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Critical study of the managerial selection practices in Malaysian business organisations

Zeti Sheikh Othman
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**Critical Study of the Managerial Selection Practices in
Malaysian Business Organisations**

by

Zeti Sheikh Othman

A Thesis Submitted in Partial Fulfillment of the
Requirements for the Award of
Bachelor of Business (Honours)

at the Faculty of Business, Edith Cowan University

Supervisor : Allen Clabaugh

Date of submission : July 2001

USE OF THESIS

The Use of Thesis statement is not included in this version of the thesis.

Abstract

An exploratory study was made on the managerial selection practices of Malaysian business organizations. The data for the study was provided by 62 business organizations comprising 22 Malaysian-owned small and medium enterprises, 26 large locally-owned corporation and 14 Malaysian-based multinational companies. Comparisons of the selection practices were made between the two categories of Malaysian local companies; between the Malaysian local companies and the multinationals, and between selection practices of the Malaysian organizations combined with the practices in the developed countries as revealed by management literature.

Analysis of the results reveal that generally there were little differences between the selection practices of the different categories of business organizations operating in Malaysia. The Malaysian managerial selection practices resemble the practices in the Western-oriented developed countries, such as the United States, United Kingdom, Australia, and New Zealand. When compared to Japan, a developed Asian country, however, an important difference may be identified in the selection policy or strategy. While Japanese corporations seldom hire outsiders for higher level positions and prefer to train their own personnel in preparation for managerial position in the future, Malaysian organizations followed the Western practice of leaving the door open by selecting their managerial personnel from internal sources (through promotions from within the organizations) as well as by selecting and appointing from external sources by inviting applications from outside their organizations.

Majority of the Malaysian organizations (both the locally-owned and the multinationals) preferred the multiple hurdle approach over the multiple regression approach. A most likely reason is to save both costs and time by shortening the selection process by not proceeding to consider any further those candidates who were considered not to have fulfilled a cutoff point in the sequence of the selection stages. Management literature, however, cautions that the multiple approach might create undesired result if the validity for each predictor has not been properly established.

Findings from this research indicated that there were little differences in the use of selection methods between Malaysia and the developed countries. The preferred tools used in Malaysia and developed countries are interviews, resume or curricular vitae, application forms, biodata, recommendations and references. As is the case in the developed countries, the interview is the dominant method used. Malaysian organizations, however seem to use recommendations and references and job tryouts more frequently than do organizations in the developed countries. The assessment centres which have gained much higher degree of popularity and acceptance in the developed countries appear to have a relatively low frequency in Malaysia, if results of the study were to indicate an accurate picture in the country. The results show that while assessment centres were frequently of used by some companies in Malaysia, probably among the larger ones, overall its use has not been as widespread and frequent as in the developed countries.

Cultural dimensions or characteristics appear to have no impact on the Malaysian selection practices. This could be due to the fact that in business

management and business practices, Western influence had more influence than any indigenous cultural features. Malaysian organizations, however, recognise the importance of cultural differences within the country and between nations to business practices and strategy. This recognition is indicated by the fact that Malaysian organizations made it one of the requirements that managers and managerial candidates have skills and abilities to effectively deal with culture-related issues and matters that are of importance to organizational performance. When compared to other requirements of the manager's knowledge, skills and abilities, however, Malaysian organizations place a higher degree of importance to human and technical skills. This implies that the skills of the manager to perform tasks that require his expertise as well as his skill in managing the workforce is considered more important than culture-related skills.

The effectiveness of the Malaysian selection practices could not be properly assessed based on an exploratory study of this nature. This would require more in depth study and research.

Declaration

I certify that this thesis does not, to the best of my knowledge and belief:

- (i) incorporate without acknowledgment any material previously submitted for a degree or diploma in any institution of higher education;
- (ii) contain any material previously published or written by another person except where due reference is made in the text; or
- (iii) contain any defamatory material.

Signature



Date

14 / 7 / 2001

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CHAPTER 1

INTRODUCTION

Background of the Study

Employee selection is the process of collecting and evaluating information about an individual in order to extend an offer of employment (Gatewood & Field, 1998). The objective of effective selection is to obtain information about individual characteristics of job applicants (such as knowledge, skills, abilities, experience and others) in order to evaluate how well candidates attributes' fit in with the performance-based requirements of the job (Rosse & Levin, 1997; Gatewood & Feild, 1998; Robbins, Millet, Cacioppe & Marsh, 1998). The organisation must select, from a pool of applicants or candidates, individuals who have the required knowledge, skills and abilities (KSAs) to perform well on the job so as to meet the organisational goals of the firm.

This study examined the policy, processes, methods, criteria and decision-making procedures in selecting managers in Malaysian business organisations. The organisations comprise Malaysian local companies (small and medium enterprises, and large corporations) and multinational companies operating in Malaysia. This study also examined the connection between cultural dimensions and organisational selection practices.

Finally, this study evaluated the effectiveness of the Malaysian selection practices, by comparing these practices with the methods used in the developed countries and the discussions in the literature.

In order to better understand the relevance of effective selection to organisational performance, it is necessary to understand the importance of selection, in general, and of managerial selection in particular.

The Importance of Selection

Selection is important to any organisation as good selection practices can contribute to organisational efficiency (Di Milia & Smith, 1997). Smith and Robertson (1993), and Newell and Shackleton (1994), cited in Di Milia & Smith, (1997) further suggest that effective selection practices can improve the productivity of the organisation and contribute to business growth. Several recent studies have shown that the quality of employee selection decisions directly affects the efficiency, performance, productivity and growth of an organisation (Patrickson & Haydon, 1988; Shackleton & Newell, 1991, Gatewood & Feild, 1998). Thus, selection is strategically important to an organisation because it is directly linked to its strategic planning processes and the success of its operations.

While it is important for organisations to effectively select employees, it is even more important to effectively select managers.

The Importance of Selecting Managers

The literature suggests that there is a link between the importance of managerial selection and the vital role that managers play in an organisation. This is based on the manager's contribution to the organisation's performance, the complexity of the manager's tasks, the rapid changes in the corporate environment, the challenges facing business organisations and managers from time to time, and the high level of knowledge, skills and abilities (KSA) required of managers (Di Milia & Smith, 1997; Patrickson & Haydon, 1988; Pulakos & Schmitt, 1995; Vaughan & McLean, 1989).

Managers are responsible for a wide range of functions, including setting the vision, overseeing the strategic planning process, establishing organisational policies, and monitoring performance of the organisations (McKern, 1996). Managers are also expected to have the ability to develop lower level staff by coaching, guiding, and motivating them to become more capable workers (Group, 1995; Young, 1996). Managers and supervisors are also responsible for managing and supporting organisational change and, in fact, most managers and supervisors are considered to be change agents (Gardner, 1994).

Managers, furthermore, can influence and determine organisational policy (Patrickson & Haydon, 1988). Recent research implies that executive decisions have significant consequences for large numbers of employees as well as for shareholders, communities and other stakeholders (Judge, Boudreau, & Bretz, 1994).

Management literature suggests that managerial work is varied and complex and is likely to become more so (Vaughan & McLean, 1989). The manager's jobs

and tasks have become increasingly complex largely due to increasing business complexity as business knowledge grows, firms expand, and the nature of competition becomes more sophisticated (Group, December 1995).

One of the most important developments since the 1980s that have influenced the changing role of managers has been the globalisation of business. The roles and responsibilities of managers have become more challenging and demanding with the increasing levels of global competition from the 1980s (Fisher & Dowling, 1999), with the result that globalisation had emerged as the single most important business trend of the 1990s (Huang, 2000), and the 1990s are considered the decade of global enterprise (Stone, 1995).

It is therefore important that organisations carefully select managers because as Vaughan & McLean (1989, p.21) argue, “a rigorous selection process is highly appropriate whenever critical selection decisions have to be made, such as when the job is difficult and involves considerable responsibility; when the appointee will need to possess exceptional personal qualities; and when the wrong selection decision could have costly consequences for the employer”. This managerial selection process must take into consideration all the relevant factors such as the complexity of the manager’s tasks, the vital role of the manager, the changes and challenges in the corporate environment, and the high level of knowledge, skills and abilities required of the manager.

Significance of the Study

There has been little research on managerial selection practices in developing countries. Indeed, most of the research consists of surveys and critical studies regarding the processes and methods of managerial selection in developed countries for example, in Australia (Di Milia & Smith, 1997; Murdoch, 1992; Patrickson & Haydon, 1988; Vaughan & McLean, 1989); Britain (Clark, 1992; Robertson & Makin, 1986); comparison between Britain and France (Shackleton & Newell, 1991); New Zealand (Harris, Toulson, & Livingston, 1996); Scotland (Scholarios & Lockyer, 1999); and Greece (Eleftheriou & Robertson, 1999).

Likewise, Kane and Stanton (1994) point out that there are only a few published reports on managerial selection in Asia Pacific countries other than in the United States, Canada and Australia. Some studies on developing countries, such as Taiwan (Huang, 2000), relate more to the wider areas of human resource management and only peripherally discuss management selection methods and practices. Two recent studies on Korea (Lee, 1999) and Taiwan (Hsu & Leat, 2000) deal with the broader areas of personnel recruitment and selection practices in the respective countries and do not focus on managerial selection. There appears to have been no study on managerial selection practices on Malaysia and the Southeast Asia region. In view of this and the varied socio-economic background of the country, it is important to critically study managerial selection practices in business organisations in Malaysia.

Malaysia may be considered to be a typical rapidly developing country with an open economy. It has many business links (especially through joint-venture

projects) and trade relationships with many countries. The country is currently emphasizing the development of its own human resources “to prepare a workforce that is capable of meeting the challenges of a knowledge-based economy so as to enhance economic productivity and competitiveness” (The Malaysian Third Outline Perspective Plan 2001-2010). In response to the ongoing ‘globalisation of business’ and more intensified international competitiveness, the selection and appointment of managers have become very important issues in modern business organisations in Malaysia and other developing countries. Furthermore, the manager in Malaysia performs his task in an environment of diverse cultural background, and manages a workforce of varied ethnic groups and religious faiths, with an estimated more than two million foreign workers in the country adding another dimension to the cultural diversity of the country (Robbins et al.,1998). The government of Malaysia is also pursuing the 2020 Plan, introduced to make Malaysia a first world economy by the year 2020 (The Malaysian Third Outline Perspective Plan 2001-2010; Robbins et al., 1998). As concluded by Robbins et al., (1998, p. 39), “The example of Malaysian development illustrates some of the challenges that managers are increasingly likely to face in the 1990s and beyond: diversity of views, diversity in cultural backgrounds of employees and diversity of change”.

The findings of this study might have a broader relevance if they reflected the management selection practices in other developing countries such as Singapore, Indonesia, Thailand, Philippines, Korea and some developing countries in Africa and South America, which have a similar socio-economic background as Malaysia. This study also provided useful information on management selection practices in a developing country that had numerous locally-owned companies and many

multinational companies (MNC). Moreover, the MNCs in Malaysia originated from different countries and different cultural background.

Many researchers and academics (for example, Adler & Bartholomew, 1992; Anver, 1997; Robbins et al., 1998) have emphasised the relevance of cultural dimensions and cultural differences to business management and practices. This study, therefore, examined the relationship between Malaysian cultural dimensions and managerial selection practices to determine whether there is any impact of cultural characteristics on selection practices. Furthermore, this study examined the selection criteria to find out how important did organisations consider culture-related skills as a requirement in the managerial selection criteria. This is because there has been much discussion in the literature to indicate that it is important for managers to have an understanding of the connection between cultural characteristics and business management and practices, and for managers to have cross-cultural interaction skills (Adler & Bartholomew, 1992; Anver, 1997; LaBahn & Harich, 1997; Robbins, et al., 1998; Vecchio, Hearn, & Southey, 1996).

Research Questions

This study focused on the main areas of the managerial selection practices, which are the selection policy, processes, methods, criteria, and decision-making procedure. It also evaluated the effectiveness of the Malaysian selection practices by comparing them with those in the developed countries and the discussions in the literature.

Specifically, this study was designed to explore the above areas of research, and answer the following research questions:

1. What selection policy, processes, and methods are adopted by Malaysian business organisations (both local companies and multinationals) in the selection of managers?
2. What similarities and differences can be identified between the selection processes and methods used by Malaysian local companies and multinational companies in Malaysia?
3. What selection criteria are used by the organisations to determine suitable candidates for appointment to managerial positions?
4. What influences of cultural dimensions and cultural differences can be identified in the managerial selection practices of Malaysian business organisations?
5. How do Malaysian selection practices compare with the literature and the practices in the developed countries?

This exploratory study was confined to business organisations located in the Malaysian capital city of Kuala Lumpur and its surrounding areas.

Delimitations of the Study

The main delimitation of this study is that the sample of respondents was restricted to Malaysian business organisations located in Kuala Lumpur and its surrounding areas. The delimitation was done for three reasons. First, this delimitation allowed the study to focus on the country's most important business and financial centre where all categories of business organisations (small and medium enterprises, large corporations, and multinationals) were well represented. This would also ensure that the findings of the study could be better compared across the business categories in Malaysia, and between Malaysia and the developed countries. Second, the delimitation was to ensure that the sample was selected from respondents having common business, geographical, and cultural environment. This would eliminate the possibility of different environment affecting different organisations. The third reason was that information obtained from inquiries made prior to the selection of the sample indicated that the large corporations and the multinationals located their human resource departments at their headquarters in the Kuala Lumpur region. This delimitation, however, is not considered to have caused sampling bias or negatively affect the findings of the study since the respondents were selected from a common sample frame, and Kuala Lumpur and its surrounding areas are the main areas of Malaysia's economic, business and financial activities.

Another delimitation is that a pilot study could not be conducted before the questionnaire was distributed. However, to overcome any possible adverse effect of this, the draft questionnaire was reviewed by some Malaysian students in Perth, and Malaysian nationals involved in business activities in Malaysia, to provide feedback on the content of the questionnaire and their understanding of the questions. As a

result of their feedback, some changes were made to certain aspects and wording of the questions to make them clearer to the respondents.

Definitions of terms

Certain terms and words used in this study are explained below (in the context of their use):

- | | |
|-----------------------------|---|
| ❶ Selection policy | - The principles already set by an organisation that become the basis or guideline for the organisation's selection practice. |
| ❷ Selection practice | - covers the whole range of business organisation's managerial selection, which includes the selection and appointment policy, the processes involved, the methods adopted, the criteria used, and the decision-making procedures. |
| ❸ Selection process | - The entire selection procedure from the time applicants or candidates submit their applications to the time decisions are made on who is to be appointed. The word 'process' covers the series of selection activities and usually involves more than one selection method. |
| ❹ Selection method | - any single device, tool or technique that is used in selecting managers. 'Application form' or 'assessment centre' is an example of a selection method. |
| ❺ Selection criteria | - various standards of indicating or measuring the qualifications of a candidate or applicant (usually referring to the knowledge, skills, abilities, work experience and other qualities of a candidate). |
| ❻ KSA | - Knowledge, skills and abilities that are usually related to the requirements of a job. |

- ⑥ Malaysian business organisations
 - Business organisations that comprise local small and medium enterprises, local large corporations, and Malaysian-based multinationals.
- ⑦ Multinational (MNC) - a company, especially a very large one, that does business in many different countries, usually through setting up its subsidiaries or establishments in such countries.
- ⑧ Local companies
 - locally-owned business organisations that include both small and medium enterprises and large corporations.
- ⑨ Large corporation or Large company
 - Any Malaysian-owned business organisation with shareholders' capital exceeding Malaysian \$10 million (about AUD5 million) and includes very large companies with a large workforce.
- ⑩ Small and medium Enterprises
 - A term that collectively includes small and medium-size Malaysian-owned company with shareholders' capital funds not exceeding Malaysian \$10 million (about AUD5 million), and usually employing less than 50 workers. The smaller companies have smaller capital and employ less than 20 workers.

Structure of the Thesis

This study is presented in six chapters. The first chapter introduces the study by presenting some background information on why it is very important for organisations to effectively select managers. This chapter also explains the significance of the study and presents the research questions, which define the main areas of focus of this study. Delimitation of the study is also dealt with in this chapter.

Chapter 2 gives a review of the literature in relation to managerial selection.

It surveys the literature in three main areas:

- ❶ The first area deals briefly with the selection processes in the selection of managers.
- ❷ The second area is the literature on various selection methods used in selecting managers in business organisations in the developed countries such as Australia, United Kingdom, Scotland, Continental Europe, and New Zealand. This part also discusses in some detail certain selection methods that have been frequently or widely used in the developed countries, or that have been much discussed in the literature.
- ❸ The third area is on the criteria used in the selection of managers. In this section, the knowledge, skills and abilities (KSA) that are required of managerial candidates including those relating to culture-related issues and cross-cultural differences are examined. This section presents what the literature says on the various criteria relevant to the selection and appointment of managers.

Chapter 3 outlines the research methodology of this study. It provides detailed information on how this study was conducted and the approach adopted. This chapter explains the data collection procedure and strategy, the sampling and selection of respondents, the sample size, the structure of the questionnaire, method of data analysis, and the ethical considerations.

Chapter 4 presents the results of the study. The chapter deals with the data analysis, beginning with the profile of the respondents, and presents the findings of the study that correspond with the five research questions. The results of the questionnaire survey are presented and analysed by using descriptive statistics. Important data obtained in the study are displayed in tables and the main features are briefly explained in written description in the text.

Comparisons are also made between the selection practices of the three categories of business organisation that operate in Malaysia. The Malaysian selection practices are also compared to the practices in the developed countries.

Chapter 5 discusses the results of the study in greater detail. The chapter also discusses the significance of the findings. Some observations are made regarding the Malaysian selection practices when compared to the practices in the developed countries. An assessment is made on the effectiveness of the Malaysian selection practices based on the discussions, views and recommendations in the literature.

This chapter also identifies aspects of Malaysian selection practices that appeared to show some impact or influence of Malaysian cultural dimensions. The chapter further examines the managerial selection criteria and discusses the criteria

that indicate the level of importance organisations attach to managerial skill and abilities in dealing with culture-related issues in business.

Chapter 6 is the conclusion to the study. The chapter discusses the implications of the findings of this study for policies and practices. It also outlines the limitations of this study. Observations and recommendations for future study on managerial selection in developing countries are given in this chapter. Some suggestions are put forward that might be useful to future researchers undertaking research in Malaysia.

CHAPTER 2

LITERATURE REVIEW

Introduction

There have been numerous published reports and much discussion in the literature on the subject of personnel and managerial selections. The literature has emphasised the connection between the quality of selection processes and decisions and organisational productivity and performance (Patrickson & Haydon, 1988).

The quality of the organisation's human resource has become even more important as a result of globalisation. Globalisation is one of the most important developments since the 1980s, and by the 1990s it has emerged as the single most important business trend (Huang, 2000; Stone, 1995). The globalisation of product markets and enhanced multinational activity has created interest in human resource management (Hsu & Leat, 2000). The focus of interest has been on the quality of the workforce to maintain competitive advantage (Kane & Stanton, 1994; Murdoch, 1992). International competitiveness leaves organisations with two broad choices: one is the effective selection of employees, and the other is training and developing employees to meet organisational goals (DiMilia, 1997).

This chapter explores the literature relating to managerial selection practices with a focus on the developed countries. This is because most of the research on the processes and methods of managerial selection have been on surveys and studies

relating to the developed countries. There have been few published reports of studies on human resource management in developing countries in the Asia Pacific region, and most of these have either peripherally discussed the practices of selecting managers or dealt only with certain aspects of the subject. There has been no published study on managerial selection practices of Malaysian business organisations. This leaves a gap in the knowledge regarding Malaysian managerial selection. Malaysian business organisations thus have no clear indications as to the effectiveness of their managerial selection practices. It also deprives business organisations outside Malaysia of a source of information that they might be interested in this globalised market.

The main purpose of examining the managerial selection practices in the developed countries was to gain insights and familiarity with the various aspects involved in the selection of managers. The valuable information obtained has served as valuable background information and a basis for the exploratory study on managerial selection practices in Malaysian business organisations. The information derived would also serve as a source of comparison, to assess the effectiveness of Malaysian selection practices. This exploratory study is a first step that might create researcher interest in Malaysian and Southeast Asian business practices.

This literature review covers five areas associated with the practices of selecting managers in the developed countries. These are the selection policy, processes, methods, criteria and decision-making. More focus is given to the discussion in the literature review on selection methods that have been widely or frequently used.

Managerial Selection Policy

Business organisations have adopted the policy or strategy of selecting their personnel through either internal or external sources (Breaugh, 1992; Gatewood & Feild, 1998). A locally incorporated company and a multinational operating in a foreign country, have different main considerations in determining which employment policy to adopt, especially in the selection of senior personnel such as the manager. The principal objective of both categories of organisations, however, is to select and appoint the candidate that is best suited for the tasks.

In practice, business organisations adopt the policy of selecting both internally and externally. In some cases, organisations fill job positions internally by promoting or transferring existing employees while in other cases they may fill job positions by selecting candidates from outside the organisations.

A locally-incorporated company may adopt the policy of promoting people from within the organisation with the aim of building company morale and fostering loyalty among employees who would be aware of the company's policy. The organisation would also have the advantage of getting personnel who are already familiar with the company culture, and are probably ready for a new challenge (Russell, 1995). However, when the same organisation could not identify a suitable candidate for a position from within the organisation, it could adopt selection from external sources by advertising the vacant position and inviting applications.

Multinational companies face certain factors, considerations and constraints that have to be taken into account in determining their selection policy. As explained by Huang (2000, p. 22), multinational corporations have "to maintain

managerial consistency among its branches”, but at the same time “it is also recognized that cultural contexts differ markedly among nations, and that multinational firms must adjust their management practices to accommodate specific conditions in host-country environments”. Consequently, multinational companies frequently have to face the problem of selecting and appointing effective managers to manage foreign subsidiaries or units effectively (Delios & Bjorkman, 2000).

As a way of solving the management needs and overcoming the problems relating to different cultural contexts, multinational companies adopt the policy of placing expatriates in the foreign subsidiaries as well as selecting and appointing the host country nationals as managers (Huang, 2000; Delios & Bjorkman, 2000; Hoon, Sun & David, 1993; Gross & Dyson, 1993). As explained by Delios and Bjorkman (2000), the expatriates perform two primary functions. The first is a control function in which the expatriate works to align the operations of the foreign unit with that of the parent organisation. The main purpose of control over foreign subsidiaries is to ascertain that the objectives of the parent company are fulfilled. The second is a knowledge function in which the expatriate transfers the parent company's knowledge (such as marketing and technological knowledge) to the subsidiary, or acts as an agent to acquire host country knowledge (such as knowledge of political, economic and cultural institutions and practices).

Multinationals would also appoint capable host country nationals in important management positions to deal with the subsidiary's environment and employees, and to help forge better working relationships with local business associates and the host government (Hoon, Sun & David, 1993).

Managerial Selection Process

Researchers have recommended that selectors adopt a selection process that involves a variety of tests and assessment criteria to ensure that the right persons are appointed managers (Vaughan & McLean, 1989). It has also been established that five selection decision-making strategies have been used in personnel selection to increase the chances of making correct selection decisions (Gatewood and Field, 1998). Two of these selection processes – the *multiple hurdle approach* and the *multiple regression* or *compensatory method* may be considered appropriate for selecting managers.

In the *multiple hurdle approach*, each applicant must meet the minimum cutoff for each predictor in sequence before going to the next predictor. Failure to pass a cutoff at any stage in the selection process results in the applicant being dropped from further consideration. The alternative procedure which is also suitable for managerial selection is the *multiple regression* or *compensatory method*. In this method, the applicants are assessed on each predictor and the applicants' predictor scores are recorded to arrive at a total score. By this method it is possible to compensate low scores on one predictor by high scores on another (Gatewood & Field, 1998).

Studies in several countries indicate that the typical managerial selection process involves a combination of usually two or more than two selection methods in a single process (for instance, application forms, biodata or reference checks or some other selection device together with the interview). This is followed by the assessment procedure that determines who should be appointed. This appears to have been established by research findings in several European countries such as France,

Germany, Belgium, Italy and U.K. (Eleftheriou & Robertson, 1999), Great Britain (Robertson & Makin, 1986; Shackleton & Newell, 1991), Australia (Patrickson & Haydon, 1988; Di Milia & Smith, 1997), and New Zealand (Harris, Toulson & Livingston, 1996). Researchers have suggested that the purpose of this is to improve the reliability and validity of the selection.

Nothing has been reported about Malaysian managerial selection process. In the developed countries, the selection of higher level personnel would normally take a few phases and involves more than one selection method. This exploratory study intended to establish what was the practice in the Malaysian business organisations, whether Malaysia adopted similar approaches or implemented some other procedure.

Since a selection process usually involves more than one selection method, it is relevant to study the selection methods that have been used in managerial selection.

Selection Methods and Frequency of Use

Many selection methods have been used in varying degrees of frequency in the developed countries. It may be noted, however, that some selection methods discussed in the literature are called by different names (as for example: resume and curricula vitae; behavioral interview and situational interview), and that there may be some overlapping in the content of several selection devices (for example, application forms and curricula vitae or resume; biodata and resume; past or previous work experience and curricula vitae, and psychological tests and personality tests).

