IS RECRUITMENT SEEN AS AN INVESTMENT IN THE FUTURE?

A qualitative approach to recruitment strategies used in three leading retail businesses in Sweden

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In today’s turbulent economical world employees are becoming increasingly more valuable company assets, and in this; recruitment serves an important purpose of bringing the right people into the organizations. The focus of the current study was to enhance knowledge of the recruitment strategies used in the retail business in Sweden. The recruitment strategies in three leading retail businesses participating in the study were examined by interviewing the recruiting staff, as well as by examining the web-pages of these organizations. By analyzing the 10 interviews with thematic analyses, the results showed that Person-Organization fit is the dominating long-term recruitment strategy with higher level positions but with lower level positions the employers’ goals for the new hires are more short-termed. This indicates the use of Person-Job fit as the dominating recruitment strategy when filling the lower level positions.

The retail business is one of the biggest employers in Sweden and with half a million employees it has a crucial role in the Swedish economy. In the recent years, the business has been going through a massive structural change, which has affected the entire branch. Nowadays, both the organizations and the employees within the business are forced to live in a world, where conditions and expectations for them are continuously changing, and where new technology and internationalization of the companies are the trends affecting and driving the development of the business. For the organizations this has brought massive changes, as competition in the branch has grown and become more international, and more branch cross, than what it was before (Handeln som arbetsplats, 2009).

In response to the changes and grown competition, the organizations have been forced to come up with new strategies, which could give them competitive advance compared to others, and in these strategies; employees play an important role (Van Hoye & Lievins, 2009). It has been shown that employees are one of the most valuable company assets and in this; recruitment serves the important function of bringing the right people into the organization (Van Hoye & Lievins, 2009). In the recent years, the importance of employees has become more obvious for the managers as well, and for example, employer branding has gained popularity among practicing managers (Backhaus & Tikoo, 2004). Employer branding represents the organization’s effort to convey an image of the organization as a ´great place to work´ both within and outside the firm, and thus, improve retention of current employees, as well as candidate quality, by attracting right people to the organization (Backhaus & Tikoo, 2004).

Due to its flexibility as an employer; the retail business has shown to be an attractive workplace, especially among younger generation employees (Winker, 2009). But despite its popularity; the branch is not assessed as a first choice for a life-time career, and to work in the branch is often seen only as a temporary solution (Winker, 2009). This makes the turnover rates within the retail business high, which in turn leads the organizations to use both, time and money, on new recruitments, as well as on their start-up training.
Recruitment of new employees is both expensive and time consuming and many aspects are to be considered when making of a hiring decision, not all of which are easy to measure or evaluate (Cook, 2004; Furnham, 2005). Traditionally, the selection decisions have been based on recruitment of a person who fits into a specific job, so called person-job fit (PJ-fit), and recruitment of a person who fits into the organization, so called person-organization fit (PO-fit) (Carless, 2005; Kristof-Brown, Zimmerman & Johnson, 2005; Werbel & Johnson, 2001). As the employees have become more vital for the organization, not only through their expertise but also as a resource for the company brand (Backhaus & Tikoo, 2004), PO-fit has become an increasingly important aspect of the employment relationship, and there has been a clear switch in policies of recruiting a person who fits into the job to rather recruiting a person who fits into the organization (Resick, Baltes & Walker-Schantz, 2007).

The focus of the current study is on recruitment and on applying the concepts of PJ- and PO-fit (Carless, 2005; Kristof-Brown et al., 2005) to the recruitment context used in the retail business. Therefore, a review of PJ- and PO-fit, and application of the strategies into practice are necessary to provide a sound basis for the discussion later in this paper.

**Person-job fit**

The use of person-job fit as a selection strategy concentrates on finding a person who has the qualities, as knowledge, skills and abilities (KSA), or personality characteristics required for a certain job (Kristof-Brown et al., 2005). The organizations do not, for example, require that the person hired has future intentions to remain in the organization, nor that he or she shares the organization’s values (Carless, 2005).

By summarizing the vast number of previous research conducted on the subject (Kristof-Brown et al., 2005), the recruitment decisions based on PJ-fit can be described with two conceptualizations. First, as filling a gap between the needs of a company and the supplies of an applicant, or vice versa (needs-supplies fit) (Carless, 2005; Kristof-Brown et al., 2005). And second, as filling the demands of the environment with the abilities of the applicant (demand-abilities fit) (Carless, 2005; Kristof-Brown et al., 2005). The latter behavior may be familiar within the retail business as, for example, during the high seasons in the business; Christmas and summer, the organizations may recruit a great number of new employees just to be able to meet the demands set by the environment.

Recruitment of a person who fits for a job (PJ-fit) has shown to have positive outcomes for both the person and the organization (see i.e Meglino, Ravin & deNisi, 2000; Werbel & Johnson, 2001). As for example, PJ-fit has shown to lead to high job satisfaction, low turnover intentions, and high work performance (Meglino, Ravin & deNisi, 2000). In addition, it has been shown that if an employee has the requisite abilities to perform a specific job, his or her self-efficacy is likely to be high, which results in positive influence on worker motivation. Good PJ-fit results also in high job proficiency, and therefore, work is likely accomplished more quickly and with higher quality, than in circumstances when the job proficiency is low (Meglino et al., 2000; Werbel & Johnson, 2001). This in turn, improves the organizational effectiveness and thus, leads to better results (Werbel & Johnson, 2001).

