

# Corporate culture as a part of hiring process for cultural fit in Slovak enterprises

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**Abstract:** Corporate culture is an integral part of each enterprise. Organizational culture refers to a system of shared values, beliefs and level of its acceptance. This system shows people within company what is appropriate and inappropriate behavior. It is shaped by many elements, more or less visible for its environment, but the basic element of corporate culture represents an employee. Therefore it is important to select accurate employee from candidate pool who would fit to corporate culture, accept its values and be able to operate in daily business according set up rules. Ability to understand values of corporate culture, its acceptance and fit to them supports run of the business, promotes enterprise's performance and brands success on the global market. Only if employees understand the vision, strategic goals, objectives and respect enterprise's values, it is possible to achieve a balanced harmony of satisfied employees and profitable company.

**Key words:** corporate culture; hiring process; hiring methods; culture fit

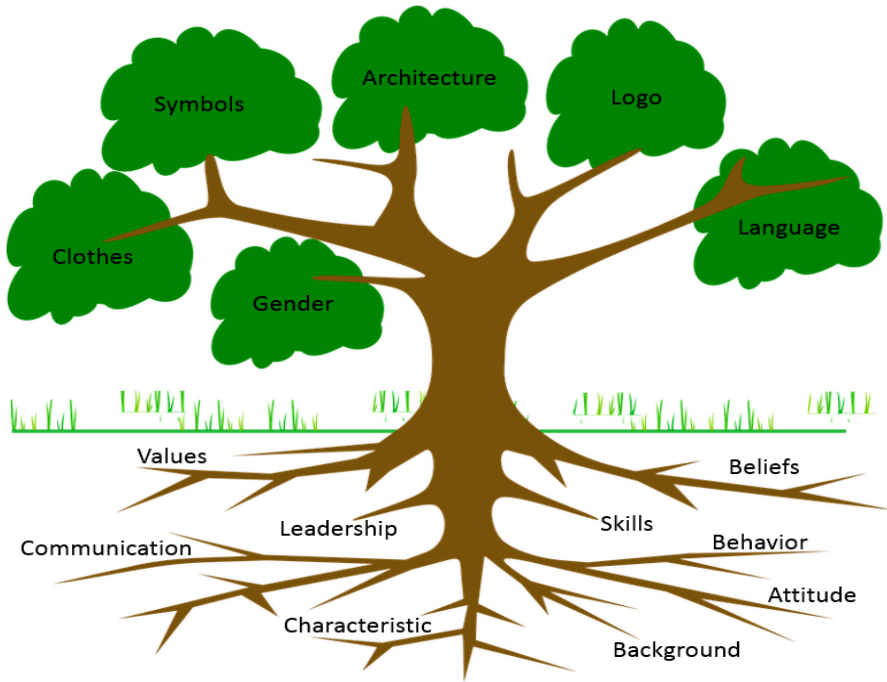
**JEL Classification:** M1 Business, M14 Administration Corporate Culture

**1. Theoretical sources - Corporate culture and hiring process**

Corporate culture represents a system of shared values and beliefs. Even though there is no single definition of corporate culture we can come up with basic summary. Corporate culture represents a set of standards, basic rules and core values that are specific for each enterprise. This corporate culture set influences thinking and behavior of employees in daily business. Each culture is unique and there are a lot of factors and elements which creating one.

Elements of corporate culture are characterized by Schein (2010) in three levels model: artifacts and behaviors, espoused values and assumptions. We can simplify this model and divide corporate culture elements into the following groups (fig.1 below):

- **Visible elements** – express character of the enterprise which is recognizable by external environment as well. We can include here all elements as symbols, logo, business, work clothes, work environment, equipment, architecture, etc.
- **Invisible elements** – represent all elements which are hidden under the surface, behind the enterprise gate - stories, management style, communication style, values, attitudes, behavior, standards of conduct, background, skills of employees and other.



**Fig.1 Visible and invisible elements of corporate culture** (own source, 2017)

In the Lewis’s book (2006) it is well described raising of the child and the child dependence on the parents based on differences in the cultures. Related to his explanation and comparison of different cultures we can liken relationship of employee to the company. We might compare corporate culture with parents’ role. Corporate culture as “a parent” clearly defines for an employee as “a child” what is acceptable and what is not, what is right and what is wrong. It defines core values, basic rules for behavior, can prepare employee for successful interactions in their own culture and society.

