

EMPLOYEES SELECTION CRITERIA IN PRIVATE CORPORATE SECTOR IN PAKISTAN

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Abstract

This research is to recognize various selection criteria of employees all over Pakistan in private corporate sector. Usage of online survey is convenient to get response from far apart managers deputed at varied geographical locations in the country. The research instrument designed for the purpose consists of variables as education, experience, interpersonal skills and selection criteria having 30 close-ended questions in total. The number of respondents is 80 and all of them participated well, across Pakistan. The result from correlation and regression showed a neutral response regarding the selection process. It is concluded that preference criteria is education for new entrants or foundation based positions while for senior positions they prefer both education and experience while in the corporate sector of Pakistan Interpersonal skills yield a negatively weak relationship with the selection criteria. The situation might be alarming because of global trends of enhancing significance of interpersonal skills.

Keywords: Interpersonal skills (IPS), Education (EDU), Experience (EXP)

I. INTRODUCTION

Selection is an imperative function as no organization can achieve its goals without selecting right people. However, faults in selection lead to wastage of time, money and plunders the environment of organization. In this regard, scientific selection and placement of personnel can go a long way in building up a stable work force, where it helps to reduce absenteeism and labor turnover. Simultaneously, it is very helpful in increasing the efficiency and productivity of an enterprise.

Employee selection is being focused as a mediating term. Although organization refer their management team to recruit and select appropriate persons for them while many of the giant companies usually hire agencies or 3rd party contractors to find the best and qualified person for

vacant positions. These contractors usually collect large number of employees-data in form of curriculum vitae and after picking up the best educated and experienced candidate, they forward them to the company to further the selection process.

The process to interview and evaluate candidates for a specific job and select the best suited individual for employment based on certain criteria is referred as the selection process. (SHRM, 2008). Employee selection can range from a very simple process to a very complicated one, depending on the firm hiring and the position. Although most of the companies do not prefer any complex form of hiring or selection criteria, they usually go with the basic or trending selection criteria based on the availability of workforce in the labour market as per the nature of business.

II. LITERATURE REVIEW

The University of Western Australia provides support to their students to enhance the chances of employability in the minimum time period once they complete their degrees (UWA Handbook, 2009). Likewise, Macquarie University of Australia addresses three areas in order to enhance the industry placement prospects of their passing out graduates i.e. tertiary qualification, interpersonal skills and their work experience during their course of studies (Career Service Dept. Macquarie University, 2018).

Zinyemba,et.al. (2014) elaborate recruitment and selection process as a predictive method. They further mention its significance as marking them as the route to validate future success. Gray et al. (2015) maintained that recruitment and selection process is extremely challenging for human resource managers; one of the key challenges organization usually face. As a matter of fact, the process assists organization to make realistic decisions about a prospective candidate. An appropriate selection process sets the criteria on the basis of organizational goals and objectives, job descriptions & specifications and key performance indicators. Ekwoaba, et.al. (2015) mention that selection criteria tend to enhance job satisfaction among existing employee which enhances trust. Furthermore, Robles et.al (2012) indicate the significance of a successful selection process as it sets a positive trust-based workplace culture. Brink et.al (2011) identify that selection process protocols should ensure transparency and accountability.

Hsiao et.al.(2011) in their research find that various job descriptions demand various skills and work styles but the basic employability skills required to perform any job effectively are more or less same all across the industries. Klotz et.al (2013) maintains that one of the key skills required as the prerequisite of the final selection is reliability.

Lievens et.al (2012) emphasize that knowledge through formal education and experience along with interpersonal skills can make an employee inevitable to an organization. The idea is further supported by Roberts .et.al (2014), discussing situational judgment as a best tool in employee selection which means that the researchers refer the strength of interpersonal skills and to some extent past work experience. Blacksmith et.al (2016) takes a step ahead, argue

about the use of technology in selection process though question arises that whether the use of technology shall be able to provide replacement to any of the three variables under discussion. Herpertz, S. et.al (2016) elucidate as in personnel selection, there are large number of studies which indicate the potential of emotional intelligence context. In this case, we may relate emotional intelligence strongly to experience and interpersonal skills and education may also have impact on emotional intelligence of individuals. Bye et.al (2015) while studying the personality of job-applicants conclude that it can be influenced by using various selection techniques, which itself indicates the focus of the researchers on the interpersonal skills of the applicants.

Sobočka-Szczapa (2014) focuses on how keen employers feel about the formal education of their employees. The idea prevails in the study that the development of human beings expands and continuously changes human capabilities. For the development process every person present in the educational system is of great importance. Polish firms demand for education is largely due to the process of structural change within the companies. Moreover, technological advancement have affected the need of qualified employees along with set of employability skills.