Competition between stores within the retail business in Sweden is hard, and recruitment of right people is becoming more vital every day (Van Hoye & Lievins, 2009). A great number of research has been done in order to find out how the recruitment practices could be done in most profitable ways and what selection methods can best predict person’s future job behavior (Cook, 2004). It has been shown, for example, that in selecting new employees organizations using three particular
selection and recruitment practices have higher annual profits, more profit growth and sales growth than organization using other practices. The selection methods in question are structured interviews, mental ability tests and bio-data, and such structured selection methods have shown to lead to good results in predicting person-job fit as well (Cook, 2004).

**Person-organization fit**

Another recruitment strategy presented in this study is person-organization fit (PO-fit). Person-organization fit focuses on “the compatibility between people and organizations that occurs when (a) at least one entity provides what the other needs or, (b) they share similar fundamental characteristics or, (c) both” (ct. Kristof-Brown et al., 2005). So unlike person-job fit that concentrates on the congruence between the person and the specific job, person-organization fit assesses the compatibility between the person and the entire organization (Kristof-Brown, Colbert & Jansen, 2002; Kristof-Brown et al., 2005). Keeping this in mind, PO-fit has been operationalized as, for example, a congruence between employees’ personality and organization climate, a congruence between the individual values and the one’s of the organization and a congruence between the individual and the organization’s goals (Chatman, 1989; Kristof-Brown et al. 2005; Ryan & Smith, 1996; Witt & Nye, 1992).

Theoretically, the application of PO-fit strategy to the selection area has emerged from Schneider’s (1987) attraction-selection-attrition (ASA) model. According to the ASA model, attraction to, selection into, and remaining in an organization are all determined by the perceived similarity between the person and his work environment (DeRue & Morgeson, 2004; Schneider, 1987). After entry into the organization, individuals whose values are congruent with the organization stay, and those whose values are incongruent tend to leave, either voluntarily or involuntarily (Arthur, Bell, Villado & Doverspike, 2006). The Swedish alcohol monopoly, Systembolaget AB, can be used as a good example of the importance of value congruence. Due to the sale of alcohol, the company is very careful when it comes to the image it conveys to the outside world and its main policy of educating people to reasonable attitude to alcohol and drinking (Annual report 2007), is often transmitted through the media. Therefore, it is very important for the organization to attract, select and retain the kind of employees who can reinforce both the organization’s values, and its image.

Person-organization fit has often been related to employer branding, as organizations often want to recruit individuals who can reinforce their image and brand (Backhaus & Tikoo, 2004). Yaniv and Farkas (2005) point out that a high degree of PO-fit may create an internal culture, where the employees are more likely to behave in a way the organization expects them to, and in such cases, the employees are more likely to be concerned about the customers as well, thus improving not only the organization’s results, but also its image. But if the employees do not perceive PO-fit, nor truth in the brand the organization wants to convey, this may have negative consequences on the company’s image as the employees do not reinforce it (Backhaus & Tikoo, 2004; Yaniv & Farkas, 2005). On the other hand, when the employees perceive a strong PO-fit, they will not feel as if they are being lied to (which may be the case otherwise), because they transfer to the customer a brand promise and values which they themselves also support (Yaniv & Farkas, 2005).

In addition to reinforcing the company image, research has shown that congruence between the employee and his or her organization has shown to lead to several positive outcomes; for both the employee and the organization (Chatman, 1991). As for example, PO-fit has shown to lead to high commitment to the organization, high work-satisfaction and high work-motivation, as well as on increased employee retention (see i.e., Chatman, 1991; Adkins, Russel & Werbel, 1994). Table1 below summarizes the main impacts PJ- and PO-fit have on both individual and organizational
outcomes. Although these different types of fit have been distinguished at the conceptual level, they both have shown to have impact on worker motivation, and organizational effectiveness (see Table1) and thus, should not be seen as completely separate from one another (Lauver & Kristof-Brown, 2001; Werbel & Johnson, 2001).

Table1. A comparison of Person-job and Person organization fit

<table>
<thead>
<tr>
<th>Type of fit</th>
<th>Level of analyses</th>
<th>Motivational component</th>
<th>Component of organizational effectiveness</th>
</tr>
</thead>
<tbody>
<tr>
<td>Person-Job fit (PJ-fit)</td>
<td>Individual</td>
<td>Self-efficacy</td>
<td>Job proficiency</td>
</tr>
<tr>
<td>Person-organization fit (PO-fit)</td>
<td>Organizational</td>
<td>Effective incentives</td>
<td>Retention rates</td>
</tr>
</tbody>
</table>

Application of PJ- and PO-fit to different sorts of employments

Today, the idea of “a job for life” is, for many people, neither possible nor desirable and in many European countries, about one-third to one-half of the workforce are in temporary employment or self-employed (Furnham, 2005). This is a known fact for the organizations and due to the changing economical situation; the success of a business may be closely tied to its ability to rapidly increase or decrease its number of employees (Moorman & Harland, 2002). The retail business hires employees with both short- and long-term contracts, and it has been shown that different sorts of employments require different approaches to selection procedures, as well as different weights of PJ and PO-fit as selection criteria (O’Reilly & Chatman, 1986). Both types of fit have an effect on various outcomes, and organizational results may differ a great deal according to the work contract that is built between the person and the company (Sekiguchi, 2007). It has been shown, for example, that when recruiting a person to a long-term contract; a PJ-fit approach is less relevant at the time of hiring, and PO-fit plays a more important role (O’Reilly & Chatman, 1986). On the other hand, the employees that are employed just to perform a certain task, a PJ-fit approach may be preferable.

