

## **Employment agencies as a new wave of Business in the Republic of Kazakhstan**

Nowadays it is obvious fact that market is over clustered with various types of businesses covering service sector and thus there is a significant increase in the number of recruiting agencies or employment ones with their main function to provide beneficial impact to both parties as for employers and employees themselves by making life more convenient in terms of searching a job. They bring that important meaning of understanding the essence of law concerning human resource. A recruitment agency provides services to both employees and job seekers. They make profits by successfully placing job seekers into specific jobs and charging employees (not the job seekers) a fee for doing so. They also place temporary staff in organizations, charge employers an hourly rate and the workers is paid by the agency[3].

The history and development of Recruitment agencies in Kazakhstan

Международный деловой журнал KAZAKHSTAN №1, 2002 год stated that:

History of Kazakhstan recruitment is short - she is 7-8 no more than. Today it can show oneself funny, but then, eight years back, seemed nonsense to pay for the search of necessary specialist. Businessmen considered recruiters almost reckless and could not understand in any way, for what they must pay such a powerful lot of money. And only the representatives of western business searched in the reference books of «Recruitment agency» and confidently enough placed the orders on the selection of specialists, although here one of their main requirements was knowledge of English. In 1995-1996, with a difference only in five months, three skilled agencies were open - Check point, KCARA, JIB Express. They certainly differed on style of guidance, corporate culture and technique of work with candidates. However they were here united by one general line - they gave for the companies of service of professional selection of shots, when an employer ordered and paid service. Work was built on next principle: a company entered into a contract on the selection of personnel with a skilled agency, after, after interview with 3-5 suitable candidates, an employer hired one, getting the half-year guarantee of replacement of specialist or return of the expended facilities.

So in Kazakhstan, after Russia, the new type of business appeared - recruiting, that from the moment of the birth corresponded to the world standards. It was assisted by three factors:

First. Multinational companies for that in other countries recruitment was the usual and comfortable phenomenon during 40 more than came to us.

Second. This business in our country was developed by enthusiasts, getting knowledge on the various training and ready to give services of the greatest quality.

Third. Above all factor. In Kazakhstan there are specialists able to bring success and income to the companies. It is the so-called «gold neckwear», for the search of that a company is ready to pay to the agency a fourth, or even one third of annual salary of the offered employee.

Seven years back the most of the time of consultants left on convinced of the Kazakhstan employer of that even at such unemployment and enormous amount of free hands and heads, paying for the search of necessary specialist cannot be taken from a worker. That conducting a quality search and selection is possible only subject to condition, when a candidate pays nothing for the employment, and an agency is carried before a company by responsibility for the job performance. Now about recruiting any leader knows and all more often hires on top-positions are not friends and relatives, and specialists, search, estimation and analysis of accordance a skilled agency conducts the duties of that.

Today recruiting in our country develops successfully, on equal competing with analogical business in Russia and in the west. In opinion of experts engaging in market of labor research, the turn of this business in the whole world already attained US\$250 of milliard in a year, and in recruiting it is involved about 1% of all able to work population of planet. In Russia there are millions and no more than 10000 workers near US\$50 on recruiting. 300 recruiting agencies were there counted six years back, today them already more than 1000 (400 agencies are concentrated in Moscow, 100 - in Saint Petersburg, other - in Siberia and other regions). In Kazakhstan the turn of recruiting, on the estimations of specialists, is equal from US\$0, 5 to US\$1 of million, at a middle year-on-year increase on 20%. The amount of recruiting agencies in Almaty grew from 3 to 15(or near that). In regions it is concentrated no more than 20. More rapid dynamics of business a that circumstance interferes with, that the best of all the professional selection of shots develops in cities with a population above one

Russia and Kazakhstan pass the alike way of development of recruiting, from here and likeness in prices and quality of services. In our countries does not teach to principles and technology of selection of shots, therefore frequently young agencies are ready to offer dumping prices (half of monthly salary of the hired employee) for services of very doubtful quality. Employer instead of resume of three carefully selected specialists, gets the rolls of biographies of various pretenders by fax, and must take away and ring up ten of candidates frequently even not hearing of present vacancy. Such method of selection can spoil reputation of recruiting in the eyes of employers and competitors. In fact a good candidate, correctly and in necessary terms neat an agency, sometimes treats to the company in ten thousand dollars and more, but his labour brings hundreds of thousands frequently.

Recruiting helps optimally to use present applicants therefore this type of business is very important for our country. Possessing the enormous supplies of minerals, Kazakhstan, alas, has modest enough human capitals. Today many companies in our country test skilled hunger. Highly skilled specialists able to untwist any enterprise and bring success to business become by weight of gold. Reason of this deficit carries objective character - in the whole world recruitment works within the limits of 20% of able to work population, yet approximately 30% is examined as potential workers. The Kazakhstan labour-market looks differently. Recruiting 2% of able to work population is here (as well as in Russia) satisfied. As a rule, it is the commercially gifted people capable effectively to work the salary. Yet there is 10% «of potential» specialists, those, who is able to work in new economic terms and can bring a benefit to the enterprise.