One needs to possess high level of competency in order to put a step forward on organizational landscape. Hence, it is necessary to graduating students to understand effectiveness of interpersonal skills (IPS) and how to improve their competency level. Abraham & Karns, (2009) evaluate IPS and provide a wide range of techniques and teaching tools to MBA students to bring into their classrooms and continue to add more to one's interpersonal competency level. They recommend to engage with people in one's context, is one of the initial and effective steps to acquire interpersonal skills. They recommend that organizations prefer hiring people who are skilled, and appear more than just a business graduate. Business schools need to provide instructional opportunities for students to learn about and practice these skills, and existing needs analyses suggest this is not being done. Students can make additional progress when they would know how to also practice rather than just learning the skills. Thus, educators should consider it necessary to keep the MBA program curriculum based and featured with all these aspects of teaching and learning. Students must be taught to evaluate and monitor their own efforts and progress once they learn how to practice (Bedwell & Fiore, 2014). Davison et al (2011) has focused on the trend in which recently employers have given significant importance to internet and social networking sites to screen out potential job candidates and employers use these means with laser light intensity to check employee backgrounds and verification of information. One of the key objective of such activities is to inspect the social skills and aptitude of applicants; referring to the significance of interpersonal skills. Klehe et.al. (2012) observe personalities to identify criteria and the ideal employee match. They describe the model of employee selection using fit factors. Organizations are interested in high potential performers while in contrast job applicants focus on working for excellent organizations. They conclude that it is not only about matching job requirements factors and job applicants' KSAs, but the matching between organizational attributes as structure, hierarchy, culture and leadership style and individual (applicant) attributes are important too. A study conducted by Karanja, Ndunga

and Mugambi (2014) describes factors influencing employee selection in the public service in Kenya using regression analysis. They conclude that personal characteristics have negative impact on employee selection whereas academic qualifications and background checks have positive and significant relationship with employee selection in public service. Hence, we can analyze that the geographical location and sector may vary the results to observe selection criteria. Furthermore, they also designate the standing of formal employee education in the globally growing uncertainty. They conclude that applicants ought to improve their skills level. They need to acquire updated knowledge, skills and attitudes through continuous development sessions to survive in the new world with advancing technologies. A report published by European Commission (2014) on employability and skills of higher education graduates, analyzes the significance of effective transition from higher education to employment; as in 2013 80% of EU higher graduates gained employment. It mentions that the young person employability depends on the quality and the relevance of what they have learned in their formal education.

Clarke and Jones (1999) explain about creating opportunities, releasing potential and achieving excellence to professional program students, who would be the potential applicants in the near future. They stress on formal guidance and providing practical direction to them regarding work experience through industrial placements. Dokko, Wilk and Rothbard, (2008) scrutinize that prior professional experience of employees has a positive effect on their performance via knowledge and skill-set but a negative direct effect in terms of behavioral and cognitive rigidities, has been observed.

III. RESEARCH METHODOLOGY

Quantitative Research approach has been adopted in this empirical study. The data is collected using close-ended questionnaire while statistical tools are used to analyze the data under "Statistical Analysis Techniques". Further, interpretation of quantitative analysis has been mentioned.

3.1. Statistical Analysis

Descriptive and inferential statistics have been used in order to analyze the data. For this purpose, we used descriptive statistics to check the geographical data regarding age, education, experience etc. Regression analysis is used to check the R square value and significance value which should be less than 0.05. Correlation analysis is also used to check the significance of the variables used in the research. We have used statistical package of social sciences (SPSS 22). In order to collect data we used Google online form questionnaire. The URL of that form was shared via email, Whatsapp, Social media Facebook and LinkedIn to executives. The targeted population was professionals like bankers, teachers and employees, all between 25- 45 age group.

3.2. Significance of the Study

This study may help many corporate managers in Pakistan to develop effective selection criteria and policies. It will also help other researchers on this topic further. Mainly, this research can extensively provide grounds to HR policy-makers to set appropriate selection criteria and comprehend the significance of the given variables as education, experience and interpersonal skills.

3.3. Research Question

What employee selection criteria have been followed in Pakistan? What are the drawbacks of the existing system and how can we improve it in order to make selection process effective?

3.4. Hypothesis

H1: There is significant and positive relationship between education and selection criteria of employees in Pakistan

H0: There is no significant and positive relationship between education and selection criteria of employees in Pakistan

H1: There is significant and positive relationship between experience and selection criteria of employees in Pakistan

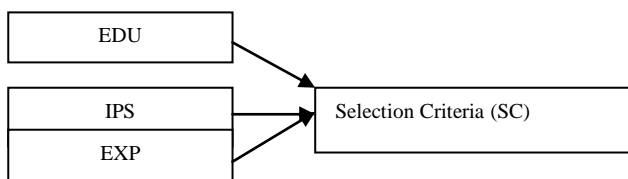
H0: There is no significant and positive relationship between experience and selection criteria of employees in Pakistan

H1: There is significant and positive relationship between interpersonal skills and selection criteria of employees in Pakistan

H0: There is no significant and positive relationship between interpersonal skills and selection criteria of employees in Pakistan

3.5. Theoretical Framework

Figure: 1



3.6. Descriptive Statistics

In this study, descriptive analysis is used to summarize data; 80 respondents were picked to conduct the survey. Descriptive statistics of all the variables of the study is provided. Selection criteria of employees represent dependent variable while independent variables are Education (EDU), Experience (EXP) and Interpersonal skills (IPS).