Workers with short-term contract within the retail business are usually young adults and students working during the term time (Winker, 2009), and this cohort of young people (aged 30 years and under) don’t usually have expectation of staying in the same company for rest of their working lives (Furnham, 2005). Therefore, they suit well and are an often used resource in some particular roles in organizations. Students, for instance, have constituted as a preferred workforce as they bring particular attributes to the job, such as intelligence, personality, as well as flexibility (Winker, 2009). In addition, student workers may convey an image of a young and energetic organization, which in turn may affect positive to the organization’s brand. Still, the majority of student employment is considered as unskilled work with almost no connection to the students’ field of study and it has been shown that students usually are hired in low-level, temporary jobs (Tannock & Flock, 2003). Employers tend to commit and invest only little in their student workers who are considered as being basically unskilled, non-essential, and easy to replace (Tannock & Flock, 2003).
Research on student workers and younger generation workers in general, has shown differences in work values between the younger and older generations, and younger generation employees, for example, desire to be promoted more quickly than their older counterparts (indicating high expectations for job challenge, success and accomplishment) (Samola and Sutton, 2002). As a result, PO-fit experienced by the employee is likely to be more strongly connected to job satisfaction and intention to remain with an organization for younger generation employees than it is for older generations. Furthermore, it is likely that if the younger generations’ preferences are not realized in the work environment, the impatience and increased mobility of younger generation employees will manifest itself in higher levels of dissatisfaction and lead to turnover (Westernan & Yamamura, 2006).

In summary, it can be said that the company’s image and its results are highly dependent on its employees. Therefore, by attracting and selecting right applicants to the organization, as well as by improving retention of current, competent workers, organizations may gain a good competitive advantage and thus, survive in the fierce competition as a winner. Even though many firms within the retail business are attractive as employers and the organizations are conveying an image of a trendy and a career focused company; retention of workers is low. Therefore, recruitment of new employees is recurrent, and due to this; the companies are using a great deal of supplementary time and money on selection. There is no recent research on the recruitment strategies used in the retail business in Sweden, and therefore; it is seen as important to get up-to-date information on the selection practices used in the branch.

The present study aims at enhancing knowledge and understanding of the recruitment strategies used within the retail business. This is done with having three research questions in mind:

1) Which recruitment strategies dominate the branch?
2) Do the recruitment strategies differ with different sorts of employments?
3) What selection methods are the positive hiring decisions based on?

Method

Participants
This study is a part of a larger research project conducted in the Department of Psychology, at Stockholm University. The purpose of the project is to bring evidence based information regarding the selection process to the retail business. This study is conducted as a case study focusing in three companies, where information used is gathered, by both examining the web-pages of the three participating organizations for the background information, and by making of a qualitative analyses based on 10 interviews.

Interviews were utilized, because the study was set to explore participants’ perceptions on issues regarding recruitment. The interviews were semi-structured, which ensured consistency of themes across participants, but also allowed elaboration of interviewees’ personal accounts. Six of the interviews were one-to-one interviews with female HR-specialists and HR-managers for each company ($M = 44,2$ years), and four of the interviews were interviews with a focus-group, each consisting of 5-6 persons ($M = 42,3$). The focus groups consisted of store-managers (Bauhaus: 4 females, 1 male; Systembolaget: 2 females, 4 males) and storekeepers (ICA two separate focus groups: group 1: 5 males, 1 female; group 2: 5 males). All the participants worked with recruitment. The interviews, which were conducted in isolated spots within each company, lasted approximately 60 minutes on average, and were tape-recorded with the consent of the interviewees.

Before the interviews, the interviewees were informed about the participations voluntariness and
anonymousness, and that information gathered in the interviews would be used for research purposes only. The participants were also informed that persons outside the research project would not have an access to the data.

In addition, additional information about the recruitment policies applied in the organizations was collected in seminars held with HR-specialists in respective organizations during fall 2009, but the information gathered there, has not affected the results. The information is seen more as a validity proof for the gathered material, which is discussed in more detail in the discussion part. The organizations/cases participating in the study, which all are leading retail businesses in Sweden in their special branches; are presented below.

**Bauhaus**
Bauhaus, which is a privately owned craftsman business launched in Germany in the 1960's, has now expanded into 13 countries in Europe and has 15 stores in Sweden. The chain has long demonstrated its competitiveness with a wide range of quality products at competitive prices, competent advice and the best possible service. Good customer service is the main focus in the organization and this is ensured by competent and dedicated staff.

The organization uses two types of recruitment policies: extern and intern recruitment. Recruitment of new employees to lower-level positions is mainly done externally, however higher-level positions are usually filled internally. Intern recruitment makes it possible for the organization to offer its staff development and career possibilities both in Sweden and abroad (Bauhaus historia).

**ICA Sverige AB**
ICA Sverige AB, launched in 1917, is the leading food retailer in Sweden. At the end of the year 2008, there were 1,369 ICA stores with 5,208 employees working for the organization. ICA’s vision is to “make life a little easier for its customers”, referring that the customers are in focus in ICA. For this reason, dedicated and motivated staff is in the key role.

