



Dissertation

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An Evaluation of the Selection Methods Employed by Company X, Measuring and Understanding the Staff Turnover Rate Attributable to the Selection Process and an Exploration Into the Possible Use of More Advanced Selection Methods.

## Declaration

I hereby declare that the management research report that I now submit is my own work as was written in full by me following my research as cited herein. This work is new and has not been submitted for any previous assignments. The work has not been taken from others to the extent that the work has been identified, cited and acknowledged within the text of my report.

The name of Company X will remain anonymous, due to a confidentiality clause that was signed pre-report.

Word Count: 19,008 excluding references and appendices

Signed: \_\_\_\_\_

Kevin O'Keeffe

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## Abstract

This report was designed to investigate the selection process that was in place in Company X and to measure the staff turnover rate that could be seen as attributable to the selection process that was in place.

The first thing that was examined was the selection methods that were in use across each department in Company X. Interviews were used to determine this. It became apparent that Company X used the classic trio process.

All departments accepted about CV's and application forms. Application forms were available on the company's website and could be printed off. However, many of the managers complained that application form was too broad and often provided them with many unsuitable candidates.

Following this applicants that were short listed in all departments were invited to interviews. All managers used some form of competency based interview asking both situational and behavioural typed questions. Each candidate was scored on a scoring matrix. In the sales, marketing and finance departments than invited the top two candidates for a second interview, while customer service only conducted one interview. The service department looked for an employee to perform a work sample.

Each manager then used pre-employment referencing before the job was offered to the candidate. One of the things that I noted from this was that some managers appeared to take referencing was something that they must do but held little weight in their selection decision. In the sales manager's opinion, "previous employers can be uncooperative" and "I do not feel like it holds (referencing) a lot of weight when it comes to choosing a prospective employee". Also managers only tended to use previous employment references and character references. Each manager also looked for a medical cert saying that the employee was fit for work.

A statistical analysis was then used to measure the staff turnover rate attributable to the selection process. The service department had the lowest turnover rate, something that backs up the view of *Smith et al (1989)* who says that work samples tend to be a more reliable method of hiring employees. In contrast to this,

customer service had the highest turnover rate. On initial observation, this would appear to be due to the fact that they have the least in-depth selection methods in place i.e. they only conduct one interview as opposed to the two interviews conducted by the rest of the departments.

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# Chapter One: Introduction

## 1.0 Introduction

### 1.1 *Research Subject*

The subject that I have chosen for my dissertation is selection methods. For my dissertation I intend to examine both the classic trio (application forms, interviews and references) as defined by *Cook (2004)* and more advanced selection techniques such as psychological testing and assessment centres and in particular work samples as they have a lot of relevance to Company X. My motivation behind choosing this subject was that according to the *CIPD (2003)* over 80% of all organisations used some form of the classic trio process. This is despite the fact, and many are aware of this, that it has a low reliability and validity rating when it comes to successfully hiring the most suitable prospective employee. I felt that this would be an interesting area to investigate and see why they chose these selection methods as opposed some of the more advanced selection methods that have a proven higher reliability and validity rating.

### 1.2 *Company Background*

As I intend to take a case study approach to my research (is described in detail in the methodology section) I will be using Company X to help me conduct my research. Company X is a German, family owned business operating since 1899. The ethos of management is to design, engineer and produce premium end products, where quality of build, high performance standards, reliability and longevity of use are key attributes. The company is a global brand which is promoted and sold in 45 countries around the world, on every continent. 2010 turnover was €3 billion and they currently have a workforce of 15,000 employees.

The company established its Irish subsidiary in 1984. They currently employ 59 people in the Republic of Ireland. The role of the Irish subsidiary is to market, distribute and support the parent company's branded products on the island of Ireland in a manner which is consistent with the parent company's ethos and philosophy.

### **1.3 The Context**

There are four departments that I am going to be focusing on for this report. These are the Finance, Customer Service, Maintenance and Marketing departments. Each department is going to be examined in detail. The things that are going to be examined are the selection methods that are employed by each department and the reasoning behind why they use these methods are used. The reason why these departments were chosen is because the Finance and Customer Service departments use the classic trio to hire people, but this is proving to be unsuccessful in some cases and they are then going to be compared to the other departments to see if change is needed. This shows that the company has an uncoordinated approach to selecting candidates and perhaps a coordinated effort may turn out to be more successful.

The general manager has said that there is also a high turnover rate in certain departments. I have been provided with statistics based on the turnover rates of each department (these records run from 2000 to 2010) and I will look to see how much of the turnover can be said to be attributable to the selection methods that are currently being used in each department and see how they measure up to the reliability ratings of Smith et al 1989.

The final thing that I have been asked to do is to explore into whether or not it would be feasible for Company X to use more advanced selection methods in certain departments and whether the managers in these departments would be open to the idea of using different selection methods.

### **1.4 Structure of the Report**

This report will take the following structure:

- Literature Review - this will discuss all of the relevant literature in the area of the classic trio and literature that applies to Company X's situation.
- Hypothesis - this section of the report will state my research aims and objectives and how I plan on achieving these.

- Research Methodology - will examine the different types of research methods that I used in collecting primary data, the reasons why I chose these methods and the reasons why I didn't use others.
- Findings, Analysis and Discussion - in this chapter I will present the findings that are relevant to my research question and I will look to interpret this data. These will be analysed in detail, integrated and examined as to how the practical elements match up to the literature.
- Conclusions - at this point I will evaluate my findings with my original research question and hypothesis.
- Recommendations - I will draw upon my conclusions and outline the issues that Company X needs to address. I will then try to provide practical recommendations that Company X that could be implemented to address these issues.
- References - A list of references will be provided based on the articles and books that I have drawn upon.
- Bibliography - A list of sources that I did not refer to directly in the text will be listed in the bibliography.

## Chapter 2: Literature Review

## 2.0 Literature Review

There has been much academic talk about the classic trio (application forms, interviews and references) and many arguments have been made for and against this selection process. Here are a few of the arguments surrounding the classic trio:

*Robertson and Smith (2001)* examine the changing nature of work in this article and how this is making the selection process more difficult. Job specifications are constantly changing thus making it harder to recruit the right kind of employee. They claim that jobs are no longer as stable as they used to be and for this reason it is difficult to define the job role. The problem is which selection method is the best method to use. The selection situation has become more complex due to the introduction of new technologies etc. and therefore what the candidate was originally asked for is no longer valid.

### 2.1 The Classic Trio

The classic trio is the selection process of applying for a job through an application form, going to one or more interviews and additional references (Cook 2004).

#### 2.1.1 Application Forms

*CIPD (2003)* surveys have shown that application forms (this includes standard application forms and CV's) are used in some shape or form in over 80% of all organisations. Research suggests that the practice that is common place in the private sector is the use of CV's. Many employers will accept CV's as well as application forms here with smaller organisations favouring CV's. Murphy says that it would have appeared that the use of CV's would have deterred due to the introduction of online application forms in recent years but this does not seem so. The use of CV's is permitted in only roughly 50% of all public and voluntary sectors (*Murphy 2008*).

*Roberts (2005)* identifies the application form as being the first part of the selection process. He states that the application form is merely a tool that is used to screen applicants. They are expected, by the applicant, as part of the selection process. However, he does say that while the majority of candidates may take this

in their stride, some manual workers may struggle with the application form due to the fact that they may be unaccustomed to filling out 'official forms'. *Smith and Robertson (1993)* examine the validity of application forms amongst other methods. Application forms again have a low level of validity. They tend to leave management with a lot of application forms, the majority being unsuitable for the job on offer. They suggest that application forms should allow management draw up short list of candidates and that information about good candidates that were unsuccessful can be kept for future reference. They also believe that application forms create good PR for the company and they should enhance the company's reputation as being one that is fair.

*Lamb (2000)* suggests that online application forms are a good way of getting job specific information about the candidate and can establish the competences a candidate possess. It can also help sift down the number of candidates who may be unsuitable for the job without using many of the organisations resources. On the other hand online applications are not a good idea for a couple of reasons. Firstly, online application forms often contain questions that may not be considered legal and leave the company exposed to potential lawsuits. Secondly, there is a lack of face to face feedback (*Tye et al 2000*).

*Jenkins (1983)* says that a written application form can take the form of a standard application form or a CV. He says that poorly designed application forms can result in high turnover of labour in the organisation. *Jenkins (1983)* also says that CV's can be even more ineffective mainly because it allows applicants to inflate their strong points and this helps to detract from their weaknesses and things that may be of concern to the organisation.

*Armstrong (2009)* explains how CV's allow for candidates to demonstrate the ability to direct their thoughts and put together a clear piece of communication to the organisation and that this is why many organisations in the private sector favour these as opposed to application forms. Application forms better test the resolve of the employee, than that of a CV. An application form may also be designed so that it is job specific and teases out the competences that may be demanded by the job (*Taylor 2010*).

### **2.1.2 Interviews and Their Validity**

*Van Iddekinge et al (2004)* says that for an interview to be fully effective it must satisfy the conditions of reliability and validity. A reliable test is one which gives reliable measurements at different times and in indifferent circumstances. However in their research it is mentioned that an interview cannot always be seen as reliable as you are measuring human characteristics and that interviewers are going interpret information in different ways. In other words what one interviewer may deem relevant, the other may deem irrelevant.

A valid test is considered to be one that measures what it is set out to measure. However an interview cannot always be said to measure the employee's suitability to a job accurately.

The reliability of an interview is down to an agreement amongst interviewers regarding the same candidate. However it has been observed that even professional interviewers very rarely attain a high level of consistency, thus lowering the reliability of the interview process (*Dipboye et al 1976*).

*Robertson and Makin (1986)* believe that the frequency of selection methods use is down to its validity. The interview tends to be the final event before the candidate is either accepted or rejected. Therefore there is no surprise that management pays a lot attention to the interview process. However this is strange due to the fact that the interview is considered to have a low level of validity according to meta-analysis. They claim that this is down to the fact that many organisations are either unaware of the other methods or management may not have a sufficient level of training to conduct certain advanced methods.

*Barclay's (1999)* article looks at the issues surrounding the interview and raises the question of why it is still so popular. She states that the main problems with interviews is that they have low validity and are considered to be unpredictable which in turn can lead to very costly errors. The reasons why many managers still use interviews are because they have had success with this in their own experiences of using the technique. Einhorn and Hogarth refer to this as the illusion of validity.



According to *Barclay (1999)* structured interviews have a higher level of success than that of unstructured interviews. This is due to the fact that questions tend to be more focused on the job and stick to the point. They are also considered to be much more candidate friendly compared to the likes of psychological testing.

### **2.1.3 Structured Interviews**

*Pulakos (1995)* says that structured interviews are composed of behavioural and situational questions i.e. competence based interviews. *Pulakos (1995)* says that using these types of questions helps to increase the likelihood of the interview process being a success. Competency based interviews are of great importance when it comes to identifying a source of performance difference between individuals (*Boyatzis 1982*). He says that knowledge, skills and abilities are the main qualities underpinning differences in job performance, with motivation being another factor. In this article *Boyatzis (1982)* also says that competency based interviews successfully assess whether an individual possesses the correct attributes to successfully meet the level of performance that may be required of them, and that it should also outline a number of critical factors such as learned behaviours that may serve as a key indicator of future job performance. Four key areas that should be assessed in the competency based interview process as outlined by *Boyatzis (1982)* are:

1. Thinking Capabilities
2. Ability to work well with and through other people.
3. Individuals personal values, motives and commitment.
4. Their level of relevant work knowledge and technical skills.

*Taylor (2008)* has also mentioned that the use of hypothetical questions can help improve the reliability of an interview. These will help display whether or not a candidate possesses the correct attributes to fulfil certain aspects of the job.

*Armstrong (2010)* would appear to agree with this statement and says in his research that the best information about a candidate on which judgements can be made can be gained by getting candidates to explain how they have worked

through a certain situation or how they would deal with a certain situation should it arise.

*Jackson (2000)* says that competence based interviews have been a huge improvement on unstructured interviews. He states that the fact that they ask and rate each applicant using the same questions and the same set of behavioural responses makes them much more reliable than traditional unstructured interviews. Another one of the strong points that Jackson outlines is organisations tended to conduct job analysis, so therefore the questions were more job-relevant and this resulted in hiring the right employee first time around. *Fletcher (1996)* disputes the reliability of these competency/situational based interviews. While he does accept that these questions increase the likelihood of success in the interview, he says that applicants can obtain the answers to situational and behavioural questions from a variety of different sources i.e. bookshops now have books available that suggest the most appropriate answers to typical behavioural and situational questions.

*Wood and Payne (1998)* argue that a competency based approach has many advantages. They say that it will increase the accuracy of predictions about the suitability to the job, and that it facilitates a closer match between a candidates attributes and the demands of the job.

*O'Driscoll and Taylor (1995)* say that behavioural questions tend to be unreliable because they are based on the premise that behaviour descriptions are the best way to predict future behaviour. They say that an insight can be gained into the past behaviours of an employee through asking them about their qualifications, prepared versions of their previous experiences, their self-perceptions and detailed accounts of previous job and life experiences. However in their opinion they believe that behavioural questions have a lower level of validity and are less reliable than situational questions.

#### **2.1.4 Interview Panels**

*Kerfoot et al (1989)* examined the benefits of having an effectively structured interview process in a hospital. They found that it is important to fill a job vacancy first time around due to the fact that it can be very expensive to hire the wrong

person i.e. overtime, loss of productivity. They felt that the decision on which candidate was hired should not fall on the shoulders of one person, but rather it should be a group decision. This meant that rather than having one to one interviews, they should use interview panels. The panel interview increases the likelihood of successfully hiring a competent candidate as the decision to hire the person does not rest with one person but rather the panel decides by consensus (Berman 1997).

