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FACTORS AFFECTING SELECTION PROCESS

Sanjeev Himachali

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Introduction

Selection of an individual for a given role is not an easy task. It does not only consist of the communication skills or technical expertise of an individual but a lot of many other parameters such as relevant experience, cultural fitment, personality traits of an individual, education and industry background and etc. After a certain level in an organizational hierarchy companies stop experimenting with people possessing irrelevant or unwanted skills and experiences. At that level, one cannot go and ask for, "just one chance" or say, "if given a chance I can do it". Getting a wrong person in that level can cost an organization much more than the total salary paid to that particular individual. Hence, one must be very careful in selecting an individual and letting him or her cross organizational borders.

In this article, we are trying to discuss various factors that affect the selection process. We have tried to cover as many factors as possible but we are afraid that we might not have covered all parameters. Most of the factors and parameters discussed in this article are relevant for experienced professionals and for middle and senior level positions in mid-size to large size local or multi-national and multi-cultured organizations. We have not covered domain specific and industry specific factors and to that extent this article is generic in nature and can be applied across various industries, domains and professions with little modification.

Crucial Factors in Selection Process

1. Relevant experience
2. Industry type
3. Domain experience
4. Willingness to relocate
5. Your education and mode of your education
6. Salary budget

Rare and General Domains

Let me take an example of HR Profession to explain rare and general domains. Rare domains are those fields where companies' need only specialists, vacancies and opportunities are less as compared to general domains, for example, no one else but only a heart surgeon can perform a heart surgery and not all hospitals or clinics can afford to hire them. On the other hand, any doctor with basic qualification can be a physician and almost all clinics and hospitals have at least a few of them.

General Domains in HR

1. HR Generalist (HR Operations)
2. Talent Acquisition
3. Employee Relations
4. Training and Development
5. Payroll
6. Talent Management
7. Performance Management
8. HRIS Specialist
9. Labor Law Experts or Industrial Relations Experts

Rare Domains

1. PCMM Consultants
2. Six Sigma Experts
3. DISC or MBTI Assessment Administrators and Practitioners
4. Compensation and Benefits Specialist (In big companies they need two different persons, one each for Compensation and Benefits)
5. Organization Development
6. SAP-HR or PeopleSoft HCM or Oracle HRMS Experts

7. Salary Tax Specialist
8. Human Behavior or Workplace Behavior Expert

Let's discuss

I) Relocation

Whenever there is an open position in any company, the company prefer to source candidates and applicants from the local market. This is done for simple reasons such as;

1. Fasten the selection process and will facilitate face-to-face interviews
2. An individual who is already settled in that particular place, city or state will not face any difficulty in joining the company
3. This saves the company a few extra costs such as excessive interview cost (getting the individual to travel to company site for interview), relocation cost and etc and thereby will minimize the cost per hire, and
4. This also defuses any anxiety or fear in an individual.

On the contrary, if a company plans to source an applicant from another city in a state or country, they might need to make arrangements for the following:

1. Travel and hotel arrangements for candidates or selection panel to facilitate face-to-face interview(s);
2. Travel and hotel arrangements for selected candidate (s) to facilitate their relocation;
3. Provide them with suitable relocation cost
4. Process their work permits (if applicable)
5. Assist them in assimilating with new location and culture

Hence, hiring a person from the local market surely saves the time and money of the company. But, we are in a global market where the talent market is very volatile yet competitive and hence any company that decides to compromise with skills and talent may lag in the competition. Having the right people available for the right role at a right place and time is not leisure or matter of choice but a requisite and need to be competitive in the market not only to win the competition but to survive in the competition. Hence, these days' companies are open to search for suitable talent in the global talent market. However the order of preference is as follows:

1. Local Market (within the city or state of operation)
2. Regional Market (within 500 miles of the area of operations)
3. National Market (within the geographic limits of a particular nation)
4. Global Market

Based on the above mentioned factors, a company in Bangalore, India will prefer to look for suitable candidates in the following cities within India:

1. Bangalore
2. Chennai
3. Hyderabad
4. Mumbai
5. Pune
6. Delhi-NCR

Or, in following regions outside India:

1. South East Asia
2. Asia Pacific
3. Middle-East and
4. Africa (before moving to European or American Market)

Geographic constraint or willingness to relocate a candidate is not only a limitation for companies but even candidates are not willing or so open to relocate to another location and they have various reasons for that such as:

- Comfort level and facilities
- Family issues (job of spouse; education of children; old parents to look after)
- Fear, uncertainty or anxiety related to change and etc

Though the scenario is changing but most of the times females express their unwillingness to relocate to another place or city because of their family commitments. However, males seems to be open to an idea of relocating for challenging career opportunities but they measure such moves on following parameters:

- Salary (percent increase in savings)
- Benefits given by the company
- Infrastructure of the city/country
- Safety
- Future growth prospects
- Social Security

Based on the above mentioned, an individual from India or Thailand may express his willingness to relocate to USA or UK on temporary or permanent basis rather than vice-versa. Even within US, an individual may express his willingness or preference to relocate to New York or California rather than relocating to Virginia or Atlanta or Alaska.