Now recruiters have suggestions about interesting and prestige work. Nevertheless, on these suggestions it is difficult to find suitable specialists, not looking on a high salary. The queries of swinging majority of candidates do not raise higher US\$500 and it badly. As means that people so itself is valued and does not apply on greater. Difficulties with a search and selection are begun already with workers the annual salary of that makes US\$36000, and to find a worker on US\$70000 in a year - this in general art.

On the special account managers are on sales, marketing specialists, technologists managing a production and directors. Very actively specialists take for work in the regions of republic - on the oil fields and gas production enterprises. Actively new service develops in the selection of personnel is periodic hire or leasing of personnel. So, if 5 back leasing for Kazakhstan was a clean theory, then now approximately 5-7% orders goes to periodic hire. The structure of queries of employers

and level of preparation of candidates changed. If before support was done on knowledge of English, then now at the market translators succeed not simply, and specialists with good, and frequently and by western education, possessing experience works in local terms.

Recruiting develops, specialists grow. To us working in this sphere, it always seems that soon all knowing and perspective specialists will appear in bases given other recruiting agencies and will be sold on interesting and high-paying work. However passes a few years and it appears that a labor-market develops quicker and new and new candidates, that can bring a benefit to not only the companies but also our country, always grow [1].

*An attitude of people towards the recruiting agencies*

In order to better understand the way how recruiting agencies do function in the market of Almaty, I have conducted a survey. Several questions were initially placed to clearly set the objectives of the research.

*Findings and Suggestions of the research*  
*E-recruiting is suitable way for recruiting*

Result: Strongly agree 29% and agree 31% (means that surveyed people are often applying to E-recruiting and are satisfied by its functions)

Neutral - 37% (means that surveyed people are not aware of an activity of recruiting agencies)

Strongly Disagree 3% (means that surveyed people are not aware or not using such type of the recruiting of an activity of recruiting agencies)

*Private recruiting agencies provide a broad selection of options for professionals searching for new career opportunities.*

Result: Strongly agree 11% and agree 49% (means that surveyed people have experienced dealing with recruiting agencies)

Neutral - 29% (means that surveyed people are not aware of an activity of recruiting agencies)

Strongly Disagree 11% (means that surveyed people are not applying to recruiting agencies)

*Public recruiting agencies provide a broad selection of options for professionals searching for new career opportunities*

Result: Strongly agree 3% and agree 26% (means that surveyed people have experienced dealing with recruiting agencies)

Neutral - 34% (means that surveyed people are not aware of an activity of recruiting agencies)

Strongly Disagree 23% and disagree 11% (means that surveyed people are not applying to recruiting agencies)

*Cyber recruiting is developed in RK*

Result: Agree 17%, which means that surveyed people do apply to cyber recruitment agencies. Neutral 46%, which means that people are not aware of the existence of cyber recruitment agen-

cies. Strongly Disagree 9%, and Disagree 23%, which means that people are not using cyber recruitment.

*My experience of public/state agencies was negative*

Result: Strongly Agree 26%, and agree 14%, which means that surveyed people have negative experienced due to fraudness and dissatisfaction. Neutral 40%, which means that people are not aware of the existence of recruitment agencies. Strongly Disagree 3%, and Disagree 17%, which means that people are not aware of the existence of recruitment agencies.

*My experience of private agencies was negative*

Result: Strongly Agree 17%, and agree 17%, which means that surveyed people have negative experienced due to fraudness and dissatisfaction. Neutral 34%, which means that people are not aware of the existence of recruitment agencies. Strongly Disagree 3%, and Disagree 29%, which means that people are not aware of the existence of recruitment agencies.

Some of state agencies distorted ethical issues (through fraudness)

Result: Strongly Agree 26%, and agree 34%, which means that surveyed people have negative experienced due to fraudness and dissatisfaction. Neutral 23%, which means that people are not

aware of the existence of recruitment agencies. Strongly Disagree 3%, and Disagree 9%, which means that people are not aware of the existence of recruitment agencies.

Although an impact of recruiting agencies on the development of economy and thus business is not so visible, it still remain one of the vital components of the development of the economy thus government should more focus on the developing of state organizations by introducing the strategies and experience of foreign managers, by properly implementing them into an economy by increasing state support and by that motivating employers to work better [3, 5].

Mismanagement in state agencies, job seekers are as well as employers should be treated accordingly to the standards of Law of Population and Ethic Code, only by that people are motivated to deal with any of recruitment agencies be it private or state/government agency doesn't matter. Another factor is that about 60% of surveyed people are not aware of the existence of any of those agencies, as I said before be it profitable or not profitable. Why? Because of the lack Public Relations department, they should emphasis on this aspect more. Although there are some accredit able state agencies. In addition financial side of the management should be taken under strict control.

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