruitment Barriers and Their Impact on Startup Organizational Performance

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ABSTRACT

Startup companies play a key role in coming up with new ideas, offering jobs, and helping the economy grow. However, they often have a hard time finding and keeping skilled workers. This study focuses on the challenges startups face when hiring and how these issues impact the overall performance of their businesses. The research uses a descriptive method and collects information from two different sources: direct data from people who are involved in hiring and secondary data from books, articles, and reports. To gather direct data, surveys were given to employees, HR professionals, and students at colleges. Secondary data was collected from textbooks on human resources, research papers, and industry reports. The study discovered that the main issues in hiring include a lack of funds, a weak company image, a mismatch between job requirements and worker skills, and competition from larger companies. It also shows that poor hiring practices result in employees leaving quickly and lower productivity. The research recommends that startups can greatly benefit from having clear hiring strategies, using digital tools for recruitment, and developing a strong company image to attract and keep talented workers.

Keywords: Talent Acquisition, Startup Companies, Recruitment Challenges, Employer Branding, Employee Retention, Organizational Performance

1. INTRODUCTION

Startups are new businesses that focus on coming up with new ideas, growing quickly, and expanding their operations. In today's tough business world, startups play a big role in helping the economy grow and creating jobs. But compared to bigger, more established companies, startups often struggle to find and keep good workers. People are very important for any company to work well. Talent acquisition is the process of finding, bringing in, choosing, and keeping the right people for a company's needs. For startups, this is hard because they don't have much money, aren't well-known yet, and people might worry about job security. Having good recruitment helps a company work better, keep employees happy, come up with new ideas, and stay around for a long time. That's why it's important to understand the problems startups face when trying to hire people, so they can improve how well their business runs and grows.

2. LITERATURE REVIEW

Recruitment is the process of finding and bringing in people who want to work for a company (Dessler, 2017). Good recruitment helps companies hire people with the right skills and abilities. Armstrong (2020) says that managing talent is an important part of a company's plan to stay competitive by getting and keeping the best workers. However, startups often don't have organized systems for managing people, which makes it hard to find the right talent. Reports from the Society for Human Resource Management (2022) show that startups struggle with creating a strong employer brand, offering fair pay, and planning their workforce. Articles in Harvard Business Review (2021) also mention that startups often use informal hiring methods, which can cause problems like not matching skills with job needs and high employee turnover. Earlier studies show that factors like salary, career growth opportunities, job stability, and company culture are important to job seekers. Using online platforms and social media for hiring has made the process faster and more efficient, but it still requires smart planning and strategy. The research shows that while many studies focus on hiring in

large companies, there isn't much research on the specific challenges startups face when hiring. This gap in knowledge is what this study aims to address.

3. RESEARCH METHODOLOGY

This study looks at the difficulties startups have when trying to hire employees using a descriptive research approach.

Nature of Study

The research includes both numbers and opinions.

Sources of Data

We gathered information from two places.

We first used questionnaires that were sent out through Google Forms. The people who filled them out were employees working at startups, HR professionals, and students. Then, we reviewed books, articles, journals, and reports related to HR.

Sampling Method

We chose people based on who was easy to reach.

Sample Size

About 80 people took part in the study.

They came from different schools and jobs.

Data Analysis Tools

We used simple ways to look at the information.

We made use of percentages and pictures like pie charts and bar graphs to show the results.

4. DATA ANALYSIS

The information from the people who answered the questionnaires showed the following:

1. 45% said not having enough money to pay salaries is a big issue when trying to hire people.
2. 30% mentioned that startups don't have a strong brand name.
3. 15% talked about not matching the skills needed for a job with the skills of the people applying.
4. 10% said people often quit their jobs quickly, making it harder to hire.

When people were asked what is most important when picking a job:

1. 40% said they care most about getting a good salary and benefits.
2. 35% said they look for opportunities to grow and learn.
3. 15% value having a stable job.
4. 10% care about the work environment and culture

The methods startups use to find people are:

1. 50% use online job websites.
2. 25% get help from people who already work there.
3. 15% use social media.

4.10% do hiring at colleges and universities.

The results show that money problems and not having a strong brand are the main issues that make it hard for startups to find and keep good talent.

5. RESULTS AND DISCUSSION

Startups face many problems when trying to hire people, and these problems have a big impact on how well their businesses run. They often don't have enough money to pay decent salaries, making it hard to attract experienced workers. Also, startups usually don't have a strong reputation as employers, so people don't trust them or even know about the job openings. Because of this, many skilled workers prefer to work for bigger companies that offer more job security and clearer chances for career growth.

The study also found that when hiring isn't done well, it leads to poor hiring decisions. This causes employees to leave more often and slows down the work being done. Hiring mistakes also make it more expensive and time-consuming to train new workers. The study stresses the importance of better planning when hiring, using proper ways to check skills, and being clear about future career opportunities. Startups that use digital tools for hiring and work on building their employer reputation see better outcomes in both hiring and keeping employees. Overall, the challenges in hiring directly affect how well the company runs, how happy the workers are, and how well the business can grow in the long term.

6. CONCLUSION

The study shows that having difficulty finding good people can greatly affect how well a startup performs. Some common problems include not having enough money, not being well-known, and facing tough competition. But these issues can be handled by having good hiring methods, building a strong reputation as an employer, using online job sites, and making sure employees are happy and motivated. Hiring the right people can help the company work better, come up with new ideas, and be more trustworthy. Startups should see hiring as an important part of their long-term success, not just something they do regularly. Making sure their hiring process works well can help them grow and stay competitive in the market.

7. REFERENCES

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