



## **The issue of selection errors in recruitment decisions at private higher education institutions**

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### **Abstract**

The purpose of this subject is to explore the issue of selection errors in recruitment decisions at private higher education institutions in South East Asia. This study focuses specifically on the issue in terms of four types of person – environment fit (PE): person- job, person organisation, person-group and person supervisor fit. The paper critically analyses the symptoms of and consequences to selection errors in recruitment decisions as well as provides practical solutions for organisations to resolve the issue.

**Keywords:** selection errors, recruitment, person – environment fit

### **Introduction**

Recruitment and selection are acknowledged as among the most critical human resource decisions that an organisation has to make (Sutherland & Jordaan, 2004) <sup>[14]</sup>. According to Boxall and Purcell (2003) <sup>[2]</sup>, recruitment is the process of attracting and encouraging people to apply, while selection is using the appropriate measurement tools to make fair and relevant assessments of the strength and weaknesses of applicants. Private higher education institutions have a tendency to employ staff from various foreign nations. As such the person-environment (PE) fit becomes a major challenge for these institutions. Kristoff-Brown, Zimmerman & Johnson (2005) <sup>[9]</sup> broadly define PE fit as the compatibility between an individual and a work environment in which their characteristics match. Existing literature suggests that four types of fit: person- job, person organisation, person-group and person supervisor fit needs to be considered thoroughly during the selection process. As stated by Blenkinsopp & Zdunczyk (2005) <sup>[1]</sup>, failure to do so, will result in a mismatch between expectations and reality for both the employer and employee.

The issue of selection errors in recruitment was chosen because of how it affects the organisation in terms of time, dissatisfaction between employer and employee, quality of service delivery to customers, costs of recruiting, reputation and legal obligation. Since private higher education is mainly profit oriented, it strives to have a diverse workforce of people from various nations bringing in their expertise in terms knowledge, skills and abilities. Students as high paying customers, expect to have foreign academics from Western countries and other parts of the world. As for the local academics, students expect at the very minimum to have instructors who are overseas educated and is global in thinking and outlook. Private universities and colleges with a diverse workforce, have to ensure that the person- environment fit is looked at seriously as costly selection errors in the recruitment process have taken place.

### **Problem**

The problem here arises when the job or workplace is not as expected. To make matters worse, the location of work is not what the employee envisioned. As such, the psychological contact in the workplace and during personal time out of work is far from the employee's satisfaction. We will study the problem in-terms of the four types of person-environment fit: person- job, person organisation, person-group and person supervisor fit.

Person-job fit is how well a person's characteristics matches with the job or tasks that are performed at work (Kristoff-Brown *et al.* 2005) <sup>[9]</sup>. It also refers to personality traits that is sometimes not stated in the job description, but is expected. There have been cases of mismatch between person and job-fit at private higher education institutions. Among the common cases are those of people who joined the academic profession thinking they would like it, only to be disappointed with the reality later on. Some employees who moved from industry to academic with the perception that teaching would be fun, relaxing and easy going only to realise that it is not as relaxing and easy going as they expected. While teaching can be fun, the instructor has to create a fun learning environment. Teaching profession also requires patience when dealing with students and a fair amount of stress is involved in planning and preparation of curriculum development and assessments.

There have also been cases where the academic lacked the passion and enthusiasm in delivering lessons. The individual was given the job offer based on credentials and experience. However, the person was not required to do a mock teaching during the interview stage and as such was not tested on teaching delivery. It is common knowledge that teaching and learning practices at private institutions have to be engaging to students. Poor classroom engagement causes students to give the instructor a low rating, discourage other students from taking the class and also bad word of mouth to potential students who might enroll to study at the said institution.

Person-organization fit is the compatibility between people

and the organisations in which they work (Kristof, 1996) <sup>[8]</sup>. A common issue at private higher education institutions sees academically research oriented staff joining the institution only to realise later on that it is not a fully research based university. While research support and funding could be limited or available, the primary role of an academic is to successfully deliver courses to students' satisfaction. Academic performance is assessed on teaching duties, while research activities are considered valuable but not compulsory. This is very much contrary to government institutions whereby equal focus is given to teaching and research contribution, and academic performance is assessed in both areas. As the motive of operations at government institutions is not for profit, research funding is also more readily available. There have also been cases where individuals feel they do not fit in with the company's culture and can't seem to blend in. It is not fair to point the finger solely on the employee. The problem here could be that the job description was not clear enough in specifying the objectives of organisation, priorities and how performance is assessed. Managers and HR staff may have painted overly rosy pictures of the open positions during the interview so that a high quality applicant is keen to leave his present workplace and join the institution. The visualisation of the high caliber applicant as a potential staff might have caused managers to only mention the advantages of the job and not the disadvantages during the interview.