*Lowery (1994)* believes that a panel interview is a low cost and less time consuming alternative to an assessment centre. He also says that panel interviews have a much higher validity rating because there are more opinions and this in turn leads to a more balanced decision. On the other hand interview panels can be intimidating to candidates and that they can also be counterproductive for members of the panel. This may be because it becomes too time-consuming as the panel may find it difficult to reach a verdict on a particular candidate and they can be controlled poorly (*Sunoo 1996*)

### **2.1.5 Problems With Interviews**

*Short and Taber (1978)* review the unstructured interview in this article. They look at the reasons why it is unsuccessful and the problems surrounding it. They argue that unstructured interviews tend to leave managers feeling as though the interview was anything but productive. Questions tend to stray from the main issue. Very little information tends to be gathered from the candidate. *Anderson and Shackelton's (1993)* article surveys the problems of the interview process in organisations. They believe that there are many problems surrounding the interview process. One problem is the belief that the interviewer goes into the interview with an impression already formed from their CV or application form. As a result the questions that are then asked in the interview are asked just to confirm the interviewer's initial impression of the candidate. This is known as self-fulfilling prophecy. Other problems with the process include impressions gained in the early point in the interview are then carried through the rest of the interview and also the stereotypical effect. This could be prejudging somebody based on their appearance, race etc.

*Taylor (2008)* looks at the many different problems that occur in all interviews, whether they are structured or unstructured. While they may be lessened in panel interviews, they may still occur as other some interviewers may be swayed by the opinion of one interviewer in particular. The problems that are mentioned by *Taylor (2008)* include the personal liking effect, the halo and horns effect, negative information bias effect and the similar to me effect.

*Rowan (1990)* also looks at problems that tend to arise in the interview process. From the research that he conducted, he found that many of the managers who took part in interviews had never undertaken any form of interview training. Without training, the reliability and validity of the interview process is said to diminish considerably.

Another problem in the interview process as outlined by *Taylor (2010)* is that when it comes to preparing for an interview, the interviewer should familiarise or re-familiarise themselves with the person specification, which should define what kind of individual you are looking for with regards to qualifications, competencies required, experience and personal attributes. It is easy to get distracted from this so it is important that the manager is re-familiarised with the job specification. However this is something that is often forgotten about and managers tend to go into interviews, unclear about the exact competencies required for the job.

### **2.1.6 Referencing**

*Suff's (2008)* article focuses on ways that managers go about checking the background of a candidate. One of the methods that he focuses on is referencing. Suff believes that employers are lukewarm towards references and their effectiveness. Employers see referencing as having a low level of validity and managers don't really believe that this method holds much weight when it comes to hiring candidates. The reasons that they are seen as having little power, according to Suff, is that former employers very rarely give negative comments and a lot of the information provided is factual and doesn't mention the candidates actual suitability for the job. Suff also believes that references are seen as a fall back rather than a formal part of the selection procedure. *Cooper et al (2003)* would appear to agree with this. Their research suggests that referencing

is highly subjective. Employers tend to give fair references to all, regardless of how the employee actually performed. Their research also suggests that managers put very little thought and effort into referencing.

However *Dunn (1995)* is of the belief that referencing is a good way of measuring a candidates past performance and gives a good insight into the character of a person. By using referees Dunn says that organisations should be able reduce staff turnover and increase productivity. *Harshman (2000)* is of the opinion that pre-employment referencing is one of the most important screening tools. He says that it should be used as a device to see if a person suits a certain position. *Campbell and Lefler (2009)* would agree that referencing is an important tool in successfully hiring a candidate. However they believe that referencing is not utilised enough by employers. They say that most references processes are not thorough enough and the person conducting the reference check tends to lack experience in the area of reference checking.

*Tahan and Kleiner (2001)* claim that the main problem with pre-employment referencing is that former employers fear revealing information that may be perceived negatively by the prospective employer and may result in their former employee not receiving the job. This fear is out of fear that they may face legal action from their former employer. They also claim that former employers also fear giving positive references due to the fact that if the employee under performs in their new job they may face legal action from the prospective employer. This has led to a no comment culture, which in their view, has devalued the referencing tool.

*Drysdale et al (2010)* has said that referencing is now one of the most important screening devices available to the prospective employer. While in the past pre-employment referencing would have only consisted of previous job checks, *Drysdale et al (2010)* says that pre-employment referencing now consists of things such as character references, educational and qualification verifications, credit references and criminal record checks. These are said to give a better insight into the candidate and a combination of these processes should increase the validity and reduce the uncertainty of the selection process.

## **2.2 Advanced Selection Techniques**

This section of the literature review is going to focus on some of the selection methods that have a supposed higher validity and reliability rating than that of the classic trio. For the purpose of this report I am going to focus on psychological/psychometric testing and assessment centres.

### **2.2.1 Psychological Testing**

The use of some form of test is a feature of many personnel selection procedures. In order to increase the relevancy and reliability of the test, the designer must conduct a job analysis and other preparatory work which should identify the psychological characteristics that are thought to be good predictors of future job performance (*Peterson 2003*).

*Peterson (2003)* state that if this is done tests will be designed specifically to identify the typical candidate for the role. However, from the viewpoint of the candidate, the rationale behind the selection test may not be as clear. Take for example the machine operator may not be asked to operate machinery but may be asked to complete a general intelligence test. *Wernimont and Campbell (1968)* have argued however, that the predictors or the test should match the criteria for the job. They argue that if you stray away from the job criteria, you may not find out the persons suitability for the job, but rather just their general intelligence. As we have seen from the interviews conducted with the management in Company X (Finance Department) they tend to focus a lot on the persons general intelligence as opposed to their suitability to the job.

To increase the potential success of the interview predictors should match the job specific criteria. *Wernimont and Campbell (1968)* also claim that there should be a point to point correspondence between the predictors and the criteria. The work that they are asked to display should be similar to the work that they will be expected to carry out.

There are a number of different types of psychometric tests that could be used by Company X. *Gunnigle (1999)* outlines some below.

General Intelligence tests are the first mentioned. These types of tests are used to measure the overall and general mental ability by combining sub-scores across a range of discrete tasks. *Gregory (2010)* says that the most commonly used general

intelligence test is the Wechsler Adult Intelligence Scales. This test combines the scores the verbal intelligence test and the performance test to give an overall IQ score.

Aptitude tests are another alternative, measure specific abilities by testing items of graded difficulties. Typical examples of these tests are Numerical Critical Reasoning tests and Spatial Reasoning tests. In comparison to intelligence tests, aptitude tests or cognitive ability tests may be more frequently used for selection purposes for the following reason. Intelligence tests give a global score i.e. two individual can get the same IQ score but may have taken completely different patterns along the way. One may have had a very high verbal intelligence score whereas one may have a very high non-verbal intelligence score and yet they both come out with the same IQ score. On the other hand, aptitude tests are measures of differential ability, which basically means that they measure individual sub-skills in isolation. This allows the tests to be more specifically focused on critical abilities.

Gregory (2010) has outlined attainment tests are the third type of psychometric test. Attainment tests are used to measure previously taught content and it can include things such as reading tests, maths tests and tests that contain specific job content. These tests would typically be used to assess baseline technical knowledge.

Personality tests may be used to measure an individual's preferred style of behaviour and should typically focus on work relevant situations. Examples of this would be emotional balance and drive, task approach and relationships with people.

Simulation exercises cover a wide range of methods whose common features is that a live behavioural response to a presented situation is elicited and then scored by a structured scoring system.

*Armstrong (2009)* proposes that the purpose of psychological testing is to provide an objective means of measuring certain characteristics and abilities of candidates. A good test is one that provides valid data and allows reliable predictions to be made (*Smith and Robertson 1986*). They also mention that a candidate should not be measured on one criterion alone, as this would be seen as

unlikely to represent true accurate performance. Therefore multiple criteria must be measured in order for the test to be deemed valid.

*Toplis et al (1991)* breaks down the area of psychometric testing into two different areas. These are psychological testing and psychological questionnaires. They state that it is important that the area is broken into two because there are distinct differences. Psychological tests give definite answers and can be measured i.e. the better the score, the better the performance. Psychological questionnaires aren't necessarily scored, but rather are used as an indicator to pick up on habitual performance.

*Scroggins et al. (2008)* Looks at the effects that psychological testing has on employees and how it can cause suitable candidates to refrain from applying for positions. Managers who adopt the process of psychological testing must understand that it is of variable quality and that it is a very controversial method. Many suitable candidates have been known not to apply for jobs due to the psychological testing process. *Scroggins et al. (2009)* article is a follow on from the article from above. Personality testing has been heavily criticised due to the fact that it has deemed to be invalid, it does not focus on specific work related criteria and it doesn't predict future work output. Scroggins claims that there are high costs involved in this process. The main reason why the process is deemed to be so controversial is because many people see it as an invasion of privacy and a lack of acceptance of test takers.

*Furnham (2004)* looks at the future of selection methods in this article and looks at what role psychological testing will play in the future. *Furnham (2004)* argues that it is difficult to measure the level of validity when it comes to psychological testing. He argues that the reason behind this is because there are many different demographics. This means that no one test can be universal as people from different cultures will respond differently to the tests, as a result creating inconsistencies. *Hancock (1998)* would appear to agree with this point. She writes that she has concerns that psychological testing may not be as valid as once thought despite its popularity. In her article she mentions that psychological testing may not be the most reasonable way of measuring a candidate's capability.



This is due to the fact that people may fair differently due to their gender or nationality.

Many managers are also misusing psychometric testing as a way to screen applicants i.e. they are using the wrong kind of psychological tests that are unsuitable for the type of candidate that they are looking for (*Humber 2004*).

Other areas that fall within the bracket of psychological testing include ability tests and intelligence tests. *Robertson and Smith (2001)* examine the role that ability tests are now playing when it comes to selecting candidates. They state that ability tests are a fair way of predicting future performance, based on cognitive ability tests. It is also fair to all candidates as they are all faced with the same test, a view not shared by *Furnham (2004) and Hancock (1998)*.

They claim that ability tests work best when they are focused on measuring the specific competencies that underlie intelligence. However criticisms have also been made of these tests. *Embretson (2004)* says that one of the major criticisms is that many candidates tend to under perform when it comes to ability tests, as a result not showing their full potential. *Toplis et al (1991)* believe that intelligence tests are controversial because they say that it is difficult to determine what constitutes intelligence. While *Toplis et al (1991)* would say that intelligence is the capacity for abstract thinking and reasoning, many would disagree.

### **2.2.2 Assessment Centres**

*Winter (1995)* says that activities conducted in assessment centres vary from country to country and that they tend to be a tool used for managerial selection. He describes the assessment centre as an event, whereby candidates are evaluated based on their skills and capabilities. Some of the exercises that candidates may be evaluated on include business simulations, interviews, psychometric tests and questionnaires. Candidates are then assessed on how they performed by other managers within the organisation.

According to *Winter (1995)* assessment centres have long been regarded as the most accurate way of selecting prospective employees and measuring their

potential. He also states that peer evaluation and feedback may be incorporated into assessment centres.

*Moses (2008)* believes that assessment centres can be a useful tool if conducted properly. He stated that in the past they became known as assassination centres. The reason they became known as this was because the people who conducted the assessment centres were untrained and therefore they were poorly conducted.

People who performed poorly in these assessments often felt that they had failed and it had a big affect on their morale and their future conduct. This was further compounded by the fact that they were provided with no feedback. Therefore the candidates were unaware of what had gone wrong.

AT&T were one of the first organisations to give developmental feedback. This may be considered to very important, especially if the assessment centres are being used for internal promotions. A lot of the early emphasis of these assessments was placed on performer ratings. However there has now been a change in what is being assessed. *Moses (2008)* states that assessment centres are now being used less for selection and more for internal development and identifying training needs for senior staff.

*Lance (2008)* talks about how he believes that there are basic characteristics of assessment centres that are universally applicable to all. This something that *Moses (2008)* vehemently denies. He argues that this is one of the main problems when it comes to successfully conducting an assessment centre. He states that there are characteristics that are unique to all assessment centres and that there is no basic framework.

An assessment centre should consist of two kinds of features. These two features are that many types job related measures and behavioural exercises should be used and there multiple assessors to evaluate the process (*Blaney et al 1993*). They also agree with *Moses (2008)* in that they believe that assessment centres should be used to evaluate managers for promotion, they should be used to formulate strategies for improving managers competencies and help identify manager training needs.

They also mention that while no two assessment centres are alike, some of the most commonly used evaluative measures are biographical inventories, vocational interest i.e. aptitude and personality tests, in-basket exercises, leaderless group

discussions, role play simulations and case analyses. Also mentioned is that ideally there should be three to five assessors and that there should be no more than 12 participants.

*Robertson et al (2007)* have said that assessment centres serve two purposes. These are to increase success in the areas of selection and promotion and to develop managerial talent. They state that assessment centres should focus on six dimensions, these being consideration, communication, drive, influencing, organising and planning and problem solving.

*Lievens (2009)* has said that assessment centres tend to be more successful than other selection methods because they focus on actual candidate behaviour. Candidates are then evaluated by trained assessors, which in *Lievens (2009)* opinion, are the most important factor when it comes to determining the likelihood of a successful outcome in assessment centres. It is also vital that candidates are monitored over multiple job related situations. *Woodruffe (1993)* however, questions whether assessment centres are worthwhile for the business. He is sceptical of them in parts and a criticism that he makes of them is that managers who should be looking for specific behaviours when looking at assessment centre activities tend to score candidates that make good first impressions highly, and based on these impressions have little interest in the following behaviours demonstrated.

