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Cases in Management,  
Organizational Behavior  
and Human Resource Management

*Managing*

**ORGANIZATIONS**

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*and People*

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# Managing Organizations and People

A Resource for Cases in Management, Organizational Behavior,  
and Human Resource Management

## Abstract

Allan Hill is an American HR consultant hired by a Latin American company (*Staffing, Inc.*) specializing in personnel recruitment and selection. Allan was hired to help *Staffing* improve the processes and procedures they implement when making recommendations regarding personnel searches ranging from entry-level employees to high-level executives. The key objective of this case is to illustrate fundamental cross-cultural differences in making personnel selection decisions. While the American consultant was concerned about identifying job-related KSAs, *Euro-Latin Bank's* VP for HR suggested attributes related to the candidates physical appearance, sex, and age. Although equal employment opportunity (EEO) laws exist in most Latin American countries, these laws are rarely enforced.

## Personnel Selection Procedures in Latin America

*The following case is based on a true story. Names have been changed to protect the identity of those involved.*

Allan Hill is an American Human Resources consultant hired by a Latin American company (*Staffing, Inc.*) specializing in personnel recruitment and selection. Allan was hired to help *Staffing* improve the processes and procedures they implement when making recommendations regarding personnel searches ranging from entry-level employees to high-level executives.

At the time when Allan was hired, selection decision-making processes conducted at *Staffing* were mostly subjective. For instance, no standardized tests were in use and interviews were unstructured and conducted by a single interviewer. In addition, there were no procedures in place to assess the effectiveness of *Staffing's* hiring recommendations. In other words, for those hired, there were no follow-ups to assess how their performance compared to those hired based on other recruitment firms' recommendations.

Allan's suggestions included the use of tests to assess knowledge, skills, and abilities (KSAs) needed for specific jobs, and the use of structured interviews. Allan also

recommended telephone interviews with *Staffing's* clients to collect information regarding performance levels of employees hired based on *Staffing's* recommendations.

Allan was successful at making the selection process more objective, standardized, based on KSAs required by the various positions, and fair. *Staffing* was doing very well and its clients were very happy with the changes in selection procedures and follow-up evaluation methods.

One of *Staffing's* largest clients, a European bank's subsidiary in this Latin American country (*Euro-Latin Bank*), made a request for "10 people to occupy teller positions." Based on this request, ads were published in several local newspapers and over 400 applications were received. *Staffing* screened out about 50 percent of these applicants based on various reasons (e.g., no experience, no minimum educational qualifications). Those remaining in the pool of applicants were administered a basic math and verbal skills test as well as a structured interview. Based on test and interview results, *Staffing* referred 30 finalists to be interviewed by *Euro-Latin Bank's* HR department.

A few days later, *Staffing* received a call from *Euro-Latin Bank's* Vice President for HR. He was very upset and disappointed with *Staffing's* recommendations. He said, "Teller positions are critical for our business and we cannot afford to have the kind of people you recommended doing the job." When asked what was the problem with the candidates recommended, he said, "I want you to send me well-qualified candidates, and by this I mean blond women who are at least 1 meter 65 centimeters tall and between the ages of 22 and 29 years."

The following questions can be used to generate group discussion:

1. Assume you are *Staffing, Inc.'s* CEO. What do you do? What are the factors you consider in making your decision regarding how to respond to the request?
2. Assume you are Allan Hill. What do you do? What are the factors you consider in making your decision regarding how to respond to the request?