Person-group fit focuses on interpersonal compatibility between individuals and their work groups (Werber & Gilliland, 1999) <sup>[17]</sup>. The problem for private institutions is that this is a very subjective matter to test during the selection stage and although it is highly necessary, it is more often than not neglected. Problems arise when employees with little or minimal experience working in a diverse organisation are not able to adapt and mix with colleagues of different background and ethnics. They then form their own homogenous groups and concentrate their views and opinions within these confined members instead of organisation wide open communication. While this is acceptable for casual conversations, it is very unhealthy when working with team members of different backgrounds for a particular subject or course. The selection process in recruitment decision making did not take into account the person's capability, experience and cross- cultural adaptability to work in a multinational environment with people of various backgrounds.

Person- supervisor fit looks at the match between supervisors and subordinates (Van Vienen, 2000) <sup>[15]</sup>. The main problem observed at private higher education institutions with regards to this is that managers select and hire people whom they believe have similar characteristics to themselves. While this can encourage peaceful working relationships, it creates a very homogenous working environment with similar thought, decision making and ways of doing things. Hence, there is a loss of creativity and imagination in the organisation and it also promotes some bad values which are passed down from supervisor to subordinates.

Expatriate failures can come in the form of premature returns, poor performance, adjustment problems and so on (Harzing and Christensen 2004) <sup>[5]</sup>. The common problem at private universities and colleges is failure in its interview format to

use an appropriate selection tool to identify candidates that will struggle to adapt to life in a South East Asian country. Many applicants take it for granted that coming to work in a South East Asian Country is no big deal and is similar to other Asian countries like Japan and Hong Kong. It is common knowledge that some applicants view coming to South East Asian countries to work as an adventure and don't do proper background research on working and living conditions of their chosen destination prior to joining the institution. Hence, there is a tendency for new employees to get a culture shock upon arrival and this leads to poor work performance and eventually they quit their job. The problem here is the lack of honesty in the recruitment to educate and make the potential candidate aware of the advantages and disadvantages of working in this particular country as compared to the country they are currently working and residing in during the time of application.

### Implications

If the issue of selection errors in recruitment decisions are not addressed it can lead to various implications for the organisation. A higher turnover rate is likely to occur when there is a mismatch between person-environment (PE) fit. This will reflect badly on the organisation's image among students, parents, prospective employees, competitors and all stakeholders at large. According to Lorange (2006) <sup>[11]</sup>, the composition and quality of academic staff is important for the quality of education programmes and university research, as well as the reputation and competitiveness of the university among the academic community. Students will assume that the organisation is not stable if there are many instructors who leave after just one semester. There are possibilities that students will lack trust on the university or college and try to leave to another institution via credit transfer. Parents will also hear about the high turnover from the child who is currently studying at the said institution and lack the confidence to send their remaining children there once they have completed their high school education. The affected private higher education institution will have difficulties in terms of employer branding towards prospective staff as they would not perceive it to be an attractive organisation to work in. Competing institutions would use this to their advantage to attract prospective employees by mentioning that their academics stay there for a number of years compared to their competitors due to higher work satisfaction. Overall, the institution will not be viewed in good light by stakeholders due to the high turnover rate.

Another implication is that it can lead to a negative culture in the workforce. Take for example, an expatriate academic who is unable to adapt to the location and also the job itself. This academic might regularly makes comparisons with his or her previous institution and work location to make daily complaints to other employees. He brings a very negative aura with him and it makes other academics feel that this particular institution is really a terrible place and is not a very nice place to work at in comparison to other institutions. What makes this even more serious is that these employees were relatively happy with the job and place prior to the arrival of this academic. Hechanova, Beehr and Christiansen (2003) <sup>[6]</sup> concluded in their study that there is a direct influence of expatriate adjustment on performance. This is very clear in the

above example. There is high likelihood that this academic's motivation levels would go down due to failure in adjustment and this could lead to poor performance in his work. At the same time, the academic in hand would likely influence others to think negatively and this could have an impact on the workforce productivity and organisational performance as a whole.

Although private higher education institutions have a diverse workforce, the cultural alignment is questionable as there are people who do not want to share and communicate openly with colleagues that are not from the same ethnic background and culture. Due to errors in selecting people who are not capable of working professionally as a team in a diverse workforce, it creates a much more tensed environment among certain colleagues and affects the final service delivery to students. There have been occasions where the local staffs have clearly expressed displeasure towards foreign staff because he or she is considered a threat to local employment. There have also been cases where the foreign staffs have accused the local staff of not being credible enough but gaining employment simply because they are local. One of private institutions main strategies is to promote the strength of its diversity as one that brings people from various background and specialised expertise to work collectively as a team that produces high quality education for students. However, as mentioned by Silva, Hutcheson and Wahl (2010), employees who perceive a misfit between their company's strategy and theirs are less committed and less likely to stay long. Local academics that want more of their own kind as compared to foreigners is usually less committed and gets involved in a lot of office politics because they are not happy that the organisation wants a very diverse workforce. Those who are extremely pro local staff end up leaving the organisation due to dissatisfaction. The foreign staff on the other hand also becomes less committed when they believe that locals are hired simply to make the numbers and do not agree with the company's strategy of hiring simply for diversity and not solely on performance. Eventually the staff becomes frustrated and leaves because their own strategy is to work at a place where people are hired solely on the basis of performance and little importance is given to workforce diversity.