The literature also revealed that a few methods (such as the assessment centres) that were found to be less frequently used by some earlier researchers were

found some years later to be more widely and frequently used. This indicated that management practitioners were improving the use of some devices from time to time while results of later research and meta-analytic reviews have also contributed to the improvement. Selection methods that have been widely and frequently used or that have been much discussed in the literature are given below:

Application forms

Nearly all selection processes require candidates to submit application forms that provide their resumes or a variety of information about themselves. The information required usually concerns academic or professional qualifications, previous work experiences and other personal data that may be useful in assessing the suitability of the candidates for the job. It is pointed out in the literature that there is widespread use of the application form for screening job candidates (Brown & Campion, 1994; Gatewood & Feild, 1998), and that “probably every selection includes an evaluation of this form of biodata” (Brown and Campion, 1994, p. 897).

Gatewood and Feild (1998, p. 393) point out that accuracy of application form data can be a problem and strongly suggest that employers take steps “to lessen the problems of applicant errors, distortion, and omission of data on the form”.

Application forms, also referred to as application letters or written applications, were found to be very frequently used by Di Milia and Smith, 1997; Eleftheriou and Robertson, 1999; Harris et al., 1996; Patrickson and Haydon, 1988; Scholarios and Lockyer, 1999; Shackleton and Newell, 1991, and some others.

Resumes or Curricula vitae

Resumes or curricula vitae may be considered the most important particulars contained in the application form submitted by an applicant. Applicant resumes are personal information about the candidate usually relating to educational or professional qualifications, previous work experiences, and other relevant information that enables the employer to assess the candidate's abilities to perform well on the job. Curricula vitae, in fact, is an integral part of the application form.

Gatewood and Feild (1998) remind employers that resumes are subject to the same kind of distortions that may be found in application forms. Employers are therefore strongly encouraged to verify the data provided by applicants.

Curricula vitae or resume were found to be very frequently used by Eleftheriou and Robertson, 1999; Harris et al., 1996; Scholarios and Lockyer, 1999, and others.

Reference checks

Another selection method or technique is the checking of applicants' references or recommendations. Candidates applying for a job may also submit references or recommendations from their previous employers or from others in support of their applications. According to Gatewood and Feild (1998), this selection method requires the employer to collect information about job applicants from people who have had contacts with the applicants. The information collected is used for several purposes, namely: to verify information given by job applicants such as in application forms, references submitted by them or in job interviews, and to serve as a basis for assessing the applicants and predicting their performance. The potential

employer may also wish to obtain certain background information (for example, criminal record) about applicants that the applicants have not provided or that could not be obtained by other means.

Shackleton and Newell (1991) point out that there has been a long tradition of selectors in Britain using references. Findings of their survey show that 73.9% of companies currently use them, compared with just 11.3% in France.

Reference checking appears to be a common practice of many employers. According to Gatewood & Feild (1998, p. 410), "several surveys have documented that over 95 percent of the firms sampled said they engaged in checking references". References or reference checks were found to be very frequently used by Clark, 1992; Di Milia and Smith, 1997; Eleftheriou and Robertson, 1999; Harris et al., 1996; Patrickson and Haydon, 1988; Robertson and Makin, 1986; Scholarios and Lockyer, 1999; Shackleton and Newell, 1991; Vaughan and McLean, 1989 .

Biodata

Biodata or biographical data are a collection of information about an applicant obtained through a self-report questionnaire. Published research (Brown & Campion, 1994; Stokes & Cooper, 1994; Stokes & Searcy, 1999) show that information in a biodata form covers a wide range of topics. As summarised by Gatewood and Feild (1998, p.448), the personal information contained in the biodata form may cover a broad "spectrum of an individual's background, experiences, interests, attitudes, and values" (Gatewood & Field, 1998, p. 448). Biodata therefore provide a much more comprehensive information about a job applicant or candidate than is found in the curricula vitae (or resume) or the application form.

Numerous reviews have concluded that biographical data (biodata) are among the most effective predictors of job performance (as for example by Hunter & Hunter, 1984; Owens, 1976; Reilly & Chao, 1982, all cited in Brown & Campion, 1994). Brown and Campion's (1994) own research also revealed that recruiters gave a positive response to biodata and interpreted biodata as indicating ability as well as other attributes. Stokes and Cooper (1994, p. 311) concur, stating that "the predictiveness of biodata measures is greatly unquestioned".

It has been admitted, however, that one major shortcoming of biodata as a selection method is that it is possible for applicants to distort or fake their responses in the biodata form to enhance their employability (Brown & Campion, 1994; Stokes & Cooper, 1994; McDaniel, 1989 cited in Stokes & Cooper, 1994; Gatewood & Feild, 1998). As pointed out by McDaniel (1989), cited in Stokes & Cooper, (1994), applicants tend to respond in a socially desirable way to inquiries about illegal acts and socially undesirable behaviours. He further states that, respondents may answer differently depending on whether or not they feel their responses will be verified through information collected from other sources.

Biodata was found to be more widely and frequently used than before by Clark, 1992; Di Milia and Smith, 1997; Eleftheriou and Robertson, 1999; Harris et al., 1996; Patrickson and Haydon, 1988; Robertson and Makin, 1986; Shackleton and Newell, 1991; Stokes and Cooper, 1994; Brown and Campion, 1994; Vaughan and McLean, 1989).

Interview

The interview (or sometimes called *selection interview* or *employment interview*) is “a selection procedure designed to predict future performance on the basis of applicants’ oral responses to oral inquiries” (McDaniel, Whetzel, Schmidt, and Mauer, 1994, p. 599).

Researchers have practically all agreed that the interview is the dominant or one of the most frequently used managerial selection techniques. Some of these researchers are: (Di Milia & Smith, 1997; Eleftheriou & Robertson, 1999; Patrickson & Haydon, 1988; Robertson & Makin, 1986; Scholarios & Lockyer, 1999; Shackleton & Newell, 1991; Vaughan & McLean, 1989; Harris, Toulson, & Livingston, 1996; McDaniel, Whetzel, Schmidt, & Mauer, 1994; Weekly & Gier, 1987; Pulakos & Schmitt, 1995).

Three most important functions for the interview to assess are personal qualities, the applicants’ fit to the organisation and their job competence (Bartram et al. (1995) cited in Di Milia & Smith (1997)). Employers consider the interview as being the best source of information regarding honesty, conscientiousness, interest in the job and the right general personality. These characteristics are regarded as more important than qualifications, experience or training. This view of the interview explains why it is so popular among selectors.

Most researchers until the late 1980s, however, regarded the interview in the way it had been used as not very reliable or valid selection method. According to McDaniel et al., (1994), seven major literature reviews of interview research have been published during the previous 35 years prior to their research (by Wagner,

1949; Mayfield, 1964; Ulrich & Trumbo, 1965; Wright, 1969; Schmitt, 1976; Arvey & Campion, 1982; and Harris, 1989). All the reviewers, except for Harris (1989) viewed the interview unfavourably or had some reservations about its reliability and validity. The main reason for the unfavourable assessment is that many organisations favoured the unstructured interview (Di Milia & Smith, 1997). The structured interviews, however, were regarded by the reviews as having higher reliability than the unstructured ones.

Cohen and Gump (1984) claim that the traditional interview (unstructured interview) does not provide all the information necessary for making consistently accurate hiring decisions. According to them, the traditional interview appears to be more effective for determining whom not to hire than it is for determining who does have the potential to succeed in a particular job. The authors expressed the opinion that, in effect “the interview works better as a rejection process than it does as a selection process” (Cohen & Gump, 1984, p. 85). Briefly, the authors’ main objections to the traditional interview are lack of standardisation of the interviewing process, reliance on the subjective impressions and judgments of the interviewers, artificial nature of the interviewing process with both parties being “on their best”, giving little opportunity for candidates to demonstrate job skills and finally, interviewers often see candidates without having undertaken a proper job analysis. The shortcomings raised by the authors appear to reflect the general less favourable view of the interview by many of the reviewers before the 1990s.

More recent reviews of the interview (by Harris et al., 1989 cited in McDaniel et al., 1994; as well as by McDaniel et al., 1994) have shown greater support for the interview as a selection method. McDaniel et al., (1994) who did an

extensive meta-analytic review of the interview conclude that situational interviews are more valid than job-related interviews, while job-related interviews are more valid than psychological interviews. Further, structured interviews are found to be more valid than unstructured interviews. McDaniel et al., however, express the need for additional research on the subject.

Researchers agree that the structured interview is the best employment interview format. In a structured interview format, questions can be developed to obtain information on the candidate's knowledge, skills and abilities (KSA) that are closely related to those required for the job. Pulakos & Schmitt (1995, p. 305) state that based on the findings of their research, "the structured interview seemed to provide a more comprehensive assessment of relevant skills and abilities than the cognitive ability".

Researchers also generally give strong support for the use of 'experience-based interview' and the 'situational interview' in a selection process, although there is some disagreement as to which one of the two is better as predictor of job performance (McDaniel et al., 1988; Pulakos & Schmitt, 1995). In the experience-based interview, candidates are asked to relate how they had handled certain situations in the past that required skills and abilities necessary for effective performance on the job. The candidate's behaviour in past situations is evaluated and generalised to reflect likely performance in future situations. This approach is based on "the well-founded premise that past behaviours will predict future behaviours" (Weekly & Gier, 1987, p.484). In a situational interview, interviewees are given hypothetical job-relevant situations and asked how they would respond if they were confronted with these problems (Pulakos & Schmitt, 1995). Interviewers assess the

candidates on the basis of their answers. Situational interviews have potential advantages. One advantage is that all interviewees respond to the same hypothetical situation. The other advantage is that they allow respondents who have no direct experience relevant to a particular dimension to provide a hypothetical response (Pulakos & Schmitt, 1995).

Assessment Centre

An assessment centre is a procedure that involves a number of participants (usually in groups of 12 to 24) engaging in work-related exercises, activities, and written tests. Candidates for managerial selection go through tests of general mental ability, personality and attitude questionnaires, interviews, several group problems, an individual administrative exercise, and projective tests of personality. They are observed and evaluated by trained assessors (Armstrong, 1997; Gatewood & Feild, 1998).

Several researchers (Blanksby & Iles, 1990, Murdoch, 1992; and Clapham, 1997) acknowledge that the application of assessment centres in the selection and development of management personnel has been criticised in past studies and reviews. The main reservations seem to be related to the criteria that were used to represent effectiveness (Blanksby & Iles, 1990), bias in assessment centre ratings (Clapham, 1997), the high costs involved, and the perceived little practical relevance to the real world of business (Murdoch, 1992).

Murdoch, 1992 points out, however, that the literature has also suggested that if designed and implemented appropriately, assessment centres provide a significantly more accurate method of appraisal and of making promotion and

selection decisions than other approaches. Murdoch, 1992 further points out that over the previous five to ten years, assessment centres have undergone a transformation and have been applied with far greater flexibility and innovation.

Armstrong (1997) explains that assessment centres can provide insights into the behaviour of individuals and groups that can be related to job situations. The principal use of assessment centres is to select and develop personnel for managerial and other positions of responsibility. Using the assessment centre is one way of “identifying, developing and sustaining a competent and capable workforce” (Murdoch, 1992, p. 29). The applications of assessment and development centres, according to Murdoch (1992), are wide and varied.

Many researchers have pointed out the increasingly widespread use of assessment centres and their wide acceptance as a valid selection method in many developed countries (Armstrong, 1997; Blanksby & Iles, 1990; Hennessy, Mabey, & Warr, 1998; Murdoch, 1992). Estimates on the use of the assessment centre at the beginning of the 1990s suggest that “more than a third of the top 1000 British companies use them in one form or another....and that up to 2000 US companies have employed them” (Murdoch, 1992, p. 29). By 1997, a survey by the Industrial Relations Services reported that 65% of organisations employing more than 1,000 people in Britain were using assessment centres, indicating that the use of assessment centres has been increasing more rapidly than the use of any other selection procedure in Britain (Hennessy et al., 1998). Murdoch (1992) further tells us that assessment centres have also reemerged in Australia and their use has doubled between 1986 and 1991. He further states that organisations in Australia have been using assessment centres with creativity and imagination and are less concerned with

rigidly following the guidelines. A similar development has been noted in an earlier study by Blanksby & Iles (1990) who state that there have been many new uses and innovations regarding the assessment centre in North America and Britain.

The reasons for the popularity and widespread acceptance of assessment centres are their perceived fairness, thoroughness, and the convincing meta-analytical evidence for their predictive validity (Hennessy et al., 1998). Blanksby and Iles (1990) have also expressed similar conclusion with regard to the high validity of assessment centres.

The use of assessment centres (designed for selection) and of development centres (designed for identification of development needs) in Australia and overseas has been applied to the target group or level that includes area branch and general managers, middle to senior management, administrators, and scientific personnel as well as several other lower level personnel (Murdoch, 1992).

Assessment centre were found to be more widely and frequently used than before by Di Milia and Smith, 1997; Eleftheriou and Robertson, 1999; Murdoch, 1992; Hennessy et al, 1992; Robertson and Makin, 1986; Shackleton and Newell, 1991; Armstrong, 1997; Clapham, 1997; Blanksby and Iles, 1990.

Personality Testing

The use of personality data in selection requires, first, the specification of job tasks and, second, the identification of personality characteristics or traits that are linked to these tasks (Gatewood & Feild, 1998). Criticisms of personality testing in selection include “poor criterion related validity, potential faking by applicants, unfairness, limited face validity, and invasion of privacy” (Fisher & Boyle, 1997, p.

26). However, over the years, there has been considerable research that attempts to validate personality instruments for selection. Since the late 1980s and early 1990s, there has been renewed academic interest in personality testing for employee selection (Fisher & Boyle, 1997), and an upsurge in its use (Dakin, Nilakant, & Jensen, 1994).

The results of studies in Great Britain provide one indication of the rapid increase in the use of personality testing in occupational selection over the years. In Great Britain, studies (in 1984) indicate that about two-thirds (64.4%) of the companies surveyed reported they never used personality testing (Robertson & Makin, 1986) but by 1989 only about one-third (35.6%) of respondents reported they never used it (Shackleton & Newell, 1991). This showed an almost two-fold increase in the number of British organisations using personality testing over a five-year period. Based on their informal survey, Dakin et al., (1994) believe that there has been a similar trend towards a more widespread use of personality testing in both Australia and New Zealand. From their study of the literature, the authors made three observations. First, the users of personality testing overstate the importance of personality as a determinant of performance. Second, unless contexts of behaviour is specified in advance, personality tests have limited relevance in selection. Third, for most managerial jobs, contexts cannot be accurately predicted or specified. Their final conclusion is that taken together, "the selection of people for managerial jobs cannot be based largely on personality test results" (Dakin et al., 1994, p. 9).

According to Fisher and Boyle (1997), more favourable meta-analytic reviews (from about 1990) as well as advances in personality testing have helped improve the credibility and predictive ability of tests relating to employment. They

suggest that there is a role for carefully chosen and professionally supervised personality testing as part of a larger selection system for many jobs. They feel that personality is more likely to predict performance over longer time periods, and perhaps when cognitive ability is relatively less important. Fisher and Boyle (1997, p. 34) conclude that “personality predictors are most useful over the longer term, on jobs in which performance is not highly constrained by ability, job design, or organisational control systems”. They, however, caution that personality tests can complement but not at all replace ability measures. They also caution human resource managers not to adopt “anything going under the name of a personality test” because “there are many very poor instruments on the market, and a great many fraudulent claims are made for their effectiveness” (Fisher & Boyle, 1997, p. 37).

Personality testing was found to have been used much more frequently from the late 1980s by Fisher and Boyle, 1997; Shackleton and Newell, 1991; Dakin, Nilakant & Jensen, 1994; Goffin and Rothstein, 1996, and some others.

Previous work experience has been used in selection as a basis for assessing candidates (Harris et al., 1996; Pulakos & Schmitt, 1995; McDaniel, Schmidt, & Hunter, 1988). Many business organisations insist on some previous work experience in the job advertisements. It is to be noted that some researchers might not have reported previous work experience as information on previous work experience might be considered to be part of the content of the application form, curricula vitae or biodata.

Realistic Job Previews

The traditional approach to recruitment and selection views the applicant as passive rather than active (Wanous, 1975). An individual is typically selected for a

job on the basis of tests, interviews, and background information. Almost completely ignored, according to Wanous (1975), is any consideration as to why the applicant chooses to apply for a position in a particular organisation.

The author suggests the use of realistic job previews (RJP) which he describes as an “atypical, untraditional approach that stresses efforts to communicate – before an applicant’s acceptance of a job offer – what organisational life will actually be like on the job” (Wanous, 1975, p.133).

The author reports the findings of his study using realistic job preview. It is to be noted, however, that Wanous (1975) used low level job applicants (telephone operators), as the respondents to his study, and consequently his findings could not be considered relevant for managerial selection.

Job tryouts (Harris et al., 1996) and **Realistic job previews (RJP)** (Wanous, 1985) were found by the above researchers to have low frequency of use.

Graphology

Graphology or handwriting analysis was found to be used by continental European companies and especially widely in France, but is used by very few U.K companies (Robertson & Makin, 1986; Shackleton & Newell, 1991).

Researchers in two separate studies (Robertson & Makin, 1986, and Shackleton & Newell, 1991) found that graphology was used by a few companies in Great Britain but very widely in France. Robertson and Makin (1986) found that only 8% of his respondents in Britain used handwriting analysis as a selection tool on

some occasions and that 3 % used it all the time. All the companies in his study that used graphology all the time were subsidiaries of continental European organisations.

Shackleton and Newell (1991) confirm that graphology was not used widely in Great Britain but very commonly used in France. Their study shows that more than 77% of French firms used it to select managers while the figure for Britain was only 2.6%.

Astrology is practically never used (Eleftheriou & Robertson, 1999; Harris et al., 1996; Robertson & Makin, 1986; Shackleton & Newell, 1991).

There have been no previous study or published report on the selection methods used by Malaysia business organisations to select managers. This leaves a gap in the knowledge on an important area of selection. A survey of the selection methods that have been used in the developed countries revealed useful information that could provide leads to the study on Malaysian business organisations and a probing search into the situation in Malaysia.

The literature review has indicated the selection processes and methods that have been used in the developed countries with much discussion on the frequency of use, applications, and validity of the various methods. Furthermore, there have been new developments to some selection methods that improved their effectiveness and validity and increased the popularity and frequency of their use.

The exploratory research on Malaysian business organisations intended to investigate the organisations' managerial selection practices and compares these with those in the developed countries. However, Malaysia and the developed countries

could conceivably have different cultural dimensions. The cross-cultural differences between Malaysia and the developed countries could influence some aspects of the selection practices in Malaysia. Further, as Malaysia becomes increasingly involved in the globalisation of business and the global competition, Malaysian business organisations would be expected to recognise the importance of differences in cultural dimensions and cross-cultural issues to their strategy, management style and operations. Cultural dimensions, cultural differences and issues thus could have become more relevant in managerial selection. It was therefore necessary to survey the literature in order to understand the influence or relevance of culture to managerial selection.

Cultural Dimensions and Cultural Differences

Cultural dimensions or cultural contexts refer to the cultural characteristics that are unique to a country and that set it apart from other countries. Cultural differences refer to differences in cultural characteristics either within a country (where the population comprises many ethnic groups with diverse culture) or between countries with different cultural dimensions.

Cultural dimensions

Hofstede (1991) identifies four dimensions along which culture differs. He names the four dimensions power distance, individualism and collectivism (or collectivist culture), masculinity and femininity, and uncertainty avoidance. Hofstede also describes the characteristics of each of the four cultural dimensions.

In a “large power distance” dimension (Hofstede, 1991, p. 37), there is a great gap in authority between superior and subordinate. Organisations centralize power as

much as possible in a few hands. Centralization is popular. Inequalities among people are both expected and desired, and there are differences in social status. Superiors and subordinates consider each other as existentially unequal, and this is reflected by hierarchy in organisations. Subordinates are expected to be told what to do. There are many supervisory personnel, and there is considerable dependence of subordinates on bosses. Subordinates perceive their boss's decision-making style as autocratic or paternalistic, and they are unlikely to approach and contradict their bosses directly.

In a 'collectivism' or 'collectivist culture' dimension, collective interests prevail over individual interests. The people in the collectivist culture are integrated into strong cohesive ingroups. An employer does not hire an individual but a person who belongs to an ingroup. The workplace itself in a collectivist society may become an ingroup in the emotional sense of the word. There are close inter-personal relationships.

Hofstede uses the term 'masculinity' to refer to 'assertiveness', 'ambition' and 'competition', while 'femininity' refers to 'modesty' and 'concern for relationships'. The ways of handling conflicts are different in the masculine and feminine societies. In the masculine cultures, there is a feeling that conflicts should be resolved by a good fight. The industrial relations scene in the masculine culture countries is marked by such fights. In feminine cultures, there is a preference for resolving conflicts by compromise and negotiation. The institutional contexts in which this negotiation takes place differ by country.

In strong 'uncertainty avoidance societies' people live in a world of uncertainty, and there is higher level of anxiety. People in strong uncertainty

avoidance society are less comfortable with risks. There are many formal laws or informal rulings controlling the rights and duties of employers and employees. There are also many internal rules and regulations controlling the work process. Where power distances are large, the exercise of discretionary power by superiors replaces, to some extent, the need for internal rules. The need for laws and rules in a society with strong uncertainty avoidance culture is emotional - it is not based on formal logic but on psycho-logic. The people - members of governments, civil servants, employers and employees - have been programmed since their early childhood to feel comfortable in structured environments. As little as possible should be left to chance.

Hofstede's cultural dimensions provide the framework for understanding the link between cultural contexts and human relationships at the workplace, and of an organisation's management and personnel selection practices. Differences in cultural dimensions also suggest possible differences in management practices.

Implications of cultural dimensions and differences

Business organisations operate within a certain cultural environment. Cultural differences even within one country of cultural diversity have some implications for managers. An understanding of differences between cultures should be valuable for anyone who works with or manages people whose cultural background are different from their own (Robbins et al., 1998).

Managing across national and cultural boundaries becomes much more complex as it requires interaction between people, institutions and organisations in different ways. Beliefs, values and attitudes contrast significantly in different

cultures and it could be argued that culture can have important variations which affect the practice of management (Vecchio, Hearn & Southey , 1996). Managing cross-cultural differences between countries in the expanding global market and globalisation of business have even more serious implications for managers.

Globalisation of business and cultural dimensions

Global competition has forced corporations to invest overseas in order to gain or maintain competitive advantage, and organisations must develop global business objectives and strategies in order to succeed (Huang, 2000; Stone, 1995). International investment involves not only the movement of capital, machinery, and products but also the spread of corporate cultures to host countries. Huang (2000, p.22) further explains that “cultural contexts differ markedly among nations, and that multinational firms must adjust their management practices to accommodate specific conditions in host-country environments”.

An important reason for the need for such adjustment is due to the fact that, in many countries, national culture is applied to business practice (Anver, 1997). Anver (1997) explains that Western businessmen discovered that in order to win contracts in countries such as Japan and Korea, one had to play the game by the host's rule. There is a need to understand how Japanese companies are set up, who makes decisions and how decisions are arrived at. There are also other cultural issues and behaviour protocol to observe.

Huang (2000, p. 22) tells us that “there is a sharp contrast between Japanese management practices and those of US or Western firms”. Ouchi (1981) cited in Huang (2000, p. 22) identified “informal control of employees, consensus seeking,

emphasis on quality and productivity, commitment to the worker, intensive socialization, and slow evaluation and promotion” as leading features of Japanese-style management. By contrast, US management philosophy attaches great significance to individuals and emphasises their decision-making responsibilities. Japanese and US HRM practices also differ in other distinctive ways.

In China, foreign companies operating in the country face major challenges that are connected with cultural factors (Luo, 1998). Luo (1998) explains that foreign companies can gain an edge over their competitors in the Chinese market if they have a *guanxi* network with the business community (suppliers, buyers, distributors, and banks) and government authorities (political governments, industrial administration departments, foreign exchange administration bureaus, taxation departments and others). Luo (1998, p. 150) explains the term *guanxi* as referring to “the concept of drawing on connections in order to secure favours in personal or business relations”. The *guanxi* network “binds thousands and thousands of Chinese firms into a social and business web” (Luo, 1998, p. 150). Chinese people and businesses traditionally prefer to rely on their contacts with those in power to get things done. Luo further explains that to the Chinese, personal connections and loyalties are often more important than organisational affiliations or legal standards.

In Korea, industrialization since the 1960s, followed by democratization and globalisation from the 1980s have brought about tremendous cultural changes in the Korean society (Lee, 1999). These changes affect “the Korean employee’s work values, attitude and behaviour” (Lee, 199, p. 26). As a result, many Korean businesses have in recent years initiated vigorous management reforms.

Stone (1995) points out that, in the context of Human Resource Management (HRM), major differences between domestic and international HRM include a more complex employee mix (such as a mix of more people from different cultures and ethnic background as a more significant part of the workforce) and more complex external influences (such as different cultures, political systems, ethics and laws).

Due to the widespread internalisation of the marketplace, the issue of culture has received considerable attention in the international business culture (LaBahn & Harich, 1997). Graham, Mintu, and Rodgers (1994); Frazier, Gill, and Kale (1989); and Kale and Barnes (1992) cited in LaBahn and Harich (1997), all emphasized the powerful impact that culture may have on the existence and functioning of distribution channel relationships, cross-national buyer-seller interactions, and negotiations. Management literature also indicates that there is a general agreement that cultural sensitivity requires cultural awareness, avoidance of culture-bound thinking, and reduction of cultural biases (LaBahn & Harich, 1997). Stone (1995) adds that internationalisation means increased complexity since the external environment now includes not just local but also foreign influences. Organisations have to be alert to changes in foreign labour markets, government regulations, inflation rates, and union pressures.