II) Relevant Experience

Do you think that you are a master of your profession and can do anything within the preview of that domain? I am sorry but you are wrong in your interpretation. Earlier in this article we mentioned about various roles that falls under the umbrella of HR profession. Let me take one example from that. XYZ which is a multi-national IT company is looking for a HR – Manager (Generalist) and they are looking for someone with at least 7 years of experience in the same role of which at least 2 years of experience at the same level and within the industry of their operation. You have 12 years of experience. Three years in Recruitment, before completing your MBA. Post MBA you worked in the training and development department of ABC Company, which is a BPO, for 6 years before moving into the role of employee relations with a mid-size telecom company and you are in this role for the last 3 years. Though you have more experience than the required experience for the role, but neither do you have relevant experience nor you belong to the same industry.

Although you are a qualified HR professional but that doesn't mean you can handle every role and job that fall within the preview of this profession. Requirement of relevant experience is not only a critical requirement for HR profession but in every profession and role. There is little doubt that given a chance you might be able to handle the role of HR-Generalist but no one likes to take any risk or gamble for such a senior role. It will be wastage of time and money, both for you as well as the company. From the company's perspective, they do not like to take any risk and will only hire a person with

the right skills, competence and relevant experience.

Mode of Education

In countries like India and China, education plays an important role in the selection process for all types of white and blue collar jobs. In addition to that, as one moves up in the organizational hierarchy, relevant education, type and mode of education and relevant certifications becomes critical in the selection process. Many people are of the view that although right type of education is required for any role but the type and mode of education is irrelevant. They also feel that companies are discriminating and rejecting their candidature purely for the reason that they earned their degree or diploma through distance mode of education.

People also argued that those who have done their MBA through regular mode of education are less experienced or knowledgeable than their counterparts with Distance Mode of Education, who obtained their qualifications in spite of working full-time.

Let us expand this argument and provide a logical explanation. In this fast paced world and cut throat competition, no company likes to take any chance or experiment with the required skills, experience level and competence. The order of preference that is followed in many companies at the time of sourcing and screening is as follows:

- Full Time MBA's from top 10 institutes in the country or top 25 institutes in the world and with good CGPA and relevant experience.
- Full Time MBA's from next 50 ranked institutes in the country but with good CGPA and slightly more experience.
- Executive MBA or Part-time MBA (evening classes or weekend classes) from top 25 institutes in the country supported by relevant experience.
- Lastly, correspondence MBA or MBA obtained by distance mode of education with good CGPA supported by relevant experience.

Secondly, here I am making an attempt to clarify as to why regular (full-time) education gets more value than distance or correspondence mode of education. Obtaining relevant qualification is not about gaining knowledge. It is about grooming you for the right type of role and installing skills that are required for getting success in your profession. It is about,

1. Building Leadership Skills
2. Building competitiveness
3. Strategizing goals and vision
4. Building Entrepreneurship
5. Planning Business Models
6. Planning Strategies
7. Planning Profits
8. Implementation of strategies
9. Building leaders
10. Risk Taking
11. Time Management
12. Handling Finances and other related things
13. How to handle Success?
14. How to handle criticism and Failures?
15. How to fight back from Adversity?

These and many other related traits and skills cannot be learned by themselves (even if they can be, they take more time) and need proper grooming from the experts and pioneer leaders.

Other factors that are in favor of regular MBA's are:

1. Entrance Exam
2. Cost and
3. Other little sacrifices

In order to get an admission in a good Management Institute, students are required to appear for entrance exam such as CAT; XAT; GRE; TOFEL etc. Such entrance exams are followed by Group Discussions, Presentations and personal interviews. This in itself develops competitiveness in an individual. They learn that competitions can only be won by participating in the game and not by sitting outside. Not many institutes that offer MBA through Correspondence or Distance Mode of Education have such an exhaustive mode of selection.

Also, two years regular (full-Time) MBA courses are much costlier than correspondence or Distance MBA; sometimes, as costly as 75K-125K USD. Why do you think, people will spend so much of money (at times by taking loans from banks) to get admission in regular MBA course? Lastly, those people who do their MBA in a regular mode make more personal sacrifices

than those with correspondence or Distance MBA.

I have made an attempt to explain why people with regular MBA get preference over those with correspondence or Distance MBA. Let me take an example from our day-to-day life. When you like to eat out, where would you like to go? Don't you get advice from your elders in the family to eat at a decent and hygienic place? Will you prefer to eat at road-side shops or unclean restaurants? Certainly, you will prefer to go to a restaurant or hotel that is based on your budget. Although not all 5-star chefs cook good food and they also make errors but chances of mistakes are less. Also, it is not certain that all small restaurants or eat out joints are unhygienic or cook unhealthy food but chances are more.