All ICA stores present as separate companies and they all have different policies in announcing vacancies; some do not need to announce at all due to a vast number of spontaneous job applications they gain in regular basis, and others announce, for example, in the organization’s web site. Recruitment of new retailers to ICA stores is done largely by internal recruitment, which is, and has been, successful. There is a fine tradition in ICA, which means that the existing ICA retailer often invests in, and develops its employees to go ahead and run their own store one day. In addition, employees can apply and be recommended to ICA-school, which is an extensive training activity in order to prepare employees to possible retailer ship.

At ICA, a commitment to environmental work and community engagement go hand in hand with long-term profitability. Customers and stakeholders are in focus in the organization and ICA has coined the term ”ICA’s good business”, which means that ICA will:

- be driven by profitability and high ethical standards
- listen to customers and always base its decisions to their needs
- nurture diversity and growth among employees
- maintain an open dialogue internally and with the community
- ensure quality and safe products
- promote a healthy lifestyle
- adopt sound environmental practices to promote sustainable development

(ICA’s Annual report, 2008)
*Systembolaget AB*

Systembolaget AB, the Swedish Alcohol Retail Monopoly, was launched in 1955, and has 4,700 employees (of which 70% work part-time) in 410 different stores in Sweden. When recruiting new employees, all vacancies are announced in the organization’s website, but spontaneous job applications are also welcomed. In Systembolaget, there is a special role for every employee and the organization emphasizes the importance of constantly developing the competence of its employees. In addition, all employees must meet the organization’s values from the day they were attracted to, and recruited into the company, until the day they leave the organization.

The monopolist status of the company is grounded on reason to minimize alcohol-related problems and promote a healthy lifestyle and a responsible attitude towards alcohol and its consumption. This has been done in the following ways:

- restrict the availability of products by limiting the number of stores, open hours and sale rules
- sell the products without profit motive
- not to drive additional sales
- be brand-neutral
- give good customer service
- be economically sufficient

(Annual report, 2007; Annual report, 2008)

**Analysis**

When analyzing the interviews, the method of *inductive thematic analyses* (see i.e Patton, 2002) was used. Here, the themes emerge from the data, and are not imposed upon it by the researcher. Relevant theory is searched afterwards (Patton, 2002). Thematic analyses focuses on identifying themes and patterns of behavior (Aronson, 1994), and that is why it was seen as the best method to be used in this study.

The process began by reading through the transcribed interviews several times, in order to build a comprehensive apprehension of the material. After that, the participants’ responses were analyzed by, marking the key words in each text on the basis of expressed views in each interview, and then, by checking the similarities in each interview in order to form categories supporting the purpose of the study. Then, after reading the key words and categories several times, themes with sub-themes emerged. These were named, and compared with the original text in order to find out, if saturation had been reached. When new concepts did not emerge from the data, the analysis was seen as complete. The themes and sub-themes are presented in the results below.
Results

The thematic analyses of interviews resulted in two main themes, with both having two sub-themes. The first main theme was *Recruitment of new employees with short-term strategy* with sub-themes such as *lower-level positions* and *subjective selection methods*. The other main theme was *Recruitment of new employees with long-term strategy* with sub-themes such as *higher-level positions* and *objective selection methods*. Table 2 summarizes the results, which are presented in more detail below.

<table>
<thead>
<tr>
<th>Recruitment strategy</th>
<th>Level of the employment</th>
<th>Selection method</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short-term strategy</td>
<td>Lower-level positions</td>
<td>Subjective</td>
</tr>
<tr>
<td>Long-term strategy</td>
<td>Higher-level positions</td>
<td>Objective</td>
</tr>
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</table>

*Recruitment of new employees with short-term strategy*

Short-term strategy is characterized by short-term goals the organizations have for the new employees. These goals become clear as the employees are mostly recruited to lower-level positions and usually with part-time work-contracts. Another factor characterizing the short-term strategy is the use of subjective selection methods.

*Lower-level positions*

Short-term strategy is characterized by employees in low-level positions, such as temporary and part-time workers, who are an often used as a group of workers hired by the organizations in a role of “extra help”; especially during the busiest times of the year: Christmas and summer. During these times, sales in the businesses is at its peak, and especially during summer when majority of the regular employees take their vacation; part-time workers are “a needed pair of extra hands” helping diminishing the great work load.

Part-time workers are characterized by, students working during the term time, as well as other young adults in their 20’s, working in the branch in order to gain extra money while “figuring out what to do with their lives”. These two groups of employees don’t usually have expectations of full work-hours nor high-skilled jobs, nor will they stay in the company’s service for long periods of time either. These all are known facts to the managers/recruiters, and such policy suits them well. The managers often place their young part-time workers to low-responsibility positions, and their recruitment is mainly based on solutions of employing persons in order to fill in short-term needs occurring in the organizations.

It is though worth to mention that all employees in the organizations are first placed in low-level positions. But the noticeable difference here is that when recruiting especially student workers (who according to the interviewees are the biggest group of part-time workers); the recruiters seldom have plans of promoting the employee during his or her employment, as might, and often is, the case with other types of employees. The attitude the recruiters have toward student workers is more like “quickly in and quickly out”, and if the turnover among the group is high; it is seen as acceptable, because according to the interviewees, new employees are always easy to find.