As firms progress towards global strategies expatriate managers must be competent at transferring technology to the local culture, managing local staff, and adapting business practices to suit local conditions. In addition, managers and senior managers must work with clients and employees from around the world to be effective. International and cross-cultural skills become needed for managers throughout the firm, not just for those few imminently leaving for foreign postings

(Adler & Bartholomew, 1992). Specifically, “international expatriate managers require cultural adaptation skills” to adjust to working with the local people (Adler & Bartholomew, 1992).

Adler & Bartholomew (1992) suggest what are required of the manager involved in multinational and transnational business operations. These include learning about many cultures, work with and learn from people from many cultures simultaneously, adapt to living in many foreign cultures, use cross-cultural interaction skills on a daily basis throughout one’s career, and interact with foreign colleagues as equals.

Globalisation brings about interaction between different cultural dimensions. This interaction and the new business scenario (such as more intense business competition) brought about by globalisation, might have some impact on the management as well as the selection practices, especially the selection of senior personnel such as managers. It is therefore relevant to survey the literature to find out any possible impact of globalisation on the selection practices, preferably in some Asian countries which have different cultural dimensions from Western countries. The literature might also reflect possible impact or influence of globalisation and cultural dimensions and cultural differences on the Malaysian selection practices.

Globalisation, cultural dimensions and selection practices

The literature reveals that cultural dimensions and globalisation of business are relevant to personnel selection practices. A survey into the situations in a few Asian countries would explain this.

Korea

There have been tremendous cultural changes in Korea as a result of industrialisation since the 1960s, and democratisation and globalization from the 1980s. These changes affect “the Korean employee’s work values, attitude and behaviour” (Lee, 1999, p. 26). As a result, many Korean businesses have in recent years initiated vigorous management reforms. In human resource management, new employment practices, reward policies, and training and development have been implemented, and “these changes mark a shift away from traditional lifetime employment and seniority systems” (Lee, 1999, p. 27).

The *gong-chae* system or the open employment system has transformed traditional *yon-go*-based (relations-based) employment practices which literally means a special connection that covers family ties, and relations based on schools and birthplaces. The new employment selection practices at first emphasised ‘education-based selection criteria’ which focused on written examinations on a variety of subjects. In recent years, however, under increasing global competition, Korean firms have begun to shift the emphasis of their selection procedure from education-based to performance-based selection criteria. Examinations have been eliminated or simplified, and instead there has been a greater emphasis on assessing personality traits and capability by evaluating qualifications of applicants on the biographical data and the recommendations, and by conducting more intensive interviewing process.

The selection procedures under the *gong-chae* (open employment system) are similar to those of U.S. companies, but the selection criteria and measurement methods are different. The review of application data generally favours graduates of

prestigious colleges and this appears to be related to the traditional Confucianism reverence for good education. Applicants are also evaluated from a lifelong career perspective. The impact of Confucianism is also seen clearly in the strong preference for male graduates in most Korean firms. A point to be noted is that despite the tremendous cultural changes “Confucian heritage in Korean culture remains strong” (Lee, 1999, p. 27).

Japan

In managerial selection practices, Japanese corporations seldom hire outsiders for higher level positions, though new employees are hired primarily at the entry level. The Japanese commitment to internal promotion and job filling is much stronger than in U. S. firms (Morishima, 1995, cited in Huang, 2000). Furthermore, the criteria for selecting new employees are also different. Japanese firms place less emphasis on a match between the technical qualifications of applicants and the requirements of a job. The Japanese place greater emphasis on such factors as the ability to grasp new ideas, motivation to learn, and the fit between employment characteristics and organisational need (Morishima (1995) cited in Huang (2000)).

Management practices in Japan also differ from those in the West in the Japanese emphasis on training (Saha, 1992). Pascale and Athos (1981, cited in Saha, 1992, p.2) observe that “an obsessive concern for training is a distinctly Japanese ethos”. Employees in the management category undergo extensive training, and an individual is promoted to the level of assistant manager eight to ten years after joining the organization (Saha, 1992). This probably explains Morishima’s statement regarding the Japanese preference for internal selection or promotion from within for

higher level positions. The potential candidate has to undergo extensive training within the organisation before being considered for managerial positions.

The underlying factor or philosophy behind the Japanese preoccupation with training and development may be found in the component of Japanese culture known as Zen Buddhism (Saha, 1992). According to Saha (1992, p. 4), "Since historical times, priests in Zen monasteries have utilized the religion's philosophy and techniques for imparting instruction in practical pursuits". Zen, explains Saha (1992) stresses training of both mind and body, the former being important.

China

China poses some particularly unique challenges for HR managers. Many Chinese candidates are reluctant to sell themselves during an interview because of the strong cultural bias against boasting (Gross & Dyson, 1997). This may become a problem as the foreign business organization seeks to recruit and select managers from among the local people. Luo (1998) points out that the success of international joint ventures investing in emerging economies, most notably China, largely depends on the selection of local partners.

No study appears to have been undertaken to determine on any possible link between Malaysia's cultural dimensions and any aspect of the management practices of the country's business organisations. Such a study is both relevant and important in view of the fact that Malaysia has a population and a workforce of many ethnic groups and cultural traits. Furthermore, globalisation of business has created numerous situations that made it necessary for executives of Malaysian business organisations and managers to interact and collaborate with people of many different cultural background - both from the West and the East.

The literature shows that the selection of manager must take into consideration the vital role the manager plays in the business organisation and the high level of knowledge, skills and abilities required. It has been pointed out that the manager manages the organisation in a cultural environment and those cultural contexts and cultural differences are not only relevant but also important to business management, operations and strategies. In view of this, it is important to identify what the literature says about the necessary criteria in managerial selection.

Criteria in Managerial Selection

The main purpose of selection is to appoint someone who has the required knowledge, skills and abilities (KSAs) to perform well on the job. The knowledge, skills and abilities required are closely related to the duties and responsibilities of the manager which cover such functions as planning, organising, leading and controlling (Robbins et al, 1998; Armstrong, 1997).

Studies of the manager's role and activities reported in (Robbins et al., 1998, p. 8) indicated that managers are engaged in four managerial activities, namely:

- Traditional management: Decision-making, planning and controlling.
- Communication: Exchanging routine information and processing paper work.
- Human resource management: Motivating, disciplining, managing conflict, staffing and training.
- Networking: Socialising, politicking and interacting with outsiders.

More recent writings on the required managerial KSAs that are associated with the role and functions of the manager have classified managerial skills into three categories, namely technical skills, human skills, and conceptual skills.

Robbins et al., (1998) describe technical skills as the abilities to apply specialised knowledge; human skills as the ability to work with, understand and motivate other people, both individually and in groups; and conceptual skills as the ability to analyse and diagnose complex situations.

The globalisation of business and a global economy present new challenges to managers that they never had to face before when their business operations were confined within national borders. Managers, especially of multinationals, now have to deal with different national cultures, which are “the primary values and practices that characterise particular countries” (Robbins et al., 1998, p. 45). Even within national cultures there are regional, ethnic and minority subcultures which cannot be generalised. When dealing with other countries with different cultures, managers need to have good understanding of cross-cultural differences and greater cultural expertise. These new cultural skills would be expected to feature in managerial selection criteria.

Selection criteria is an important phase in the selection process. Globalisation of business has created new challenges to business organisations and their managers. It is therefore important for this study to identify what criteria Malaysian business organisations uses as the requirement for managerial knowledge, skills and abilities.

The final phase in a managerial selection process is deciding which of the applicants is the most suitable to be selected and appointed to fill the managerial position. For this, there would be some form of a decision-making procedure. Decision-making procedure is one of the areas that the exploratory research on Malaysian managerial selection practices inquired into. The literature provides some insights into this subject of making decision on personnel selection.

Decision-Making Procedure

Decision-making is the final stage of the managerial selection process. It is probably the most important part of the selection process as it determines who will be appointed to the managerial position. A selection process that has been properly planned and carried out will still not achieve the desired result of appointing the right person if the decision-making has not been effective. As stated by Rosse & Levin (1997), a performance-oriented hiring system might end up into a non-performance-based ritual.

Deciding whom to select and appoint is predicting a future performance. There are limitations to the ability of the persons making such a decision to make an error-free decision (Rosse & Levin, 1997). The authors advised against expecting to have a hiring system that could perfectly predict performance because such an expectation would be impossible to achieve. However, they offer some guidelines on making hiring decision effectively.

The decision-maker, according to Rosse and Levin (1997), should start the decision-making process by identifying performers (or candidates) whose qualifications predict that they can do the job effectively, or even better, excellently.

The authors suggest establishing three-tiered system based on three criteria in the decision-making process:

1. Screen out applicants who will create serious performance problems.
This means that those who are clearly incompetent and problematic should be screened out.
2. Identify people who will at least satisfy the minimum requirements for work performance.
3. Hire as many applicants as possible who 'exceed' these minimum requirements, wherever that is practical.

Rosse & Levin (1997) also prescribe some guidelines for rating each attribute of the applicants' qualifications based on the three categories of desirable, acceptable, and unacceptable.

Gatewood and Feild (1998) suggest certain strategy and procedure for making effective decision. According to them, the decision-maker's role is to both collect information and make a decision about the applicant. They also suggest the decision-maker make ratings of applicants. Ratings are then entered into a formula, added together, and an overall score is then computed for each applicant.

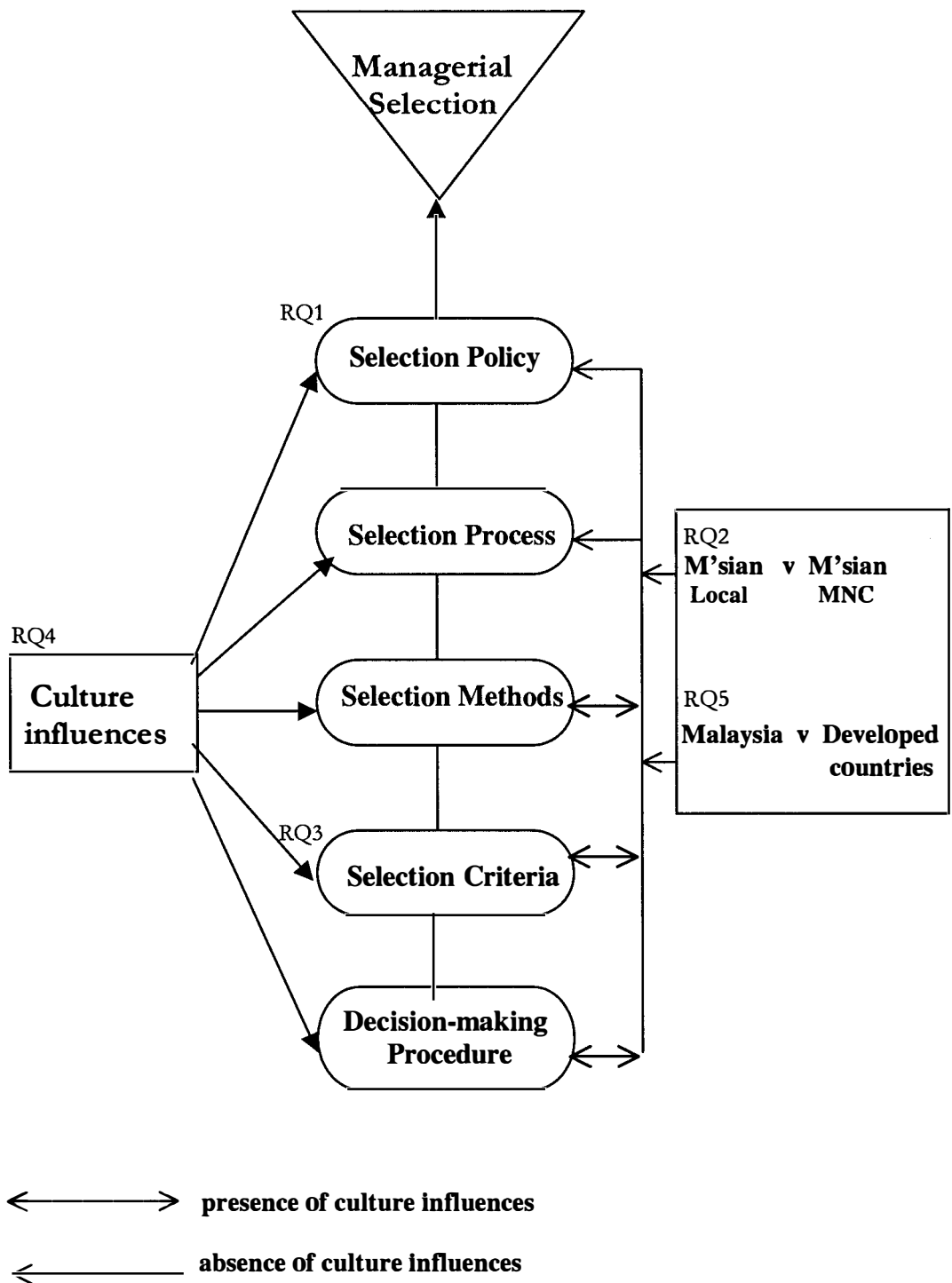
The lack of any reported research on Malaysian managerial selection also means there is a gap in information on the decision-making procedure in managerial selection. It is very important to know how Malaysian managers are selected, and whether the decision-making procedure would result in effective selection. This therefore is made part of the study.

The gaps in the knowledge on the Malaysian managerial selection practices leads to the five research questions of this study. Briefly, the research questions sought to investigate the managerial selection policy, processes, methods, criteria, and decision-making procedure. The research questions also sought to determine whether cultural dimension and cultural differences have any impact on the Malaysian selection practices. Finally, the effectiveness of the Malaysian selection practices was assessed by comparing the Malaysian practices with those in the developed countries and the discussion in the literature. The research questions of this study are summarized in the model below.

Theoretical Framework

Research Model

Figure 1. Selection of Managerial Personnel Model



Summary

The literature has provided valuable information on each aspect of the managerial selection practices. The information covers the selection policy, processes, methods, criteria, and decision-making procedure. The information derived from the literature could be used as the groundwork or basis for preparing and conducting an exploratory study on Malaysian managerial selection practices.

The gaps in the knowledge of Malaysian managerial selection practices form the basis of the research methodology of this study. The next chapter will outline the research methodology.

CHAPTER 3

METHODOLOGY

This chapter outlines the overall approach to the research process. It discusses the approaches involved in the gathering of data from the respondents in this study, and outlines the analysis of the data collected. It deals briefly with the research design and explains the data collection method and strategy, the size and selection of the sample, and the instruments and materials used in the study. This chapter also explains the structure of the questionnaire and how the data was analysed. Finally, it touches on ethical considerations of this study.

Research Design

The purpose of this study was to conduct an exploratory research using a quantitative or positivistic approach. It aimed to explore the managerial selection policy, processes, methods, criteria, and decision-making procedure used by Malaysian locally incorporated companies and the multinational companies operating in Malaysia. Exploratory studies are appropriate when little is known about the area of investigation, thus requiring further research exploration in order to better understand the problem areas (Emory & Cooper, 1991; Hussey & Hussey, 1997). The exploratory approach was therefore considered most suitable for this study, as there is quite a bit of research on developing countries but none on Malaysia for information about the research problem or issue. The purpose of this study was to provide useful information for further studies as the results might also reflect

managerial selection practices in many other developing countries. This study would therefore focus on “gaining insights and familiarity with the subject area for more rigorous investigation at a later stage” (Hussey & Hussey, 1997, p.10).

This exploratory study would be collecting mainly quantitative data for statistical analysis. In view of this, it was considered more appropriate to use quantitative research methods, as the study would seek information from a large number of respondents to ensure that the large number would better represent the population as a whole. It is not practical to adopt the qualitative approach using interviews. Another reason for using quantitative methods was that the respondents were scattered in several locations in Kuala Lumpur and its surrounding areas. Furthermore, the use of a standardized questionnaire would ensure comparability of the data, increase speed and accuracy of the recording, and facilitate data processing (Malhotra et al., 1996).

Data Collection Method /Procedure

Since for various reasons the researcher could not be in Malaysia, a questionnaire and covering letter were posted to research assistants in Malaysia who had volunteered to help distribute the questionnaire. Regular contacts were maintained between researcher and the assistants.

The questionnaire was distributed to the Human Resource Departments of a sample of 120 Malaysian business organisations (The selection of the sample is explained in the section on ‘sampling method’). A self-addressed postage-paid envelope was enclosed for the return of completed questionnaire.

All completed questionnaires were mailed back to a Malaysian address and subsequently delivered to the researcher in Perth, Australia by Courier Service.

Data Collection Strategy

The main objectives of the data collection were firstly, to secure a satisfactory rate of response with a high rate of usable response to the distributed questionnaire and secondly, to obtain good and reliable information that would enhance the results and analysis of the study. To achieve the above objectives, the views expressed by individuals who studied the questionnaire draft were especially helpful. The experience of researchers as reported in the literature were noted, and measures were taken in the present study to try to prevent similar and other potential problems.

The literature reveals that generally there were relatively low response rates to many surveys conducted in several western developed countries. The response rates were mostly between 35% to 55%. The reasons, given by some of the researchers themselves were as follows:

- 1) The questionnaires failed to get the attention of the person who could respond to the questionnaires because they were addressed not to named individuals but to the Personnel Manager/Director (Robertson & Makin, 1986; Vaughan & McLean, 1989), or because for most cases the person responsible for recruitment and selection was not available (Eleftheriou & Robertson, 1999).
- 2) Recipients might not have ready at hand some items of factual information that were requested and consequently did not respond to the whole questionnaire (Robertson & Makin, 1986).

- 3) The targeted organisation might have felt discouraged from participating in a survey conducted by a foreign institution, and some personnel managers considered the information requested by a survey as sensitive and confidential (Eleftheriou & Robertson, 1999).

There was also a suggestion (Di Milia & Smith, 1997) that researchers provide a description of the selection method and not assume the respondent understands terminology.

Measures taken in the present study

Measures that were taken to ensure satisfactory results of the questionnaire survey are explained below:

The first consideration was to ensure that the potential respondents did not have any doubts or reservations about this survey. Any doubts or reservations would result in the potential respondents not responding to the questionnaire or withholding some important information. This would make the findings of the study not reliable and not valid. To remove any doubts, a covering letter using the ECU letterhead and signed by both the researcher and the supervisor was distributed together with the set of questionnaire. Past experience with Malaysian departments and institutions has shown that authoritative letterheads and signatures often remove possible doubts. The covering letter (attached in Appendix A) explained clearly the nature, aims and scope of this study, and appealed for support and assistance of the respondent. It also assured the respondents that their identity and replies would be treated strictly as confidential.

The next consideration was to secure good response to the questionnaire and an acceptable rate of returns. A satisfactory rate of return would enable the results to be taken to be true for the whole population and the results could be generalised. A postage paid envelope bearing an address in Kuala Lumpur was enclosed with the distributed questionnaire to encourage the return of completed questionnaires. As an incentive, the respondents were offered a copy of the findings of the final report, at their request.

Follow-up contacts to the Malaysian human resource departments were made by the research assistants in Malaysia who also gave the potential respondents their contact telephone numbers. The telephone communications established some personal contacts and relationships with the respondents besides establishing greater respondent confidence regarding the nature and purpose of the study.

Finally, it was also extremely important to obtain relevant, accurate and valid answers to ensure reliability and validity of the results of the study. To achieve this, three things were done. First, the word 'manager' and 'managerial' were used frequently in the questionnaire although the information desired was explained in the covering letter. This was to ensure that respondents were indirectly but frequently reminded that the data required were about the selection of managers. Second, the questions were framed and worded as clearly as possible to avoid conveying any vague or obscure meanings or statements to the respondents. This necessitated some of the questions to be slightly longer than necessary. Finally, a number of the selection methods were given brief definitions or descriptions at the appropriate places in the questionnaire itself. This served two purposes. Firstly, the descriptions familiarised respondents with the terms used for the selection methods and removed

any confusion that might have been caused if respondents had known the selection methods by other terms. Secondly, it was convenient for the respondents to refer to the descriptions and thus did not feel it troublesome to answer the questionnaire.

Sample

According to Hussey & Hussey (1997), the sample is a fundamental element in a quantitative (positivistic) study. It is the most critical part of research design. It is essential that the sample is representative of the entire population of the study. The main purpose of obtaining a sample is to estimate population values and to draw conclusions about populations from sample evidence (Pascoe, 2001).

Sampling Method

Hussey and Hussey (1997) explain that with a relatively small sample, stratified sampling overcomes the problem of some members of the population being significantly under or over represented. For this study, stratified sampling was used. The respondents from this survey were selected from business organisations in Kuala Lumpur and its surrounding areas. The sampling was done as follows: From a register of Malaysian companies, job advertisements in the major Malaysian newspapers, and the yellow pages of the telephone directory, the core activities of Malaysian business organisations were identified. Of these, 18 major and most common activities were selected and a list of 13 categories of activities were prepared with some closely associated activities merged into a bigger group (for example, grouping together banking, finance and insurance). A fourteenth unspecified category was also included in the list. Next, business organisations

categorised as small and medium enterprises, large local corporations and multinationals were identified from the sources of information. Finally, organisations were randomly selected from each category and each business activity.

The sample was designed to represent business organisations of varied business activities and organisational setups. The purpose was to obtain information from a fairly broad spectrum of the business community so that the results of the study would be more representative of and better reflect the managerial selection practices of Malaysian business organisations, and not just of a few sectors. For this reason, the respondents were selected from 13 categories of core business activities (such as banking and finance, building and construction, business and trading, hotel and travel industry, manufacturing, information technology, publishing and a few others). The fourteenth under 'other' was the unspecified category to enable respondents to state their core activities if not among those mentioned.

The sampling was also aimed at ensuring that the sample included the targeted categories of business organisations. These were locally-owned small and medium enterprises and large corporations, and Malaysian-based multinational companies.

Sample Frame and Size

The sample used in this study comprised 120 Malaysian business organisations drawn by stratified sampling from a register of Malaysian companies, job advertisements in the major Malaysian newspapers, and the yellow pages of the telephone directory. This number is slightly larger than the originally planned smaller sample of 100 organisations.

In this study, out of a total of 120 questionnaires distributed, 67 organisations replied to the questionnaire. Two of the questionnaires were, however, returned unfilled with a note from the respondents stating that they were not participating, thereby yielding a response rate of 54%. Three other questionnaires were only partially filled and therefore considered unusable. The response rate of usable questionnaires returned was thus 52%.

Instruments or Materials Used

Several secondary data sources such as brochures, pamphlets and booklets of a number of Malaysian business organisations represented in the survey were collected to gain some information about their business activities. In addition, many local business organisations and multinationals in Malaysia also provided some information about their main business activities, including job specifications and job requirements, in their advertisements of vacant positions of managers and senior executives.

Questionnaire Structure

The data for this study were collected through a structured questionnaire, which is related to the research questions. The questionnaire was divided into five sections. The first section aimed at obtaining background information about the business organisation. The rest of the questionnaire addressed the main purpose of the study and corresponded with the research questions. The questionnaire sections relate to the selection policy, processes, methods, criteria, (including on culture-related aspects and issues), and the decision-making procedures. Questions in Sections A, B, C and D of the questionnaire were closed questions and the respondent's answers could be selected from a number of alternatives provided. An open ended question was included at the end of the questionnaire in effect asking respondents what selection methods they themselves would have used to select managers.

The questionnaire is described in greater detail below.

Section A: Background Information – Organisation and Managerial candidates

In this section, the respondents were asked mostly about such background information as the category of their business organisations, organisational ownership, country of origin (if MNCs), and their core business activities.

Section B: Selection Processes

This section consisted of three questions on the business organisation's selection policy and process, including a question relating to the hurdle and compensatory approaches.

Section C: Selection Methods or Tools

Questions in Part 1 of this section sought to find out the various selection methods that might be used by Malaysian business organisations. A list of possible methods was provided. A Likert scale of 1 denoting '*never used*' to 6 denoting '*always used*' was used to obtain information on the frequency of use of each method. A Likert scale of 1 to 4 is not suitable for this study, as the 1 to 4 scales requires a bigger sample size (for example, 300) to obtain more accurate results. A Likert scale of 1 to 5 was not preferred to prevent the possibility of respondents choosing the middle point and giving a result that would not give the correct picture or a true representation of the entire population. This would then result in sample error, which would affect the accuracy of the population estimates. A Likert scale of 1 to 6 was therefore used in this section and throughout the questionnaire. A table containing a list of 18 selection methods was included in this section. Space was provided for the respondent to state any method their organisations might have used that was not found in the list.

In Part 2 of Section C, more specific and detailed questions were asked on various aspects of the application form and the interview (as these were very frequently used in the developed countries). Respondents were asked to indicate, on a scale of 1 to 6 (*never to always*), the frequency of use of certain aspects of the interview. They were also asked to indicate the degree of importance attached by their organisations on certain specified sources of information about their managerial candidates.

Section D: Selection Criteria

This section contained a number of questions asking respondents to rate the importance of each of the knowledge, skills and abilities (KSAs) and other qualities listed in the questionnaire when they assess candidates for selection as managers. Questions were also asked on the importance they attached to culture-related skills and abilities in certain relevant situations and contexts. For both sets of questions, respondents were asked to answer on a Likert scale of 1-not important at all to 6-extremely important.