On the other hand, not all those that are running small hotels and restaurants are doing bad business. At their level and based on their competence they are earning well and doing good business. There are chances that one day some entrepreneur or investor will visit their restaurant, may be by chance, and will eat the food. He may like the food and may get so impressed to do business with the owner of that restaurant. He may agree to invest in the business. But until that time, this person needs to wait.

In a same manner, those who obtained their qualification through distance or correspondence mode of education need to wait for the right time and the right opportunity. They should not get frustrated or be impatient. Keep on learning and expanding your horizons and one day you will get the right opportunity.

IV) Relevant Industry Experience (Moving from One Industry to another)

Recently I participated in one debate and the topic of our debate was, "Why is it important to have relevant industry experience to get a job"? People argued that irrespective of the industry that they are operating in, the basic role of HR Professionals or that of Marketing or Finance Professionals or Lawyers (and other related professions) remains the same. So, why is there so much of fuss or issue around hiring an individual with relevant industry experience? However, we are of the opinions that work dynamics and culture of every industry differs from the other. The pace of work, culture, type of people, expectations of the people and time of work (your office hours) differ from industry to industry. There is a large difference in the work-culture and mindset of people working in industries of old economy and those that are part of New Economy. Recently we have also seen that many companies that

were more than 100 years old either became bankrupt or are on the verge of it.

Yes, you are an expert in your profession but that doesn't mean that you can work and adjust with the complexities and dynamics of any work culture. It is not about the actual work but also about mindset, adaptability and complexity. As an analogy, I may refer to an example of asking an ordinary car driver to drive a Formula-One Car. Just because you know driving doesn't mean that you can drive any vehicle. Does it? Another example is of asking a cook working in a desi dhaba to cook in a 5-star hotel. It is not that people cannot move across industries but, however, preference is given to one with relevant industry experience. So, you can move from one industry to another but you need to compete with people with relevant industry experience and they will always get preference over you.

V) Salary Budget (Cost to the company)

Among all the factors that you may consider while accepting or rejecting an offer is the compensation and benefits package in offering. You look for a CTC package that is higher than your current package. But what increase is acceptable to you? Is it 10% or 25% or 50% or 100% or 200% or even more? Have you ever wondered that many times, in spite of having right skills and competence and having performed well in the selection process, they reject your candidature because your present salary is not competitive enough to get you the salary in offering? Although sad and shocking but this is a fact. This is applicable in those job markets where companies hire from the local talent market. However, when hiring nationals of other countries there are many other factors that plays an important role such as cost-of-living, tax structure and etc (we will discuss about those factors at another place and in a different article). Offering substantial increase over the current package or offering a package lesser than the approved salary-band disturbs the internal equity of the company and effects retention strategies of the company.

For example, I want to hire an IT Manager with 10 years of experience and my budget for this role is 75K-100K USD per annum. Don't you think that to get this offer and salary in this range the present salary of a suitable candidate should at least be 60K USD, if not more? If your current salary is less than this, then irrespective of your performance during the selection process and other required skills that you may possess, the company may show hesitation to offer you the role.

As a general practices across the world in a normal case companies offer 20-25% of increase over your current package. If you are an excellent candidate with the right skills, competence, experience, attitude and proven track record of exceptional performance then you can expect 50-75% increase over your present compensation package. Not many companies offer 100% or more increase. (As discussed above, this rule is applicable when you hire talent from the local market, within the geographic limits of one nation).

VI) Miscellaneous factors

There are other miscellaneous factors that play crucial role in the selection process and some of those factors are:

1. your presentation (dress, approach, attitude and etc)
2. depth of your knowledge level
3. demonstrated leadership skills

In short, if you will get the job in offer or not depends on your ability to "sell yourself to the interview panel". Following factors will be of great help to get you that job:

1. Your preparation
2. How much do you know about the industry?
3. How much do you know about the company, its vision, and history and business model?
4. Your communication skills
5. Are you aware of the competitors of the company?
6. Are you aware of the growth pattern of the company?
7. And how can you help them to increase the profitability or how can you contribute in their profitability?

Conclusion

This article is an attempt to list down various factors that affects the selection process in companies and corporate houses. List of factors discussed here are primary in nature and are applicable across industries and professions. There may be other factors (also called as secondary factors) that are equally important but varies from industry to industry and from profession to profession.

Cultural fit is a relatively new buzzword in talent acquisition. Hiring people that fit your corporate culture plays very critical role in the retention of talent and has direct impact on the performance of a particular team and overall performance of the organization. We will discuss more about it in our following articles.

Write to us, if you have any queries or questions about anything that is discussed above. Do share your feedback about the article that will help us to improve.

I hope that this discussion will be of use to all those who are involved in selection process whether as an interviewer or interviewee. Kindly give your comments and share your views.

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About the Author : Sanjeev Himachali

The author is a HR Professional with extensive experience in domains like Talent Identification, Talent Acquisition, Talent Management, Employee Engagement, Career Planning, HR Research and Compensation and Benefits. Sanjeev has done extensive research in BPO (Contact Centre and Call Centre) Industry. He can be contacted at ss_himachali@yahoo.com

Reference : <http://hrera.com>