Costs of selection errors have quite significant implications to the organisation. According to Manzoni & Barsoux (1998) <sup>[12]</sup>, the emotional cost by the employee and the organisational cost incurred due to the failure can have a severe impact on both parties. Jackson and Schuler (2003) <sup>[7]</sup> further stress that organisation's can incur up to five times the employee's salary due to poor selection decision. For private higher education institutions, there are significant costs involved to recruit again when an employee leaves. The cost of HR staff time to plan, organise and conduct interviews. Of course, the cost of manager's time to conduct interviews for potential staff as well as retention attempts and exit interview with the staff that is leaving also needs to be considered. Not to forget, the cost of getting work permits and relocation costs in a matter of short time for foreign staff. There is loss of workforce diversity when the University decides to employ local staff instead as the cost of recruiting a foreign staff again cost too much and also the individual does not stay as long as a local

academic. There is also additional cost in terms of orientation and training for new academic staff to adjust to the working environment and settings. While this is a good initiative which has to be conducted, if staff turnover is high, the cost of orientation and training becomes high due the regularity of the occurrence. Private universities and colleges also incur intangible cost in terms of time taken by new staff to adapt. Every new academic needs atleast one semester to adapt and be able to perform to the best of their individual ability. Usually academics in their first semester do not achieve the average good teaching scale score as they are adapting to life at a South East Asian Country and the job in terms of curriculum, colleagues and students. Hence, a high turnover incurs a lot of adjustment cost in the form of time for institution. There is also the cost of students not being happy with the new lecturer until the person is able to adapt to them and vary his or her teaching and learning style to suit their needs. The employee who is unhappy does a lot of damage before leaving as he or she tends to perform poorly and influences other staff as well. This affects the institution's cost in terms of lack of overall productivity and poor teaching delivery by academics to students, which finally results in poor enrolment for future intakes.

Legal obligation is the final implication for institutions due to selection errors in recruitment decisions. Foreign academics in most South East Asian Countries are given a given a contract for a specific period of time and upon satisfactory performance will be awarded a contract extension. The institutions have no obligation to renew academics contract. However they cannot dismiss a staff during the contract period unless the staff in question has committed a legal offense or disciplinary issues that have breached the terms of employment contract. Hence, if the institution selects the wrong person who is unable to match the person-environment fit, they will have to stick with the person throughout the contract. Even if the academic has poor performance and negative influences on other staff due to the mismatch, institutions cannot dismiss the staff on legal grounds as he or she has not committed an offense and did not did not have disciplinary issues. The institution has no choice but to wait until the contract is coming to an end to decide not to renew and carry on with the poor performing staff.

### Recommendations

Some practical solutions will be recommended to resolve the issue of selection errors in recruitment decisions at private higher education institutions in South East Asia. Selection techniques that assess multiple types of fit need to be developed against the criteria that they would likely affect (Kristof-Brown *et al.* 2005) <sup>[9]</sup>. In the case of private institutions, it is advisable that they develop proper selection tools to measure the person-environment fit and ensuring that the interview format utilises these measurement tools successfully. Institutions could incorporate some personality questionnaires in the interview to see if the person-organisation values fit. These personality questionnaires can also check whether or not the person is really interested in a teaching profession, has the capabilities to work in a diverse working environment and can adapt to working and living conditions at a South East Asian country. It is important here

that the respective HR staff and managers who conduct these interviews go for formal training on how to conduct a successful interview to select the most appropriate person-environment fit applicant. This type of training can be conducted internally as well as externally through professional human resource consultants. The interviewers should also scan the CV thoroughly to consider whether the applicant has worked in a multinational company before, possesses prior international work experience with specific focus of teaching in South East Asian countries and the duration of time they worked in the MNC. As private higher education institutions emphasize a lot on best practices in teaching and learning and is very student-centered, it is vital to test the applicants through mock teaching rather than just evaluating them solely based on experience, credentials and successful question and answer sessions in the interview. Even foreign applicants can do a mock teaching via Skype from their location. This is to ensure that the prospective academic is passionate and able to deliver engaging student centered lessons. Liu and Lee (2008)<sup>[10]</sup> further stress the point that MNCs can maximize the likelihood of expatriate success through appropriate selection programs.