Corporate culture has a social character. Its level, strength and content is highly influenced by internal environment - employees, management, leadership style and on the other hand external environment - competitors, legislation, state also affects it. Ravasi and Schultz (2006) described corporate culture as a set of shared assumptions that guide what happens in corporate by defining exemplary behavior in diverse situations. Corporate culture helps employees to identify themselves with an organization, affects the way they interact with each other, within or across departments, with business partners etc.

The success of the business is simply a result of how good HR & managers are at hiring the people for respective team. Mistakes happen when managers (Smart, G. and Street, R., 2008):

- Are unclear about what is needed in the job
- Have a weak flow of candidates
- Do not trust their ability to pick out the right candidate from the pool of similar looking candidates
- Lose candidates who really want to join the team

For selecting an accurate candidate is not always a person’s background the most important part of the hiring process. Hiring someone with a different background who fits in corporate culture is the best way to go. During the hiring process has each company an opportunity to use different methods for interview process:

- job interviews
- assessment centers
- talent management software
- company website
- social networking sites

Organizational culture builds way how a company works. The way that employees interact within the team, with other colleagues or different stakeholders, habits, processes and norms of daily business - all creates a corporate culture. Therefore it is very important to choose right person during the hiring process, because at the end it influences organizational success.

**2. Methodology**

The aim of the paper is to identify and evaluate the methods used in hiring process affected by internal determinants of corporate culture. We used the methods of primary and secondary research. The primary research was conducted by standard questionnaire method on a sample of HR and managers in selected Slovak enterprises. The goal was to find out what type of methods are selected enterprises using for hiring process for culture fit and what kind of information they are seeking after, what factors are important for the company to make decisions in choosing the right candidate. Overall participated 45 (12 HR and 33 managers) in our analysis pool. Questionnaire was filled out by HR as well as by managers. Characteristics of the enterprises are shown in table 1 below.

**Table 1** Characteristic of surveyed population in selected Slovak enterprises

ENTERPRISE	Number of surveyed HR	Number of employees surveyed managers
Enterprise X	9	24
Enterprise Y	1	3
Enterprise Z	2	6
	<b>12</b>	<b>33</b>

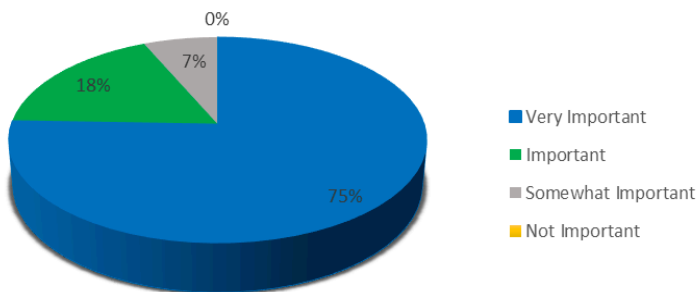
Source: own, 2017

### 3. Results of analysis

Hiring process represents an important part for company. The target of recruiting is to find accurate person for open position who fills out requirements of the position and fits to the team. At the side there is an impact from cost perspective. Every company invests a lot of sources (financial & nonfinancial) into the selection process – expenses linked to advertisement, agency fees, interview process etc. To select wrong person for the open job can be costly.

Companies have focused on identifying and selecting their employees based on their skills, experiences & knowledge. To this approach has been added a culture fit part. Company tries to find a person who has a best fitting set up of individual values, behavior and personal attributes. Results of the analysis are shown below in the graph 1. The deliverables are displaying the overall results of achieved importance of recruiting for cultural fit in selected Slovak companies. More than 90 % of respondents rated recruiting for cultural fit as very important or important. The fit between the corporate culture, enterprise and the candidate has been identified as a fundamental element for the success of company as well as of individual.