Section E: Decision-making Procedures

Section E on the decision-making procedure asked questions regarding who made the decisions on managerial selection and whether organisations had formal rating system.

Finally, an open-ended question was asked at the end of the questionnaire to give the respondents the opportunity to state what selection methods they would themselves use to select the right person to be the manager. As Hussey & Hussey (1997, p. 166) explain, questions may be described as open-ended “where each respondent can give a personal response or opinion in his or her own words”. This question was designed to find out if respondents personally have in mind other methods than those used by their organisations.

The Questionnaire is attached in Appendix B.

Data Analysis

For the analysis of information given in the questionnaire, the SPSS computer software package was used to produce and analyse statistical data. The data collected from the questionnaire survey of this study were analysed by using *descriptive statistics*. Simple descriptive statistics were used in the report on the findings such as on the *frequency distribution*, *mean* (\bar{x}) & *cross tabulations* of the selection methods used in Malaysian business organisations. *Independent Sample T-tests* were also used in this study.

The frequency distribution is a useful first step in analysing any quantitative data. It was used to analyse data on:

- company selection practices
- frequency of use (%) of selection methods
- frequency of use (%) of selection methods used between categories of organisations in Malaysia (that is, between the two categories of locally-incorporated companies and multinationals)
- Criteria used in managerial selection.

The mean (\bar{x}) was determined in order to analyse the data obtained from this study, as the mean is a convenient way of describing a large frequency distribution. The calculation on mean would provide statistical information on the mean level of use of methods of selecting managers in Malaysia and the mean level of importance given to certain variables included in the questionnaire.

Cross tabulations were used to examine comparisons within categories of organisations. As Hussey and Hussey (1997) state, cross tabulations are particularly

useful for analysing bivariate data. In this study, cross tabulations were useful to obtain frequency count and percentage of variables when comparison was made between local and multinational companies. In particular, data on selection processes, methods (particularly detailed information on interviews) and decision-making procedures used cross tabulations to obtain data that show differences between local and multinational companies.

Independent Sample T-test was also used for the analysis. Data on selection methods, selection criteria and cultural issues used T-test as it gave mean value within categories of organisations. Comparison could then be made, by using the mean value obtained through the T-test, to make comparison between large local companies, MNC and small and medium enterprises. The level of significance could also be determined to show whether there were statistically significant differences between two categories of organisations for certain selection practices.

The open ended questions were analysed to determine the selection methods that respondents would have used if they had the freedom to select managers and the reasons they gave for their preference. The responses to the open questions were examined to determine whether there were any discrepancies between the methods the respondents personally would have used and the ones their organisations were actually using. They were also asked to state the reasons for their preference. The purpose of this open-ended question was to find out if Malaysian organisations could be using other selection methods if the human resource department executives had full freedom to decide on managerial selections.

Ethical Considerations

The identity of all respondents and their replies to the Questionnaire Survey (attached in Appendix B) were treated as strictly confidential. Confidentiality had been assured to the respondents regarding their identity and all information given. According to Hussey & Hussey (1997), ensuring confidentiality encourages respondents to give more open and honest responses to the questionnaire.

In this study, the sample of Malaysian business organisations had varied business activities, and comprised local companies and multinational companies operating in Malaysia. Permission had been sought from them in writing before any materials were utilised. Respondents were also assured that information obtained would only be used for academic study. All these assurances were important to secure good response and reliable information.

Ethics clearance and approval were obtained from the appropriate ethics committee in Edith Cowan University, prior to data collection.

Summary

This chapter has examined the methodology used in this study. It deals with the research design, sample frame, instruments used, the method of analysing data and the ethical considerations.

The next chapter will present the results of the study, which correspond with the five research questions on managerial selection practices of Malaysian business organisations.

CHAPTER 4

RESULTS

Introduction

This chapter presents the results of the study and addresses the five research questions. The results, which provide the answers to the five research questions in the study, are presented in six sections. Section 1 deals with the demographic data, which includes a brief profile of the respondents, their core activities and the number of managers in the organisations. Section 2 has three parts and relates to Sections B and C of the questionnaire that deal with selection policy, processes, and methods. This section seeks to answer Research Question 1. Part A of Section 2 presents the findings on the selection policy, Part B on selection processes and Part C on the methods adopted by Malaysian business organisations which comprise local small and medium enterprises (SMEs), locally-owned large corporations, and Malaysian-based multinational companies (MNCs). The selection methods are shown in order of organisational preference. Section 3 attempts to answer Research Question 2 by identifying similarities and differences between the selection processes and methods used by the three categories of the Malaysian business organisations.

Section 4 answers Research Question 3 (based on data from Section D of the questionnaire) and deals with the selection criteria used by Malaysian business organisations in determining the candidates who would be appointed to fill vacant managerial positions. Section 5 answers Research Question 4, and deals with two

aspects that are related to culture. This section identified the impact of Malaysian cultural dimensions on managerial selection practices of Malaysian business organisations. It also explains the relevance of cultural dimensions and cultural differences to managerial functions. This section also indicates how important Malaysian organisations considered the need for managers to have the skills and abilities to deal with cultural dimensions and differences that have an impact on organisational management, operations and strategies.

Section 6 addresses Research Question 5 by comparing the Malaysian managerial selection practices with those in the developed countries and with the discussion in the literature.

Chapter 4 presents only the results of the study and the analysis of the data collected through the questionnaire. The implications, significance, and conclusions that could be drawn from any aspect of the results are only given cursory comment in this chapter but are discussed in Chapter 5.

Section 1: Demographic data

The demographic data of the respondents are shown in Tables 4-1 and 4-2 and Figure 2. Table 4-1 shows that the respondents in this study comprised 62 business organisations operating in Malaysia which were classified into three categories. There were 48 local Malaysian companies (comprising 22 small and medium enterprises and 26 large corporations) and 14 multinationals whose parent companies resided in a number of Western and Asian countries.

Table 4-1

The Profile of the Respondents

Categories of Malaysian Business Organisations	<i>f</i>	<i>%</i>	Small and Medium Enterprises (SME)	Large Corporations
Local (Large Corp & SME)	48	77.4	22 45.8 %	26 54.2%
MNC (based in Malaysia)	14	22.6		
<i>United States</i> 1				
<i>Europe</i> 6				
<i>Japan</i> 1				
<i>Hong Kong</i> 3				
<i>Others</i> 3				
Total	62	100		

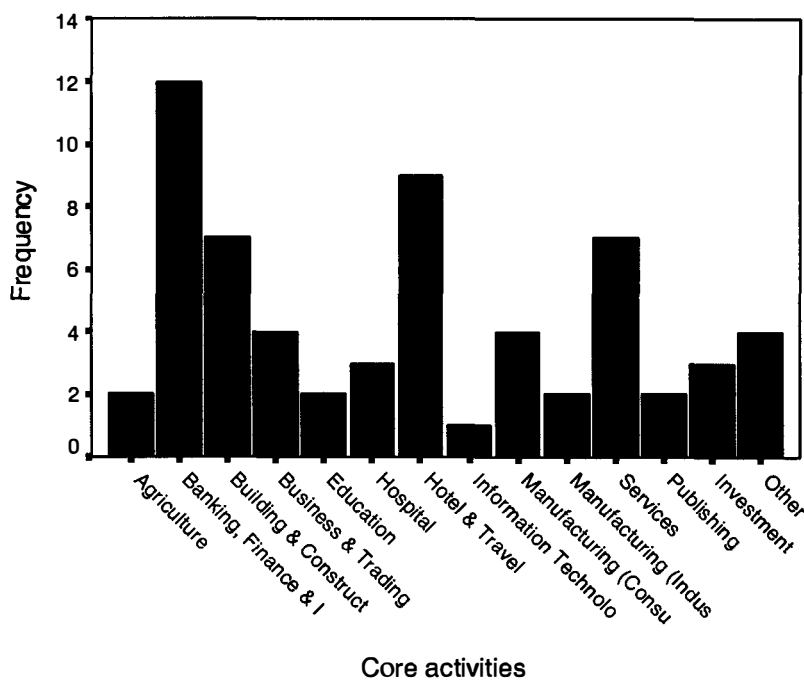
The data in Table 4-2 and Figure 2 shows that the respondents that contributed the data for this study were from business organisations of varied core activities and organisational set ups such as banking, finance and insurance; building and construction; hotel and travel; services; manufacturing; business and trading; and many others.

Table 4- 2

Core activities of Malaysian business organisations

Organisation	<i>No of replies</i>	<i>%</i>
Agriculture	2	3.2
Banking, Finance & Insurance	12	19.4
Building & Construction	7	11.3
Business & Trading	4	6.5
Education	2	3.2
Hospital	3	4.8
Hotel & Travel	9	14.5
Information Technology	1	1.6
Manufacturing (consumer product)	4	6.5
Manufacturing (industrial product)	2	3.2
Services	7	11.3
Publishing	2	3.2
Investment	3	4.8
Other	4	6.5

(n=62)

**Figure 2.** Core activities of Malaysian business organisations

The data in Table 4-3 below show that companies of different sizes as indicated by the number of managers were represented in the survey. The table shows that almost half (47.5%) of the respondents have less than 20 managers, and almost 75% had 50 managers or less. Slightly more than 10% only had more than 300 managers.

The data correspond with the data in Table 4-1, which indicate that about 46% of the respondents described themselves as small and medium enterprises.

Table 4-3

No of managers in Malaysian business organisations

No of managers	Frequency	%
Less than 10	19	32.2
Below 20	9	15.3
Below 50	15	25.5
Below 200	9	15.3
Above 200	4	6.7
Above 300	3	5.0

Section 2 : Managerial Selection Policy, Processes and Methods

This section presents the results of the study specifically on selection policy, processes and methods. For this study, descriptive statistics were used to analyse the statistical data obtained from the results of the questionnaire survey (attached in Appendix B). The statistical methods used for this study include cross-tabulation to obtain frequency count and percentage in order to examine how frequently Malaysian local companies and MNCs used certain selection policy, processes and methods when comparisons are made across categories of organisations. Independent

sample t-tests were also used in this study to compare mean levels of use and the respective rankings of selection methods used across categories of business organisations in Malaysia.

The significance of the test results was also reported to show whether there were statistically significant differences in the selection methods and criteria used across categories of business organisations in Malaysia. The significant levels used in this study were at $p < 0.05$ (to indicate significant differences) and at $p < 0.01$ (to indicate highly significant differences). These were based on two-tailed tests, to show that each comparison had two possible directions.

The selection practices included in this study consist of selection policy, processes, methods, criteria, and decision-making procedure.

Section 2-Part A : Selection Policy

This section addresses part of research question 1, and describes the selection policy in the managerial selection of the Malaysian business organisations. This section examines the managerial selection policy. In this section, large local companies were also separately compared with MNC and small and medium local enterprises.

Table 4-4 provides the data relating to the selection policy of local companies while the data for the multinationals are given in Table 4-5. Local Malaysian companies appointed their managers either by promoting executives already serving in their organisations or by selecting from outside sources through advertising the vacant positions and inviting applications. Multinationals had three options –

promoting their own executives (selecting from within their own organisation), advertising the vacant positions and inviting the host country nationals from outside their organisations to apply for the positions, or bringing over managers from their parent companies or from other subsidiaries. The significance of utilising all alternative sources of selection and the advantages and disadvantages of each alternative source is discussed in Chapter 5.

Table 4-4**Selection policy of Malaysian local companies**

Local companies n = 48	Managerial selection policy					
	Internal sources		External sources		Internal & External	
	Frequency	%	Frequency	%	Frequency	%
Small & Medium	1	4.5	2	9.1	19	86.4
Large	2	7.7	1	3.8	23	88.5
<i>Total</i>	3		3		42	

Nearly all the local companies in the study (86.4% of the small and medium enterprises, and 88.5% of the large corporations) selected their managers from both internal and external sources. Only a few preferred to confine their selection either to internal sources only (4.5% of small & medium and 7.7% of the large companies) or to external sources only (9.1% of small & medium and 3.8% of the large companies).

Table 4-5**Selection policy of Malaysian-based MNCs**

MNC n=14	Managerial selection policy					
	Select & train local people		Bringing over expatriates		Appointing locals & expatriates	
	Frequency	%	Frequency	%	Frequency	%
MNC	6	42.9	0	0	8	57.1

The multinationals in the study, however, practiced a somewhat different approach. None of the firms indicated they would only bring in expatriates to fill vacant managerial positions. The MNCs would appoint a mix of host-country nationals and expatriates. Table 4-5 implied, in fact, that four out of ten MNCs (42.9) preferred to select host country nationals only and train them to be their managers, while the remainder (57.1%) would appoint both a mix of host country nationals and expatriates. This suggests multinational selection policy of balancing appointment of host country nationals as and bringing in expatriates. The selection policy of MNCs is discussed further in Chapter 5.

Table 4- 6**Background information considered for selection**

Personal information	Frequency	%
Criminal records	49	79.0
Age	47	75.8
Citizenship	27	43.5
Gender	10	16.1
Marital status	7	11.3
Race, ethnicity	6	9.7
Car ownership	6	9.7
Religion	5	8.1

A large majority (79%) of the business organisations in the study indicated that they considered criminal records of candidates important in their selection process. It is probably reasonable to assume that people with criminal records would not be favourably considered for selection as managers by these organisations. About 76% would take age into consideration. Age could be viewed as an advantage to the candidate if the job requires people with considerable work experience or a disadvantage if organisations prefer younger people for certain managerial positions. Consideration for citizenship might be to comply with government employment regulations. Gender, marital status and race or ethnicity, were taken into consideration by relatively small percentages of the respondents.

It is difficult to draw any conclusion regarding possible discriminatory practices as business organisations might have valid reasons for taking some of the variables into consideration in their selection exercise.

Section 2-Part B : Selection Process

This section addresses another part of research question 1, which describes the processes in the managerial selection of the Malaysian business organisations. As discussed in Chapter 2, two common approaches in the process of selecting managers are known as the multiple hurdle approach and the multiple regression approach.

Table 4-7

Selection process in all categories of business organisations

Malaysian business organisations	Selection process			
	Multiple Hurdle		Regression	
	<i>frequency</i>	<i>%</i>	<i>frequency</i>	<i>%</i>
Small & Medium	14	63.6	8	36.4
Large corporations	20	76.9	6	23.1
MNC	13	92.9	1	7.1
<i>Total</i>	47		15	

Table 4-7 shows the selection processes preferred by the different categories of business organisations in Malaysia in this study. About two-thirds (63.6%) of the small and medium companies chose the multiple hurdle approach while the remaining one-third (36.4%) preferred the multiple regression (or compensatory) approach in the selection process. Similarly, large local companies as well as the multinationals also preferred the multiple hurdle approach over the regression approach. A higher percentage of the large local companies (76.9%), compared to the small and medium enterprises (63.6%) preferred the hurdle approach, while the figure for the multinationals that chose this approach was even higher (92.9%).

The comparative data in Table 4-7 are graphically presented in Figures 3 and 4.

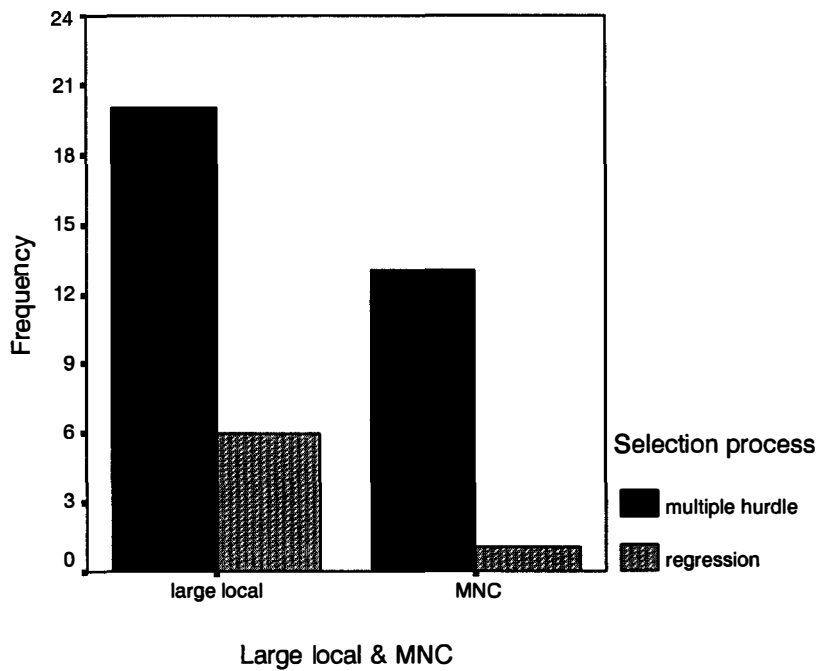


Figure 3. Selection process in Large local companies and MNCs

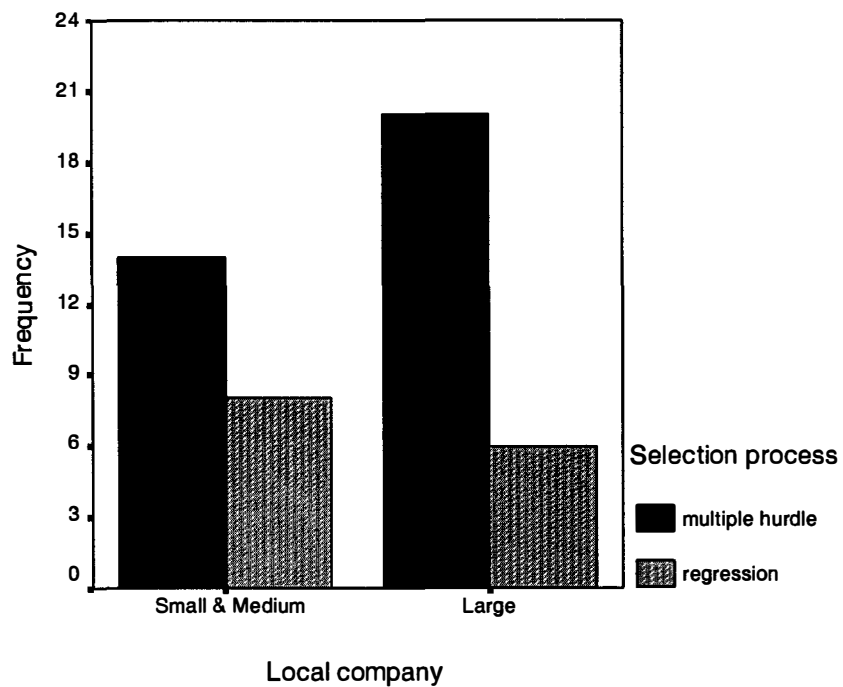


Figure 4. Selection process in Small & Medium and Large local companies

Section 2, Part C : Selection Methods

This section addresses the third element of research question 1, and describes the selection methods used in the managerial of the Malaysian business organisations. Much of the discussion in management literature indicates that a managerial selection process involves more than one selection method. The results of the study on managerial selection in Malaysia also indicate a similar practice.

Table 4-8 shows that a variety of selection methods have been used in varying degrees of frequency. The table provides the data on the frequency of use and the rank order of each selection method.

The interview, resume/curricula vitae, application form and biodata were the four selection methods most frequently used by the respondents in this study. These methods indicated a high mean frequency of use, ranging from 5.27 to 5.94. The interview, with a mean frequency use of 5.94, was practically always used, and ranked first in the order of preferred selection method. The dominance of the interview as a selection method was expected in view of similar findings in numerous studies in many developed countries (as has been established in the literature review in Chapter 2).

Table 4-8**Mean level of use and the respective rankings for 18 Selection Methods**

Local companies and Malaysian-based MNC		n = 62
Selection methods	Mean	Rank
Interviews	5.94	1
Resume / Curricular Vitae	5.73	2
Application form	5.63	3
Biodata	5.27	4
Internal personnel records	4.95	5
Medical results	4.94	6
Job tryouts	4.63	7
Recommendations by candidate's superiors	4.11	8
Personality tests	4.03	9
References (by person(s) unknown to the organisation)	3.87	10
Realistic job previews	3.87	10
Ability tests	3.52	12
Recommendations by well known personalities	3.27	13
Self assessments	3.02	14
Assessment centres	2.71	15
Peer assessments	2.69	16
Graphology	1.68	17
Astrology	1.19	18

Note. A 6-point Likert scale (1 = never used to 6 = always used) was used.
Rank indicates the order of organisational preference for each method.

The next most frequently used methods were internal personnel records (mean 4.95), medical results (mean 4.94) and job tryouts (mean 4.63). It should be noted that both medical results and job tryouts are used after the selection decision has been made but before notification of final appointment.

Selection methods showing moderate frequency of use were personality tests, realistic job previews and ability tests. The results also showed that Malaysian organisations in the study, with moderate frequency, took into consideration recommendations and references from all sources but as a whole place greater importance to recommendations by the candidate's superiors (mean 4.11) compared to references by person(s) unknown to the organisation (mean 3.87) or by well-known personalities (mean 3.27). It is quite surprising, however, that the respondents ranked recommendations by well-known personalities lower than recommendations by persons unknown to them. This will be discussed in the next chapter.

The two least used methods were graphology (handwriting analysis) with a mean of 1.68, and astrology with a mean of 1.19. It may be concluded that graphology was used, though rarely, while astrology may be considered as not used at all.

An overview of the use of the selection methods indicating the frequency of use for each method is attached in Appendix C. The table shows that the interview is used most frequently – always used by 93.5 % of the organisations, followed by the resume, application form and biodata. On the opposite end, peer assessments, graphology, and astrology are never or rarely used. Some methods that are widely or frequently used in the developed countries, such as assessment centres and references have not been frequently used by the respondent companies.

Section 3 : Comparison between Categories of Organisations

This section of the results addresses research question 2 on the similarities and differences between the selection processes and methods used by Malaysian local companies and multinational companies in Malaysia. This section shows the managerial selection methods used by the three categories of business organisations.

Table 4-9 compares the preferences in the use of managerial selection methods by the three different categories of Malaysian business organisations.

The interview, resume/curricula vitae, and application form (or the written application) were the three selection devices most frequently used by all three categories of Malaysian business organisations. The interview was the most dominant method in all the three organisational categories, with means ranging from 5.86 to 6.0.

Table 4-9

Comparisons in the use of Selection Methods between Large Local companies, MNCs and small and medium enterprises

Selection Methods	Large Local <i>n</i> = 26		MNC <i>n</i> = 14		Small & Medium <i>n</i> = 22	
	Mean	Rank	Mean	Rank	Mean	Rank
Interviews	6.00	1	5.86*	1	5.91	1
Resume / Curricular Vitae	5.77	2	5.71	2	5.68	2
Application form	5.77	2	5.57	3	5.50	3
Biodata	5.38	4	5.43	4	5.05	5
Medical results	5.04	5	4.86	6	4.86	7
Internal personnel records	4.88	6	5.14	5	4.90	6
Job tryouts	4.58	7	3.93	13	5.14	4
References (by person(s) unknown to the organisation)	4.00	8	4.36	7	3.41	11
Recommendations by candidate's superiors	4.00	8	4.07	11	4.27	8
Personality tests	3.96	10	4.36	7	3.91	9
Realistic job previews	3.65	11	4.36	7	3.82	10
Ability tests	3.50	12	4.14	10	3.14	13
Self assessments	3.08	13	3.36	15	2.73	14
Recommendations by well known personalities	2.88	14	4.00**	12	3.27	12
Assessment centres	2.54	15	3.79**	14	2.23	16
Peer assessments	2.54	15	3.00	16	2.68	15
Graphology	1.65	17	1.64	17	1.73	17
Astrology	1.27	18	1.36	18	1.00	18

Note. Large local companies were separately compared with MNC and Small and Medium local enterprises. A 6-point Likert scale (1= never used to 6= always used) was used. Rank indicates the order of organisational preference for each method.

* $p < .05$ ** $p < .01$

Biodata, medical results and internal personnel records were the next three most frequently used methods in the large local companies and MNCs, with a slight difference in the order of preference. Small and medium enterprises, however, used medical results a little less frequently (at rank 7).

Job tryouts showed marked differences in mean frequency and especially in the rank order of use among the three categories of business organisations. They were used most frequently by the small and medium enterprises (at mean 5.14, and rank 4), followed next by the large local companies (at mean 4.58, and rank 7), while the MNCs used them very much less frequently (at mean 3.93, and rank 13).

The use of recommendation and references showed significant findings. All three categories of business organisations in the study use recommendations and references from all sources with moderate frequency. Quite unexpected, however, is that all three categories of business organisations used references by person(s) unknown to the company more frequently and at a higher rank order than recommendations by well-known personalities. Large local companies especially showed a higher preference for references by person(s) unknown to the company (at mean 4.00, rank 8) compared to references by well-known personalities (at mean 2.88, rank 14). Likewise, MNCs in the study used references by person unknown to them (at mean 4.36, rank 7) more frequently than references by the well-known personalities (at mean 4.00, rank 12). Another unexpected finding is that MNCs gave more preference for reference by unknown persons (at mean 4.36 and rank 7) compared to the preference for recommendation by the candidate's superiors (at mean 4.07, rank 11). The significance and implications of these findings are further discussed in Chapter 5. Small and medium enterprises, however, used both

references (by the unknown and the well known) almost equally. Recommendations by candidates' superiors were used almost equally frequently by all categories of the Malaysian organisations in the study (the means of 4.00, 4.07 and 4.27 indicating very small difference in usage). However, there are differences in terms of rank order of preference. Both the small and medium enterprises and the large local companies place these recommendations at a higher rank order (at rank 8) than the MNCs (at rank 11).