*Iles (1992)* examines the area of assessment centres in his article and the psychological affects that they can have on employees. He says that assessment centres were increasingly been used to measure employee potential rather than as a selection method. One of his criticisms has been that they can be off-putting to potential candidates of jobs due to the amount of work that needs to be put in. This is a view that is supported by *Blume et al (2010)*. They claim that some candidates may not perform as well in assessment centres due to communication apprehension. This is the belief that individual's may have a level of fear and anxiety with either real or anticipated communication with another person(s). Based on their study it was proven that people who had uneasiness with interacting and communicating with new people often scored lower in assessment centres.

### 2.2.3 Work Samples

*Callinan and Robertson (2000)* state that a work sample is more than just a simple single method approach. They have said that this is one of the best selection methods to predict future job performance. It is one of the fairest selection methods also that give every candidate a fair opportunity to display their ability to perform job related tasks.

However despite all of the positives, there are also negatives. One of the main negative points of work samples is that they don't necessarily measure the general intelligence of candidates. Although it is important that the candidate can perform the job related tasks (*Denner et al 2009*). They claim that both general intelligence tests and work samples should be combined. *Schmidt and Hunter (1998)* agree with this and go as far as to say that all other selection techniques should be supplements to cognitive ability tests.

Work sample tests have been developed and used in a wide range of occupational areas. *Asher and Sciarrino (1984)* have identified two types of work sample test. These are motor and verbal tests.

Motor tests refer to the physical manipulation of things. An example of this is in this study would be the service department whereby the candidates are asked to carry out typical tasks that would be expected of them if they were to get the job.

Verbal tests refer to a problem situation that could be primarily language oriented or people oriented. This may also include a role play situation.

*Robertson and Kandola (1987)* have come up with their own four category system of work sample tests. These consist of psychomotor, job related information, individual situational decision making and group discussions/decision making. Psychomotor is similar to the motor tests outlined by *Asher and Sciarrino (1974)* in that these tests also refer to the manipulation of objects.

Job related information tests examine the amount of information a person holds about a particular job. These tend to pencil and paper tests. These may not be seen as work sample tests in the manipulation sense but they are supposed to test the applicant's knowledge in areas directly relevant to work performance.

Individual situational decision making tests the applicant is expected to take situations similar to those taken in the job. This can be done both realistically and unrealistically using in-tray exercises or they could present the applicant with a series of hypothetical situations and asking how they would respond.

The fourth and final test outlined by *Robertson and Kandola (1987)* is the group discussions/decision making test. These types of test involve two or more people being put together to discuss a particular topic and their performance in the discussion is evaluated. This type of test would be typically used where an individuals contribution within a group setting is important and a determinant of success.

Applicants are expected to perform activities that resemble the job for which they have applied. This tends to be one of the best methods to measure whether there skills match what is put down on the CV. *Smith (1989)* believes that this is the best way to measure the competence of the candidate as they are being asked to perform a task that directly relates to the job that they are going to be asked to perform and that it is the best indicator of future performance. Another benefit of the work sample from the standpoint of the candidate is that it gives them opportunity to assess their own potential and suitability for the job. This is seen as being the most realistic way of providing a job preview and what would be expected of them if they were to get the job (*Robertson 1993*).

Another benefit of the work sample is that it can also be combined as part of an assessment centre.

However from an organisational perspective work samples can be much more time consuming then that of psychological tests etc. however they tend to be less accurate. They tend to be much more demanding on the organisations resources and a lot of time needs to be put in to re-designing them as the job performs to ensure that the information gained is still accurate.

Psychomotor testing would apply to the maintenance department. This can be broken down in the following way:

At the first stage managers should break produce a list of tasks that are carried out, their importance and the level of frequency that they occur. Then other personnel (somebody else who has experience in this area) should also draw out a list of tasks. Following this the managers should then outline a list of major dimensions of work behaviour. The things that should be included are the use of tools, the accuracy of their work and what they felt was the determinant of effective and ineffective performance. Critical behavioural incidents should be identified by each of the experts. At the end of this stage in the process the two managers should come together and discuss any difference of opinions that they may have.

The information provided in the previous stages is compiled and used to determine which tasks should be used as work samples. Only the tasks that were common in the first two stages should be considered. The tasks that are chosen should also be chosen as the ones that are critical to successful job performance.

In the fifth and final stage the tasks should be analysed in detail to identify the various approaches that might be followed by an applicant and scoring weights that are going to be assigned based on the experts judgements. According to *Campion (1972)* these steps have a much higher validity rating to that of the pencil and paper tests.

# Chapter 3: Hypothesis

### 3.0 Aims & Objectives (Hypothesis)

The aim of my dissertation is to evaluate the selection methods that are currently employed by Company X. From a short phone call with the general manager I was able to learn of the areas where they were currently ineffective and inefficient. He outlined the departments that have been successful in hiring new candidates and the departments that have not.

The four departments that I will be examining in this report will be the Finance and Customer Service Departments which use the classic trio and the Marketing and Maintenance Departments which use work samples. I will explore as to why these departments of Company X use different selection methods as opposed to all using the same. This has led to a very uncoordinated approach and I am interested to see if this is central to the problem. This will be done by interviewing the respective managers in each department to see what selection techniques are currently being used and then to measure the staff turnover rate that is attributable to the selection techniques i.e. the classic trio as opposed to work samples.

I plan to compare and contrast the fortunes of these departments and compare how reliable each department's selection methods are compared to that of the theory. If the turnover rate is high in some departments, I will look to advise each manager on areas which can be improved upon and see whether the general manager would be open to the idea of using different methods of selection. I plan on evaluating the selection methods firstly by assessing the methods that they use and then by measuring the turnover rate. The turnover rates are broken down into the reasons why the employees have left and the length of their service. Finally the performance levels of the employees will be assessed.

The objectives of my dissertation are to identify what the current problems are in the selection process are, and to advise Company X on some improvements that need to be made with regards to the current selection processes so as the problems are remedied e.g. maybe they could look to use psychological testing etc.



Another objective of this dissertation would be to examine whether it would be feasible for Company X to use more advanced selection methods or would it be too costly i.e. training costs, is the company too small, are there only small changes required to the current selection process. Another thing that I look to examine is whether or not the managers in Company X whose current selection methods have not got high levels of success would be open to the idea of changing the selection methods that they use.

The measurements that I will use to assess how successful the selection methods are will be to measure the turnover rate in each department that may be considered to be attributable to the selection process and manager feedback as per the performance of the employees in the first six months of employment. The reason that I have chosen to measure the turnover rate attributable to selection is because *Armstrong (2010)* mentions in his research that one of the main indicators of unsuitability to a job is that the new employee tends to leave within the first six months. He says in his research that this happens to roughly one in five people.

# Chapter 4: Methodology

## 4.0 Methodology

I intend to conduct my dissertation in a case study analysis approach based on Company X, which operates in the home appliances sector. A case study analysis refers to a research strategy that involves an experiential investigation of a particular modern phenomenon within its real life context, using multiple sources of evidence (*Robson 2002*).

I chose a case study approach because it helped me gain an understanding of the context of the research. Also a case study approach allowed me to use different sources of evidence, which in my case, was conducting interviews and a statistical analysis. This was a very good way of exploring the existing theory and it helped me challenge the existing theory with my hypothesis.

While I have taken note that primary research has a part to play in this dissertation, it is important to emphasise the importance of secondary research. Secondary research is based on the analysis of either quantitative or qualitative data. Typically secondary research entails the analyses of data that others have collected. *Bryman and Bell (2011)* have outlined a number of advantages of conducting secondary research. Firstly, they say that secondary analysis offers the prospect of having good access to high quality data. Secondly, data sets that are employed most frequently for secondary research tend to be of really high quality. The reason they can be considered to be of such a high quality, take for example journal articles, is that they are subjected to rigorous sampling procedures and are reviewed by peers, thus guaranteeing that they are of high quality.

### **4.1 Methods for Research Collection**

While trying to decide on a structure for my research for this dissertation, I decided to try follow the model for research collection that was outlined by *Prasad (1993)*. This consisted of a number of steps that are outlined below.

The first step for data collection is to draw up general research questions. In order for me to do this, I required a basic understanding of the theory surrounding the selection process. Having gained this understanding, I was then able to draw up some basic and general research questions.

Having completed this step I then proceeded to select relevant sites and subjects. The idea here is to find out where you can expand on the theory. In my case, this was recognising that there was a problem with the selection techniques in Company X. This was a problem that was relevant to the area that I was studying and therefore could be considered a relevant site/subject.

When I had decided upon a relevant subject, I then went about collecting relevant and up to date data. According to *Prasad (1993)* symbolic interaction rests upon the assumption that every organisational situation is likely to be filled with multiple and frequently conflicting interpretations and meanings. This in turn requires multiple research methods. In the case of Company X, I needed to use interviews to find out what kinds of selection methods were being used. These interviews were a good way of finding out different managers interpretations of what they felt was right. To compliment this, a statistical analysis was used to prove whether there claims were substantiated.

The fourth step of this model focused on the interpretation of data. This approach to the analysis of data may be described as being based on techniques of grounded theory. This refers to how data collected how data collected within the organisation (incidents and events) can be grouped together and then they can be measured and see how they relate back to the theory.

The fifth step of this model looked at building a conceptual and theoretical framework. Having shown how the data collected relates to the theory, I could then begin to start drawing up my framework and tightening my research questions i.e. make them more specific. When I had completed this task, I could then go about collecting more data to strengthen my research. *Prasad (1993)* notes that it is important that this corresponds with the grounded theory.

The final step in this model concerns writing up of my findings and conclusions. These may be considered the most important areas in the report as it is the stage where the credibility and significance of the report come into question. *Prasad (1993)* says that the salience of what researchers have seen and heard has to be impressed upon an audience. This should be done by making clear to the audience

that the methodology has implications for use in a variety of different organisational situations.

Outlined below is how I tried to put these steps into use.

#### ***4.2 Mixed Methods Approach***

In conducting my research for my dissertation I plan to undertake a mixed methods approach using both qualitative and quantitative methods to collect data. It can be beneficial to use more than one research method when conducting research. I decided to use a mixed methods approach as it allowed triangulation to take place. Triangulation refers to the use of different types of data collection methods in the one study. One data collection method should help compliment the other (*Saunders 2009*). By using the mixed method approach I felt a greater level of confidence could then be placed in my conclusions. Triangulation in my proposed dissertation refers to the use of interviews to establish the selection methods in use. This will then be complimented with the statistical analysis which will either prove or disprove the theory and will allow me to determine how many departures in the organisation can be said to be attributable to the selection process.

One of the advantages of using a mixed methods approach will be that it allows me to use different methods for different purposes over the course of this study i.e. I will be able to use interviews with each manager to determine the selection process that was used and the improvements required, while I was able to use statistics to measure the staff turnover rate that was attributable to the selection process.

#### ***4.3 Qualitative Methodology***

Qualitative information makes assumptions that the topic being researched has plenty of information and is context based. As a result of this the topic area requires examination in order to uncover the true nature of the topic area. Qualitative data relies on inductive reasoning. Inductive reasoning is the idea of how no impression or concept is determined until after the research is undertaken (*Horn 2009*). The idea of this is to get a feel for what you are researching (*Saunders 2009*). The outputs of qualitative research tend to be the accounts of

participants views and experiences and they tend to be more flexible. There is also less of a concern when it comes to generalisation. Interviews therefore are the most common type of qualitative research.

*Horn (2009)* outlines the two main types of interview. These are structured and unstructured. He says that structured interviews often resemble that of a questionnaire in that all interactions revolve around predetermined questions.

However as you move down the scale towards unstructured, more periods of interaction occur. The more unstructured the interview, the less predetermined questions there are. *Saunders (2009)* says that in an unstructured interview there are no formal questions, but rather it is like a discussion amongst the interviewer and the interviewee.

I will be able to gather my primary qualitative data through semi structured interviews. These will be on a one to one basis. The reason that I chose semi structured interviews was because it allowed me to set out few predetermined questions but it will also allow for interaction with the interviewees. This will allow me to explore further beyond the initial boundaries of my schedule and will allow the interviewee an opportunity to elaborate on their answers.

These interviews will be conducted during a three day period between in the month of June, but as of yet no dates have been decided upon. I will conduct 5 interviews in total. The reason that I chose semi structured interviews is because they possess characteristics such as being exploratory in nature, they use natural and existing settings and contexts, produced specified data and the research findings were specific to the context.

I feel that semi structured interviews are a good way of examining a well-researched area a fresh, in an exploratory manner to see if the classic trio is successful in Company X, and what are the reasons for success or failure. I also intend on investigating whether managers in Company X would be open to the idea of using more advanced selection methods to help improve the success of selecting candidates.

I am currently in the process of drawing up my interview schedule. In order to draw up my pilot interview I am required to conduct basic research on Company X. Having done this I will then be able to draw up my pilot interview schedule which will have to be tested by two different adjudicators who will help me determine whether any changes need to be made. This will be used as a trial to see whether the interview questions were suitable and whether they were clearly understood.

While conducting each interview I will use a Dictaphone which will enable me to listen rather than to take notes. The aim of my interviews will be to establish exactly what selection methods are being used, not all departments use exactly the same, the structure of the interviews used and the importance that each manager placed on each area of the classic trio. I will also look to investigate how open they are to using more advanced selection techniques and what they currently know of them.

One alternative research method that I did consider at the beginning of this report to collect qualitative data was the use of a mini focus group. *Zikmund (2000)* states that this type of interview is relatively unstructured. It also tends to be free flowing in nature. In order to have conducted a mini focus group I would have had to have taken the role of the facilitator and set out the themes that the group would have had to discuss.