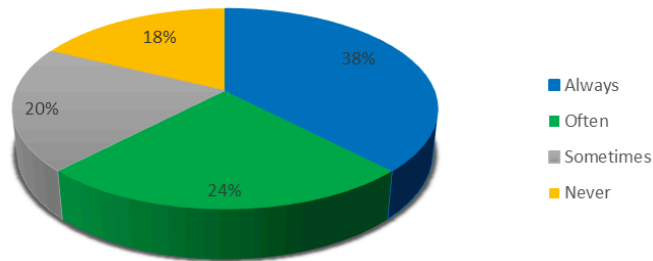
For candidates who have cultural fit it is easier to adapt the changes, feel comfortable in their workplace, enjoying working in their team and across different departments as well. People who fit in with an organization’s are more likely to offer and accept feedback or constructive criticism.



**Graph 1 Importance of recruiting for cultural fit** (own source, 2017)

As visible in the graph above there are no respondents who did not consider importance of cultural fit during the recruiting as “not important”. There is a common understanding of importance for cultural fit - people who fit to the team, work well together, are able to adapt themselves and transfer their skills, work experience and knowledge to daily business easier. It is obvious that companies are aware of this trend and are focusing more for cultural fit than in the past.

Selected Slovak companies are using traditional ways for collecting data about the candidates in hiring process. After the approval for new position starts HR recruiting process. The selected Slovak enterprises are using social networking site ([www.profesia.sk](http://www.profesia.sk)) for posting of open positions. Then are HR collecting and reviewing all applications based on the data in resumes, cover letters and online profiles. Those documents provide critical information covering background, education, experience and skills. If the candidate is qualified for the position, he/she is invited for an interview. Not always are managers involved to this part of the selection process. This part of the recruiting process should be already focused on cultural fit. Results of the analysis how often cultural fit is assessed are shown in the graph 2 below.



**Graph 2 Assessment of cultural fit (own source, 2017)**

While more than 90 % of respondents rated recruiting for cultural fit as very important or important, only 38% pointed that the enterprise always recruits for cultural fit. The biggest companies on global market are playing game in hiring process with the focus on cultural fit. The usage of a cultural fit questionnaire or short assessment focused on behavioral side of the candidate helps to define the ideal profile for a specific level or job position and to find the individuals who have the best alignment to the enterprise and its culture. It is recommended for managers to participate on interview, because they know their team better than HR do, so they could lead the part related to cultural fit.

It is not easy to change the personal attributes. Willingness to learn, speed of adaptation and figuring out an own way to work in the new environment is effected by personality. This is the reason why the HR and managers have concluded partly to aim at this category in the recruitment process. The personal attributes are key by selection because the managers try to connect the candidates to the business strategy, values of organization. The rest of categories (skills, knowledge and experience) can be improved and shaped in daily business. The ideal candidates with convenient attributes catalyst their readiness for growth into more complex responsibility.

#### 4. Conclusion

The corporate culture represents social system which consists of people and therefore must be seen each enterprise as a social alive system. The essence required for this system in the enterprise is built from diverse employees who are unique. Their specific behavior, thoughts, beliefs, values influence and form corporate culture. All those different elements shape content and power of corporate culture. In global point of view is cultural fit an important factor which affects the business from long term perspective.

The target of each company is to find and recruit candidates who fit in with your existing workplace culture. For that purpose are companies using modern hiring platforms. Hiring managers and HR are able to collaborate, share notes and make good decisions easier. This supports the selection process of the candidates with a good fit to corporate culture. To find a candidate with cultural fit have another benefits as well:

- Employees enjoy their working environment,
- Employees enjoy working in their team,
- Rather than leaving company they change position within the company,
- Company spends less time and money on recruiting, hiring and training.

Selecting a candidate who gets along with the team may lead to a level of comfort that allows the new hire to introduce new ideas, even if they are different. The employee creates an intellectual capital and sustains an organization's competitive advantage. Each culture has its specifics and should be respected. Understanding of different natures supports business success and strengthen corporate culture. In case employee understands

management processes, follows the vision and respects values of the enterprise he/she feels involved, respected, connected with team and company. Uniqueness of each employee who fits to big picture of corporate culture imports to the business competitive edge – influences performance and success of the enterprise in the global market. Company needs quality staff who can operate in an environment of increasing complexity and change.

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