Chapter 1

Introduction
Experiments conducted all over the world reveal that human resources are the most important resources an organisation has. All other resources are utilised and controlled by the human resources. Human resources are human factors which refer to "a whole consisting of inter-related, inter-dependent and interacting physiological, psychological, sociological and ethical components." So human resources are complex and their effective management in conducive towards the achievement of individual and organisational objectives.(Armstrong, 1988 : 139-163)

Earlier the companies with access to the capital or the latest technology had the best-competitive advantage. But today, human resources are an organisation's greatest competitive weapon and the quality of people is the main source of sustainable competitive advantage of the firm.

Human Resource Management (HRM) has emerged as the most important area under Management. The developments in the field of HRM are now well documented. (Legge, 1995; Sisson & Storey, 2000). However the debate on HRM issues continues even though its focus has changed over time.

The debate was mainly on the exploration of the salient aspects of the transformation of personnel management into HRM. Having done so it moved on to issues pertaining to the incorporation of industrial relations into HRM. (Guest, 1991 : 147-175); then the integration of HRM into business strategies, development of HRM to line managers (Brewster et. al. 1997 : 1-23; Budhwar and Sparrow, 1997 : 476-494) and finally seeing HRM as a source of competitive advantage for organisations. (Barney, 1991 : 99-120; Schuler & MacMillan, 1984 : 351-365).

Currently there is an ongoing debate regarding the contribution of HRM to a firm's performance. (Guest, 1997 : 263-276; Huselid, 1995 : 635-672). With these developments the nature of Human Resource (HR) functions has changed from being reactive, prescriptive, and administrative to being proactive, descriptive and executive. (Boxall, 1994 : 32-35).

The first step in achieving organisational excellence through HRM is selecting the right person for the right job. This involves matching the person's skills and abilities,
motivation and interests with the demands of the job and the climate of the work group and the company. (Berger, 1987 : 175)

Iles & Salaman (1995 : 207) point out that a variety of 'key HRM levers' have been employed but chief among them has been viewing recruitment and selection activities as 'integrated key tasks' for organisations. Selection as a key strategic lever is intimately linked to all other HRM activities. It is a complex and most important of all HRM activities. Mistakes made during selection are costly and contribute to organisational failure.

On the basis of human resource policy, the process for obtaining human resources starts with Human Resource Planning which indicates the number of positions to be filled up and job descriptions and job specifications for these positions. The next step in the process is Recruitment. Recruitment is concerned with the identification of the sources from where the personnel can be attracted for actual or anticipated organisational vacancies. Recruitment results in a pool of applicants for a position. (Werther & Davis, 1989 : 175-198)

The third step in the process is selection. The objective of the selection process is to determine whether an applicant meets the qualifications of a specific job and to choose the applicant who is most likely to perform well not only in the present job but also has enough potential to perform higher level functions in course of time. For selecting an applicant, relevant information is secured about the person. This information is secured in a number of steps or stages. (Pareek & Rao, 1985 : 77-108)

There is no short-cut to an accurate evaluation of a candidate. The selection procedures are therefore long and complicated. (Fisher et. al. 1990 : 127) Organisations tend to develop selection procedures that are consistent with their over-all philosophy for obtaining human resources (Stratiss & Sayles, 1976 : 409-488). Selection procedure involves different steps, the number and sequence of which vary in accordance with the type of personnel or the level for which selection is to be made. (Mamoria, 1990 : 203-274) On the basis of the outcome of selection process, the offer of employment is extended.

The main objective of executive selection process is to ensure both individual and organisational effectiveness. This, on one hand would mean a fruitful relationship between
executives and the organisation and on the other satisfaction/delight of the consumers for gaining competitive edge in the marketplace.

As a result of the changes taking place in the field of management in general and HRM in particular, for determining criteria of executive success the focus has shifted from consideration of individual criterion measures to variables including team and organisational performance. (Offermann & Gowing, 1993 : 394)

Although old role skills and personal qualities continue to be important today, their relative emphasis has changed and several new skills and personal qualities have emerged as more important to managerial success. Interpersonal skills, leadership skills, communication skills and personal qualities are most important to managerial success today.

As noted earlier, organisational effectiveness is the result of individual, group as well as organisational performance. So ability - performance relationship should expand the domain to include personality variables. Experts suggest that the mechanism through which personality affects performance is similar to the mechanism through which cognitive ability affects performance. Just as the cognitive ability - performance relationship is mediated by task job knowledge, they propose that contextual job - knowledge mediates the personality - performance relationship.