Assessment centres were used much more frequently by the MNCs (mean 3.79) than by the large local companies (mean 2.54) or by the small and medium enterprises (mean 2.23). A number of reasons (discussed in Chapter 5) may account for this.

The results in Table 4-9 suggest a statistically significant difference between large local companies and MNCs in the use of interviews. At the 0.05 level, highly significant differences were found in the use of two methods (recommendations by well-known personalities and assessment centres) by large local companies and MNC. There were no significant differences in the use of all the selection methods between the local small and medium enterprises and the large local companies.

There was no significant difference in the use of the other selection methods among the three categories of business organisations. Ability tests, self-assessments, and peer assessments all indicated low frequency of use (mean ranging from about 2.5 to 4.00). Graphology (handwriting analysis) was hardly used while astrology was never used in all Malaysian organisations.

The most-widely used selection methods by categories of Malaysian business organisations

Table 4-10 presents the six selection methods most widely used in Malaysia in terms of the percentage of business organisations using these methods. Four selection methods (in Table 4-10) were found to be used most widely by business organisations in Malaysia. These were the interview, resume or curriculum vitae, application form and biodata. The other methods, medical results and internal personnel records, were the next widely used methods, though much less widely than the first four.

As expected, the interview was the dominant method, and was always used by all (100%) Malaysian-owned large companies, 85% of the MNCs, and about 90% of the small and medium enterprises. Application form and resume/curricula vitae were used more or less equally frequently by all three categories of organisations. This is to be expected, as both would usually contain the same important personal data (such as educational qualifications and previous work experience), though the application form would have more particulars. Table 4-10 also shows that the small and medium enterprises use the resume (72.7%) more often than the application form (68.2%), suggesting that some of them would ask applicants to send in only their resume.

Slightly more than half of the business organisations (54.5% to 57.7%) in the study used medical results. Medical results are usually used in a selection process after the selection decision has been tentatively made and is subject to satisfactory result of the medical examination.

Internal personnel records, used by slightly more than one-third of the business organisations in each category, would be appropriate in cases where the applicants or candidates were personnel within the organisations (internal selection).

Table 4-10

6 most-widely used methods in terms of the percentage of business organisations in Malaysia using them

	Large (n = 26)						MNC (n = 14)						Small & medium (n = 22)					
Selection methods ▼	1	2	3	4	5	6	1	2	3	4	5	6	1	2	3	4	5	6
Interviews *						100					14.3	85.7					9.1	90.9
Resume/CV				7.7	7.7	84.6				7.1	14.3	78.6				4.5	22.7	72.7
Application form			3.8	3.8	3.8	88.5			7.1	7.1	7.1	78.6			4.5	9.1	18.2	68.2
Biodata		8.3	4.2	4.2	8.3	75		7.1	-	7.1	14.3	71.4	9.1	4.5	4.5	-	18.2	63.6
Medical results	3.8	3.8	7.7	11.5	15.4	57.7	7.1	7.1	7.1	7.1	14.3	57.1	4.5	4.5	9.1	18.2	9.1	54.5
Internal personnel records			15.4	19.2	26.9	38.5				21.4	42.9	35.7			4.8	38.1	19	38.1

Note. A 6-point Likert scale (1=never used – 6 = always used)
▼ The sequence of selection methods are arranged according to order of organisational preference in Malaysia
* Methods subjected to significant testing

The most frequently and widely used methods in selection practices in both developed countries and Malaysia are the interviews and application forms(letters). It is therefore useful to discuss these two methods as used by Malaysian business organisations. The application form or letter is discussed first.

Analysis of specific selection methods – Application forms and Interviews

Application form or letter

In most cases, candidates or applicants for a position are required to send in their applications. The submission of the application form or the written application is often the starting point in a selection process. Table 4-11 shows the mode of job applications commonly used when candidates were required to submit applications for job positions. Company-prepared application forms (29.8%), or self-prepared application letters (34.0%) was the mode of job application that was most frequently used. Some companies (21.3%) used both company-prepared application form and self-prepared application letter in their selection process, presumably in different situations or for different positions. The results also indicate that a few companies (4.3%) asked applicants to submit their applications in their own handwriting only, and one organisation asked for both typewritten as well as handwritten applications. The request by organisations for handwritten applications tends to support the belief that handwriting analysis was used by Malaysian organisations, though not widely or frequently.

Table 4-11

Applications for managerial positions

Application form (n=62)	Frequency	%
Application form :		
<i>Mode of job applications</i>		
in company-prepared forms	14	29.8
in self prepared application letters	16	34.0
application letters in own handwriting	3	6.4
in company-prepared forms & self prepared application letters	10	21.3
in company-prepared forms & in self-prepared application letters in own handwriting only	2	4.3
in self-prepared application letters (type & in own handwriting)	1	2.1
in company-prepared forms, self prepared application letters & application letters in own handwriting	1	2.1
<i>Use of application forms</i>		
as screening device only	22	45.8
as screening & selection devices	26	54.2
<i>Verification of applicant's particulars</i>		
assumes applicants provide personal data honestly	5	10.6
applicants sign a statement that all information given is true & accurate	27	57.4
checks are made to ensure that the information given is accurate & truthful	14	29.8
applicants sign a statement & checks are made to ensure that the information given is accurate	1	2.1

Information about personal particulars of the candidates or applicants may be used either as screening device only or as both for the purpose of screening candidates as well as for assessing candidates in the selection process. Table 4-11 also provides information on how organisations used the information given by candidates in the application forms or letters.

Table 4-11 shows that the application forms or letters were used almost equally as a screening device only for shortlisting candidates (45.8%), as for both screening and selecting candidates (54.2%). The use of application forms or letters is discussed in Chapter 5 (selection process).

Interview in managerial selection

The interview occupies special position in selection processes in view of its dominance. It is the most frequently and widely used method in employment selection as indicated in the literature. Analysis of the replies by respondents in this study not surprisingly revealed that the interview was the selection methods used most frequently (Table 4-9) and most widely (Table 4-10) by the Malaysian business organisations. The findings of the study relating to the number, type, content, questions, and other aspects of the interview are presented in this section. The results of the survey (Table 4-12) indicate that, in Malaysia 9 out of every 10 respondents (87.5%) conducted more than one interview in the process of selecting managers. The majority (70.8%) conducted two interviews while some (16.7%) opted for more than two interviews.

Table 4-12**Number and types of interviews in Malaysian business organisations**

Number of interviews (n = 62)	freq	%	Type of interviews	Mean
Only 1	6	12.5	One-to-one interview	4.00
2 interviews	34	70.8	Panel / Board interview	4.79
More than 2	8	16.7	Interviewers are given information about each candidate	5.41

There seemed to be not very much difference between the choice of one-to-one interview and interviewing by a panel/board. Table 4-12 shows that Malaysian business organisations used the panel interview slightly more frequently (mean 4.79) than the one-to-one interview (mean 4.00). There was also very high frequency (mean 5.41) of Malaysian employment interviewers being given information about each candidate prior to the interview session.

Content of the interview

The interview used in managerial selection has varied content and this study found that certain elements of the interview content were used more frequently than others. The data are given in Table 4-13 below.

Table 4-13**Content of interview in Malaysian business organisations**

Contents of interview (n = 62)	Mean	Rank'
Experience-based interview	5.65	1
Questions to find out job-related KSAs of candidate	5.50	2
Questions to assess general personality of candidate	5.13	3
Situational interview	5.03	4
Questions to test candidate's general knowledge	4.82	5

Questions in interview	Mean	Rank'
A mixture of same and different questions	4.76	1
Questions at interviewer's discretion	4.66	2
A set of prepared questions	3.63	3
Same questions to all candidates	3.10	4

Note. A 6-point Likert scale (1 = never to 6 = always) was used
Rank' indicates the order of organisational preference for each method.

Table 4-13 shows that the experience-based interview which asked candidates how they handled certain job situations in the past, had the highest frequency of use with a mean of 5.65. On the other hand, the situational interview (in which candidates would be asked to describe what their actions or behaviour would be in a given real job situation) was ranked fourth with mean of 5.03. Second in the rank order was 'questions on job-related KSAs' (mean 5.50) followed by 'questions on general personality of the candidates' (mean 5.13).

The study also revealed that there was low frequency (mean 3.63) in the practice of asking candidates a set of prepared questions (mean 3.63) and of asking candidates practically the same questions (mean 3.10). These two aspects secure markedly lower ranking than the practice of interviewers asking questions at their discretion (mean 4.66). The implications and significance of these findings will be dealt with in Chapter 6

This study also compares the use of various aspects of the interview format across the three categories of Malaysian business organisations. The comparisons, presented in Table 4-14, cover the number of interviews conducted, the type of interviews, the interview content, the questions asked in the interview and other aspects.

Comparison in the use of the 'interview formats' by categories of Malaysian business organisations

Number of interviews :

The data (Table 4-14) suggest that the typical applicant for a management position would undergo more than one interview, which are conducted by a panel probably of 2 or 3 interviewers. The table shows that all the three categories preferred to conduct more than one interview but there is considerable difference in preference between one category of business organisation and another. Very few large local companies (3.8%) and MNCs (7.1%) conducted only one interview, while the number of small and medium enterprises doing so is much higher (22.7%). A higher percentage of large local companies (73.1%) conducted two interviews compared to multinationals that did that (57.1%). The practice was the reverse for more than two interviews with more multinationals (35.7%) conducting more than two interviews compared to large local companies (23.1%). More than two-thirds of the small and medium enterprises (68.2%) did two interviews, but very few of them (9.1%) went further than two interviews.

Table 4-14

Mean frequency of use of the 'Interview' according to formats by categories of business organisation

Interview format	Large (n = 26)	MNC (n = 14)	Small & medium (n = 22)
Interviews :	6.00	5.86	5.91
<i>Number of interviews</i>			
Only 1	3.8%	7.1%	22.7%
2 interviews	73.1%	57.1%	68.2%
More than 2	23.1%	35.7%	9.1%
<i>Type</i>			
One to one	3.80	4.29	4.05
Panel	4.96	5.07	4.41
<i>Content</i>			
Experience-based	5.58	5.79	5.64
Situational interview	5.27	5.43	4.50**
Job related KSA	5.31	5.86**	5.50
Candidate's personality	5.08	5.14	5.18
Test general knowledge	4.65	4.86	5.00
<i>Questions</i>			
A set of prepared questions	3.38	4.43*	3.41
Same questions to all candidates	2.96	3.79	2.82
Mixture of same & different	4.62	4.71	4.95
At interviewer's discretion	4.81	4.57	4.55
<i>Other</i>			
Interviewers are given information about each candidate	5.35	5.79*	5.24

Note. Large local companies were separately compared to MNC and Small and Medium local companies. A 6-point Likert scale (1=never used – 6 = always used) was used

*p<0.05

**p<0.01

Type of interview

The type of interviews used, varied between the different categories of respondents. Respondents were asked to indicate how frequently they used certain types of interviews. There was a clear preference for panel interviews to be involved rather than just one.

All three categories of organisations preferred the panel or board interview over the one-to-one interview, though not in equal degree of preference as shown in Table 4-14 (with mean of 4.41 for the small and medium enterprises, 4.96 for large local companies, and 5.07 for the multinationals). The difference in the degree of preference, however, may be considered to be small (the lowest mean being 4.41 and the highest 5.07). Likewise, the difference in preference for the use of the one-to-one interview between all three categories was relatively small (mean ranging from 3.80 to 4.29).

Content of interview

Malaysian local companies preferred the experienced-based interview most (mean 5.58 for large local companies and mean 5.64 for small and medium companies), while this was the second most preferred by the MNCs (mean 5.79). The data, however, show a very small mean difference (mean ranging from 5.58 to 5.79) across the three categories of organisations in the preference for the experience-based interview. The MNCs' highest preference is to ask candidates about their job-related KSAs (mean 5.86) while Malaysian local companies use questions on job related KSAs second most often (mean of 5.31 for large companies and mean of 5.50 for the small and medium companies). All three categories almost equally regarded the personality of the managerial candidate as important (with mean ranging from 5.08

to 5.18). The personality of the manager is related to the manager's human skills. The significance of this finding needs considerable discussion in Chapter 5. Testing the general knowledge of the candidate, which might not be much related to the performance of the job, was rated moderately high in importance (mean ranging from 4.65 to 5.00).

Interview questions

The data showed that there were highly significant differences in the questions asked to determine job-related KSAs of a candidate between large local corporations and MNC. Highly significant differences were also found in the use of situational interview between large local corporations and the small and medium enterprises. There were significant differences in determining whether interviewers ask all candidates a set of prepared questions.

All three categories of organisations showed a low frequency of use in using a set of prepared questions and asking all candidates practically the same questions. Asking all candidates the same set of prepared questions is recommended in the literature.

Information on candidate

All the three business categories provided their interviewers with information about each candidate prior to the actual interview session. Table 4-14 indicates that the MNCs practiced this most frequently (mean 5.79), followed by the large local companies (mean 5.35) and the small and medium enterprises (mean 5.24).

Section 4: Selection Criteria

Selection criteria of managerial candidates

This section addresses research question 3 on the selection criteria that were used by Malaysian business organisations in the selection of managers.

Table 4-15 shows the mean frequency of use and the rank order of preference for each selection criteria required for shortlisting applicants. Respondents were asked to rate each selection criteria on an interval scale from 1-not important at all – to 6-extremely important. Additionally, there was a seventh option not applicable; however, such responses were not included in the calculations used to determine the mean level of use. The table presents a list of criteria that were included in the questionnaire for the respondents to indicate the selection criteria their organisations would use in making decisions on whom to appoint as managers.

The respondent organisations indicated that they consider ‘human skills’ or the skills and abilities to manage and interact with people as the most important. This is clearly indicated by the fact that, as shown in Table 4-15, the criteria given the first four rank order of preference are related with the skills and ability to manage and interact with people, whether superiors, peers or subordinates. The human skills are indicated by such criteria as ‘effective team player’, ‘good interpersonal skills’, ‘good supervisory skills’ and ‘excellent communication skills’ (rated the top four criteria, with means ranging from 5.61 to 5.74). Even the criteria ‘knowledge, skills and abilities mentioned in the advertised position’ ranked fifth, with a mean of 5.56, would include skills in managing people and interact with others, whether superiors, peers or subordinates.

The next several criteria rated very important are a combination of people-oriented KSAs (such as good public relations, and language proficiency) and organisation-oriented KSAs or technical skills (such as academic or professional qualification, and past work experience).

Table 4-15

Selection criteria of Managerial candidates

Criteria used by all categories of organisations combined		
Selection Criteria	Mean	Rank
Effective team player	5.74	1
Good inter-personal skills	5.72	2
Good supervisory & leadership skills	5.69	3
Excellent communication skills	5.61	4
Knowledge, skills & abilities in advertised position	5.56	5
Good public relations skills	5.55	6
Academic/professional qualification	5.45	7
Proficient/fluent in English	5.42	8
No of years experience required in advertisement	5.34	9
Good IT knowledge	4.81	10
Good knowledge of Malay	4.76	11
The way applicant writes their application letter	4.68	12
Relevant additional information by applicant	4.55	13
Knowledge of national & business cultures	4.47	14
Wide experience working in different cultural environment	4.31	15
Good knowledge of cultures of Malaysian society	4.24	16
Knowledge, skills & abilities not specifically asked for in advertised position	4.23	17
No of years experience not related to the position	3.76	18

Knowledge of foreign languages	3.21	19
Good knowledge of Mandarin	3.08	20
Good knowledge of a Chinese dialect	2.85	21

Note. A 6-point Likert scale (1 = not important at all to 6 = extremely important) was used. Rank indicates the order of organisational preference for each method.

Among the 'language proficiency' criteria included in the questionnaire, ability in the English language was considered very important (at mean 5.42, and rank 8), while other languages were given relatively low priority as managerial requirement. Even though the Malay language is the national and official language of Malaysia, it was not ranked very high in the order of importance (at mean 4.76, rank 11). Knowledge of other languages was virtually considered unimportant. The significance of the findings relating to language skills are discussed further in Chapter 5.

Culture-related knowledge and skill too was considered only moderately important (at mean 4.24 to 4.47 and rank between 14 and lower), despite the emphasis of its importance in the literature (The reasons for this are discussed in Chapter 5).

Differences in Selection criteria between Local companies and MNCs

When a comparison was made to determine the degree of importance given to the selection criteria by the different categories of business organisations, the three categories of organisations indicated not much difference in the frequency they used the criteria and the level of importance they rated the criteria. The data is given in Table 4-16.

Table 4-16

Differences in Selection Criteria between Local companies & MNCs

Selection Criteria (KSA)	Large Local <i>n</i> = 26		MNC <i>n</i> = 14		Small & Medium <i>n</i> = 22	
	Mean	Rank'	Mean	Rank'	Mean	Rank'
Effective team player	5.85	1	5.79	1	5.59	2
Good supervisory & leadership skills	5.81	2	5.71	3	5.55	4
Good inter-personal skills	5.77	3	5.71	3	5.67	1
Excellent communication skills	5.73	4	5.71	3	5.41	5
Good public relations skills	5.62	5	5.64	6	5.41	5
Academic/professional qualification	5.50	6	5.57	8	5.32	8
Proficient/fluent in English	5.46	7	5.64	6	5.23	9
Knowledge, skills & abilities in advertised position	5.42	8	5.79*	1	5.59	2
No of years experience required in advertisement	5.23	9	5.43	9	5.41	5
Good IT knowledge	4.92	10	5.00	10	4.55	12
Knowledge of national & business cultures	4.73	11	4.43	16	4.18	22
Good knowledge of Malay	4.65	12	4.71	13	4.91	10
The way applicant writes their application letter	4.62	13	4.86	12	4.64	11
Good knowledge of cultures of Malaysian society	4.54	14	4.14	18	3.95	15
Relevant additional information by applicant	4.50	15	5.00*	14	4.32	13
Wide experience working in different cultural environment	4.42	16	4.64	14	3.95	15
Knowledge, skills & abilities not specifically asked for in advertised position	4.31	17	4.57	15	3.91	17

No of years experience not related to the position	3.65	18	4.43	16	3.95	18
Knowledge of foreign languages	3.31	19	3.79	19	2.73	20
Good knowledge of Mandarin	3.04	20	3.57	20	2.82	19
Good knowledge of a Chinese dialect	2.88	21	3.14	21	2.64	21

Note. Large local companies were separately compared to MNC and Small and Medium local companies. A 6-point Likert scale (1 = never to 6 = always) was used.

Rank' indicates the order of organisational preference for each method.

* $p < 0.05$

From the table above, it can be seen that very few significant differences can be found between the criteria selected as important by Malaysian local companies and those selected by the MNCs. Criteria placed in the first six rank status are virtually the same criteria preferred by both categories of companies. Likewise, managerial knowledge on culture-related factors and issues get low rankings by all categories of business organisations.

As was the case when all the s were combined together (Table 4-17), the criteria indicating human skills were ranked the top 5 most important criteria. This suggests that all the three categories of business organisations agree that human skills were the most important and desired managerial qualities. Again, the qualities picked as the most important qualities were: effective team player, good supervisory and leadership skill, good inter-personal skills, excellent communication skills, and good public relation skill.

Table 4-17

Selection criteria of Malaysian business organisations according to skills

Management Skills	Selection Criteria	Mean	#Rank
Technical skills	<ul style="list-style-type: none"> • KSA in advertised position 	5.56	5
Ability to apply specialised knowledge/expertise	<ul style="list-style-type: none"> • Academic/Professional qualifications • No of years experience required in advertisement • Good IT knowledge 	5.45 5.34 4.81	7 9 10
Human skills	<ul style="list-style-type: none"> • Effective team player • Good inter-personal skills • Good supervisory & leadership skills • Excellent communication skills • Good public relations skills • Proficient/fluent in English • Good knowledge of Malay 	5.74 5.72 5.69 5.61 5.55 5.42 4.76	1 2 3 4 6 8 11
Conceptual skills Managers must have the mental ability to analyse and diagnose complex situations	<ul style="list-style-type: none"> • A combination of technical skills & human skills 		
Others	<ul style="list-style-type: none"> • The way applicants write their application letters • Relevant additional information by applicant • Knowledge of national & business cultures • Wide experience working in different cultural environment • Good knowledge of cultures of Malaysian society • KSA not specifically asked for in the advertised position • No of years experience not related to the position • Knowledge of languages (foreign, Mandarin, Chinese dialect) 	4.68 4.55 4.47 4.31 4.24 4.23 3.76 3.21-2.25	12 13 14 15 16 17 18 19-21

Note. #Rank indicates the order of organisational preference for each method

Next in the degree of preference and importance are criteria more associated with technical skills indicated by academic or professional qualifications and overall knowledge, skills and abilities. A significant difference was noted here. As indicated in Table 4-16, both the MNC and the small and medium enterprise place a high level of importance to knowledge, skills and abilities (as the first and second most important criteria), whereas the large local corporation ranks this criterion at much lower level (at rank 8).

For language proficiency criteria, knowledge of English was accorded a much higher ranking (at rank order 6 to 9) compared to knowledge of the other languages in all categories of organisations.

Section 5: Cultural dimensions and cultural differences

This section addresses research question 4, which sought to find out if cultural dimension and cultural differences have any impact or influence on managerial selection of Malaysian business organisations. The findings of the study showed the impact of cultural dimensions and cultural differences in two aspects

On the first aspect, the results of the study indicated that cultural dimensions and cultural differences had some impact or influence on Malaysian selection practices. The cultural dimensions described by Hofstede (1991) refer to 'power distance', 'avoidance of uncertainty' and 'collectivism' (or collectivist culture as opposed to individualistic culture). Malaysia has been placed by Hofstede into the dimensions indicating 'large power distance', 'strong uncertainty avoidance' and 'collectivism or collectivistic culture'. The findings of this exploratory study appear

to indicate some influence of these cultural dimensions in the managerial selection practices.

The influence of 'strong uncertainty avoidance' is evidenced by the fact that in the Malaysian managerial selection practices, information on candidates is collected from a variety of sources, as is shown by the use of the application forms, recommendations by the candidates' superiors, references by well-known personalities, unknown persons and even peers. Job tryouts which in effect meant the candidates were put on a trial period of performance on the job was also much used. All these suggest the desire to avoid risk-taking through wrong selection, which indicates strong uncertainty avoidance. The cultural dimension of 'large power distance' appears to be shown by the practice of leaving the selection decision-making to either one person or a panel of very senior executives. The results of the study indicated that in many cases even general managers or chief executives could make the decision on selection. In a large power distance, there is great inequality between bosses and subordinates and organisations place power in the hands of a few individuals.

In the second aspect, Malaysian business organisations considered it very important for managers and managerial candidates to have skills and abilities in culture-related matters and issues. The respondents indicated a mean frequency of between 5 and 6 (on a scale of 1 not important to 6 extremely important) to indicate that they consider it such skills and abilities as very important. However, the culture-related skills were given a lower ranking in the level of importance when compared to the other required skills, such as 'human skills' and 'technical skills'. This will be further discussed in Chapter 5, Discussion.

Table 4-18

The Importance of Knowledge on Cultural Issues in Malaysia

Managerial knowledge of cultural traits and issues	Malaysian companies <i>n</i> = 62		Local company				MNC <i>n</i> = 14	
			Small & medium <i>n</i> = 22		Large <i>n</i> = 26			
The degree of importance of managerial knowledge of cultural traits, issues and differences to business management :	Mean	Rank	Mean	Rank	Mean	Rank	Mean	Rank
<ul style="list-style-type: none"> when firms become involved internationally and business strategies and practices need to be adapted to suit local conditions and practice 	5.13	1	4.77	4	5.35**	1	5.29	1
<ul style="list-style-type: none"> when managers need to effectively manage a workforce of varied cultural background and avoid/resolve conflicts 	5.10	2	4.86	2	5.23	2	5.21	2
<ul style="list-style-type: none"> when managers need to interact with people, institutions and organisations across cultural boundaries and beliefs, values and attitudes contrast significantly 	5.00	3	4.64	7	5.23**	2	5.14	3
<ul style="list-style-type: none"> when understanding national cultures of foreign business organisations is very important in communicating, negotiating and dealing with foreign business associates, government and people 	4.98	4	4.77	4	5.08	4	5.14	3
<ul style="list-style-type: none"> when interacting and trying to form strong relationships with peers and fellow senior executives 	4.97	5	4.82	3	5.04	5	5.07	5
<ul style="list-style-type: none"> when the business organisation operates within one country and deals with the local market only 	4.92	6	4.91	1	4.92	6	4.93	7
<ul style="list-style-type: none"> when greater managerial knowledge of a nation's culture and how national culture is applied to business is needed to increase the success of the organisation in dealing with its foreign partners 	4.84	7	4.68	6	4.88	7	5.00	6

Note. ** $p < 0.01$

Decision-making procedures

A selection process ends with the decision on which applicant or candidate to appoint to fill the managerial position.

Results of the study (Table 4-19) indicate that the Malaysian business organisations had some main sources of information on the candidates upon which organisations could make decisions. The table shows that all the three categories of organisations could obtain information about the candidates from the candidates' resume or curricula vitae, information in the application forms, recommendations by the candidates' superiors, and results of the candidate's performance in the interviews. Information by candidates' superiors would suggest particulars about candidates from their personnel records and would be applicable to cases of promotions from within.