When applying for a part-time position in the organizations, the job seeker does not need to have previous competence from the branch, nor be studying branch related studies, as for example,
business studies either. It is argued that competence is not needed because new hires, as mentioned before, are always put into positions, where the needed skills can be easily taught. Also, because the recruiters do not really believe that it is possible to predict in a job interview or otherwise, how persons will behave in the real job environment, they rather see the job applicants as "a pair of extra hands" who after positive hiring decision are placed into positions they are seen as most suitable for by the store managers (recruiters) themselves.

Subjective selection methods
When selecting for part-time positions; the selection methods are dominated by recruiter’s subjectivity. Organizations do not want to waste supplementary time on the recruitment of part-time employees, and in order to make the process effective; many of part-time employees are hired through recommendations of previous workers, or through a quick selection process, which is mainly based on unstructured interviews. The interview is described more as a “chat” with the applicant, in order to find out if the person is suitable for a job in customer service. Suitable employees are the applicants whose physical characteristics and personality are considered as satisfactory by the recruiters. Positive, happy attitudes are considered important, as well as the first impression the person gives. These characteristics give the recruiter a positive feeling of the applicant, which is the main reason leading to positive hiring decisions. As the following quotation describes:

“I feel that when you employ a full-time employee, you go through the process thoroughly. But when you employ a part-time employee... It is a little bit like: Are they nice and tidy, and exhibit good manners; they are basically hired!”

The recruiters simply know when they see “the right applicant” and this is especially the case in ICA where the recruitment of low-level workers is done mainly by the store owner himself, without any help from the HR-department. HR-departments offer different types of recruitment devices for the recruiting managers in order to build a more objective picture of the applicant, but the use of assistive devices is often low. The store owner and the recruiting managers’ reliance on their own subjectivity is strong and they rather rely on their own feeling than to something else. This behavior is attributed to long experience in the branch and thus, to expertise of knowing what kind of persons are suitable for; not only a job in customer service, but also in a particular store.

Recruitment of new employees with long-term strategy
Long-term strategy is characterized by long-term goals the organizations have for the new employees. These employees are to be part of the organization also in the future, and their recruitment is done with more objective recruitment methods.

Higher-level positions

“There is good competence in the house, so why start doing extra work by recruiting an extern individual?”

Long-term strategy characterizes recruitment of employees to higher level positions, as for example to full-time employments with certain responsibilities and to managerial and executive positions. All the three organizations share strong values and organizational cultures, and that is why they will not want to hire people who could harm their brand or the culture. Therefore, intern recruitment has always been common within the organizations and many of today’s leaders have started their careers as part-time workers, successfully climbing upwards in the organization’s hierarchy. In
addition, the policy of filling the key-positions internally is also expected to improve retention of competent workers within the organizations, and the practice and career possibilities are usually been told to the new employees at an early stage of the employment.

Being hired to the organization in function of “extra resource” (part-time employees) is quite easy, based mostly on the applicants physical appearance and social skills. But as the time in the organization becomes longer and as part-time employment turns, for example, into a full-time employment and onwards into a more responsible role; the employers’ requirements towards the employees become higher, and in addition to learned competence, the employees are expected to show commitment, motivation, and interest towards, not only the work; but also the organization. Otherwise, the employees are kept at the bottom level (roles without responsibilities), or replaced with new employees. Naturally, in case of applicant and labour shortage, which may occur especially in rural areas and in smaller cities, and when a manager does not want to go through the trouble caused by new recruitment; even the less suitable employees may be promoted. But in general, only the ones considered as “promising future talents”, as described by the interviewees, may continue upwards. All organizations are willing to put effort on their most promising employees, by for example, offering them possibilities to attend different courses, thus developing themselves and their competences. In the case of ICA, these employees are recommended to attend ICA-school in order to promote them as store-holders one day. The courses and ICA school not only train the employees to more responsible roles; but they also give deeper information about the organization’s values, which all leaders are supposed to respect and work accordingly in their job. This, because according to the interviewees, the best way to spread a certain culture to an entire organization starts from above, and thus, allows the organization’s brand to stay the same.

**Objective recruitment methods**

In the past, ability and long service were automatically rewarded by a steady climb up the corporate ladder, or with an own ICA-store, and the speed in the career was defined only by one’s ability and service-time. Promotions were mostly done with lobbying, and younger generation employees had to wait for years before they had possibilities in climbing up in the hierarchy. According to the interviewees, such procedures were normal, for not longer than 10 years ago. But the policies have changed and even younger workers can apply to high-level positions (positions with certain responsibilities, as for example store manager). In addition, lobbying is not used anymore and today; recruitment to high-level positions is done with other, more objective arguments.

To ensure right recruitment, selection to higher-level positions is nowadays done with help from HR-department, and the selection process is very strategic, starting with making of a need analyses. After being chosen, the suitable applicants are usually competence-and personality tested, thus ensuring their right qualities. In addition to the tests, the applicants are also being interviewed several times and finally, the recruitment decision is usually done together with a HR-consultant. According to the HR-consultants, the characteristics that most often lead to a positive hiring decision are: vast competence, good references from previous colleagues, as well as future plans, which mirror the organization’s values and practices. The process is described as very objective, based mainly on objective selection methods. But still, personal connections of the applicants may have an affect on the hiring decision. This is especially the case, if the final selection process includes external applicants as well, which happens rarely. A good example of the attitudes towards external recruitment to key positions is shown in the quotation below:

“ICA is quite like a duck pond; everybody knows each other and stick together...”
Discussion

The study aimed at enhancing knowledge and understanding of recruitment strategies, and methods leading to a positive hiring decision in the retail business. By summarizing and discussing the findings of this study, as well as by relating them to already existing research, the following conclusions can be drawn.