However one of the main problems that tend to occur with group interviews is that one or two people tend to dominate. This is known as group effect. As a result people tend to agree with them despite it not being their own view or are not as forthcoming with their views. In the case of Company X, my belief was that some of management would have been less forthcoming about their selection techniques in front of their peers, especially if there was a high turnover rate in their department.

Another alternative method that I did consider when gathering qualitative data was using questionnaires. Questionnaires are commonly used in case study research strategies according to *Saunders (2009)*. Questionnaires tend to be a list of questions that are set out in a predetermined order and that can be filled out by the person answering or by the person who designs the survey.

The reason that I chose not to use questionnaires is that the questions posed tend to be closed questions and therefore it does not allow for interaction with the person answering the questionnaires. Therefore it would have lessened the scope for exploration.

When it comes to collecting secondary data I will be using a combination of relevant journal articles and books.

#### **4.4 Quantitative Methodology**

Almost all research will involve some sort of numerical data. Quantitative data can range from simple counts such as frequency of occurrences to more complex research methods such as test scores. In order for quantitative analysis to be considered useful, it must be interpreted and analysed. Due to the fact that I conducted a statistical analysis, the figures were presented to me by Company X; I only required the use of a spreadsheet.

According to *Horn (2009)* quantitative research collects predominantly numerical data and tends to rely on deductive reasoning. Deductive reasoning refers to forming a view about the likely nature of something and then tests to see whether this is true or not. In order to conduct this type of research, you require in depth knowledge of theory and the literature in the area.

Deductive reasoning will apply to this report when I am trying to gather knowledge about the level of success that Company X is having using the classic trio. According to *Smith et al (1989)* structured interviews have a validity rating of 0.33 on a scale of 0 to 1. My aim is to examine the recruitment records of Company X to see whether their turnover rate was in line with that of the theory and literature proposed by Smith et al (1989). I decided to compare these through the use of statistical analysis.

This will be done by measuring the number of people who were hired in each department (marketing, finance, customer service & service) over the course of the last ten years i.e. 2000 to 2010 and the turnover for that department and what was the cause of that employee leaving. Pie charts will be used to give a visual aid as to the turnover rate, and then this data will be interpreted and analysed. The



pie charts will be divided into proportional segments according to the share that each segment has of the total value. I am going to make sure that there are no more than six segments in each pie chart as it may become difficult to interpret (Morris 1999). A pie chart will be provided for each department. In comparing turnover rate attributable to the selection process I will use percentages.

I feel as though the statistical analysis was the best of source of information as it allowed me to break down the turnover rate for each department. I was also provided with figures based on the length of service of the employees hired and also their performance levels were also measured. These factors were all used to determine whether a dismissal etc. could be attributable to the selection process. The turnover that was attributable to the selection process could then be measured against the amount of people hired over the same period and this was then measured against the theory. This is how I planned to evaluate the selection process.

# Chapter 5: Findings, Analysis & Discussion

## 5.0 Findings, Analysis and Discussion

In this chapter I am going to discuss the information that I gained through the interviews that I conducted and the statistical analysis that I was provided with. The interviews were a good source of primary data. I used these to find out what processes were used and the format of each departments selection process. This was a good way to determine potential problems that may arise.

The statistical analysis was used to compliment this data. This was used to either prove or disprove whether poor selection procedures led to a high turnover in that department. Based on this information I could then evaluate whether the selection procedures were appropriate or whether they needed rectifying, how much of the organisations resources were being used or wasted and changes that needed to be made i.e. maybe they would be open to change and use different selection methods.

### ***5.1.0 Exploration of the Selection Methods Used by Company X***

In this section I am going to discuss the different selection methods that are currently being used by Company X. This is an in-depth departmental analysis and is broken down into each of the selection methods that each department uses. The departments that were examined were marketing, finance, customer service and service maintenance. The findings of this study can be found in Appendix C.

#### ***5.1.1 Departmental Analysis - Overview***

It is apparent from my study that there is an uncoordinated approach to the selection of employees in Company X. The first question that my interview posed was to give a basic outline of the selection process that is currently being used in their department. In total there were four departments that were being assessed.

From the feedback that I received it became apparent that the classic trio was used by each department in some form or another. Some departments also added other techniques to the process such as work samples (service department and marketing).

The application process followed suit where there was also an uncoordinated approach. While all positions in each department were made available to internal applicants through the intranet i.e. current employees, the marketing and finance departments also used recruitment agencies and advertised the position in the National Press. The service department on the other hand advertised through the internet on recruitment websites and operated on a first come first served basis i.e. the first candidate that was deemed to be suitable to the role was invited for an interview and if they were successful at the interview stage they were offered the job. No other candidates would be interviewed. The customer service department used the same method for advertising their posts but they would accept CV's and then it would be up to the manager to then short list the candidates. They are then interviewed and the manager deems who is the most suitable candidate and they are then offered the job.

When it comes to the finance and marketing departments the recruitment agency short lists a group of candidates and the departmental managers manually process the application forms and CV's that they have received from applications through the National Press. Management then proceed to short list the combined candidates to roughly about four and these are invited to interviews.

Each department admitted to conducting pre-employment referencing, however, interestingly some believed that references carried very little weight while others said that it was a very important part of the selection process.

### **5.1.2 Application Forms**

In his research *Murphy (2008)* says that the use of CV's in small private sector industries tends to be common place. From the research that I conducted this would appear to be true. Whilst Company X do use application forms, they are of the opinion that these are unreliable and that they leave them with many unsuitable candidates, a view shared with *Smith and Robertson (1993)* (see lit. review section 2.2). The service department manager has also said that the application form that has been designed by the company is too broad and poorly designed. *Jenkins (1983)* has said that a poorly designed application form can lead to a high staff turnover rate. This is one of the reasons why Company X also

encourages applicants to send their CV's and Company X uses a recruitment agency.

There are differing views when it comes to using CV's. While the finance, service and customer service departments accept CV's, management in the marketing department are of the opinion that CV's tend not to be specific enough to the job on offer and it allows candidates to inflate their strong points while trying to cover up their weaknesses, "One negative thing that I find with CV's however is the fact that people tend to inflate their strong points and do not give an honest opinion of themselves. As a result very few can live up to their self-perceived image in an interview" (Marketing Manager). However despite this the marketing department still accept the CV's that are sent through from the recruitment agency. *Armstrong (2010)* commented that even the use of a recruitment agency may not lessen the amount of bad selection decisions as the final decision still comes down to the department manager. However he does accept that the use of a recruitment agency does lessen the chance of unsuitable candidate making it to the interview stage.

This would appear to support the view of *Jenkins (1983)* (lit. review section 2.2). This is one reason why he said that he does not support CV's. The other reason that he put forward was that application forms in his opinion application forms tended to be more job specific. However, *Armstrong (2009)* puts forward the argument that the CV is an opportunity to put forward a clear piece of communication and that it is common for private sector companies to accept CV's.

The manager of the finance department is also of the opinion that Company X is too small and do not receive enough applications to warrant setting up an electronic competency based application form.

### **5.1.3 Interview Structure**

#### ***Finance And Customer Service***

From the research that I have gathered through the use of interviews it became apparent that the customer service and finance departments used a similar structure when it came to the interview process in that they both hold interviews.

However whilst the finance department used two interviews and held them on a two to one basis, the customer service department only held one interview before coming to a decision and their interviews were held on a one to one basis and as a result there was less subjectivity.

In the first of the finance department's interviews, the interviewer said that they had a list of pre determined questions upon entering the interview, but that they did allow for interaction. Candidates across the board appear to be questioned on their qualifications and their previous job experiences, the roles that they played in the organisation etc. Interviewees would also be asked situational and behavioural questions during the course of the interview - this is what makes up a competency based interview according to *Pulakos (1995)*.

*Jackson (2000)* says in his research that competency based interviews are not as reliable as many suggest and that the answers to many different situational and behavioural questions can be learned off. When the finance manager was quizzed about these issues he replied, "I have used these since I began interviewing and in my opinion I believe that they are a good way of predicting the future behaviour of the prospective employee".

The customer service department score their interviewees on a matrix scoring chart and the employee with the highest is then made a job offer pending two references and a pre-employment medical. However this system is flawed and this is a few that is supported by *Kerfoot et al (1989)* who examined the benefits of having an effectively structured interview process in a hospital. They found that it is important to fill a job vacancy first time around due to the fact that it can be very expensive to hire the wrong person i.e. overtime, loss of productivity. They felt that the decision on which candidate was hired should not fall on the shoulders of one person, but rather it should be a group decision. I believe that this does not just apply to a hospital but also to any industry.

In the finance department the second interview is more in-depth and it focuses more on the vacant position. Again two candidates who scored the highest in the previous interview are invited to the second interview. Key responsibilities of the job are outlined and ask the candidate on how they would manage these

responsibilities of the job and they are assessed and scored based on their responses. Finally working arrangements are discussed before a candidate is made an offer. A conditional offer is then made to the candidate based on a medical and two previous job references.

### ***Marketing And Service***

While the marketing and service departments use the classic trio, they also combine these processes with a work sample. Each department only use one interview when it comes to hiring prospective employees.

The marketing interview is made up of pre determined questions. In this interview process the interviewee is given background to the company. They are then asked to list their qualifications and their previous job roles and they are told of what the job entails. The interviewer then continues to ask situational questions whereby candidates are scored. Candidates must reach a certain target to be considered for the job. If no candidates reach the target score the application process begins again from scratch. If a number of candidates surpass the target, the candidate with the highest score is offered the job.

The employees with the highest two scores are then invited back to develop a marketing concept. They are given a couple of weeks to develop this concept and they are then scored. The candidate that develops the best concept is then offered the job. This is the best way of measuring the candidate's competence and suitability to the job (see lit review Robertson 1993).

The service department also only conduct one interview also on a one to one basis. The candidates are measured on things such as communication and their own presentation. These factors are seen as being important due to the fact that the prospective employees will be dealing with customers face to face and it is important that they represent the company well.

Candidates are also asked a number of situational questions. These are based on situations that the candidate would be likely to encounter should they get the job. No scoring matrix was used here. It is entirely up to the interviewer to manager to make the call on whether he sees the candidate as suitable to the job or not.

The second part of the process requires the applicant to take part in a work sample. According to the service manager, “This measures whether they are capable of what is required of the job. This may include changing the parts of some of our appliances”. *Smith et al (1989)* says that work samples have the highest validity of all selection methods (0.38-0.54) (see Appendix A). This significantly increases the likelihood of a successful selection process and this should make up for the fact that only a one to one interview is conducted in this department and lessen the risk of hiring an unsuitable candidate.

#### **5.1.4 Job Analysis**

*Taylor and O’Driscoll (1995)* explain how job analysis is vital when it comes to designing an interview. They claim that the first step should be to conduct a job analysis using the critical incident techniques. The critical incidents should then be turned into “what would you do in this situation?” type questions. The heads of departments should then develop a rating scales based on this job analysis.

All four managers said that they conduct a job analysis once a position opens up. The common trend amongst the rest of the company is to assess the role when a person leaves. They check to see if there are any changes in the aims and goals of the position. If the position needs to change direction and requires a new type of employee that possesses new competences, they are required to go to senior management and justify the reasons and potential costs of the change in direction. The relevant manager can then go about drawing up a relevant and new job specification.

There are a number of techniques that are used to determine the key tasks of the vacant role. All managers felt that it was important that the consult with employees who work in similar roles day in day out as these tend to be the people who best understand the role. The marketing manager felt it was important to observe tasks being performed whilst the customer services manager looked for a second opinion from his assistant when drawing up a list of critical tasks.

If the existing role is going to remain the same, the relevant manager does a review of the business needs and then draws up a job specification.



### **5.1.5. Candidate Suitability to the Job**

Candidate suitability to the job is said to be of great importance if you are to reduce the staff turnover rate. *Dipboye (1992)* says that interviewers can often get caught up comparing candidates to each other rather than focusing on what the job requires. As a result, the interviewer may end up hiring what appears to be the best all round candidates, but that in the end, the candidate ends up being unsuitable for the job. The job analysis should set out the tasks that are critical to the role and this should allow managers focus on the competencies for the job. This should then make clear the ideal candidate for the job. I believe that this is one of the main problems with the selection process, the job analysis is not accurate enough and as a result unsuitable candidates are then being hired.

The common theme amongst the service, marketing and customer service is that managers look to hire the candidate with the highest suitability to the job i.e. the candidate that they feel possesses the adequate competencies to successfully perform the job.

However the finance manager is an exception to this. He believes that it is important to look at the candidate's qualifications and educational backgrounds. He was of the belief that "employees that possess talent can pick up on things quickly and can be trained into these positions. They can specialise in a number of areas. Flexibility is becoming increasingly important". General intelligence is quite important with the finance manager and belief that these candidates can then be groomed into the role.

### **5.1.6. Work Experience**

The managers of each department were asked how much importance they placed on work experience. The finance manager states that while there is some level of importance placed on work experience, they are open to take graduates on for work experience with the view to hiring them on a permanent basis. Customer service initially didn't place a lot of importance on work experience. However the manager blamed some of the high turnover rate on not hiring people with previous work experience.

There is a big contrast so when it comes to the other two departments. The marketing department believe that a combination of a strong academic record combined with relevant work experience is very important. Ideally they will look for at least two years relevant work experience. The service department place the most importance on work experience. They rely heavily on people that have relevant work experience in the same or similar industry. They tend to look for at least three years experience. The service manager believes that this increases the likelihood of hiring a suitable candidate.

### **5.1.7. References**

I found the responses to referencing very interesting. The marketing and sales department were of the view that while referencing was an important part of the selection process many former employers were very uncooperative and either didn't want to give references or they gave everybody a good reference. They said it was important to get references into previous behaviours but that it did not always prove easy. This stance would appear to support the view of Campbell and Lefler (2009) (see lit. review section 2.7). Both of the managers involved here said that they would typically look for the references of two previous employers and would also look for a medical cert saying that they were fit for work.