Contextual job knowledge has been defined as knowledge of workplace expectations (i.e., workplace norms, values or goals) and what the appropriate behaviour is for dealing with social situations that arise in the work context, given these expectations.

Borman & Motowidlo (1993 : 71) opine that individuals contribute to organisational effectiveness in ways that go beyond the activities that comprise their jobs. These are not directly related to their main task functions but are important because they shape the organisational, social and psychological context that serves as the critical catalyst for task activities and processes. These contextual activities are sometimes represented in criterion dimensions of individual job performance, and they are sometimes implicitly recognised as important for organisational effectiveness. They are frequently ignored, and as a result, are not included explicitly or implicitly, in assessments of Individual job performance to be used as criteria.
They have argued that executive selection criteria should embrace a domain of organisational behaviour broader than just task activities, they should also include contextual activities.

Ostroff & Rothausen (1997: 17-19) note that ideally selection criteria represent the organisation's goals and values. 'Doing well' has been traditionally defined as job-based performance. Both strategy experts and organisational behaviour researchers have recognised that selection criteria should reflect more than immediate job requirements. Despite different types of jobs, there are overarching common patterns of employee behaviours needed within the organisation in order for organisation to be effective. Thus performance is the aggregate of behaviours that are relevant for the organisation's goals, that is compatibility with the organisation's values, policies, goals and strategies, not just performance of specific tasks.

Contextual performance includes pro-social behaviours, altruism, helping others and extra effort that go beyond the boundaries of specific job-related performance.

So individuals and organisations will be more effective when the attributes of the person (viz. motivation, attitudes, values and interest as well as knowledge, skills and abilities) and the organisation match or are congruent. This is termed as 'whole person' measurement. (Offermann & Gowing, 1993: 393). By linking selection decisions to personality/cultural factors, it is possible to have more satisfied, committed and adjusted employees.

Some evidence suggests that organisations with more satisfied, committed and adjusted employees are more effective and better performing organisations. This is possible if, personality/cultural match between the individuals and the organisation is given utmost importance. The reason is that organisations as well as individuals are embedded in the given social systems which shape and affect their culture, personality, ethos, values, roles, expectations and dispositions in an ongoing manner. (Singhal, 1994: 26)

Before British invasion to India, the cultures of early invaders were absorbed and synthesised by Indian culture. A few elites during the first hundred years of British rule seeing the supremacy of the British minds intended to introduce in the country the Western education system and collaborated to remove various social customs of evil nature. Initially the urban elite and traditional literate came into close contact with English culture. The impact of English culture was so deep that even fifty-five years after the
formal ending of the Raj, the ideology of colonialism is triumphant in many sectors of our life. (Nandy, 1983 : 1-2)

The ennobling aspect of English culture has its negative side too. The modernising minds of the colonised subjects felt national and cultural inferiority. Some of the English educated elites identifying themselves with English culture started praising everything Western and denigrating everything Indian.

During the early period of independence Indians were not so extensively exposed to the Western way of life as they are after 1991, the year in which economic reforms were initiated. Since then, the urban middle and upper-middle classes of India have been exposed to global scenario especially North American culture through television and other audio-visual media. So Western (mainly American) culture has deeply invaded Indian mind.

Liberalisation and globalisation have opened up the economy to foreign competition which led to the entry of transnationals. The new paradigm changed the trust of corporate management from 'regulation driven' to 'market driven' and from 'protection' to 'competition'.

Sophisticated technology and other facilities being theoretically available to both Indian and transnational companies, it is the quality of human resources that ultimately affects the performance of the company and provides an edge over its competitors. So the selection of human resources particularly executives has become the most important, complex and challenging tasks for Indian companies. (Salyadain, 1988 : 63-104)

To Indian HRM academics and managers the implications of liberalisation are wide ranging. The Indian organisations in order to remain in competition must take up technology upgradation and more importantly select and develop top quality executives. So HRM is becoming very important in the Indian context with the major focus on selecting executives who would be the main force behind organisational effectiveness.

Till now we use Western selection process/model which are based on Western culture and personality type. We assume that Indian personality is different from the Western one. So uncritical adherence to Western model is not expected to yield effective results here. So we intend to take up the following issues to indicate that the current practice of selection is not going to make the Indian organisations effective.
1) During executive selection, the selection criteria being adopted are assumed to reflect Western selection criteria and Western concept of personality in the minds of the selectors of executives/selected executives, exposed to Western education and literature.