It is suggested that HR staff and managers at private institutions are honest in the recruitment and selection process. As mentioned by Kristof-Brown *et al.* (2005)<sup>[9]</sup>, managers should clearly communicate work unit and organisational values from the very beginning to the applicant. Reviewing and redesigning the job description is necessary so that is clear to applicants on their roles, responsibilities, tasks, work environment and expectations. Private universities and colleges should give an honest assessment of the advantage and disadvantages of the job. This reduces the number of new hires who quit due to mismatch in expectations that was caused by interviewers giving a rosy picture to attract the high caliber applicant to join their institution. This will definitely reduce the number of unhappy academics who joined the institution based on false perception and information. It is common knowledge that an unhappy employee usually performs below expectation and is buying time before he or she gets another job. It will also reduce the number of new hires who had the false idea that the working and living conditions in South East Asian countries is similar to other Asian countries such as Japan and Hong Kong.

In the case of academic managers who hire applicants that are 'clones' of themselves, some indicative measures can be taken to avoid such circumstances. According to Essed (2004)<sup>[3]</sup>, the wish to 'clone' one self is understandable and has some good points, however it risks exclusion of dissimilar people and makes the organisation very homogeneous instead of heterogeneous. Equality and creativity is thrown out of the window at the expense of shared mindset and similar work orientation. It is encouraged that an independent moderator is present during the interview. This independent moderator should not be an academic manager or hr staff, rather an external academic or hr personnel from another institution or agency. Inputs regarding selection decision should be discussed with this moderator right after the interview so that the moderator can ensure that there is no biasness on the part of academic managers hiring 'clones' of themselves. The decision to hire an applicant should be an objective one that is

based on knowledge, skills, experience, performance and person-environment fit rather than carbon copies of academic managers.

Guthridge and Komm (2008)<sup>[4]</sup> stress the importance of expatriates to learn more about the culture of the countries they transfer to. However, Wang and Tran (2012)<sup>[16]</sup> are of the opinion that employers can also play a part by conducting pre-departure cross cultural training, post-arrival cross cultural training and language training. Their studies proved that cultural awareness education and training on the part of employer has positive outcomes with general interaction and work adjustment ability. While private institutions conduct induction and orientation training that incorporates cross-cultural training for new staff, it fails to educate and make applicants aware of the working and living conditions prior to arrival. Hence, culture shock subsides upon arrival and even the induction and orientation for new staff can't help much as they are too disappointed already. Conducting pre-departure cross cultural training would be very costly and is only a good strategy for companies that deploy their employees to a branch in another foreign country. Training occurs at the company in which the employee is currently working before he moves to the branch. For institutions, conducting pre-departure cross cultural training for new staff like the one mentioned above would not be viable. However, it can still provide cultural awareness education and training prior to arrival through different means. For example, higher education institutions can be truthful during the interview with candidates about the place of work, the living environment and working culture. HR staff and academic managers should take the initiative to inform applicants of cultural differences at the foreign country in comparison to their home country even though the candidate did not ask these questions. Institutions can develop cultural awareness brochures and real life videos on the good things as well as difficulties fellow expatriate employees experience in the foreign country. These things can be posted on the institutions website or emailed to successful applicants prior to them signing the acceptance letter. Much can be done during the selection stage, to curb the problem of culture shock that leads to tangible and intangible costs to the organisation later on. It is better for candidates to be aware of the cultural differences, working life as well living conditions at the early stages even if this may cause the applicant to turn down the offer. Although the institution will have to spend time and effort to interview another candidate, this is a much better strategy than not being transparent and incurring unnecessary costs in the long run when an unprepared employee arrives and wants to quit.

## Conclusion

The issue of selection errors in recruitment decisions at private higher education institutions in South East Asia proves to be a critical one which has adverse effects on the organisation. It is advisable for institutions to do a thorough study in reviewing their selection process and practices. They should then come up with an action plan to rectify this issue based on their analysis and conclusions. While this paper can provide some practical solutions based on thorough analysis of the literature, mere dependency on this alone will not suffice. This paper will be a good starting point for private higher education

institutions to further investigate the issue in hand and put in place the appropriate actions that will be required.

To a larger extent, this study can also provide indicative guidelines to other multinational companies operating in foreign countries. Multinational companies can use this study as indicative measures on what to look out for in their selection and recruitment process to ensure no mismatch occurs between person-environment (PE) fit. They are also advised to do thorough investigation of their own organisation to identify selection errors in recruitment decisions. This paper provided evidence that selection errors can have huge consequences to the organisation. As such, it is very important for organisations to act and resolve the issue once they have identified the selection errors in recruitment decisions.

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