Finance, customer service and service departments were not as sceptical. They too recognise the importance of pre employment referencing. Whilst customer service and service managers said that they find the majority of previous employers' cooperative, they still admit that they do encounter problems on occasion. The finance manager says that sometimes you have to read between the lines, "My belief is that any hesitation in giving a verbal reference can be interpreted as negative response to the candidate's suitability".

Both finance and customer service look for one previous employment reference, while service look for two previous employment references.

However Drysdale et al (2010) would argue that the references that are being carried out by Company X are not in depth enough. *Drysdale et al (2010)* has said that referencing is now one of the most important screening devices available to the prospective employer. While in the past pre-employment referencing would

have only consisted of previous job checks, he says that pre-employment referencing now consists of things such as character references, educational and qualification verifications, credit references and criminal record checks.

#### **5.1.8. Advanced Selection Methods**

The main departments that this focuses on are the finance and customers service departments. I believe that the introduction of advanced selection techniques to these two departments would significantly increase the reliability. However first of all I believe that we have to look at the feasibility of using certain selection methods.

##### ***Finance***

The three advanced selection methods that I have examined in detail are assessment centres, work samples and psychometric testing. It is important that we measure the viability for each method. Much of the research that has been conducted on assessment centres state that now days they are predominantly used for hiring new management and for assessing the training needs of management according to *Winter (1995)*. It can also be used as a developmental tool. *Robertson et al (2007)* states that they can also be used for manager promotions.

However I do not believe that it would be feasible for the finance department to use assessment centres. The reasons that I believe that it would not be feasible is that assessment centres can be time consuming and costly. Ideally there should also be five assessors (*Moses 2008*). The finance department would be much too small to conduct an assessment centre and it would put too much of a strain on its resources.

The second alternative would be a work sample. While this works in the marketing and service department, I don't think that this would be feasible in the finance department. It would not be possible to draw up an appropriate work sample for this department as work tends to be less practical.

I believe that the most feasible option for the finance department would be to use a psychometric test. There are a number of different tests that could be designed to suit the needs of this department. The finance manager has said that he values

general intelligence. According to Gregory (2010) the most commonly used general intelligence test is the Wechsler Adult Intelligence Scales. This test is used to measure the IQ of a candidate. Another test that may be deemed relevant for this department would be a Numerical Critical Reasoning test. This would be relevant to the department as candidates would need good numerical skills to work in finance. These tests should compliment the classic trio and increase the reliability of the selection procedures used in the finance department. I would use these tests as opposed to personality tests etc as mentioned in the literature review section 2.2.1 they may be considered controversial and they will provide little information about future job performance but rather preferred working style.

### ***Customer Service***

While the customer service department manager said that he was open to using more advanced selection methods, he said that he felt that this was not the most important area that needed top change. However I believe that using psychometric testing to compliment the classic trio and increase the reliability of the selection process.

The reason that they should use psychometric testing is that I don't think it would be feasible to use work samples or assessment centres. Firstly, it would be impractical to use work samples as there is not practical work that could be measured by the work sample. Secondly it would not make sense to use assessment centres for this department as the department does not have the resources and it would be too costly considering the majority of employees are only semi skilled part time workers.

I believe that this department would also benefit from using psychometric tests. However maybe the use of aptitude tests may benefit this department more then say numerical tests. General intelligence tests may also benefit this department. The design of these tests is also quite important. Each department should have their own specific tests which measure specific competencies.

### **5.2.0. Validity of the Selection Methods in Use**

The staff turnover rate is one of the main ways that I have used to try and measure the reliability of the selection process. One of the ways that I used measure the candidates' suitability to the job was by measuring the length of the candidates service. One of the reasons that I felt that this was an important way of measuring suitability was because Armstrong (2010) mentioned in his research that many employees that may be deemed unsuitable to the job tended to leave within the first six months of employment. I will therefore breakdown how long each employee was employed for before they left and I will also look to examine what the reasons were behind the employees departure i.e. were they forced to leave or did they leave at their own accord. I was able to gather this information as the finance, marketing and maintenance departments conducted exit interviews with these employees.

I have also been provided with basic performance ratings for the employees that have been hired over the past ten years. This will also help determine whether or not the employee was suitable for the job or whether this may have been picked up during the interview process.

My statistical analysis consists of the selection records over the previous ten years running from 2000 to 2010. Each of the four departments have been broken down into the following categories:

1. Remaining
2. Redundant
3. Left
4. Dismissed
5. Other

A pie chart will be used to display the statistics and then I will interpret these statistics into facts.

### 5.2.1 Marketing Department



The marketing department was only set up as an independent department in 1999. Up until then there no specialists in this area. However, Company X decided to adopt an aggressive marketing approach and decided to hire people who specialised in this area.

As you can see from the data above five people have been hired in this department since 2000. Of the five people that have been hired three people still remain and two have left. Exit interviews were conducted with these two employees upon their departure.

Employee A was the the most recent departure from this department. Having been hired in February 2010 he had only been been employed in this department for 8 months before his departure. Upon conducting the exit interview, Employee A stated that he had received a better job offer that was closer to home and that he had been offered a substantially better wage. The marketing manager commented on this by saying “We could not compete with the offer that the other organisation had made. We were willing to increase his benefits but we could not match the other offer. Up until this point his performance had been completely satisfactory. We were disappointed to lose an employee with his experience and his high standards of work”. Based on this reaction from the marketing manager, it may be deemed that this employee was a valuable member of marketing team and that they disappointed to lose somebody with so much experience. I believe that this departure could not be seen as being attributable to the selection process as it would have been difficult to have foreseen this happening.

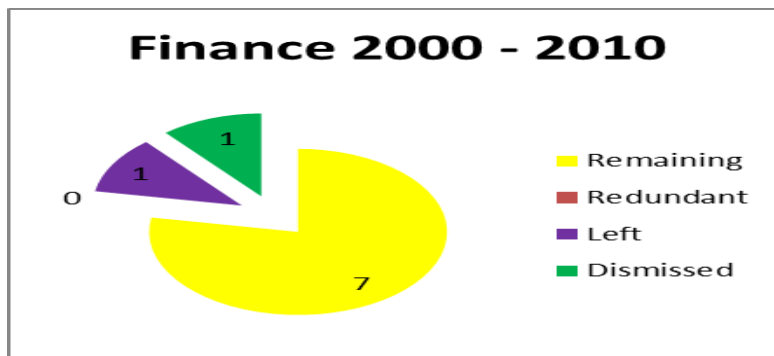
The second employee to leave the marketing department (Employee B) had served in this department for only four months before her departure in May 2008. An exit

interview was conducted upon her departure. In this she cited that her demands were not being met and that she, and the company, were travelling in two different directions. The marketing manager commented that “This employee had very little practical experience but had a very strong academic standing. Usually we look for experience but we decided to take a gamble. Her interview was of a very high standard. The concept that she brought back to us was also satisfactory. However, despite an impressive first couple of weeks her performance soon began to deteriorate. We conducted a performance appraisal after 3 months and we determined that her performance was below par. We were willing to give her an additional three months to show improvements. However she did not last this long and decided to look for work elsewhere. I think it was best for both parties. I’m not sure if marketing was the best role for her.”

Based on this evidence the employee may have been deemed unsuitable for the role. Her performance was considered to be substandard for the initial three months which would indicate that she was not suitable to the job. This would suggest that this may have been attributable to the selection process. *Taylor (2008)* outlines some of the things that may influence the interviewer to choose an unsuitable candidate. These include the personal liking effect and the interviewer's first impressions of the candidate. During the period from 2000 - 2010 Company X's turnover rate was 40%.

However only one of the employees (20%) who left would have been seen to be unsuitable to the job and therefore some level of blame could be directed towards the selection process of the marketing department.

### 5.2.2 Finance Department



The information that I have been provided with shows that the finance department have hired nine people between the years 2000 - 2010. Of these nine people seven are still currently working with the organisation.

Only two people who have been hired in the finance department have left over the last ten years. The first of these 'Employee E' was only employed in Company X for two months before he was dismissed during his probation period. The finance manager stated that there was no reason to conduct an exit interview for this employee as the reasons for his departure were "fairly clear". He says that "there were problems with this employee from the beginning. He made derogatory comments to some of the staff. He was never on time for work and refused to help any of the staff. He was impossible to work with." The finance manager admitted that he made a big mistake for hiring this employee and he accepted the blame for this. He said that his performance was completely unsatisfactory and that he was completely unsuitable for the job. The finance manager pointed out that he did not conduct his search for references properly (looked for two previous work references but only got a reply from one and did not pursue a second having initially not gotten a reply) and believed that this is the main thing that led to him making this poor decision.

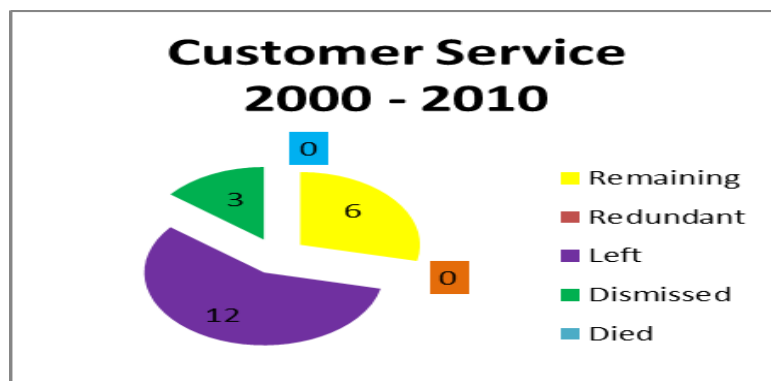
The second employee who left, 'Employee D' cited that work related stress was their reason for leaving the job. They had been in this job for one year and two months. The finance manager said that Employee D's performance appraisals had been satisfactory. However he did state Employee D's performance did begin to deteriorate in the month that they left the company. The finance manager also stated that he believed that they could not have foreseen this as they conducted



all of the relevant steps i.e. they conducted a pre-employment medical, and they referenced previous employers. Also the employee had no previous health issues. However the employee was never employed a senior position before, a position that they held in Company X. This would have been one thing that the finance manager should have looked out for.

Results show that the finance department has had a turnover rate of 22% over the past ten years. Of the two people dismissed, one (14%) of these could definitely be seen as the result of an ineffective selection process. The other may also be interpreted as having an ineffective selection process.

### 5.2.3 Customer Service Department



Over the last ten years there has been twenty one people hired in the customer service department. This is the highest number of any of the other departments. However only six of the twenty one people hired are still currently working in the customer service department. One of the things that should be taken into account is that of the 12 people that work in this department, 9 are part time employees (75%). The customer service manager believes that this is one of the main reasons behind the high turnover rate. He stated that “part time roles were more likely to have a higher turnover rate. Many of the people who have worked in this department have gone on to work in full time employment following their part time role here.”

The customer service manager has also mentioned that as of the beginning of 2010, they will be cutting down the number of part time roles and they will be offering full time roles in their place. This is going to result in redundancies that have not been covered in this report.

From the statistics that I have been provided with, nobody had been made redundant in the previous ten years. However there have been three people dismissed in these previous ten years. This is the only department that did not conduct exit interviews with all of its employees who left.

The first employee (I) had been working for the company for 2 years before they were dismissed. As the manager recalls, “Initially we had no problems with this guy. His performance had been as good as we could have hoped for for the first six months. However once his probation period had ended his performance began to deteriorate. We had a number of complaints from a number of customers about his attitude. He received three written warnings before he was dismissed. He was given the opportunity after each warning but his performance never improved.” This information would indicate that he was unsuitable for the job. This is proof that people that are unsuitable to a job can remain in the job for longer than six months *Armstrong (2010)*.

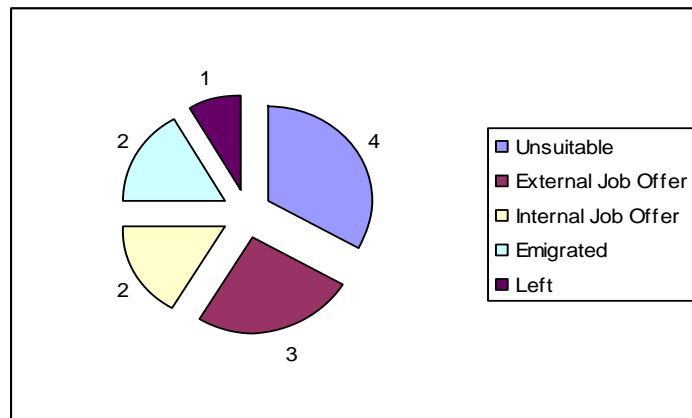
Employee J was the second employee to be dismissed and had been employed with the company for two months before they were dismissed. The manager cited that she had a complete lack of interest in the role and that her performance levels did not meet the standard required. He said “she was told that her performance wasn’t up to scratch after one month. I could tell by her behaviour that this didn’t bother her. We gave her another month to see if she would improve. However no improvements were seen and she was dismissed.

Employee K is the third employee to be dismissed from this department after spending only four months in the department. The reason that was cited for their dismissal was gross misconduct. This employee was dismissed because of unsatisfactory performance levels. “This employee had poor communication skills that we did not pick up on in the interview process. As communication is vital in our department, we had no choice but to let this employee go.

All three of the dismissals above could be attributed to poor selection decisions. However there is no surprise here really considering they use the most basic techniques of all the departments and that they only conduct one to one

interviews in this department. Therefore these poor decisions fall solely on the head of the customer services manager.