2) The selectors of executives/selected executives are products of Indian culture and possess distinct Indian personality traits markedly different from Western personality traits acquired through the process of socialisation. During selection these factors operate at the back of their mind and influence their decision. But they are oblivious/not-conscious about this.

3) The main forces underlying Indian socialisation process are Indian ethos, colonial legacy and the present Indian culture emerging through Western – Indian culture encounter. These are not capable of peaceful co-existence. As a result there is a tendency to compromise so that duality is not felt.

4) Because of the contrasting situation the effectiveness of Indian organisations is assumed to be less than what it could have been.

This study deals with the issues in hand in six chapters.

Chapter-2 entitled Executive Selection Process deals with the changing horizons of executive selection practices in the advanced countries of the world. The First section of this chapter deals with the major approaches of executive selection presently followed. These approaches have undergone an evolutionary process on the basis of the three models developed over time viz person-job fit; person-group and person-organisation fit; and selection as strategy formation. The second section provides an outline of executive selection process in Western countries. It has been observed that the selection procedures (consisting of steps/methods) over the years fit well with the three models mentioned above. The third section handles the changes taking place within some methods of executive selection such as application blank, interview, reference checks and assessment centres. These changes reflect a move from person-job fit to person-organisation fit. The discussion shows that recent developments do not highlight new methods but are concerned more with reassessing and refining the existing methods. Although the executive selection process is supposed to be systematic, scientific, professional and strategic, in the ultimate analysis everything depends on the subjective judgment/mind frame of the selectors.
Executives Selection Process in India is the subject matter of Chapter-3. While selecting executives British mercantile firms functioning in colonial India placed Importance on pedigree and Indian traders emphasised caste and kinship. In the light of the experiences, modern Indian executives discovered weakness of the above practices. So they have been prompted to select with much funfare following Western selection criteria and practices.

Chapter-4 Indian Personality attempts to identify the modal personality of Indians and the underlined factors that contribute to the structuring of such a personality. In the literature it is argued that modern nations do have dominant character traits and the concept of modal personality does not assume that a certain personality structure is common to all members of a society but that it is the most frequent.

The modal personality has been accepted as a dependable variable and the underlined factors namely the Hindu World-view, socialisation process, value system, ethos and culture as independent variables. In different sections how these independent variables have helped to shape the modal Indian personality has been critically reviewed. Taking cue from Hofstede's four cultural dimensions of personality, the study has come to the conclusion that the most frequent traits of Indian including managers are high power distance, low to moderate uncertainty avoidance, collectivism and feminity. These characteristic traits are most active in the back of the minds of both selectors and selectees.

Chapter-5 handles Methodology adopted for the study. Fifty six organisations belonging to different categories with their corporate headquarters in Calcutta have been selected from the population (the companies included in the CII list). A questionnaire was carefully framed for the purpose of collecting primary data. The questionnaire consists of psychographic variables (items 1 to 8) and the remaining items (9-32) are mixed up but can be individually clubbed under one of the major categories viz Indian Personality Traits, Socialisation, Executive Selection Criteria, Social Man and Organisation Effectiveness.

Three selectors of executives and three recently selected executives have been covered from each of the companies. The purpose was to find out the mind-frame of selectors / selected executives and also to determine the differences between them. The data obtained from the survey have been subjected to aggregative / cumulative analysis as well as with respect to each psychographic variable for the verification of main
issues. The statistical tests used to verify and analyse the responses to the questionnaire have been discussed in Chapter-6.

Chapter-6 includes Findings and Interpretation. The response of the selectors and selected executives respectively have been analysed for the verification of the four main issues. Initially cumulative analysis has been undertaken by using statistical techniques such as average, mean rank-score and difference of means test using z statistic. The results for both the selectors and selected executives verify the four issues.

Then analysis was taken up pertaining to the effect of psychographic variables on different items in the questionnaire with the help of $\chi^2$ test. The results show that executives from different characteristic background generally exhibit similar response pattern pertaining to Wester selection criteria and measures of effectiveness. This is because they become conscious. They also do not differ in case of questions relating to social bondage because these are very broad / general issues relating to Indian psyche.

However, while responding to disguised questions relating to Indian personality traits it is found that background factors of executives give rise to difference in opinion indicating that although selectors as well as selected executives appear to be rational-conscious; they are guided by Indian personality traits and socialisation experiences.

The analysis and interpretation pertaining to different issues of this study identify areas where improvement can be made in the executive selection process in India. Different methods / techniques of executive selection used in Western countries can be used here after modification of the criteria based on Indian concept of personality. This will ensure value congruence in case of selected executives resulting in executive adjustment, commitment and long-term effectiveness.