Table 4-19

Sources of information: Mean differences between categories of organisations

Sources of information on candidates	Large (n = 62)	MNC (n = 62)	Small & Medium (n = 62)
Resume / Curricula vitae	5.50	5.43	5.36
Candidate's performance at interviews	5.42	5.93**	5.36
Information in application form	5.23	5.36	5.23
Recommendations by candidate's superiors	5.00	4.86	5.09
References by person unknown to the company	3.62	3.86	3.00
Recommendation/references for applicant by well-known personalities	3.23	3.43	3.36

Note. Large local companies were separately compared to MNC and Small and Medium local companies. A 6-point Likert scale (1 = never to 6 = always) was used.

** $p < 0.01$

Table 4-20

Decision-making Procedures in Malaysian business organisation

Decision-making Procedures in all categories of organisation <i>n</i> = 62	Frequency	%
Single selector	18	29.03
Panel of selectors	44	70.97
Company established a formal rating system	25	40.32
Company has no formal rating system	18	29.03
No response on rating system	19	30.65

Local & MNCs <i>n</i> = 48	Single selector		Panel of selectors		Formal Rating		No Rating System	
	f	%	f	%	f	%	f	%
Small & Medium Local	7	31.8	15	68.2	7	31.8	6	27.3
Large Local	9	34.6	16	61.5	12	46.2	9	34.6
MNC	2	15.4	14	100.0	6	46.2	3	23.1

The response from all categories of the Malaysian business organisations showed only 40% of the combined categories of Malaysian business organisations indicated they had established a formal rating system. Almost one-third (29.03%) had no formal rating system while a surprising 30.65% did not respond to the question on the rating system (Table 4-20).

The lack of a formal rating system means that there would be no standard measurement to assess the performance of candidates and to compare between candidates. The decision-making process might lead to somewhat arbitrary assessment and grading of candidates. This is a serious weakness especially for an important position such as the manager.

Rosse and Levin (1997) suggest that selectors need not attempt to establish a perfect error-free decision-making system, as that would be impossible to achieve in personnel selection. However, there should be a system that would ensure effective selection. They suggest a three-tiered system based on broad categories of 'acceptable', 'unacceptable' and 'desirable' as a basis to selection. On this broad basis, a more detailed rating system could be devised.

Table 4-21

Final stages of selection process

	Large Local <i>n</i> = 26		MNC <i>n</i> = 14		Small & Medium <i>n</i> = 22	
	f	%	f	%	f	%
Top manager / senior officer of HR Department	13	54.9	8	57.1	6	27.2
Top management only (Managing Director, General Manager)	21	80.8	11	78.6	17	77.2
Head of Division	13	50.0	6	42.9	10	45.4

Malaysian business organisations leave the final stages of the selecting process to top management personnel. As indicated in Table 4-21, decision-making is done by people in the top or very senior position. These illustrate Hofstede's (1991) description of large 'power distance dimension' in which power is left by organisation in the hands of a few people. Whether the decision-making is effective or not depends on how effectively the top management of the organisation makes their decisions.

Section 6: Comparison with Developed Countries and Literature

This section addresses research question 5 by comparing the managerial selection methods used by Malaysian business organisations with those in the developed countries.

Published research and studies in the management literature indicate that many selection methods have been used in the developed countries with varying degrees of popularity and frequency. Similarly, in Malaysia too, some selection methods have been used very widely and frequently by Malaysian business organisations, while some others have been moderately or even seldom used.

Published findings of many research work on selection methods in Australia, New Zealand, the United Kingdom (U.K.), France and a few other European countries show the following scenario:

Interview: The interview has been generally concluded to be the dominant managerial selection technique by many researchers and academics (for example, Di Milia & Smith, 1997; Eleftheriou & Robertson, 1999; Patrickson & Haydon, 1988; Robertson & Makin, 1986; Scholarios & Lockyer, 1999; Shackleton & Newell, 1991; Vaughan & McLean, 1989). Other researchers regard the interview as one of the most commonly used selection procedures (for example, Harris, Toulson, & Livingston, 1996; McDaniel, Whetzel, Schmidt, & Mauer, 1994; Pulakos & Schmitt, 1995).

Results of the exploratory studies on Malaysian business organisations also indicated that, as is the case in the developed countries, the interview was the most

frequently used method for the selection of managers, and presumably also for the selection of personnel at other levels.

In the developed countries, other selection methods that have also been widely used in management selection, though not as dominant as the interview are the application forms, curricula vitae, and reference checks. This has been the findings of many research work and studies, as those done by Clark, 1992; Di Milia & Smith, 1997; Eleftheriou & Robertson, 1999; Harris et al., 1996; McDaniel et al., 1994; Patrickson & Haydon, 1988; Pulakos & Schmitt, 1995; Robertson & Makin, 1986; Scholarios & Lockyer, 1999; Shackleton & Newell, 1991; Vaughan & McLean, 1989).

Malaysian business organisations usually also asked applicants and candidates to submit their applications either on company-prepared application forms or to send in their written applications. Applicants or candidates would be requested to provide their resume or curricula vitae, usually referring to personal information such as academic and or professional qualifications, past work experience, and other relevant information as requested or indicated in the job advertisements. The results of the study further indicated that recommendations and references have also been very widely and frequently used in Malaysia as sources of information on candidates. Details regarding the use of the application form are given below.

Biodata is used less frequently or widely in the developed countries according to studies by Clark, (1992); Di Milia & Smith, (1997); Eleftheriou & Robertson, (1999); Harris et al., (1996); Robertson & Makin, (1986); Shackleton & Newell, (1991); Stokes & Cooper, (1994); Vaughan & McLean, (1989). Malaysian business

organisations appeared to use biodata frequently and widely. This is indicated by the result of the study showing a mean frequency of use of 5.27 (on a scale of 1 to 6) and at rank 4 for biodata in a list of 18 methods.

Assessment centre appears to be used much more widely in the developed countries than in Malaysia. Studies by several researchers (for example, Di Milia & Smith, 1997; Eleftheriou & Robertson, 1999; Murdoch, 1992; Robertson & Makin, 1986; Shackleton & Newell, 1991) indicated that in recent years assessment centres have been used increasingly widely and with wider applications in the developed countries. Malaysian organisations use assessment centres much less frequently (at mean frequency of 2.69 and at rank 16 out of 18 selection methods). This is despite the fact that recent studies and meta-analysis have given strong support for the use of assessment centres for higher level selections. The possible reasons for the low frequency of use of assessment centres in Malaysia are the high cost of using this method and the possibility that there are still many organisations, especially smaller companies, that have not been familiar with the use of assessment centres (results attached in Appendix D).

Personality testing appears to be moderately used both in the developed countries and in Malaysia. This appears to be the position based on the literature (in the case of the developed countries) and the finding of this study (for the situation in Malaysia).

A few respondents in the study on Malaysian selection practices have indicated that they had requested job applicants or candidates to submit handwritten applications. The findings of this study revealed that there were a few Malaysian

organisations that used graphology (handwriting analysis) in their selection methods. The practice is, however, very limited as indicated by the very low mean frequency of use of 1.68 at rank order of 17 (out of 18 methods). Although graphology also appears to be seldom used in many developed countries, it is used with moderately high frequency in France and a few other continental European countries.

The literature revealed that in the developed countries managerial selection involved the use of more than one selection method (Eleftheriou and Robertson, 1999). This is also the practice in the Malaysian organisations studied. The use of more than one selection method is to have a better selection procedure and ensure more reliable and valid selection and appointment of the successful candidate. As has been pointed earlier, reliability and validity of selection is a main area of concern of management researchers and academics.

In general, there is little difference in the use of selection methods by business organisations in Malaysia and in the developed countries for the selection of managers. The most likely reason for the close similarity in selection practices is the fact that Malaysian management practitioners are very familiar with the selection methods in the developed countries. Thousands of Malaysians who have been and who are now executives and senior executives in numerous Malaysian business organisations had studied business management in many Western-oriented developed countries such as United States, United Kingdom, Australia, New Zealand, and Canada.

An assessment of the effectiveness of the managerial selection practices of Malaysian business organisations is presented in Chapter 6.

Summary

This chapter had presented the results of the managerial selection practices of Malaysian business organisations. The results of the study shows that interview, resume/curricular vitae, application forms and biodata were the most frequently used managerial selection methods in Malaysia. This is aligned with the practices adopt in the Western-developed countries but differ with the Asian-developed country like in Japan.

The next chapter discusses the conclusions that can be drawn from the results of this study.

CHAPTER 5

DISCUSSIONS

Introduction

The purpose of this chapter is to provide an understanding of the managerial selection practices of Malaysian business organisations. The study was based on five research questions, which focused on selection policy, process, methods, criteria, and decision-making procedure. The study also attempted to determine whether national cultural contexts (or dimensions), and cultural differences have any influence on any aspect of the Malaysian selection practices. The results of the study, which were presented in Chapter 4, are summarised and discussed in this chapter. The results are also compared to the selection practices in the developed countries as discussed in the literature to identify any similarities and/or differences.

Demographic profile

The results show that Malaysian business organisations were engaged in a wide variety of business activities ranging from plantation-based agriculture to highly industrialised activities such as manufacturing, and sophisticated activities such as modern banking and information technology. It may be said that these business activities are very similar to many of the activities of business organisations in developed countries such as in the United States, European countries and Australia. The conclusion that could be drawn is that Malaysian business organisations were already engaged in varied and complex business enterprises that

would need highly skilled and capable managers. The most important approach in securing such managerial expertise would be effective selection of managers.

Malaysian Selection Practices and Comparison with Developed Countries

Based on the results of the study, there seemed to be few differences between the managerial selection practices of business organisations in Malaysia and those in the developed countries, especially in the United States, Britain and continental Europe, Australia and New Zealand.

There are possible explanations for these close similarities. Malaysia has had a long exposure to Western style of business management. Many European companies, especially British-owned corporations, have been operating in Malaysia for many decades. The Malaysian government has also been vigorously encouraging foreign investment with various incentives and this has resulted in a greater number of foreign companies from the developed countries of the West and Japan setting up their subsidiaries or establishments in Malaysia. These Malaysian-based multinationals could be expected to adopt many of the management practices of their parent companies. This is so because a multinational corporation is inclined to transplant its management system to any country in which it invests in order to maintain management consistency among its branches (Huang, 2000). Malaysians who were employed as executives involved in the management of these companies thus became familiar with business management styles of the developed countries.

It was however through tertiary education that Malaysians have learnt most about business management in developed countries, especially the developed

countries practising Western style of business management. Over the years, especially from the early 1980's, thousands of Malaysians have graduated with degrees in management from universities in the United Kingdom, the United States, Australia and New Zealand. Furthermore, business students in Malaysian universities also studied the Western styles and systems of management. It is to be expected that as these graduates began to hold important positions in Malaysian business organisations, they would introduce business management styles (including personnel selection procedures and methods), similar in many ways to those used in the developed countries.

It may therefore be concluded that the influence of multinational companies and Western-oriented education largely account for the many similarities in the managerial selection practices between Malaysian business organisations and those in the developed countries.

Selection policy

The findings of this study indicated that locally-owned Malaysian organisations (small and medium enterprises as well as large corporations) overwhelmingly prefer to select managerial candidates both internally and externally, that is, through promotions within their organisations and the selection of candidates from outside their organisations. There was no inclination to select managers from just one source only. Very few of these local companies would select their managers from within their own organisation only or from external sources only.

According to researchers and academics such as Gatewood and Feild (1998), Russel (2000), and Huang (2000), selecting senior personnel from internal and

external sources has been a common approach in Western management practice. While the Malaysian selection policy is very similar to that of the Western-oriented developed countries, it contrasted with the selection practice in Japan, a developed Asian country. According to Huang (2000), discussions in the literature indicated that Japanese corporations seldom hire outsiders for higher level positions, unlike in the Western countries where the doors are wide open.

Multinational companies in the Malaysian study also indicated that they used two alternatives of filling managerial positions – the appointment of host-country nationals (from within or outside the MNC subsidiaries), and the employment of expatriates (from the parent country or a third country). This selection policy could probably be adopted to be in line with the policy of their parent companies.

Based on management literature, some reasons may be offered to explain the selection policies of the Malaysian local companies. One main reason why organisations prefer internal selection is that they could get managers who already understand very well the organisational objectives and strategies of the firm and who are very familiar with the work culture in the organisation. Likewise, since internal selection is promotion from within the organisation, the organisation already knows a great deal about the managerial candidate. Another reason is that by promoting serving executives, the organisation also motivates their workers and fosters loyalty among employees as employees become aware of opportunities for promotion within the organisation (Russell, 1995).

Selection from external sources, on the other hand, enables organisations to bring in new expertise into the organisations, by appointing individuals who have

special skills and abilities and possibly the experience of having worked in different organisations and different environments. Another reason for appointing people from the outside is that the organisations could not find suitable candidates from within their own serving executives (Gatewood & Feild, 1998, Russell, 1995).

Although no question was asked in this exploratory study on their reasons for adopting the 'internal' and 'external' selection policy, it may be presumed that Malaysian local companies adopted the policy as their organisational strategy for the advantages to be gained, since they are very familiar with Western management practices, as explained earlier in this chapter.

Some conclusions could be drawn from the above findings. The policy of selecting managers from two different sources gave the organisations certain strategic advantages. By using both alternatives, the local and foreign-owned companies provided themselves with wide appointment options that they could utilise to their advantage. The Malaysian local companies, for example, could select and appoint managers from within their organisations according to specific situations, requirements and strategies, and depending on which source could provide the most suitable managerial candidates. Likewise, the multinationals could appoint Malaysian nationals to overcome problems relating to cultural contexts or dimensions, and cross-cultural issues relevant to their business management. At the same time, the multinationals could appoint expatriates to perform the 'control function' of aligning operations of the unit with that of the parent organisation, and the 'knowledge function' of transferring the parent company's knowledge to the subsidiary in the host country or acquiring host-country knowledge (Delios & Bjorkman, 2000).

Selection process

The study found that Malaysian managerial selection is usually a multi-phase process that also includes some methods. This would be consistent with the recommendation by researchers as pointed out by Vaughan and McLean (1989) that for the selection of managers, the selection process should involve a variety of tests and assessment criteria (Chapter 2). A selection process involving a few stages and some selection methods in each stage, as adopted by the Malaysian business organisations, would better ensure that the right person is selected to an important position such as the manager. The Malaysian selection process in most cases begins with candidates submitting the application forms or letters, followed by the use of a number of selection methods, and ending with the decision-making procedure that determines who is to be appointed.

Management literature explains that a few approaches have been used in personnel selection process (Gatewood and Feild, 1998). In this study, two of the approaches were considered very suitable for the selection of managers, and questions on this were included in the questionnaire to find out the approaches adopted by Malaysian business organisations. These approaches or processes are known as the 'multiple hurdle' and the 'multiple regression' or compensatory approaches (explained in Chapter 2).

The results of this study showed that two-thirds of the small and medium enterprises, three-quarters of the large corporations, and more than 90 percent of the multinationals preferred the multiple hurdle approach over the multiple regression approach (Table 4-7).

The significance of this preference can be explained from reference to the literature. Cost reduction and time factor are presumably the main reasons for the preference of adopting the multiple hurdle approach. By choosing the 'multiple hurdle' approach, Malaysian business organisations would shortlist candidates for the final selection by systematically eliminating candidates through a series of selection stages. This would reduce the size of the pool of applicants to be further assessed in the next stage of the selection process. Reducing costs of selection is one of the main reasons for adopting this approach. As explained by Gatewood and Feild (1998, p. 225), "the multiple hurdle approach is also appropriate when there is a large applicant pool, and when some of the selection procedures are expensive to administer". Time factor may be considered as another reason why a large majority of the respondents in this study had chosen the multiple hurdle approach. Organisations would be able to shorten the length of time to complete the selection process by not further proceeding to evaluate candidates who failed to reach certain level of performance. It can be concluded that Malaysian business organisations overwhelmingly preferred the multiple hurdle approach because they could save on money and time without sacrificing the effectiveness of the selection process.

The multiple hurdle might create undesired result. If the validity for each predictor or assessment phase is not properly established, a candidate who has good managerial potential might be wrongly excluded from further consideration at an early stage. On the other hand, an unsuitable candidate might continue to be on the selection list. Further research on how the Malaysian business organisations would use the multiple hurdle approach in their selection practice would be needed to determine or assess the effectiveness of its use by Malaysian businesses.

Selection methods

It has been clearly indicated in the literature that managerial selection process usually involves a combination of two or more than two selection methods.

The results of this study indicate that Malaysian managerial selection process also involved a number of selection methods. The findings revealed that the interview was always used, while resume (*curricula vitae*) and application forms were used nearly always. This would suggest that in some cases candidates might be asked to present themselves for the interview without the formality of having to submit application forms or letters. Other methods frequently used were biodata, internal personnel records, job tryouts, recommendations and references. Recommendations and references might be submitted by the applicants or candidates themselves to enhance their chances of being selected. These might also have been requested by the employing company. Internal personnel records could be expected to be always used in cases of internal selection. Graphology and astrology were respectively very seldom and never used in Malaysia as were discovered by some other studies done in the developed countries (Robertson & Makin, 1986; Shackleton & Newell, 1991; Harris, Toulson, & Livingston, 1996; Eleftheriou & Robertson, 1999). In not using graphology, Malaysia appears to be adopting the British practice rather than the French who made considerable use of graphology in their personnel selection. Graphology, however, has not been favourably rated as an effective selection device.

Malaysian business organisations frequently use many of the selection methods that have also been very often used in the developed countries. The interview, resume (*curricula vitae*), application forms, biodata, recommendations and

references feature prominently in the selection processes in both Malaysia and the developed countries. A few differences, however, may be noted.

First, all categories of Malaysian business organisations in the study reported that they used assessment centres. However, the results indicated a relatively low frequency of use (mean ranging from 2.23 to 3.79). Malaysian locally-owned companies also used assessment centres much less frequently than the multinationals. The frequency for the small and medium enterprises was at a mean of 2.23, for the large local companies at a mean of 2.54, and for the multinationals, at a much higher mean of 3.79. Two conclusions could be drawn from these results. Locally-owned Malaysian companies were already familiar with assessment centres and have actually used this method in managerial selection. The use of assessment centres, however, has not attained the much higher level of frequency of its use in the developed countries as has been indicated in the literature and further reflected by its use in the Malaysian-based multinationals. One reason for this could be that there are still many local Malaysian companies that are not familiar with the use of assessment centres. Furthermore, using assessment centres is both costly and time consuming (shown in Appendix D), especially if there are still many shortlisted managerial candidates to be assessed. In view of its high cost and time-consuming factors, only the very large local companies would use it while many other Malaysian companies depended on other selection methods instead.

A second difference appears to be in the use of recommendations and references. Malaysian organisations attached moderately high degree of importance to the use of information on candidates provided by internal personnel records, recommendations by the candidate's superiors, and references by person(s) unknown to the companies, by well-known personalities, as well as by peers. The findings

showed that the use of all these methods ranged from relatively high for internal personnel records (mean ranging from 4.88 to 5.14) to moderately high for recommendations by candidate's superiors (mean ranging from 4.00 to 4.27) and references by person(s) unknown to the organisation (mean ranging from 3.41 to 4.37), and only slightly lower for recommendations by well-known personalities (mean ranging from 2.88 to 4.00) [Table 4-9].

Two possible reasons may be suggested here for the above findings. The first is that Malaysian organisations might have wanted to gather as much information as possible about the candidates for such an important position as the manager does. The accurate prediction of the future performance of managerial candidates depends on obtaining as much relevant and valuable information about each candidate as possible. As explained by Gatewood and Feild (1998, p. 4), to separate the qualified applicants from those who are not, the "must systematically collect information from the applicants about how much of the necessary knowledge, skills and abilities (KSAs) each possesses". Malaysian organisations might consider that recommendations and references from all sources could provide additional personal information on the candidates, especially on the candidates' personal character, which could not be known from other sources such as the application forms, the candidate's resume, the biodata, or perhaps even from the interview. All information that could be obtained was therefore assembled together to collectively provide a bigger pool of information and therefore further ensure better assessment of the candidates and more accurate decision.

Another explanation might be in Hofstede's cultural dimension of 'uncertainty avoidance'. This will be elaborated in the discussion on cultural dimensions and selection practices, at a later stage in this chapter.

The third difference between Malaysia and the developed countries is in the use of job tryouts. Malaysian business organisations use job tryouts more frequently than the developed countries. Studies by Harris et al (1996) indicated that job tryouts were rarely or seldom used in the developed countries. The relatively low use of job tryouts by Malaysian-based multinationals (at mean of 3.93) might also reflect the finding by Harris et al., (1996). Malaysian local companies used job tryouts much more frequently (at mean frequency of 4.58 for the large companies, and 5.14 for the small and medium enterprises) compared to the multinationals (mean 3.93). The significance for this is discussed when dealing with cultural dimension later on in this chapter.

Selection criteria

The results of the study indicate that many criteria were used by Malaysian organisations to assess candidates' qualities, capabilities and other attributes and to decide on the suitability of the managerial candidates. Recent management literature generally classify managerial qualities into three main categories, namely technical skills, human skills and conceptual skills (Armstrong, 1997; Robbins et al., 1998). According to Robbins et al., (1998), technical skills are abilities to apply specialised knowledge or expertise, human skills refer to the ability to work with, understand and motivate other people, both individually and in groups, while conceptual skills require the manager to have the mental ability to analyse and diagnose complex situations.

The findings of this study indicate that the top four in the ranking of important criteria for the managerial selection shown in Table 4-17 were connected with human skills. The criteria specified were, in order of ranking, effective team player, good interpersonal skills, good supervisory and leadership skills, and excellent communication skills. The manager's overall skills indicated by the criterion 'knowledge, skills and abilities' (KSAs) was ranked fifth. Good public relation's skills were ranked higher than technical skills such as academic/professional qualifications and experience in required job specifications. Language skills were given fairly important ranking with a greater emphasis on proficiency in English over knowledge of other languages. It is significant to note that greater importance is given to competency in the English, even more than ability in the Malay language which is the country's only official and national language. This reflects the realization of the importance of English as the global language and the main medium of communication and interaction in the business world.

The significance of the findings is that Malaysian business organisations recognise the importance of human skills. This is consistent with what has been discussed in the literature. Robbins et al., (1998, p. 9) point out that recent studies revealed that "regardless of a manager's level in the organisation, human skills are rated most important for success".

Another significant finding is the fact that all categories of business organisations indicated a strong requirement for managers to have knowledge, skills and abilities to manage cultural-related issues and interactions that are important to the business organisations. Competency in culture-related issues were considered very important. However, despite this acknowledgement, Malaysian business

organisations ranked other managerial qualities at higher level of importance than cultural competency. Management literature has reported similar finding of studies in the developed countries (Robbins et al., 1998). Two explanations may be offered for the finding of this study. First, locally owned companies with managers very familiar with the local culture did not attach more importance to knowledge and skills in cultural matters and issues compared to other required skills. The multinationals would overcome the problems related to cultural issues by appointing host country nationals to be part of the management team.

Decision-making procedure

Decision-making procedure is very important as it concludes the selection process and determines the appointment of the successful candidate. All categories of the Malaysian business organisations in this study indicated that their organisations had some form of decision-making procedure to conclude the selection process. However, the findings of this study reveal strengths as well as weaknesses in the decision-making process. The study indicates that Malaysian business organisation collects adequate pool of data on applicants and candidates through various means and sources, such as the application forms/written applications, internal personnel records and references, and candidates' performance at interviews. The decision-making process thus has very good foundation to make a potentially good selection decision. However, there are considerable shortcomings and weaknesses in decision-making in other aspects. Only 40% of the combined categories of Malaysian business organisations indicated they had a formal rating system. Almost one-third (29%) had no formal rating system while a surprising 31% did not respond to the question on the rating system (Table 4-20).

The lack of a formal rating system appears to indicate unsatisfactory decision-making which might result in the selection of unsuitable candidates. Candidates might be assessed without any proper standard of measurement to assess the performance of the different candidates and to compare between candidates. The lack of a formal rating system would likely lead to somewhat arbitrary assessment and grading of candidates. This is a serious weakness especially for an important position such as the manager.

Another serious weakness in the findings is that, a rather high percentage (29%) of organisations left the selection decision to a single person. As is the case relating to the rating system, a high percentage (30%) of respondents did not respond to the question on who decides on the final selection. Among those who answered the question, 29% of the respondents indicated that final selection was made by a single selector while 70% said it was done by a panel of selectors. Also, the decision-making was left in the hands of top management personnel, such as the managing-director, general-manager, head of division, or a panel comprising these top management personnel. Human resource personnel appeared to play little or no role in the final selection of managers.

There appeared to be clear evidence to indicate serious weaknesses in the decision-making procedure and final selection process of many Malaysian business organisations. These weaknesses could adversely affect the validity of the decision on selecting successful candidates and appointment of managers in those organisations. It must, however, be pointed out that there were still many other companies that had established formal and more reliable decision-making procedure.

It could be presumed that multinationals and the larger and well-established locally-owned companies would have proper decision-making procedures.

Cultural Dimensions in the Managerial Selection Practices

This study also attempted to identify any possible connections between cultural contexts and cross-cultural issues in the Malaysian managerial selection practices. Some findings could be discussed.