There have been twelve people who have left this department also. These can be broken down in the following way:



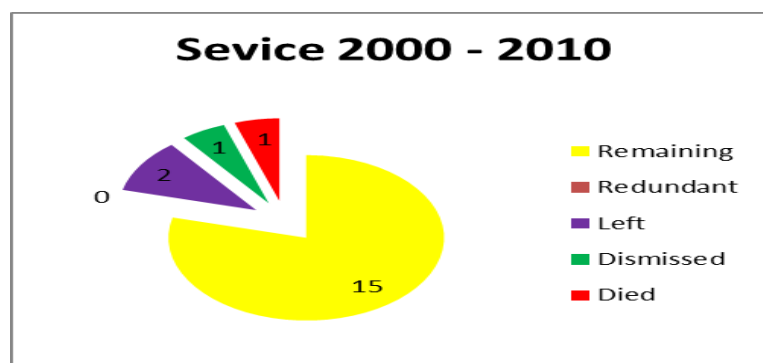
There have been four people who have left this department that the customer services department. As the customer services manager stated “These people were not cut out for sitting out in an office, or so they said when they were leaving. They mentioned before they left that this was not a job that they were suited to and they were leaving to search for alternative work.” These four departures could all be attributed to the selection process as the employees were unsuitable for the job and the interview, had it been designed properly should, should have hinted at this. The manager also mentioned that while the performance of these employees was satisfactory for the most part, they tended to only work to rule and never worked above the required standard.

One employee in this department left the department on maternity leave (‘Left’ on the diagram) and never returned to work. Two employees left the company to emigrate while a further two employees were offered full time roles in different roles in the organisation. The final three employees left the organisation to take up different roles in alternate organisations.

The customer service manager mentioned that all of the above employees, excluding the four deemed unsuitable, had all performed to a satisfactory level up until they left the organisation.

The employee turnover rate, for those who were hired in the years 2000 - 2010 was 71%. Of the fifteen people who have left the company, seven (47%) of these could be attributed to the selection methods in place. If this is taken as an percentage of the overall number of people hired it is one third (33%).

#### 5.2.4 The Service Department



Over the last ten years nineteen people have been hired in the maintenance department. Of the nineteen that have been hired, fifteen of these employees are still currently employed by Company X. There are a number of different reasons as to why the four employees left the company.

Employee E who worked in Company X in the maintenance department died. Employee F who worked the company for eighteen years retired in 2006. The maintenance manager described this employee as a hard working professional who always worked to a high standard. Although the maintenance manager was not at the company when Employee E was hired, he stated that his performance levels were always satisfactory.

Employee G was working in Company X worked in the organisation for 8 years before he left the organisation. He was said to have left due to emigration. This is another departure that could not have been attributed to the selection process.

The final employee to leave this department, Employee H, was dismissed by management. The maintenance manager stated that the reason why he was

dismissed was due to his inability to perform the tasks that were required of him. He was working in the department for four months before he was dismissed. The manager stated that “he was unable to perform the tasks from the beginning. Although he had plenty of experience, he had not worked in a similar industry. We agreed to try to train him in and evaluate his performance after four months (given three months training before being evaluated). However his performance was still unsatisfactory and he was not progressing the way that we had hoped. Therefore we believed that the best way for both of us was to part company.” The maintenance manager also included that this was before they introduced work samples to the selection process.

Of the four employees that have left the maintenance department only one could be attributed to the selection process. The manager has also stated that this was before the introduction of work samples. Since Company X has introduced work samples in 2002 they have hired seven people and all seven are still currently working in Company X.

These statistics show that the service department has the lowest staff turnover rate of the four departments that were examined in this report. Only one of the departures (5%) could be attributed to the selection process, and since they have introduced work samples none of the turnover of the department can be attributed to the selection process and the maintenance manager has said that he is happy with the performance of all of his staff and that they all currently work to the standard required.

# Chapter 6: Conclusions

## 6.0 Conclusions

From my research and findings, I have come up with a number of conclusions on Company X. The first thing that I can see is that they have an uncoordinated selection process. Clearly the departments use different processes when it comes to selecting an employee. While all use the framework of the classic trio process, different approaches are taken towards the interview process and the marketing and service department also use work samples.

### 6.1 Application Forms

The first problem that arose was the use of the application form. Despite the fact that there was an application form, many departments chose CV's as opposed to the application form. The reasons cited for this was because the application form lacked accuracy and that the one application form covered all departments or as the sales manager said, it was "too broad".

While advertising jobs in the national press, they also used a recruitment agency. As was mentioned in the literature by Armstrong (2010), while recruitment agencies may submit suitable applications, the final decision still comes down to the manager and recruitment agencies don't prevent managers from making bad decisions. Clearly it is quite expensive advertising in both the national press and using a recruitment agency and may make more sense if Company X focused on using one source for recruiting employees.

### 6.2 Interviews

All of the interviews took a structured interview format. *Pulakos (1995)* says that structured interviews involve the use of both behavioural and situational questions. All of the department managers admitted to having lists of predetermined questions and asking different types of behavioural and situational questions. Despite their flaws, as outlined by *Jackson (2000) and Fletcher (1996) literature review section 2.4*, this would have increased the likelihood of a successful outcome in hiring the right candidate.

In some cases employees were asked to perform work samples (service and marketing department). This had a positive effect on the validity of their selection

process (as mentioned by *Smith et al 1989*) as they (service department in particular) had the lowest turnover rate out of all the departments.

However, the customer service department appeared to suffer due to the fact that they only used one interview, whereas the other departments had multiple phases, and there was only one manager involved in the selection process the majority of the time which would lessen the subjectivity. This one area that would need to be addressed when it comes to assessing the interview process in the customer service department.

### **6.3 Referencing**

All of the managers said that they felt that pre-employment referencing was an important part of the selection process. However with that been said each manager had different experiences of the process.

The sales manager said that he did not give references much weight as many previous employers would give good references regardless of how the employee performed. The marketing manager was of the same opinion.

The other three managers had a slightly different opinion to referencing. The finance manager was of the belief that you could read into 'no references' and that not all 'no references' were bad. The three also said that they did not only look for previous job references but also for character references. However as we can see from the statistical analysis of the finance department, one of the departments employees was dismissed for having attitude problems. This would indicate that no character reference took place for this employee.

### **6.4 Work Samples**

Both the marketing and service departments used work samples and both departments appeared to benefit from these as they had the lowest turnover rates that could be deemed to be attributable to the selection process. This was mainly due to the fact that candidates are given a preview of the tasks that they are likely to be performing if they are offered the job and gives management an insight into the candidate's competence and their ability to perform these tasks.



Neither the customer service or finance departments use any form of work related measures post interview. The results show that these selection processes are not as reliable as the two above and that they are more likely to hire an unsuitable candidate, as was proven by the statistical analysis.

### ***6.5 Job Analysis***

All four departments conduct a job analysis. It is important that a thorough job analysis is carried out, as it increases the likelihood of hiring an unsuitable candidate if not carried out appropriately.

Based on my findings the job analysis could be carried out in more detail in each of these departments. Gunnigle (1999) has outlined a number of steps that should be taken to be conducted for a successful job analysis and these will be discussed in the recommendations chapter.

### ***6.6 What the Managers Think Needs Improving***

This question asked each manager what they felt could be improved to make the selection process more suitable to their needs and more likely to be successful.

Firstly they expressed a need for an online application form that could be downloaded from the website. The candidate could then attach their CV to this. They believed that there should be a specific application form for each department and that this would save money in the long run through as this make it easier to determine whether the candidate is suitable. The theme that has shone through is that the application form is too broad and covers too many departments. When asked about an electronic competency based application form, the finance manager explained that Company X was too small of an organisation and didn't receive enough application forms to warrant an electronic application form. It would appear as though the manager in marketing is looking for a competency based application form that was specific to their department.

The second thing that I can conclude from this is that nobody in any of the departments has been received any training based on interviewing techniques, with the exception of the HR Officer. This would suggest that managers may be missing out on superior candidates as they are not able to unearth some of the

candidates' raw talent. Rowan (1990) mentions that interview validity and reliability tends to decrease if the interviewer has not received training in how to conduct a successful interview.

### 6.7 Statistical Analysis

From the statistical analysis I can conclude that introducing a practical element to the selection process would appear to increase the likelihood of success in hiring a suitable candidate. We can see this through the selection process in the service department which requires the prospective employee to take part in a work sample (see diagram below).

<u>Department</u>	<u>Turnover Rate Attributable to selection process</u>
Marketing	20%
Finance	22%
Customer Service	38%
Service	5%

Despite it being a mainly part time department, it would appear that there is a problem with the selection process in the customer service department. This may be due to there only being one person involved in the interview process and that it is also the least in depth assessment.

Although the figures do not exactly match that of Smith et al (1989) see Appendix A, it does suggest that the introduction of work samples did increase the reliability of the selection process. Smith (1989) agrees that this would increase the likelihood of hiring a more suitable employee. I believe that there are a number of changes that need to be made particularly in the customer services and finance department, and to a lesser extent the service and service department.

To conclude, I believe that the classic trio processes in the finance and customer services departments are not as reliable as the same process combined with a work sample. There are a number of areas that could be improved in each department. Firstly when a vacancy arises, the job analysis is not conducted as in-depth as it should be, which straight away is increasing the likelihood of hiring an unsuitable candidate.

Secondly, managers have not received training. Therefore they are unlikely to conduct interviews as well as they should be able to. This increases the likelihood of the manager making a poor decision and a manager would not be aware with what they are looking for in a candidate.

The use of numerous recruitment methods is proving costly for Company X. Ideally they should focus on one type of recruitment method. Finance and customer services managers also have not looked for employees with previous work experience, which is likely to lead to a higher turnover rate in the department as can be seen in Appendix C.

While managers look for references, some perhaps, do not examine candidate's backgrounds into as much detail as they should. An example of this would have been a candidate that was dismissed in the Finance department for poor performance and poor attitude. This could have been prevented had the manager looked for the additional reference that they did not receive first time around.

Finally, the finance manager and the customer services manager both admitted that they would be open to the idea of using a more advanced selection method as long as they were trained. This will be discussed in the recommendations section.

# Chapter 7: Recommendations

## 7.0 Recommendations

The following are a list of recommendations that I would set out for Company X:

### **7.1 Competency Based Application Forms**

I believe that each department should have an application form that is specific to their department. This should be on the company website and applicants should be able to print this off and apply through this. This would make it easier for the manager of each department to screen applicants, and it should help to increase the number of suitable candidates that get invited for interviews.

Another alternative with regards to applying for jobs in Company X, would be to consider using just one source of recruitment. This would be more cost effective for Company X. I believe that the suitable alternative would be to use the recruitment agency as it would put less of a strain on the organisations resources and it would leave the short listing to people who specialise in the area as oppose to leaving it on the shoulders of the managers.

### **7.2 Panel Interviews**

Marketing and Finance conduct two on one interviews, while the customer service and service departments conduct one on one interview. I believe that the use of panel interviews would increase the likelihood of hiring a suitable candidate for the job. This would require a panel of three interviewers, only one (marketing and finance) and two (customer service and service) more than they currently use but I believe that it would increase the reliability and the validity of the interview process and it wouldn't put too much of a strain on the organisations resources. *Kerfoot et al (1989)* was of the belief that selecting a candidate should not fall on the shoulders to one person. From their study in a hospital, the reliability of the interview process increased dramatically when there was more than two people involved the selection decision. In their opinion more people created more subjectivity. *Kerfoot et al (1989)* also mention how hiring the wrong person can cost on organisation a lot of money through overtime and loss of production etc. Therefore it may be to there benefit to conduct panel interviews as *Lowery (1994)* says that it is a low cost alternative to an assessment centre.

Another reason that I chose three people for a panel interview is to avoid intimidating a candidate. *Sunoo (1996)* suggests that interviewees can often become intimidated at panel interviews as they feel that they are outnumbered and are going to come under more scrutiny. It is important to avoid this happening and I believe that three people shouldn't intimidate the candidate.

The next question is who should conduct the interview? I believe that the manager of the department should remain, while the HR Officer should be a part of all interviews. The third person on the panel should be one of the three senior managers. This would mean that the three interviewers should be able to measure all of the important characteristics of the candidates in a fair and subjective manner.

### ***7.3 Full Time HR Officer***

I believe that Company X needs to hire a full time HR Officer. In the current situation, the HR Officer only sits in the interview panels of the sales, marketing and finance department. Occasionally she will take part in the customer service interviews, but this does not always happen. It does appear that the customer service selection process has suffered as a result of this. One of my recommendations for Company X would be to recruit a full time HR Officer to take part in all interviews.

### ***7.4 Training***

Company X could also reap more benefits from having a full time HR Officer. My research suggests that many of the managers have complained about the lack of training that they have received on how to conduct an interview. None of the managers have received any training since they joined the organisation. The HR Officer could be sent on training courses and then this could be relayed to the respective managers. This would also create a learning organisation mentality in Company X.

*Rowan (1990)* outlined that it is common in many organisations that managers that conduct interviews have not received training of any sort in how to conduct interviews. This results in lower validity and reliability of interviews. There is some

evidence of this in Company X, particularly in the customer service department. Therefore in order to increase the likelihood of a successful outcome, each manager should be trained as to what to look out for in candidates and how to structure and conduct a successful interview.

### ***7.5 Job Analysis***

None of the departments appear to use all the steps that are outlined by Gunnigle (1999). By conducting a job analysis using these steps, it should increase the accuracy and reliability of the interview process as managers are aware of the specific competencies and tasks that are required of the role.

The steps are as follows:

Firstly, the two most senior members of the department should observe the tasks that are performed in this role. This may be referred to as task analysis. Gunnigle (1999) outlines that it is important that this is a collaborative process. This requires the two individuals to observe what the main jobs are, how frequent they are and which ones are the most critical.