The organizations use two types of recruitment strategies: *short-term strategy* and *long-term strategy*. The minor competence- and commitment demands the organizations have for their part-time employees become harder, as the time in the organization is longer and the level of employment becomes higher. Hiring decisions, which mainly are based on recruiter’s subjectivity with low-level employments, are replaced with more objective procedures the higher in the corporate ladder one climbs. The organizations offer good career possibilities for their employees, which is secured by a policy of filling the high-level positions usually internally. Intern recruitment is also a way for the organizations to improve retention of its present workers and thus, secure retention of future competence within the company. Also, by recruiting employees to key positions internally, the organizations want to secure that their cultures and brands are staying alive, which both are important for the organizations’ images. Figure 2 below summarizes the results and relates them to the recruitment strategies of PJ-and PO-fit, as presented before.

Figure 2. Recruitment strategies used within the retail business.

*Lower-level positions include employees with short-term contracts and employments with less responsibilities.  
**Higher-level positions include employees with long-term contracts and managerial positions.

As seen in the model 1, recruitment in the retail business can be described as a process where the short-term strategy with lower-level positions, where PJ-fit is the dominating strategy, transits into PO-fit, as the positions are situated at higher levels and the work contracts are longer. In addition, selection methods become more objective, as they with short-term recruitments mainly are based on recruiters’ subjectivity.

As the organizations emphasize the applicants personal characteristics (as appearance and personality) to be important factors leading to positive hiring results with part-time workers, they support the views of PJ-fit (Carless, 2005; Kristof-Brown et al., 2005) as the dominating strategy of recruitment with lower-level positions. These results confirm the views expressed in the literature,
as they suggested that when recruiting a person to a short-term employment, a PO-fit approach is less relevant at the time of hiring, and PJ fit plays a more important role (Reilly & Chatman, 1986).

To conclude from this result and taking into account previous studies, visible characteristics of the employees working in service branch, seem to be more important factors in the recruitment phase than, for example, previous competence of the applicant. Findings of, for instance, Huzell (in press) show that 50% of employers in the retail business are engaged in aesthetic recruitment, which in turn can be interpreted that the employees are an important part of the organizations’ brand (Backhaus & Tikoo, 2004). The organizations in the branch want to convey an image of a young and energetic company through their young and aesthetic employees, which they hope to appeal to customers in a positive way. Even though such selection method helps young people without previous work-experience in getting a job, it can also lead to discrimination of persons, whose appearance is not according to the social norms. That is why more objective selection methods would ensure equal opportunities to all the applicants.

When presenting results of recruitment policies used by the companies in seminars held in organizations participating in this study, the previous finding was supported by respective HR-specialists in ICA and Systembolaget AB. As an example, they told it to be quite normal that the positions at the lower-level are often filled based on a handshake and appearance of the applicant, because first contact is considered as the most important contact also with customers (Personnel discussion in Systembolaget AB, 09.10.16).

In addition to possible discrimination, basing selection, roughly said, to a handshake may involve other consequences as well. For example, it would be good to acknowledge that the way organizations recruit, select, orientate and socialize their newcomers may have a powerful and lasting impact on the new employees (Furnham, 2005). Recruitment based on a handshake and on an unofficial chat, may send signals of unimportance of the job, and thus, decrease the motivation of the employees to perform their jobs at the best possible way (Meglino, Ravin & deNisi, 2000); maybe even leading to negligence with some chores. Also, the organization’s image as a serious, career orientated place to work in may suffer when recruitment is done with such light argumentations, thus having a negative effect on the companies’ brand, which in turn may lead to other consequences as well. Misbelief on the company brand on the part of the employees may be transferred to the customers and undermine their belief in the company brand. This will eventually lead to a gap between the brand values (for example, ICA’s good quality in products and service) and the way the customers perceive them, thus decreasing customer loyalty (Van Hoye & Lievins, 2009). Therefore, managers should not underestimate the power the employees have in organization’s everyday life, and even though it seems that the organization participating in this study are aware of this, the awareness is not transferred to the recruitment of employees who are in direct contact with the outside world, that is; with the customers. Good customer service is more than just a smile; it is dedication and promotion of the company brand. Especially nowadays, when the organizations are so dependably on their good brand.

Nevertheless, the participants in this study seem to be aware of the consequences the “easy” recruitment may have, and do not expect their part-time employees to feel congruence with the organization otherwise (PO-fit). They motivate that, because the retail business is a popular employer among young adults; poorly performing workers can be easily exchanged for new employees, which solves the problem! It seems that it is enough for the organizations to hire a person who is “ok” and who has the supplies to correspond the needs just in time (PJ-fit), especially during the busiest times of the seasons.
Also, as the organizations use and have always used a great number of part-time workers (for example, Systmembolaget AB: 70%); high turnover among workers is considered to be normal. Even though the idea of short-term recruitments may be good, and it has shown to work well in the branch, as the businesses are doing well, against the beliefs of many store holders and recruiters; it is not the most profitable one. Hiring of new employees is always costly and the time before a new person is “up and running” by himself; takes both supplementary time and money. And if the recruitment of new people has to be done in regular basis, the process can become very costly for the organizations (Cook, 2004; Furnham, 2005), which the managers may not be so aware of.