The selection policy and process indicated absence of any cultural influence. There was no feature in the selection process that could be considered as unique to Malaysia or unknown or unfamiliar to other countries. The policy and process that were adopted or followed were very similar to the procedure adopted in many developed countries. Malaysia has not been overwhelmingly influenced by any eastern cultural tradition like Japan has been influenced by Zen Buddhism or Korea or China have been influenced by Confucianism. On the other hand, Malaysia has been too long and too closely associated with Western administration, management tradition and style. If cultural influence were to be considered at all, it could be said that Malaysian selection practices were influenced by Western culture.

While no cultural influence can be identified in the selection policy and processes of Malaysian business organisations, some impact or influence of culture context appeared to be evident in the selection methods used. It has been mentioned earlier that the results of the study revealed that Malaysian organisations attached considerable importance to the use of information on candidates provided by all possible sources such as from internal personnel records, as well as recommendations and references by the candidate's superiors, unknown person(s),

well-known personalities, as well as by peers. There was also moderately high use of these sources. It has been suggested that one main reason could be the desire to gather as much information as possible for reliable decision. However, this practice could be connected to the 'avoidance of uncertainty' dimension of Hofstede (1991). In societies exhibiting Hofstede's 'uncertainty avoidance' dimension, there is a higher level of anxiety, nervousness and stress. In these societies, there are mechanisms to provide security and reduce risk, and there are likely to be more formal rules. Hence, it could be argued that in the Malaysian context, people wanted to be more sure of their actions and avoid making serious mistakes. The more frequently and widely use of 'job tryouts' and 'medical results' in Malaysia compared to the developed countries also strengthen the argument of 'uncertainty avoidance' – the need to avoid mistakes in hiring. Another culture-related explanation is that Malaysia could be considered as belonging to Hofstede's collectivist society. In such a society, inter-personal relationships are much closer than in the 'individualist' society. There is respect for people in position of power and status. Malaysian society falls into Hofstede's collectivist society. This could explain the use of references for job applicants.

The influence of culture context is also evident in the selection decision-making procedure. Hofstede's description of his four cultural dimensions would put Malaysia into the 'high power distance' dimension. In the 'high power distance' context, society accepts wide differences in power. Power is placed in the hands of the few, and there is a great deal of respect for authority. The cultural context with large power distance, like the Malaysian society, would suggest that decision-making would be in the hands of people in high position.

Overall, Malaysian managerial selection practices showed many similarities with those used in the Western developed countries. The long association between Malaysian society and Western business operations, and the influence of Western education explain these close similarities. Some differences that can be associated to the national cultural differences and different cultural contexts could, however, be identified, though the impact is not significant on the Malaysian managerial selection practices.

Conclusion

Sound selection practices can contribute to organisational effectiveness. Past research on management selection practices in Western developed countries reported a reliance on methods associated with low validity. The study on management selection practices of Malaysian business organisations closely resembled those used in the Western-developed countries. There are only very few differences. Across industries, the three main tools used in Western countries were interviewing, reference checking and application forms. The main tools used in Malaysia are interviewing, resume/curricular vitae, application forms and biodata.

The conclusion drawn from Malaysian management selection practice is that, overall, Malaysian managerial selection practices rely to some extent on more sophisticated selection procedures for their higher level vacancies.

The last chapter concludes this study, and presents the implications for future studies as well as the limitations of this study.

CHAPTER 6

CONCLUSIONS AND IMPLICATIONS

Introduction

There have been numerous studies on managerial selection but most of them focused on the developed countries. Published research on human resource management in the developing countries of the Asia-Pacific region has been limited and only a few have dealt with management selection methods and practices (for example, on Korea (Lee, 1999) and on Taiwan (Hsu & Leat, 2000)).

This study focused on the practices of selecting managers by business organisations in Malaysia, which may be considered a typical developing country. The study focused on five aspects of the managerial selection practices – the selection policy, process, methods, criteria, and decision-making procedure.

Conclusion relating to the Research Questions

Managerial selection practices

This study found that selection policy, processes and methods of selecting managers in Malaysian business organisations closely resemble those that have been widely and frequently used in the developed countries with Western orientation of management. There seem to be few differences between the managerial selection practices of business organisations in Malaysia and those in the developed countries

such as the United States, U.K., continental Europe, Australia and New Zealand. However, some differences could be identified when the Malaysian practices are compared with those in Japan, a developed Asian country.

All the three categories of Malaysian business organisations in this study selected their managerial candidates both internally (through promotions within the organisation) and externally (by attracting applicants or candidates from outside their organisations), using a process that involved a few phases and several selection methods in each phase. There was no particular focus on selection from either internal or external sources. The multinational respondents indicated their policy of bringing over expatriates as well as appointing host country nationals.

While the Malaysian policy of selecting their managers both internally and externally was closely aligned with the Western-oriented practice, it contrasted with the policy adopted in Japan, a developed Asian country. Japanese corporations seldom recruit and select people outside their organisations for higher level positions, and they have a much greater commitment to internal promotion of their personnel than the Western-oriented companies. Japanese companies would train their executives for many years prior to promoting them (Saha, 1992). Most Malaysian organisations insisted that applicants have previous work experience to be considered for selection. This suggests a tendency of attracting serving personnel from other organisations rather than training their own personnel for promotion to managerial positions in the future.

Malaysian business organisations used the multiple hurdle and the multiple regression selection processes which are Western-oriented devices. The preference of the majority of the organisations is for the multiple hurdle approach. Furthermore,

consistent with the recommendations by many Western researchers and academics, Malaysian business organisations used selection processes that consisted of a few selection phases and include more than one selection method.

Selection methods that have been very frequently used in the Western developed countries were also frequently used by Malaysian business organisations. The interview was almost always used both in the developed countries and in Malaysia. Other selection methods commonly used by both the developed countries and Malaysia were the application form or written application, resume or curricula vitae, biodata, references and internal records. One difference is that the assessment centre, which is widely used in the Western-oriented developed countries, has not yet gained the same level of popularity and applications in Malaysia. Another difference is that job tryouts, which have a relatively low frequency of use in the developed countries, were used more frequently in Malaysia.

On the criteria used as a basis for managerial selection, Malaysian business organisations place a greater emphasis on human skills than technical skills. This was clearly indicated by the findings that the top four in the ranking of important criteria were connected with human skills, which refer to the ability to work with, understand and motivate other people, both individually and in groups (Robbins et al., 1998). The criteria specified in the first four highest ranking were effective team player, good interpersonal skills, good supervisory and leadership skills, and excellent communication skills. Along with these four criteria, at slightly lower ranking, were the selection requirements for good public relations and language proficiency. The requirement for proficiency in English was rated highest, even higher than for proficiency in Malay (Malaysia's national and sole official language). This clearly

indicated that the business community in Malaysia recognised the importance of English as an international language and the language in business.

Technical skills which are the abilities to apply specialized knowledge or expertise (Robbins et al., 1998) were also considered very important, though ranked lower than human skills. This was indicated by the selection requirements for academic or professional qualifications, previous work experience, and the more all-round knowledge, skills and abilities (KSAs).

The decision-making procedures in the Malaysian business organisations appear to reveal both strong foundation and major shortcomings. Decision-making is extremely important because it concludes the selection process and determines who will be appointed as manager(s). The two main ingredients in decision-making are collecting information and making a decision about the applicant (Gatewood & Feild, 1998).

Information about applicants or candidates for managerial positions were collected from many and varied sources, such as the personal information provided by the candidates in the application forms (or written application), internal personnel records (for promotion from within the organisation), recommendations and references from several sources, and evaluation or ratings of candidates' performance at interviews. In some cases, organisations also asked for results of medical examinations. Thus, the Malaysian decision-makers had a large pool of information as a strong foundation to make an effective selection decision.

The shortcomings in the Malaysian decision-making procedure, however, are the lack of a formal rating system in many organisations (about 50%), and leaving

the selection decision in the hands of either one person or a panel comprising top management personnel, such as the head of division, general-manager or managing-director. The lack of a formal rating system means the lack of a standard measurement to evaluate candidates and might lead to arbitrary decisions. Leaving the decision-making to one or a few top management executives has serious shortcoming which might result in poor decision if these top executives had not participated much in the selection process and would not properly consult those who did. The decision by the top management executives might be valid or effective if they made careful study of the information available and involve the human resource department personnel and other relevant parties in the decision-making. It must be noted, however, that this study did not sufficiently investigate this aspect and could not make proper conclusion.

Cultural dimensions

Malaysian cultural contexts (cultural characteristics) or cultural dimension (Hofstede, 1991) appeared to have a little impact or influence on Malaysian selection practices. There probably were some traces of cultural influence in the selection methods. This is detected in the finding that Malaysian business organisations appeared to give some importance to recommendations or references by candidate's superiors, by person(s) unknown to the company, by well-known personalities, and by peers. The policy of leaving the selection decision to top management executives might be another indication of the possible impact of Malaysian culture. The possible explanations could be linked to cultural context (cultural characteristics or features) and cultural dimensions (Hofstede, 1991). Malaysia appears to fall into Hofstede's cultural dimensions of large power distance, collectivist culture, and high uncertainty avoidance. A large power distance dimension accepts that organisations centralize

power as much as possible in the hands of the few, that there is a great gap in authority between the superior and the subordinate, and that titles, rank and status carry a lot of weight. A collectivist culture implies close inter-personal relationships, while high uncertainty avoidance suggests the need to avoid risk-taking.

High level decision-making would thus be left in the hands of people high in the hierarchy of the organisation. Recommendations by the candidate's superiors thus imply recommendations by persons in positions of authority that should be taken into consideration. Recommendations and references by individuals might be given some consideration due to the possible perception that the reference giver must have known the candidate well due to close interpersonal relationships. References by well-known personalities would not be totally disregarded. Making use of information from various sources might minimise the risk of making wrong decision, reflecting 'high uncertainty avoidance' culture dimension. This perception of 'high uncertainty avoidance' is further strengthened by the moderate frequency use by Malaysian business organisations of job tryouts, which in effect, is placing the appointed person on a period of probation.

It must be noted, however, that the practices described above might also be due to pragmatic considerations rather than the influence of national cultural characteristics. The influence of Malaysian cultural characteristics, therefore, should not be over-emphasized. The overall picture reveals many similarities between the Malaysian selection practices and those in the Western-oriented developed countries. If cultural influence were to be assessed in connection with business management practices, it is the influence of Western culture that had the greatest impact.

The overwhelming influence of knowledge about Western management systems and styles, which had been acquired through tertiary education (in local and especially in foreign universities), is the most probable explanation for adopting Western methods. The long association and interaction of Malaysians with Western business organisations in Malaysia offers another explanation. Malaysian executives and senior executives in business organisations reproduced most of the practices of the developed countries that they have become familiar with.

Malaysian business organisations also recognised that national cultural characteristics and cultural differences between countries were important and relevant to the strategy and management practices of business organisations. However, even though they require the managerial candidates to have skills and abilities to deal with the culture-related issues in business interactions and practices, the organisations attached greater significance to non-culture-related managerial skills.

In conclusion, Malaysian managerial selection practices demonstrated many similarities with those in the Western-oriented developed countries, though a few differences could be identified. The findings of the study have revealed that many selection methods that have been frequently used in the developed countries were also used in Malaysian managerial selection.

Effectiveness of selection practices

There has been much discussion in the literature on the issue of reliability and validity of selection methods. Results of this study reveal that the managerial selection practices of Malaysian business organisations both strengths and weaknesses. The Malaysian selection policy (of selecting managers from both internal and external sources) and the selection process (of adopting the multiple hurdle and the multiple regression) are closely associated with the well-established practices in developed countries. The policy and processes adopted may be regarded as the strong points. The Malaysian practices have included all the selection methods that have been used in the developed Western-oriented countries. The Malaysian business organisations used these selection methods with varying degrees of frequency, as is the case in the developed countries. This aspect of the Malaysian practices might reveal both strengths and weaknesses, depending on whether these methods have been used with high or low level level of validity of effectiveness. In the managerial selection processes, the Malaysian business organizations made available to themselves a large pool of information about the applicants or candidates through the various sources such as the application forms/letters, recommendations and references, internal personnel records, and interview sessions. The bigger the quantity of information available, the better will be the facilities available to make good selection decisions. There is also a long list of criteria being considered in assessing applicants and candidates. The large pool of information and the long list of criteria should contribute towards an effective selection procedure. Finally, the selection practice also includes a decision procedure. However, the study also found that there were quite many Malaysian business organizations that did not have a formal decision making procedure. Furthermore, it is not very clear how effective

was the decision making process in the Malaysian business selection practices.. Overall, the Malaysian selection practices indicate a mixture of strengths and weaknesses.

It is difficult to make a valid evaluation of the managerial selection methods adopted by Malaysia, even though the methods used have been adopted from developed Western countries. There are several reasons for this.

First, discussions in the literature indicate that there is no complete agreement among researchers and academics on the validity of several selection methods. There is no consensus on this issue even for those methods that have been widely and frequently used in the developed countries, such as the interview, application forms, references, and assessment centres.

Secondly, from time to time, there would be new meta-analysis that would come up with new findings and new verdict on certain selection methods. Unfavourable views held by earlier researchers might be further confirmed, modified or contradicted by later researchers, as a result of findings of research or meta-analysis. An example is the meta-analysis of the interview by McDaniel et al., (1994) that made them arrive at the conclusion that the interview was more valid than previously thought.

Thirdly, management practitioners would also make refinements in the selection methods they use. These resulted in the methods gaining better acceptance. Some methods (such as the assessment centre) had undergone changes and innovations resulting in higher validity.

Some views have been expressed in the management literature that should be noted by management practitioners. It is generally accepted that there is a close connection between the quality of selection decisions, and organisational productivity and performance. This has been emphasized by some researchers such as Schmidt, Hunter, McKenzie & Muldrow, (1979); Schmidt & Hunter, (1981); Cascio, (1982) and supported by many others. Patrickson and Haydon, (1988) caution of the potential negative consequences of poor selection decisions, while others (Di Milia & Smith, 1997) point to the benefit to be derived from good selection practice. Researchers also acknowledge that management practitioners would not stop using selection methods that have been in use for many decades such as the interview, which according to Di Milia & Smith, (1997) it would be pointless to discourage its use. Instead the researchers feel it is of greater practical value for management research to assist organisations to improve the way in which interviews are conducted.

Finally, it is important to gain greater insight into how exactly the Malaysian business organisations apply and use the selection methods that they had adopted from the West in order to make more accurate assessment about their reliability and validity. The main criteria for making an accurate assessment of the effectiveness of the selection methods used should be the criteria generally accepted by researchers and academics regarding the appropriate and effective use of the selection method. For example, if the interview were to be assessed, the criteria should be whether the interview that was used was structured, whether most of the questions asked were job-related, whether interviewers had a set of prepared questions that they asked all candidates, and many other aspects. There should also be a proper and effective rating system to assess the candidate's performance at the interview.

The conclusion that could be made is that since the Malaysian managerial selection methods (in the study) resembled those practiced in the developed countries, the effectiveness of the methods would be reflected by how effective were the methods viewed in the developed countries. However, a more accurate assessment could only be made by determining exactly how these methods have been used by Malaysian business organisations. This should be the work of future researchers.

Implications for Policies and Practices

The study has made some findings on the managerial selection practices of Malaysian business organisations, which comprised Malaysian-owned small and medium, large corporations and Malaysian-based multinationals. The findings also revealed that Malaysian business organisations adopted selection practices very similar to those in the developed countries of the West.

The study has, however, pointed out that published research findings have discussed the merits and shortcomings of a number of the widely and frequently used selection methods. Management researchers, academics have all shown interest and concern regarding the validity and effectiveness of particular selection methods. There has been, and will continue to be, much discussion on managerial selection. There is no consensus even on the validity and effectiveness of the interview as a selection method even though the interview has long been the most widely and frequently used selection method. Researchers, however, often come up with suggestions for improving selection methods.

Effective selection can make a positive contribution to organisational performance in view of the very important role managers play in the effective management and the success of the business organisation.

Malaysian management and human resource personnel should keep abreast of development in the research on selection procedures and devices, and continue to improve the managerial selection processes in their organisations.

Implications for Future Research

This exploratory study has addressed, in a general way, five aspects of the selection practices: policy, process, method, criteria, and decision-making. The objective was to gain some insights and familiarity with the areas investigated to provide openings for more in depth studies by future researchers.

An understanding of the managerial selection practices of business organisations in a country probably would provide some insights into the organisational management and strategy, and organisational culture of the business organisations in that country. A study on Malaysia might produce valuable information that could reflect the scenario in many other developing countries as well.

Specifically, the following areas of further investigation are proposed:

- (1) Further studies might be done on Malaysian selection practices for different levels of executive positions, for example as done by Patrickson and Haydon (1988) for the positions of first line supervisors, middle-level managers, and senior executives. It is suggested that the study be

nation-wide and that the methodology should use a combination of quantitative and qualitative approaches. By also interviewing some organisations, certain information can be further clarified.

- (2) In depth studies with each study focussing on each one of the areas addressed by the five research questions in the present study. The findings of these studies should provide deeper insight into the five areas of selection policy, process, method, criteria, and decision-making of Malaysian business organisations, addressed superficially by this study.
- (3) An in depth study that would enable a detailed comparison to be made between the selection practices of multinational companies in Malaysia and those in the developed countries. The comparison may reflect differences between multinational companies based in developing countries and multinationals in Western countries. There appears to be a difference in the selection policy between the multinationals in developing and developed countries.
- (4) In depth studies, each focussing on one of the selection methods that have been very frequently used, such as the interview, application form, recommendations and references, biodata, assessment centres.

The findings of the suggested studies should provide valuable contribution to knowledge on business management in Malaysia, and possibly in other developing countries as well.

Limitations of Study

The main and most important limitation of this study is that the sample size was relatively small, especially as this study covered five main areas of managerial selection in three categories of business organisations of varied activities. Although the response to the questionnaire of this study is quite encouraging, the usable questionnaire return of 52% is not large enough to give a clear representation of Malaysian managerial selection practices.

The small size of the respondents makes it difficult to generalise the findings although the response to the questionnaire from the random sample came from business organisations of varied business activities and organisational set-ups. The varied background of respondents who answered the many questions in the relatively extensive questionnaire, however, reduced somewhat the limited generalisability of the study.

Another limitation is that qualitative study could not be done to obtain more elaborate information on certain aspects of the study. To be of further value, this study should have also adopted qualitative research methodology to add to the search for data by questionnaire. By interviewing some of the managers in Malaysia, much more useful information could have been obtained and many aspects of the selection practices could be better understood.

Summary

Malaysian managerial selection practices consisted of the selection policy, process, methods, criteria and decision-making procedure. The policy set the main guidelines for selecting managers. The selection process usually involved more than one phase or stage in the selection. The methods were designed to assess the knowledge, skills and abilities of the managerial candidates. The selection criteria specified the qualities that the candidates were required to have. The decision-making procedure concluded the selection process and determined who would be appointed to the position of manager.

The managerial selection practices of Malaysian business organisations were very similar to the practices in the developed countries with Western orientation such as the U.S., U.K., continental Europe, Australia and New Zealand. There were few differences. The close similarities were mainly due to the fact that Malaysia had a long association and interaction with Western business organisations as a result of the country's constant encouragement to foreign investment over the last few decades. A more important reason has been the role of thousands of Malaysians who have studied Western style management in the local and especially in the foreign universities, and who have held the positions of executives, managers, and even managing directors in many business organisations. It is to be expected that they would adopt much of what they have learned.

Management literature, however, has indicated that researchers and academics in the Western countries have been constantly researching and reviewing management selection practices, while management practitioners have also made

adjustments to the ways the selection devices are applied. As researchers report new findings and management practitioners improve selection techniques, views and opinions regarding many selection methods would change. What were rejected earlier might be better accepted some years later. This has important implications for senior executives in business organisations.

The most important implication is that there is a need to constantly study management publications to obtain up-to-date information on selection methods and their applications. Top management personnel have to monitor developments and make the necessary improvements and adjustments to the practices in their organisations to ensure that their selection processes and methods are effective.

The most important objective of organisations should be to select the right people to hold the position of managers because of the vital role that managers play for the success of the organisations.

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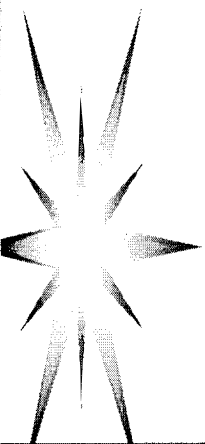
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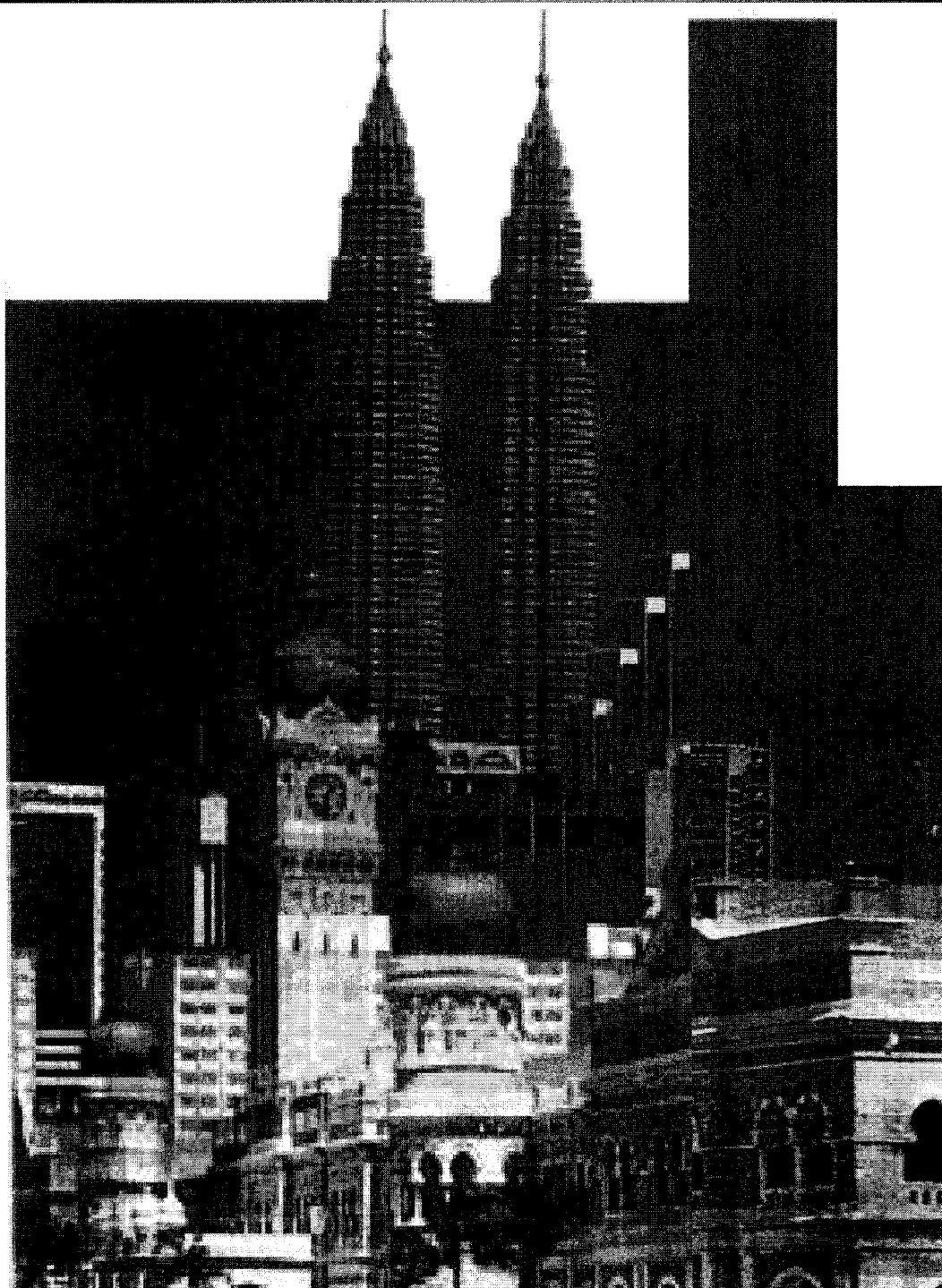
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APPENDICES



Malaysian Business Organisations



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APPENDIX A
Covering letter for questionnaire survey



EDITH COWAN
UNIVERSITY
PERTH WESTERN AUSTRALIA

Malaysian Managerial Selection Practices

Questionnaire Survey

Dear Sir/Madam

I am writing to appeal to you for your support and assistance for my research project :

Critical study of the managerial selection practices in Malaysian business organizations.

I am a Malaysian government-sponsored student doing an Honours thesis for the degree of Bachelor of Business with Honours in Human Resource Management at Edith Cowan University, Perth, Western Australia.

My study aims to gain valuable insights into the following areas :

- The methods and processes of selecting managers by locally-incorporated Malaysian businesses and multinational corporations.
- The various selection criteria used in assessing candidates/applicants for the purposes of selection and appointment.
- Cultural issues which may be relevant to the role and responsibilities of managers in their organizations.

This research has been approved by Edith Cowan University.

The success of my research study depends entirely on the response to the enclosed questionnaire. I would therefore appreciate it very much if you would spend about 20 minutes of your time to answer the questionnaire and return it to me in the enclosed, postage paid envelope before the **28th March 2001**.