Following this, it is the job of the two individuals to identify the most critical situations in the job and what are the main pressure points. This should be done on an individual basis. When this has been complete, the two individuals should then meet up and discuss their findings. The ones that they have in common should then become the main pressure points. This information can be gained through an employee debriefing.

The next step is then to assess how really effective performers differ from the average in their job behaviours. This information can be gained through structured enquiries with managers and customers.

The final step in this process of gathering information is to assess how the role is likely to change over the next five years. This requires a future focused interview with senior management to outline what the plans are for the future.

## ***7.6 More In-depth Referencing***

All managers conduct pre-employment references of some sort, mainly previous employers and character references. The manager in the marketing department needs to take a more serious view of referencing. As Drysdale (2010) outlines many employers now reference checks consisting of things such as character references, educational and qualification verifications, credit references and criminal record checks. This gives them a greater insight into the past of a prospective employee.

Managers in each department need to take similar approaches. The lack of background checks has shone through due to the fact that 6 employees have been dismissed. For example the employee dismissed in the finance department was dismissed due to his attitude. This perhaps could have been avoided had a more in-depth reference check taken place.

## ***7.7 Advanced Selection Methods***

The main departments that this focuses on are the finance and customers service departments. I believe that the introduction of advanced selection techniques to these two departments would significantly increase the reliability. However first of all I believe that we have to look at the feasibility of using certain selection methods.

### ***Finance***

I believe that the most feasible option for the finance department would be to use a psychometric test. There are a number of different tests that could be designed to suit the needs of this department. The finance manager has said that he values general intelligence. According to Gregory (2010) the most commonly used general intelligence test is the Wechsler Adult Intelligence Scales. This test is used to measure the IQ of a candidate. Another test that may be deemed relevant for this department would be a Numerical Critical Reasoning test. This would be relevant to the department as candidates would need good numerical skills to work in finance. These tests should compliment the classic trio and increase the reliability of the selection procedures used in the finance department. I would use these tests as opposed to personality tests etc as mentioned in the literature review



section 2.3.1 they may be considered controversial and they will provide little information about future job performance but rather preferred working style.

### ***Customer Service***

While the customer service department manager said that he was open to using more advanced selection methods, he said that he felt that this was not the most important area that needed top change. However I believe that using psychometric testing to compliment the classic trio and increase the reliability of the selection process.

I believe that this department would also benefit from using psychometric tests. However maybe the use of aptitude tests may benefit this department more then say numerical tests. General intelligence tests may also benefit this department. The design of these tests is also quite important. Each department should have their own specific tests which measure specific competencies.

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## Appendices

### Appendix A

Smith et al 1989 as cited in Taylor 2002

Selection Methods	Range of Validity Values
Work Sample	.38 - .54
Ability Composite	.53
Assessment Centre	.41 - .43
Supervisor\Peer Evaluation	.43
General Mental Ability	.25 - .45
Biodata	.24 - .38
References	.17 - .26
Interviews	.14 - .23
Personality Assessment	.15
Interest Inventory	.10
Handwriting Analysis	0

These figures are expressed as a correlation on a decimal scale from 0 to 1 with 1 representing perfect co ordinance between assessment scores and subsequent job performance.

## Appendix B Interview Schedule

Interview Topic: Selection Methods in Place      Position:

Date: 00/00/00

Q.1. Give a brief outline of the selection methods that are employed in your department.

Q.2. How would you go about applying for a position in your department?

Q.3. What would be the structure of your typical interview?

Q.4. Would a job analysis be conducted upon a vacancy arising?

Q.5. What areas would you examine and how?

Q.6. What would be the main criteria for choosing a candidate?

Q.7. How would you review a candidate's criteria and who makes the final decision on what candidate is selected?

Q.8. How much importance do you place on previous work experience?

Q.9. How much importance do you place on referencing and why?

Q.10. In your opinion, is there any changes that could be made in order to improve the selection techniques in Company X?

Q.11. Would you be open to the idea of using different types of selection methods i.e. more advanced psychometric testing etc?

Question 11 is only included in the Finance and Customer Services Departments as it was understood post interview that the other two departments already used some form (work samples) of advanced selection methods.

## Appendix C

### Interview 1

Interview Topic: Selection Methods in Place      Position: Finance

Date: 10/06/11

**Q.1. Give a brief outline of the selection methods that are employed in your department.**

A. Upon a vacancy opening up in the finance department, the job would be advertised internally and would be advertised through the company's website and through the national press. "We also inform a recruitment agency of the vacant position who typically would supply us with between 4 to 6 CV's of potential candidates".

In order to shortlist the candidates we would manually process the CV's measuring which ones best match up to the job specification. Relevant work and qualifications would be taken into account at this stage. "Then the four most suitable candidates would be invited for interviews".

Two to one interviews are then arranged and scheduled. In this process the candidates are scored based on their competence. If two candidates are deemed suitable they will be called back for a second interview. If no candidate is deemed suitable the selection process begins again with new applicants.

"If the candidate is successful in the two interviews they will be made an offer subject receipt of medical examination and two previous job references".

**Q.2. How would you go about applying for a position in your department?**

A. As a small company we would not receive a sufficient number of applications to warrant setting up an electronic application form system. Also due to the fact that we use a recruitment agency, it means that they are responsible for short listing potential candidates who would be suitable for the job. We also accept CV's of applicants.

**Q.3. What would be the structure of your typical interview?**

A. At the beginning of the first interview we would give them an introduction to the company, the type of business that we are involved in, how we do business and our products.

Following this we would outline the type of employee that we are looking for. Then the employee has an opportunity to talk about their background, qualifications and previous job roles. They are also asked questions about why they would be suitable to fill the vacancy.

The interview then continues with “behavioural and situational questions about roles that they may have played out in previous projects in their previous work experiences”. Each candidate is then scored on their answers to all of the above questions (the prospective employees are made aware of this). At the end of the interview the candidate is given the chance to ask any questions that he or she may have. They are then informed that if they have been successful they will be invited back for a second interview.

#### Q.3.a. What happens at the second interview?

A. At the second interview tends to more in depth about the vacant position and what is expected of the prospective employee. We identify the key responsibilities of the job and ask and assess the candidate on how they would manage these responsibilities. Then we outline other expectations around the role such as working arrangements, working times.

#### Q.4. Would a job analysis be conducted upon a vacancy arising?

A. Yes, if it is an existing role the relevant manager does a review of the business needs and then draws up a job specification. The manager may also re-evaluate the current role and examine the position to see if its meeting its current objectives. If not a new role may be drafted that better meets the business needs. If it is a new role it would require the manager to make a case to senior management outlining the purpose of the role, the tasks and responsibilities and the objectives, the potential of financial benefits and the associated costs.

#### Q.5 What areas would you examine and how?

A. I find that it is important to examine the areas that have changed as all roles are constantly evolving. I would consult some of the employees who are currently employed in the same role or similar roles upon drawing up the job specification. As they work in this role everyday, they would be expected to best understand what is expected from that person to successfully perform in this role.

**Q.6. What would be the main criteria for choosing a candidate?**

A. The candidate's ability is the most important rather than their suitability to the job. If someone possesses a lot of talent I believe that they can be trained to perform in different positions in the job and this adds to the organisations flexibility. "In my opinion employees that possess talent can pick up on things quickly and can be trained into these positions. They can specialise in a number of areas. Flexibility is becoming increasingly important".

**Q.7. How would you review a candidates performance and who makes the final decision on what candidate is selected?**

A. "While we are conducting the interview, we tend to score the individuals based on their responses to the questions that we have set out. These questions tend to be both situational and behavioural. This gives us a good indication of how they would deal with certain situations that may be relevant to the job and how they have dealt with similar situations in the past. We also ask questions based on certain information that they have provided through their CV to see if they can back this information up." They then total up the scores of how the candidate has scored, their previous work experience and how they portray their general intelligence. As stated in the question above suitability to the job is not the be all and end all so they place a lot of importance in the general intelligence.

Having done this and analysed the scores the final decision comes down to the Finance manager.

**Q.8. How much importance do you place on previous work experience?**

A. "I see this as being quite important, but I don't think it is the most important factor when it comes to hiring a new employee. I think it is important to assess somebody's general intelligence. I believe that if they have a high level of general



intelligence and a strong academic background, they can be trained in and a lot of cases can be as good if not better than people with experience.”

**Q.9. Referencing is often a neglected selection technique. How much importance do you place on referencing and why?**

A. I think that it's of significant importance. I believe that written references hold little weight but verbal references can be a very good insight into the how the employee performed. “Sometimes you may have to read between the lines. My belief is that any hesitation in giving a verbal reference can be interpreted as negative response to the candidate's suitability”. We conduct two pre-employment references with two of the employers' previous employers. If the candidate has not got two previous employer referees, we may look for past teachers or lecturers to give a character reference.

**Q.10. In your opinion, is there any changes that could be made in order to improve the selection techniques in Company X?**

A. “Training in terms of candidate evaluation techniques and designing practical tasks suitable to the interview process would be useful. It is something that we are in need of”. None of the managers in this organisation have received any sort of training in this area. While we do receive a lot of training in other areas, I feel that this area is quite neglected.

**Q.11. Would you be open to the idea of using different types of selection methods i.e. more advanced psychometric testing etc?**

“Yes, I would be open to the idea of using alternative selection methods. However, I believe that the main problem with our selection process is the lack of training. If we were to introduce new selection techniques it is important that is done the right way and that all managers should receive the appropriate training. If we were to use for example aptitude tests, we should be shown how to successfully design them so that they provide us with accurate and job specific information. I do believe that we would benefit from the introduction of procedures like this as they would more than likely increase the reliability to our selection process.

## Interview 2

Interview Topic: Selection Methods in Place      Position: Customer Service

Date: 10/06/11

**Q.1. Give a brief outline of the selection methods that are employed in your department.**

A. When a position becomes vacant in the customer service sector the job is advertised in the local press and potential applicants are encouraged send forward their CV's. We use a recruitment agency that sends us 5 CV's of potential candidates. We are responsible for manually short listing the rest of the CV's.

Having short listed a group of four people, they are then invited to an interview, where we conduct them mainly on a one to one basis, occasionally on a two to one basis.

**Q.1.a. Why is this?**

A. We have many part time staff in this area who only work three days a week so the assistant maintenance manager is not always present when we conduct the interview. Following this we will conduct pre-employment referencing on the prospective employee before they are given the job.

**Q.2. How would you go about applying for a position in your department?**

A. Yes, there is a paper based application form but it is too broad and does not give much information about the suitability of the person to the job. This is why we also accept CV's. These tend to contain some more job specific information as people tend to have read the job specification form before applying for the position available.

**Q.3. What would be the structure of your typical interview?**

A. We use in-depth interviews with pre determined questions. At first we give the candidate a brief introduction to the company and tell them what the position that they have applied for entails. We then give the employee a chance to tell us about their previous work experiences.

We use in-depth interviews with pre determined questions. Having done this we will then give them examples of problems that may arise in the job and we measure how they would respond. Each employee is measured on a scoring matrix. The candidates must reach a target score in order to be considered for the job. If more than one candidate exceeds the target score the candidate with the highest score is selected.

#### Q.3.a. Why use one to one interviews?

A. Many of the people that work in this department are part time workers and therefore when some interviews are being conducted I may be the only person available to conduct the interview.

#### Q.3.b. What about the HR Officer?

A. The HR Officer is only part time herself, and as the interviews are not as in depth as some other departments, it is my belief that the customer service department has a reliable interview process despite it only being a one to one interview.

#### Q.4. Would a job analysis be conducted upon a vacancy arising?

A. “Yes, we assess the competences that are required of each prospective candidate. Then we assess the tasks and responsibilities of that position and these are then drawn up in a job specification”. This then makes potential applicants aware of the skills, knowledge and qualifications that are required for the position.

#### Q.5 What areas would you examine and how?

A. I would examine the basic skills that are required to successfully perform the job. In the customer service department an example would be good communication skills, and when we are interviewing the candidate we would look for relevant previous work experience to see if they measure up to the requirements. I would also consult with the assistant customer service manager who would draw up a list of activities that are critical to successful job performance. We then get together to decide which ones are relevant and these are then become part of the job specification.

**Q.6. What would be the main criteria for choosing a candidate?**

A. “Suitability is important. The people that we hire have to be good with dealing with people. That is strong interpersonal skills”. We look for people who have worked previously in similar roles in different organisations.

**Q.7. How would you review a candidate’s performance and who makes the final decision on what candidate is selected?**

A. Having conducted the interview I then refer back to the scoring matrix that I had used to score the candidates. They are scored on their previous work experiences and how they answer the situational questions that we have provided. “Having totalled each candidate’s score I am then responsible for making the call on which candidate to hire.”

**Q.8. How much importance do you place on previous work experience?**

A. “Originally we didn’t worry about previous work experience. We felt that we could just train the person in. However because of our high turnover rate in this department, we have begun to take into account work experience. Many employees that we hired hadn’t been employed in customer service previous to their role here. However, many of these employees left because they were unsuited to the role”.

**Q.9. Referencing is often a neglected selection technique. How much importance do you place on referencing and why?**

A. Pre-employment referencing is quite important, especially in customer service. It may be the first impression you get of this company so it is important that you get the right people for the job. It gives me a good insight into how the prospective employee dealt with employees in their previous job. “In our department we tend to look for one reference from a previous employer and a second reference from a school or college to get a character reference”.

**Q.10. In your opinion, is there any changes that could be made in order to improve the selection techniques in Company X?**

A. Areas that need to be paid attention to here are the application form which is too broad. An application form should be developed specific to each department. This would make it much easier to process the applications and short list the candidates.