Statistics
Table 1

	EDU	EXP	IPS	SC
Mean	3.856250	3.788750	3.951429	3.620000
Std. Deviation	.4150366	.2324059	.1696495	.4846304

Table 1 provides mean and standard deviation of all the independent and dependent variables. The first independent variable is education while the mean of this independent variable is 3.856 along with the standard deviation .4150. The second independent variable of the study is experience while the mean of this variable is 3.788 along with the standard deviation .2324. The third independent variable of the study is Interpersonal skills while the mean of this variable is 3.951 along with the standard deviation .169. The only given dependent variable is selection criteria with a mean value of 3.620 along with the standard deviation .484.

3.7. Correlation Analysis

Table 2 provides correlation matrix for all of the variables used in the study where SC is dependent variable on the other hand EDU, EXP and IPS are Independent variables. Correlation analysis is conducted in order to understand the relationship between the dependent and independent variables. Education yielded a positive but weak relationship with EXP because Correlation coefficient is 0.273 which is less than 0.5; whereas IPS has strong relationship as its Correlation coefficient 0.703. Furthermore, SC has weak relationship with the Correlation coefficient 0.293. Experience yielded up a positive but strong relationship with IPS as its Correlation coefficient is 0.694. On the other hand, it has negatively weak relationship with SC with a Correlation coefficient value of -0.435. Interpersonal skills yielded up a negatively weak relationship with SC because its Correlation Coefficient value is -0.231 which means that when one variable is increased the other variable is slightly decreased.

Table 2

		EDU I	EXPI	ISI
ED UI	Pearson Correlation	1	.273	.703
	Sig. (2-tailed)		.513	.078
	N	8	8	7
EXP I	Pearson Correlation	.273	1	.694
	Sig. (2-tailed)	.513		.083
	N	8	8	7
ISI	Pearson Correlation	.703	.694	1
	Sig. (2-tailed)	.078	.083	
	N	7	7	7
SCE D	Pearson Correlation	.293	-.435	-.231
	Sig. (2-tailed)	.523	.330	.619
	N	7	7	7

3.8. Regression Analysis

In order to find the relationship between dependent and independent variables, regression analysis has been conducted using SPSS 22. R square represents the variation in independent variable due to stated independent variable. Usually the model is considered effective if R square is greater than 50%. Closer it is to 200%, higher will be reliability of model.

Model Summary

Table 3

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.688 ^a	.474	-.052	.4971145

ANOVA
Table 4

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	.668	3	.223	.901	.533 ^b
Residual	.741	3	.247		
Total	1.409	6			

a. Dependent Variable: SCED

b. Predictors: (Constant), ISI, EXPI, EDUI

The p value of the significance level of the whole model which should be below 5% is actually .533 it means that there is insignificant relationship between dependent and independent variables. As shown in the Table 3, the R square is 47.4%.

Coefficients
Table 5

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	9.214	5.385		1.711	.186
EDUI	.902	.721	.826	1.252	.299
EXPI	-.315	1.274	-.161	-.248	.820
IPS	-1.998	2.531	-.699	-.789	.488

a. Dependent Variable: SC

Remaining 52.6% variation might represent other undefined variable.

Regression Model

$$SC = 9.214 + .902 \text{ EDU} - .315 \text{ EXP} - 1.998 \text{ IPS}$$

If Education increases by 1unit than the selection criteria will increase by .902; If Experience increase by 1 unit than the selection criteria will decrease by .315. Similarly if Interpersonal skills increase by 1 unit, than the selection criteria will decrease by 1.998.

IV. CONCLUSION

Selection criteria rely on a strategically planned process by Human resource specialists and these plans and polices are being implemented by organizations during recruitment, and selection process. Different tools have been used while selection process of new employee and many tests have been conducted before hiring. The most important area is selection where a candidate is selected on basis of education, experience, expertise and different skills as per the requirements of organization.

According to the results it is concluded that there is insignificant relationship between dependent and independent variables. A minor change in any three of independent variables (education, interpersonal skills and experience) will lead to big changes in selection criteria of employees (dependent variable). Correlation model shows that experience plays a vital role in today's selection criteria in Pakistan. Recruiters prefer to hire experienced employees at first place rather than considering education and interpersonal skills of an employee. This study further leads towards the in depth analysis of why recruiters lack interest in qualified and skilled employees and prefer to have experienced employees in the context of Pakistan.

Limitations: The study has taken place only in the private corporate sector of Pakistan. Moreover, the study considered only three independent variables while results refer 52% other unknown variables.

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