The identity of all respondents and their replies, will be strictly confidential.

I would be pleased to provide you with a copy of the final report on the findings of my research, at your request.

Thank you very much for your cooperation.

Yours faithfully,

Zeti Sheikh Othman

Supervisor: Allen Clabaugh

APPENDIX B

**Questionnaire survey of
Malaysian Managerial Selection Practices**

Malaysian Managerial Selection Practices

Section A : Background information - Organization

1. How is your organization best categorised ?

Please tick only 1 box

- 1 ☐ Locally-incorporated company (Local company)
2 ☐ Multinational corporation [MNC] / (International company)

2. If your organization is a local company, please indicate to which of the categories below it belongs :

- 1 ☐ Small and Medium enterprise
2 ☐ Large local corporation

3. If your organization is an MNC operating in Malaysia, in which country is the parent organization ?

- | | |
|---|---|
| 1 <input type="checkbox"/> United States | 5 <input type="checkbox"/> Korea |
| 2 <input type="checkbox"/> Australia | 6 <input type="checkbox"/> Taiwan |
| 3 <input type="checkbox"/> Europe (incl. Britain) | 7 <input type="checkbox"/> Other: <i>please state</i> |
| 4 <input type="checkbox"/> Japan | _____ |

4. Indicate which ONE of the following classifications, **best describes** the CORE ACTIVITIES of your organization :

Please tick only 1 box

- | | |
|--|---|
| 1 <input type="checkbox"/> Agriculture (Plantation etc) | 8 <input type="checkbox"/> Information Technology |
| 2 <input type="checkbox"/> Banking, Finance & Insurance | 9 <input type="checkbox"/> Manufacturing (Consumer products) |
| 3 <input type="checkbox"/> Building, Construction | 10 <input type="checkbox"/> Manufacturing (Industrial products) |
| 4 <input type="checkbox"/> Business & Trading
(domestic, import & export) | 11 <input type="checkbox"/> Services
(transportation, entertainment etc) |
| 5 <input type="checkbox"/> Education | 12 <input type="checkbox"/> Publishing, Printing |
| 6 <input type="checkbox"/> Health (Hospital etc) | 13 <input type="checkbox"/> Other: <i>please state</i> |
| 7 <input type="checkbox"/> Hotel & Travel industry | _____ |

5. How many managers (including senior managers) approximately are there in your organization ? _____

Section A : Background information - Managerial candidates

6. Which of the following personal information does your organization consider as important in the process of selecting managers :

You may tick more than 1 box

- | | | |
|---|--|--|
| 1 <input type="checkbox"/> Age | 4 <input type="checkbox"/> Race, Ethnicity | 7 <input type="checkbox"/> Criminal conviction records |
| 2 <input type="checkbox"/> Marital status | 5 <input type="checkbox"/> Citizenship | 8 <input type="checkbox"/> Car ownership |
| 3 <input type="checkbox"/> Gender | 6 <input type="checkbox"/> Religion | (whether applicant has own car) |

Section B : Selection Processes / Company Selection Practices

7. If you are a local company, which of the following is the usual practice in your company : - Appointment of managers is usually

- 1 ☐ by internal recruitment (promoting existing employees)
2 ☐ by external recruitment (inviting applications from outside)
3 ☐ by both internal and external recruitments

8. If you are a multinational (MNC), which of the following is the usual practice in your company : - Appointment of managers is usually

- 1 ☐ by selecting and training local people as managers
2 ☐ by bringing over expatriates to be managers of local subsidiaries
3 ☐ by both the above

9. Indicate which of the following is adopted by your company in the managerial selection process :

- 1 ☐ Candidates are systematically eliminated through a series of selection stages and final selection is done from a shortlist of candidates.
2 ☐ All candidates participate in all stages of the selection process. The selection decision is based on review of all candidates' performance over the entire selection process.

Section C :

Part 1 : Selection Methods or Tools

10. Indicate, by circling one number for each method, your organization's *frequency of use* of the selection methods listed below in its managerial selection exercises :

Descriptions

- Biographical data* : includes personal data on educational background, early work experience, hobbies, use of leisure time, etc (more information given than in Resume)
- Assessment centre* : a method that uses consultant that simulate the working situation/environment and assess candidates' performance (in the simulated situation)
- Self assessment* : what a candidate states he/she is capable of in the application form/letter
- Realistic job preview* : provides candidates with a preview of the job and what it involves
- Job tryouts* : Successful candidates undergo a trial period on the job, before being confirmed in the position

Selection Methods / Tools	Never used						Always used
Application form / Written application	1	2	3	4	5	6	
Biographical data / Biodata	1	2	3	4	5	6	
Resume / Curricula vitae	1	2	3	4	5	6	
Interview(s)	1	2	3	4	5	6	
Personality assessments (or personality tests)	1	2	3	4	5	6	
Recommendations by candidate's superiors	1	2	3	4	5	6	
Internal personnel records of candidates	1	2	3	4	5	6	
References for candidate (by person that the organization does not know)	1	2	3	4	5	6	
Recommendation / References by well known personalities	1	2	3	4	5	6	
Assessment centres	1	2	3	4	5	6	
Peer Assessments	1	2	3	4	5	6	
Self assessments	1	2	3	4	5	6	
Realistic job previews (prior to appointment)	1	2	3	4	5	6	
Job tryouts (prior to confirmation in the position)	1	2	3	4	5	6	
Ability tests	1	2	3	4	5	6	
Graphology (Handwriting analysis)	1	2	3	4	5	6	
Astrology (relating the stars to human characteristics)	1	2	3	4	5	6	
Medical examination results	1	2	3	4	5	6	

Other selection method : *Please specify* _____

11. If your organization *does not use* any of the selection methods in the box below, please indicate the reason by *circling* the *selection method number(s)* beside the appropriate reason given below :

	Selection Method Number 1=Assessment Centre, 2=Astrology,.....etc (<i>please see the box below</i>)						
We do not think this method is widely used	1	2	3	4	5	6	7
We do not consider this method is suitable for managerial selection	1	2	3	4	5	6	7
The cost of using this method is too high	1	2	3	4	5	6	7
This method is too time-consuming	1	2	3	4	5	6	7
We are not familiar with this selection method	1	2	3	4	5	6	7

1= Assessment Centre	5= Peer Assessment
2= Astrology	6= Realistic job preview
3= Biographical data / Biodata	7= Self Assessment
4= Job tryouts	

Section C :

Part 2 : Questions on selected Managerial Selection Methods

Application form/letter

12. Indicate whether candidates applying for managerial positions in your organization are required to submit their applications :

- 1 ☐ in company-prepared application forms/blanks
- 2 ☐ in self-prepared application letters (typed or written)
- 3 ☐ in self-prepared application letters in own handwriting only

13. Indicate how data in the application forms or letters are used :

- 1 ☐ As a screening device only
(for short-listing applicants who meet requirements)
- 2 ☐ As screening as well as selection devices
(for short-listing and finally selecting suitable candidates)

14. Indicate how your organization ensures that candidates / applicants provide accurate and truthful personal information in their application forms / letters :

Please tick only 1 box

- 1 ☐ Assumes that applicants provide their personal data honestly
- 2 ☐ Applicants are required to sign a statement that all information given is true and accurate to the best of their knowledge
- 3 ☐ Checks are made at later stages to ensure that the information is accurate & truthful

Interview

15. Indicate the number of interviews used by your organization ?

- 1 ☐ 1 interview
- 2 ☐ 2 interviews
- 3 ☐ More than 2 interviews

16. Indicate, by circling one number for each case below, the *practice* adopted by your organization with reference to the use of the interview in managerial selection :

	Never					Always
<i>Interview Formats :</i>						
One-to-one interview (one interviewer only)	1	2	3	4	5	6
Panel or Board interview	1	2	3	4	5	6
Interviewers are given information about each candidate (e.g. regarding qualifications, experience, etc) before the selection interview.	1	2	3	4	5	6
<i>Content of Interview (Interview Questions) :</i>						
Interviewers ask all candidates a set of prepared questions	1	2	3	4	5	6

	Never				Always	
Interviewers ask any questions at their discretion	1	2	3	4	5	6
Interviewers ask all candidates practically the same questions	1	2	3	4	5	6
Interviewers ask different candidates a mixture of the same & different questions	1	2	3	4	5	6
Questions asked are mainly to find out job-related KSAs (knowledge, skills & abilities) of a candidate	1	2	3	4	5	6
Experience-based interview: A candidate is asked to relate what he / she did in certain past job situations	1	2	3	4	5	6
Situational interview: A candidate is asked to describe what his / her behaviour / action would be in a given real job situation	1	2	3	4	5	6
Interviewers ask candidates questions to test their general knowledge	1	2	3	4	5	6
Questions are asked to assess the general personality of candidate	1	2	3	4	5	6

17. Indicate, by circling one number for each case below, how do your organization *rates* the following information for the purpose of selection and appointment :

Selected sources of information on candidates/ applicants	Not Important at all				Extremely important	
Information in application form or written application	1	2	3	4	5	6
Resume / curricula vitae	1	2	3	4	5	6
Recommendations by candidate's superior(s) especially for internal recruitment	1	2	3	4	5	6
References for applicants by person unknown to the company	1	2	3	4	5	6
Recommendation or references for applicant by well-known personalities	1	2	3	4	5	6
Candidate's performance at interviews	1	2	3	4	5	6

Section D : Selection Criteria

18. How important does your organization consider each of the following criteria, in assessing the suitability of each managerial candidate? Please circle the number which *best describes* the relative importance of the following criteria :

KSAs (Knowledge, Skills & Abilities) and other qualities of candidates	Not important at all						Extremely important	
	1	2	3	4	5	6	n/a	
Relevant academic or professional qualifications	1	2	3	4	5	6	n/a	
Certain knowledge, skills and abilities required (as specified in advertised position)	1	2	3	4	5	6	n/a	
Certain knowledge, skills and abilities not specifically asked for in advertised position	1	2	3	4	5	6	n/a	
Any relevant additional information provided by applicant about himself / herself	1	2	3	4	5	6	n/a	
Number of years experience in work not related to the position advertised	1	2	3	4	5	6	n/a	
Number of years experience required (as specified in job advertisement)	1	2	3	4	5	6	n/a	
Good supervisory and leadership skills	1	2	3	4	5	6	n/a	
Good public relations skills (with clients and customers)	1	2	3	4	5	6	n/a	
Good inter-personal skills (ability to interact and form strong relationship with peers and other levels of management)	1	2	3	4	5	6	n/a	
Effective team player – ability to organise workers into effective work teams in the organization	1	2	3	4	5	6	n/a	
Excellent communication skills (written and spoken)	1	2	3	4	5	6	n/a	
The way the applicant writes his/her letter of application	1	2	3	4	5	6	n/a	
Good IT knowledge (at least computer literate)	1	2	3	4	5	6	n/a	

KSAs (Knowledge, Skills & Abilities) and other qualities of candidates	Not important at all						Extremely important	
Proficient / fluent in English	1	2	3	4	5	6	n/a	
Knowledge of a foreign language other than English	1	2	3	4	5	6	n/a	
Good knowledge of the Malay language	1	2	3	4	5	6	n/a	
Good knowledge of Mandarin	1	2	3	4	5	6	n/a	
Good knowledge of a Chinese dialect	1	2	3	4	5	6	n/a	
Good knowledge of the cultures of Malaysian society	1	2	3	4	5	6	n/a	
Good knowledge of the national and business cultures of the major Malaysian trading partners	1	2	3	4	5	6	n/a	
Wide experience in working in different cultural environments	1	2	3	4	5	6	n/a	

Cultural issues

19. Indicate, by circling one number for each case below, *how important* does your organization consider each of the following *cultural factors and issues* and their relevance to effective business strategy and management practices :

Statements of cultural traits, issues and environment in relation to business strategy and management practices	Not important at all					Extremely important
The manager whose workforce consists of people of varied cultural background must have a good understanding of the workers' cultural traits and characteristics to be able to manage the workforce effectively and to avoid or resolve conflicts	1	2	3	4	5	6
As firms progress towards global strategies, expatriate managers must be competent at training and managing local staff, dealing with employees and adapting business practices to suit local conditions	1	2	3	4	5	6
A manager must consider cultural factors and differences in interacting and forming strong relationships with peers and fellow senior executives	1	2	3	4	5	6
The manager of a business organization that operates even within one country and deals only with the local market and people, must have an understanding of cultural factors and issues	1	2	3	4	5	6
The more the manager of a business organization understands about a nation's culture and how this culture is applied in business the greater will be the chances of success of the organization in dealing with its foreign business partners	1	2	3	4	5	6
Understanding the national cultures of foreign business organizations is very important in communicating, negotiating, and dealing with foreign business associates, government and people	1	2	3	4	5	6
Managing across cultural boundaries requires interaction between people, institutions and organizations in different ways. Managers must be fully aware that beliefs, values and attitudes contrast significantly in different cultures	1	2	3	4	5	6

Section E : Decision-making Procedures

20. Indicate which of the following procedures / methods is/are used by your organization in the process of deciding whom to appoint as manager(s) :

You may tick more than one box

- 1 ☐ Decision is made by a single selector (e.g. by somebody in the top management)
- 2 ☐ Decision is made by a panel of selectors
- 3 ☐ The company has established a formal rating system for evaluating the suitability of candidates for managerial positions
- 4 ☐ The company has no formal rating system or evaluating procedure and the decision on whom to appoint is based only on the judgement of the selector or panel of selectors

21. Indicate which of the following are involved in the final stages of the selection process (up to deciding whom to appoint) :

- 1 ☐ The manager / senior officer of the Human Resource Department/Division
- 2 ☐ Top management only (e.g. Managing Director, General Manager)
- 3 ☐ The Head of Division to whom the appointed manager will be responsible and others.

Open ended question

If you were the Managing Director of a large corporation, what selection methods / tools would you use to get the right people to be your managers.

Why would you use these methods ? *(Please state briefly)*

END OF SURVEY

Thank you for taking the time to complete this survey

Please post your completed questionnaire in the accompanied self-addressed envelope

APPENDIX C

Use of Selection methods in Malaysian business organizations (% of use)

Selection methods #	Regularity of use of selection methods					
	1	2	3	4	5	6
Interviews*					6.5	93.5
Resume/CV				6.5	14.5	79.0
Application form			4.8	6.5	9.7	79.0
Biodata	3.3	6.7	3.3	3.3	13.3	70.0
Internal personal records	-	-	8.2	26.2	27.9	37.7
Medical results	4.8	4.8	8.1	12.9	12.9	56.5
Job tryouts	9.7	6.5	6.5	12.9	17.7	46.8
Recommendations by candidate's superiors	1.6	8.1	19.4	29.0	32.3	9.7
Personality tests	9.8	3.3	11.5	41.0	18.0	16.4
References	6.5	6.5	25.8	33.9	9.7	17.7
Realistic job previews	9.7	14.5	12.9	24.2	19.4	19.4
Ability tests	11.3	14.5	17.7	29.0	22.6	4.8
Recommendations by well-known personalities*	12.9	19.4	16.1	32.3	17.7	1.6
Self assessments	30.6	9.7	14.5	25.8	11.3	8.1
Assessment centres*	32.3	19.4	16.1	14.5	12.9	4.8
Peer assessments	30.6	17.7	17.7	22.6	8.1	3.2
Graphology	71.0	8.1	8.1	8.1	4.8	-
Astrology	90.3	4.8	-	4.8	-	-

Note. # The sequence of selection methods are arranged according to order of organizational preference in Malaysia.

* Methods subjected to significant testing

A 6-point Likert scale (1=never used to 6=always used) was used

APPENDIX D

Reasons for not using certain selection methods

Selection methods <i>not much used</i> by Malaysian organization	this method is not widely used		this method is not suitable for managerial selection		high cost		too time consuming		not familiar with this selection methods	
	<i>f</i>	%	<i>f</i>	%	<i>f</i>	%	<i>f</i>	%	<i>f</i>	%
Assessment Centre	9	12.2	8	11.8	25	62.5	16	35.6	14	25.5
Astrology	36	48.6	33	48.5	6	15.0	5	11.1	24	43.6
Biodata	4	5.4	4	5.9	2	5.0	2	4.4	1	1.8
Job tryouts	4	5.4	7	10.3	4	10.0	8	17.8	4	7.3
Peer Assessment	6	8.1	7	10.3	1	2.5	3	6.7	6	10.9
Realistic job preview	7	9.5	4	5.9	2	5.0	8	17.8	6	10.9
Self Assessment	8	10.8	5	7.4			3	6.7		
<i>No response</i>	19		18		28		29		25	

n=62

APPENDIX E

Advertisements of Job vacancies in Malaysian newspapers

We are an established and fast growing manufacturer of a wide range of Mechanical/Engineering products of mixed models. Our operations consist of manual and semi-automated assembly lines with various components and part numbers. We are looking for self motivated, independent and high potential individual to join our team in the following position located in Klang Valley.

SENIOR MANAGER - PRODUCTION

(RM100,000.00 - RM120,000.00 p.a plus a car)

The Job:

Responsible in leading the entire team of production personnel to meet output, on time deliveries and productivity targets at the highest level of quality. Planning, organising and co-ordinating production activities to improve manufacturing cycle time and cost.

Requirements

1. Preferably Degree or Diploma in Engineering but not essential
2. Minimum 10 years experience in manufacturing preferably in a large multinational organisation
3. At least 5 years experience in a senior managerial position
4. Between 40 to 48 years of age
5. Excellent knowledge in production planning
6. A Proactive attitude in solving challenges
7. Possess initiative with good organisational, leadership and interpersonal communication skills
8. Resourceful and results driven
9. Sound knowledge in QS9000 or ISO 9002

B E N E F I T S

- | | |
|------------------------------|-------------------------------|
| 1) 5-Days Week | 2) P.A. & Team Life Insurance |
| 3) Medical & Hospitalisation | 4) Attractive Annual Bonus |
| 5) Other Incentives | |

Interested candidates please submit full resume and passport size photograph (n.r.) with expected salary to:

The Advertiser (Sr. Manager)
P. O. BOX 8801, Pejabat Pos Kelana Jaya,
47301 Petaling Jaya, Selangor Darul Ehsan.

Application should reach us not later than **26 December 2000**.
Only shortlisted candidates will be notified.

An established hotel operator and property owner/developer in Negara Brunei Darussalam invites suitable candidates to fill the position of

HOTEL RESIDENT MANAGER

The candidate shall have suitable qualifications in Hotel Management and adequate experience in managing premium hotel establishments. He/she is expected to have vast knowledge of all aspects of hotel operations including front desk management, marketing, housekeeping and F & B.

The appointed candidate for the above position is expected to have strong communication and interpersonal skills, of high integrity, result-oriented and able to formulate and implement proper business strategies.

Interested candidates are requested to send a complete resume, enclosing a recent passport-size photo, current and expected salary to:

The Managing Director
P.O. Box 175
Bandar Seri Begawan BS8670
Brunei Darussalam

before 15 January 2001

Only shortlisted candidates will be notified



ESQUEL GROUP

We are a well established and fully integrated multinational group with expertise in accessories, garments & textile manufacturing. Our Accessories Division which manufactures & distributes a complete range of high quality garment accessories including buttons, labels, PVC and printing products, invites dynamic individuals who are self-motivated and results-oriented to join our organisation in the following position:

Regional Sales Manager

BASED IN SINGAPORE/MALAYSIA

THE JOB

Reporting to the Sales Director in Hong Kong, you will be responsible for the initial setup and management of the marketing and sales of garment accessories for the group in the SEA region. Your responsibilities will include:

- Developing marketing strategies and business plans to spearhead the group's sales ambitions in SEA & successfully implementing these plans.
- Extensive travelling to establish new businesses, organise trade promotions and establish and build strong business relationships with key accounts.

REQUIREMENTS

- Possess a Degree in Sales & Marketing or a related field with an MBA is preferred.
- At least 5 years' experience in a managerial position, preferably in accessories and garment sales or merchandising.
- Market-oriented, independent and highly motivated with the ability to analyse business risks and trends.
- A proven sales track record in developing and implementing marketing strategies.
- Strong leadership qualities, dedication, resourcefulness and good interpersonal skills especially with the ability to communicate well are personal attributes sought for the position.
- The incumbent is expected to travel widely within the SEA region.

A competitive salary package commensurate with qualification and experience will be offered to the right candidate.

Qualified candidates are invited to email/write-in your application with a comprehensive resume, enclosing copies of testimonials, certificates and passport-sized photograph (n.r.) including current and expected salary with contact number to:

ESQUEL ACCESSORIES MARKETING CO. LTD.

c/o HR Department

Plot 1, Phase IV, Mukim 12,

Bayan Lepas Industrial Estate, 11900 Bayan Lepas, Penang

Email: chuahj@esquel.com

Closing date: 16TH DECEMBER 2000

ONLY SHORTLISTED CANDIDATES WILL BE NOTIFIED



RESORTS WORLD BHD.

(A Member of The Genting Group)

We are one of the nation's largest public listed companies, operating Malaysia's premier hill resort in Genting Highlands. The Resorts World Group is involved in a wide spectrum of activities covering hotels, theme park, property development, transportation and tour operations. We invite dynamic and self-motivated professional to join our team in the following position.

Finance Manager (based in Genting Highlands)

The successful candidate is expected to play an active and contributory role in managing the financial affairs of the company with focus on developing accounting procedures and financial policies for new products. The candidate is expected to review and improve existing systems and internal control procedures. The job is highly demanding and requires candidates with a strong sense of commitment, excellent interpersonal skills and an analytical mind. The candidate is also expected to be involved in assisting the operational managers in the running of the operations.

The requirements:

The candidate should possess a professional accounting qualification either in ACA, ACCA or equivalent. The person should have at least 6 years' accounting and auditing experience with at least 1 year experience at a managerial level. A background in auditing with an international audit firm is preferred. Hands-on experience in the hotel industry and knowledge of computerized accounting systems are definitely an added advantage. The successful candidate will be expected to spend some time at our office in Kuala Lumpur.

We offer attractive remuneration packages to the right candidate. The successful candidate will also enjoy the benefits of food signing facility and accommodation. Opportunities for career advancement within the Group are excellent.

Applicants are invited to submit their resume, current and expected salary as well as a recent passport-sized photograph (n.r.) to the following address before **6 January 2001**

**Senior Manager-Human Resources
Resorts World Bhd.
24 th Floor, Wisma Genting
28, Jalan Sultan Ismail, 50250 Kuala Lumpur**

**E-mail: jesswpl@genting.com.my
Website: www.genting.com.my**

Only shortlisted candidates will be notified

(Co. No. 58019-U)

The Best Get Better



The two fastest-growing health care companies, Pfizer and Warner-Lambert, have merged and created the world's largest and most talented biomedical research based organisation. The new Pfizer is about growth and opportunity - about bigger and better. It puts the combined power of the industry's best sales, marketing and manufacturing operations behind a portfolio that includes eight US\$1 billion prescription medicines and the world's most comprehensive animal health business. And it links these strengths to a consumer business with an exceptional ability to bring innovations directly to the consumer. In view of our expansion programme, we are currently seeking the services of highly motivated suitably qualified Malaysians to join us as:

BUSINESS DEVELOPMENT MANAGER

The Job

The Business Development Manager is responsible for:

- Actively managing strategic partnerships
- Assess, prioritize, pursue and evaluate potential partners and products
- Cost and plan major projects
- Organize primary research
- Evaluating and developing business plans to actualize the organization's long-term strategic plans in partnership with other internal stakeholders

The Person

- The preferred candidate will ideally have previous sales and marketing experience in the pharmaceutical industry.
- Those without experience in pharmaceutical Sales and Marketing must have an established track record in business development in other related industries and a good appreciation of the pharmaceutical industry.
- A strong record of accomplishment, demonstrated organizational ability, team player, self-initiative in work with high degree of self-motivation.
- Possesses logical and sound business acumen, excellent communication skills with an aggressive and positive outlook.
- An entrepreneurial mindset is a pre-requisite for the job.
- A high degree of computer literacy is also desirable.
- A good basic degree in any field. Post-graduate qualifications in Business/Marketing/Commerce would be an advantage.

ASSOCIATE TRAINING MANAGER

The Job

You will be required to plan, develop, identify training needs and implement training programs. Beside drawing training budgets and policies, you are to ensure that the standards of all training programs are maintained through evaluation. You will be expected to facilitate and conduct training courses.

The Person

- Possess a degree in any discipline preferably in Science
- At least two years working experience in a related field
- Training experience in sales and marketing will be an added advantage
- Mature and pro-active professional. High perseverance, driven attitude and the ability to work under pressure
- Dedicated and committed to the job and likes the challenge to succeed
- Excellent communication skills and good interpersonal skills

Remuneration for the positions will commensurate with experience and qualification. If YOU believe you have what it takes, we in Pfizer would like to meet you.

Please forward your detailed resume including expected salary, a recent passport-sized photograph (n.r.), and a contact telephone number(s) to:

Employee Resources Department
PFIZER (MALAYSIA) SDN BHD (Co. No: 040131-T)
Lot 4, Jalan 13/6, 46200 Petaling Jaya
Selangor Darul Ehsan

Alternatively, you may fax in your resume to **03-7958 4324**
or by e-mail to Paul.Thomas@WL.com (document should be plain text)

Closing Date: 10 January 2001

Visit our homepage at www.pfizer.com

Only shortlisted candidates will be notified.