“Training would also yield better results in my opinion. Not many of us have received interview training and I believe that outcomes would be better if we received basic interview training”.

**Q.11. Would you be open to the idea of using different types of selection methods i.e. more advanced psychometric testing etc?**

“Yes, I would be open to the idea of using different selection processes, although I am not sure as to whether it would be worthwhile introducing them into our department. The tasks that are performed in my department do not the most highly skilled worker. Therefore I believe that interview process that we currently had in place does enough to satisfy our needs. My belief is that because this is a mainly part time department, there is more likely to be a high turnover of staff and that it is more likely to be higher than other departments in this company.”

### Interview 3

Interview Topic: Selection Methods in Place\Structure      Position:      Marketing Manager

Date: 11/06/11

**Q.1. Give a brief outline of the selection methods that are employed in your department.**

A. When a job vacancy occurs in the marketing department, the vacancy is advertised in the national press in newspapers such as the Irish Independent and the Irish Times. There are also advertisements placed on the internet about “job specification and information placed on our website under the careers section”.

“Prospective employees are encouraged to apply through the application form on our website. I think most departments accept CV’s also. The thing that suits me most about the application forms is that time can be saved short listing rather than sifting through CV’s”.

Having short listed the candidates a selected number, no more than 5, are brought into two to one interviews. The interviewers consist of the HR officer and myself. “In our department we tend to whittle the numbers down to two and then these two candidates and then asked to develop a marketing concept that we have given them and present on this a couple of weeks later”.

Following this reference checks will be conducted on both candidates. We also require a medical cert saying that the candidate is fit for work.

**Q.2. How would you go about applying for a position in your department?**

A. We accept both CV’s and application forms. “One negative thing that I find with CV’s however is the fact that people tend to inflate their strong points and do not give an honest opinion of themselves. As a result very few can live up to their self-perceived image in an interview”. In my opinion the application forms were a bit more specific to what he was looking for in an employee.

### Q.3. What would be the structure of your typical interview?

A. “I like to open my interviews with a casual conversation with the candidate; completely unstructured and let them do some talking. This helps to relax the candidate before we get going into the more pressing issues”.

“I would be of the competency based interview philosophy. I think that people involved in marketing need specific competences that are hard to find and cannot be imitated. I don’t believe that you can learn to be creative. It comes naturally. My questions are aimed at drawing out answers that show a candidates creative and innovative sides”. Each candidate is then scored based on their responses to the behavioural and situational questions. The two highest scoring candidates are then invited back to the second interview.

#### Q.3.a. What about the common belief that these interviews are weak, in that books can be bought about how to reply and answers can be learned off?

A. “In my opinion, it is easier to tell the people who have learned off responses. You can tell from their different responses throughout the interview”.

#### Q.3.b. What does the development of a marketing concept entail?

A. Having decided on two suitable candidates we then give them a marketing concept. The candidates are given time to develop this. Having done this they are then required to present the concept to myself and another manager. They will be assessed on how they perform i.e. presentation and communication and they will be assessed by their creativity and how innovative was the approach that they took.

### Q.4. Would a job analysis be conducted upon a vacancy arising?

A. “We would assess whether there is a need for the job that is now vacant, or whether it should go down a different route to meet new objectives”. If this was the case, the issue would have to be brought before senior management and we would have to justify the new objectives. This has been common in the last couple of years due to the recession. If this is not the case, we would have to look at the tasks and responsibilities of the role and draw up a job specification.

#### Q.5 What areas would you examine and how?

“When we conduct a job analysis we look to find out what the main tasks of the job are. One of the main methods that we use to gain this type of information would be through the observation of daily tasks. Having done this we can then draw up a list of core activities and a list of all the competencies that are required of this job so that we the type of person we are looking for. When this is done we then look at how the role is likely to change. As mentioned before it is important that we speak to senior management about what direction the organization is going in and this should help us predict the future skills that will be required to fulfil this job.”

#### Q.6. What would be the main criteria for choosing a candidate?

A. I think marketing is a department whereby suitability to the job is all important. People who are not suited to the job will be found out pretty quickly in the marketing department as they are not skills that can be easily learned and something that comes naturally.

#### Q.7. How would you review a candidate's performance and who makes the final decision on what candidate is selected?

A. “We would review the first stage of our selection process (interview) by reviewing how each individual has performed against the situational and competency based questions that were asked. These questions should help display the competencies that are required for the job and is an indication of how the candidate may perform if given the job. I will also assess to see if they can back up all the information given in their CV. The two candidates who score the highest in the first stage are then invited back to develop a marketing concept.”

“The two candidates are then given time to develop this concept and this is then submitted to me. I will have created a list of criteria that I feel needs to be met and then the concepts are then measured against this. I am solely responsible for selecting which employee is going to be offered the job.”



**Q.8. How much importance do you place on previous work experience?**

A. We place a lot of importance on a combination of academic background and work experience. Ideally we would like for candidates to have a minimum of at least two years experience. We believe that this lessens the risk of hiring an unsuitable employee especially if they have worked in the same industry.

**Q.9. Referencing is often a neglected selection technique. How much importance do you place on referencing and why?**

A. “In theory referencing is a good way of getting background information about people, but from my own experiences I have found it very difficult to actually find accurate information, especially when it comes to previous job performance”. Past employers tend to give good references to everybody; I can’t remember the last time a previous employer told me that the candidate might possess the skills required for the job on offer”.

**Q.10. In your opinion, is there any changes that could be made in order to improve the selection techniques in Company X?**

A. “Yes, having talked to colleagues I have become aware of a general dislike of the application form system. I’m of the belief that there are many suitable candidates missing out on jobs because the application process. It has only been in place for the last couple of years. This is an area that needs improving”.

## Interview 4

Interview Topic: Selection Methods in Place      Position: Service\Maintenance

Date: 11/06/11

**Q.1. Give a brief outline of the selection methods that are employed in your department.**

A. When a position becomes available, the position is advertised through the company's website and through the national press. The position will be open to both internal and external applicants, both treated in the same way.

Applicants with the relevant work experience and qualifications are invited to an interview. No short listing as such takes place, but rather the first person who applies for the job the best appears to meet the jobs needs will be invited to an interview. During the course of this interview, the applicants will be asked to perform a task that would be typical of one that the candidate would likely be faced with.

**Q.2. How would you go about applying for a position in your department?**

A. We would accept both application forms and CV's. Both of these provide us with the background information that we need about the qualifications of the employees and the relevant work experience.

**Q.3. What would be the structure of your typical interview?**

A. Some of the things that we will be looking for from a prospective employee are their communication skills as they will be interacting with customers and their appearance. We can measure an employee's appearance by the way that they present themselves at the interview. Also we will also be able to examine their communication skills over the course of the interview.

When it comes to the type of questions we ask, we use a set of pre-determined questions that vary from interview to interview. They deal with difficult questions that the interviewee may face and how they would interact with customers in these situations.

Following this we will then get the candidate to perform a typical task. “This measures whether they are capable of what is required of the job. This may include changing the parts of some of our appliances”.

#### Q.4. Would a job analysis be conducted upon a vacancy arising?

A. With each new vacancy arising we have to examine the job needs and what is required from the new employee. “It is important that we conduct a job analysis because the appliances that we service are constantly changing. Therefore we must assess the potential problems in the new machinery.”

#### Q.5 What areas would you examine and how?

“I find that one of the best ways to gain information about the role is to speak to the people who perform the tasks day in day out. The maintenance staff helps me outline the key tasks that are required to perform the job successfully. I, myself would have a fair idea of the tasks that they perform and the skills that they require but as I do not perform these tasks every day I value their input.”

“The way that we set about drawing up a job specification is by outlining the key tasks that happen on a daily basis and the skills that are required to perform these tasks. We must also take into account the changing nature of our products i.e. our product line is constantly changing so it is important that we are able to foresee the skills that may be required in a year or two’s time.”

#### Q.6. What would be the main criteria for choosing a candidate?

A. “The candidate’s suitability to the job is important from my view point. I like to get people that hit the ground running. We tend to be busy so we don’t have the time to be training people and starting from scratch.” That’s the reason why we look to either internally promote, if possible, or consider candidates that have a relevant amount of work experience.

##### Q.6.a. What would you class as relevant work experience?

A. Roughly three years experience in a similar industry to us. These people tend to be more reliable.

**Q.7. How would you review a candidate's performance and who makes the final decision on what candidate is selected?**

A. "Our interviews are quite different to that of the other departments and the things that we would measure would also be different. The things that I would use to evaluate candidate performance are the employee's appearance and communication skills. We see these as being quite important parts of the job because they will be representing the company when they are sent out to the homes of our customers. The candidates are then scored based on how they respond to certain situational questions. As we conduct the interviews on a first come first served basis, if they meet a certain standard they will be considered. We also rely heavily on previous work experience so this is something that will also be measured.

Having conducted the interview we will then ask them to perform a task that they would typically encounter if they were to be offered the job. If they can successfully perform this task and they meet the criteria outlined before, they will then be offered the job."

**Q.8. How much importance do you place on previous work experience?**

We would consider work experience as being vitally important to this role. We would typically look for candidates with about three years experience in a similar industry. We in this department feel that there is less risk involved in hiring somebody with this amount of experience and it saves our time and our resources.

**Q.9. Referencing is often a neglected selection technique. How much importance do you place on referencing and why?**

A. Referencing is an important part of the selection process, and whether the employee gets the job can often hinge on this. "I think that they can be a bit of a mixed bag". A no reference does not necessarily mean that the employee is a poor performer. I have found that most previous employers tend to be cooperative.

**Q.9.a. What kinds of reference do you look for?**

A. I would generally look for two previous employer references. However if this is not possible I would look for a character reference from a past teacher etc. We also look for a medical cert.

Q.10. In your opinion, is there any changes that could be made in order to improve the selection techniques in Company X?

A. I think that the weakest aspect of the service departments' selection process is the interview stage. We have received no training and I had to read up about situational questions on my own accord. I believe that each department should receive training on how to conduct their interviews.

However, as all of our positions are hands on I believe that the work sample is probably a bit more important.

## **Appendix D**

Statements About Employees who left provided by the managers of each department:

### **Finance**

‘Employee E’ was only employed in Company X for two months before he was dismissed during his probation period. The finance manager stated that there was no reason to conduct an exit interview for this employee as the reasons for his departure were “fairly clear”. He says that “there were problems with this employee from the beginning. He made derogatory comments to some of the staff. He was never on time for work and refused to help any of the staff. He was impossible to work with.” The finance manager admitted that he made a big mistake for hiring this employee and he accepted the blame for this. He said that his performance was completely unsatisfactory and that he was completely unsuitable for the job. The finance manager pointed out that he did not conduct his search for references properly (looked for two previous work references but only got a reply from one and did not pursue a second having initially not gotten a reply) and believed that this is the main thing that led to him making this poor decision.

The second employee who left, ‘Employee D’ cited that work related stress was their reason for leaving the job. They had been in this job for one year and two months. The finance manager said that Employee D’s performance appraisals had been satisfactory. However he did state Employee D’s performance did begin to deteriorate in the month that they left the company. The finance manager also stated that he believed that they could not have foreseen this as they conducted all of the relevant steps i.e. they conducted a pre-employment medical, and they referenced previous employers.

### **Customer Service**

The first employee (I) had been working for the company for 2 years before they were dismissed. As the manager recalls, “Initially we had no problems with this guy. His performance had been as good as we could have hoped for for the first six months. However once his probation period had ended his performance began to deteriorate. We had a number of complaints from a number of customers about his

attitude. He received three written warnings before he was dismissed. He was given the opportunity after each warning but his performance never improved.” This information would indicate that he was unsuitable for the job. This is proof that people that are unsuitable to a job can remain in the job for longer than six months *Armstrong (2010)*.

Employee J was the second employee to be dismissed and had been employed with the company for two months before they were dismissed. The manager cited that she had a complete lack of interest in the role and that her performance levels did not meet the standard required. He said “she was told that her performance wasn’t up to scratch after one month. I could tell by her behaviour that this didn’t bother her. We gave her another month to see if she would improve. However no improvements were seen and she was dismissed.

Employee K is the third employee to be dismissed from this department after spending only four months in the department. The reason that was cited for their dismissal was gross misconduct. This employee was dismissed because of unsatisfactory performance levels. “This employee had poor communication skills that we did not pick up on in the interview process. As communication is vital in our department, we had no choice but to let this employee go.

## **Marketing**

Employee A was the the most recent departure from this department. Having been hired in February 2010 he had only been been employed in this department for 8 months before his departure. Upon conducting the exit interview, Employee A stated that he had received a better job offer that was closer to home and that he had been offered a substantially better wage. The marketing manager commented on this by saying “We could not compete with the offer that the other organisation had made. We were willing to increase his benefits but we could not match the other offer. Up until this point his performance had been completely satisfactory. We were disappointed to lose an employee with his experience and his high standards of work”.

The second employee to leave the marketing department (Employee B) had served in this department for only four months before her departure in May 2008. An exit

interview was conducted upon her departure. In this she cited that her demands were not being met and that she, and the company, were travelling in two different directions. The marketing manager commented that “This employee had very little practical experience but had a very strong academic standing. Usually we look for experience but we decided to take a gamble. Her interview was of a very high standard. The concept that she brought back to us was also satisfactory. However, despite an impressive first couple of weeks her performance soon began to deteriorate. We conducted a performance appraisal after 3 months and we determined that her performance was below par. We were willing to give her an additional three months to show improvements. However she did not last this long and decided to look for work elsewhere. I think it was best for both parties. I’m not sure if marketing was the best role for her.”

## **Service**

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