The managers and recruiters should also consider, if they want to settle for an employee who is “ok”, as it seems now, when if putting little more effort on the recruitment process; they could find someone who is above “ok”. It has become clear that especially younger generation applicants as for example, student workers know how one ought to behave in a job interview, and they adapt their behavior accordingly (impression management), which in turn can lead to wrong recruitments. Especially if the hiring decision is made with subjective methods, as for instance with unstructured interview and recommendations from other workers. Besides saving money in recruitment, it is probable, that honestly motivated and branch-interested employees (PO-fit) will give the organizations a good competitive advance in the future, as they stay in the company for longer periods of time, do their jobs more effectively and reinforce the company’s image (Van Hoey & Lievins, 2009; Westerman & Yamanura, 2006). It should also be kept in mind that, because the tradition of intern recruitment within the branch is strong, one ought to think that when recruiting a new part-time employee, one might also be recruiting a future manager of the company. And would it not be good, at this stage, to put more effort to the recruitment already in the early process?

When moving on to recruitment to high-level positions, the results showed that recruitment policies become more objective. Because recruitment at this level is mostly done by intern recruitment; following conclusions may be drawn. As sharing the organizations values and attitudes is an important accession to high competence when recruiting employees to key positions; the dominating strategy at this level is person-organization fit, by which the organizations want to ensure that the strong cultures the companies share will not be changed in the future either. The result of PO-fit as the dominating strategy is supported by previous studies as well, as they have shown that with long-term employments, as with employments on management level, employees PO-fit plays a more important role at the time of hiring, than does the perceived PJ-fit (Reilly & Chatman, 1986).

This suggests that all the organizations seem to be satisfied with their brand and culture. And because they all have been in the business for decades, they are seemingly unwilling to bigger changes. This despite that fact that “leading a change” is one of the tasks new key persons are being hired to. As the recruiters base their hiring decisions at the higher-level mainly to the perceived PO-fit, both positive and negative consequences ought to be considered. From the positive point of view, as seen above, PO-fit leads to many positive outcomes, as for example to reinforcement of the organizations’ brand by the employees and to the organizational culture staying the same. From negative point of view, it ought to be considered that high level of PO-fit may also be an obstacle to change (Yaniv & Farkas, 2005). A good example of this is the organizations’ main reliance on intern recruitment. A strong organizational culture, as a consequence of a high PO-fit, may lead to a dangerous inflexibility and inability to see the urgency to change (Yaniv & Farkas, 2005), which may be needed as a way to “stick out” as the number of organizations competing for the same customers increases.
Intern recruitment may have other consequences as well, which will be discussed below. As seen above, it is very usual within the retail business that one’s career starts with short-term employment successfully turning into long-term employment and onwards to managerial position. Once, as shown in the results; ability and long service were automatically rewarded by a steady climb up the corporate ladder, and the speed in the career was defined only by one’s ability and duration of employment. Today, things are different, and many young people working in the organization are promoted fast; some due to their entrepreneurship, and others to other factors. Such procedure helps the most competent and dedicated employees to proceed upwards in the organization, without having years of academic education, which usually is required of persons in leading positions.

When promoting younger and newer employees before the more experienced, this often makes the roles in the organization hierarchy to change dramatically, which may cause conflicts among the staff. Older employees, for example, may feel that they are being discriminated, when newcomers get promoted before them. On the other hand, as today’s young generation employees need challenges in their work (Samola & Sutton, 2002), promoting them before the older is a way of retaining these employees in the organization. So besides the positive consequences, promoting younger employees before the older may have negative consequences as well. It is therefore important that the person promoted has the qualities, required from a leader, in order to minimize the possible conflicts caused by, rapid, and sometimes even unexpected changes in the organizations’ hierarchical positions. This, on the other hand, has been secured by using objective selection methods instead of, for instance, lobbying.

Subjective and objective selection methods
The results showed that the recruitment methods with short-term contracts and with so called lower-level positions differed a great deal from methods used with long-term contracts. On the lower-level, reliance on recruiters’ subjectivity was the dominating method, as on higher level more objective methods, as for example, tests and several interviews, were utilized. To the matter of tests and other objective selection methods being often used methods when hiring to higher-level positions, this study gets support from previous research (Cook, 2004). But contrary to previous findings, which suggest that hiring decisions based on PO-fit, would lead to enhanced use of subjectivity (e.g. Devendorf & Highhouse, 2008), this study can not entirely be related to. In this study, PO-fit is assessed, for example, by personality tests. Assessment of PJ-fit on the other hand, was dominated by the use of recruiters’ own subjectivity. Feelings of similarity between the applicant and recruiter, which have shown to have a positive effect on hiring decisions based on applicants perceived PO-fit in previous studies (Chen, Lee & Yeh, 2008) did not have a noticeable affect on the hiring decisions at the higher-level position in this study. Similarity perceptions did though affect PJ-fit perceptions at the lower level and similar results have been found in other studies as well (see Garcia, Posthuma & Colella, 2008). Naturally, these differences can be interpreted due to the different levels of employments and to what is expected from the employees, as well as to the tradition the retail business has had with recruitment of new employees.

Different recruitment methods have been studied extensively (Cook, 2004), and it has been shown to be common with recruitment that practice usually differs a great deal from what is suggested in theory. This is especially the case when using own subjectivity as a recruitment method (Carless, Rasiah & Irmer, 2009). The question that arises is why do the recruiters rely so much on their own subjectivity when making of a hiring decision? There may be several reasons for this behavior. First, there can be a lack of education on recruitment and selection procedures in the retail branch, especially among storekeepers, thus making it difficult for recruiting staff to know about the scientific view on the matter, and thus, making it impossible to use the information in practice. This
view is supported by previous research, for instance Carless et al., (2009) found in their study significant differences in industrial/organizational psychologists and HR practitioners’ (recruiters) knowledge and beliefs about selection methods’ profitability. These differences were mostly explained by the educational background of participants (Carless et al., 2009) and this may be the case with participants in this study as well. Great number of the recruitments is done by the storekeepers or department managers themselves and I assume, that only few of them has education in recruitment, which can be a reason to there being such a gap between what sciences says, and what is done in practice. This reasoning is motivated by basing it on the vast use of intern recruitment and intern promotions, which may decrease the amount of recruiting staff with higher level education.

In addition, when recruiting to lower-level positions, recruiters don’t want to waste supplementary time in deeper selection policies, as for example, in structured interviews, and because recruiters usually know what they want from their part-time employees (“pair of extra hands”), it may seem unnecessary to put more energy to the recruitment process. Also, research has shown that it is in human nature to rather rely on own feeling than to somebody else’s (Highhouse, 2006), which may also explain the vast use of subjective in this study. In addition, even though the retail business has a long tradition of being a branch where possibilities of making of a career are good, and where many of the today’s storekeepers and managers have started their careers at the so called floor-level; as mentioned before, this fact is not deeply assessed when new employees are being hired. The recruitment is based on short-term needs and it seems to be more a case of having good luck, if one manages to recruit a really efficient and branch motivated employee at once.

Today, when the competition within the retail business is hard, competent and service minded staff is extremely important for the companies and to their image. Employees are the mirror of the organization, and it ought to be kept in mind that the organizations choose employees as much as the employees choose organizations. That is why it would be important to consider what kind of employees would best reinforce the organizations’ image, and how the organizations could better attract such employees to their service. Is it enough to hire somebody who fits for the job short-termed? Or should one think outside the box, and maybe do the recruitment as a investment for the future? Employer branding is a important part of this process, but if the company brand is reinforced just by recruiting employees who fit into the organization to the key positions only; the brand will lose its effectiveness and the retail business will continue to carry an image of being a transit branch to real employments, and not a first choice place for a career.

Limitations and practical applications of this study
This study has four main limitations to be discussed. First, when making of a thematic analyses number of participants should be higher than it is in this study (Patton, 2008). With a greater number of participants, more themes would probably have occurred, thus contributing to a larger understanding of the recruitment used in the branch.

Second, the interviews were conducted in 2008, when the economical situation in the world was different than it currently is; the economical crisis has affected all the businesses, and shortage of labour, which was a fact within the businesses in 2008 has turned into job insecurity for many workers. Now, in autumn 2009, in many companies there is a ban on recruitment. However, because the information gathered from the interviews can be considered as general information on the recruitment practices used in the organizations, the impact of the economical situation on the results can be considered as relatively weak.
Third, the interviewees were conducted in Stockholm area, which may have an impact on the procedures used when recruiting new employees. In Stockholm, which is the capital of Sweden, recruitment may be done in different ways, than in smaller cities and villages, in which, I assume, the recruitment is done mainly via contact networks, because the amount of applicants is remarkably smaller in comparison to Stockholm.

Finally, the three organizations in this study are all leading companies of their own sector, but the study is missing one retail sector, which has a big role in the Swedish economy, namely; the clothing sector. Clothing sector hires many young generation applicants with both part-time and full-time contracts, and having a clothing company involved in this study, would have increased the understanding of the results to this branch as well, as well as increased the number of participants, thus increasing the possibility of generalization of the results.

Despite these limitations, the obtained information is considered valid, as the results are in line with previous studies. Also, when the results have been presented in seminars held in the participating organizations, they have shown to have a connection to everyday policies verified by HR-consultants in respective company. In addition, the interviews have been analyzed by another person as well, which also contributes to good inter-rater reliability of the results.

The methods used in this study made it possible to obtain extensive data about the organizations and the recruiters’ perceptions and interpretations on the recruitment strategies they use in practice. The three research questions were answered, as different recruitment strategies and selection methods were found. Therefore, results in this study provide a promising starting point for the organizations to take a deeper look into their recruitment practices, and for example, see how much money has been put on personal selection during the past years. Also, HR-departments ought to bear in mind that education in recruitment helps people, who work with it, to know which selection methods lead to the best results and thus, recruitment ought to be made into an important part of the organizations business strategies; and not only be a trivial part of it. The power of valid selection methods, such as structured interviews and personality tests, should not be neglected, and especially with more contribution on methods used with low-level positions; the organizations would save a great amount of money, as wrong recruitments and turnover rates would be reduced. In addition, strategic selection procedures may help in conveying an image of the organization as ‘a great and a professional place to work’ both within and outside the firm, and thus, improve retention of current workers, as well as candidate quality, by attracting right applicants to the organization (Backhaus & Tikoo, 2004).

In the future, more research would be needed on employer branding, and experienced career possibilities in the retail business by the present employees. This, in order to enhance the understanding of the fact why the branch still lack reputation of being a place to make a career in, and how this image could finally be changed. In addition to this, it would be crucial to understand how the recruitment activities and the process that led to a positive hiring decision of the present employees have been interpreted by the employees themselves, and if the process has affected on their motivation or retention intentions.
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