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MANAGEMENT FOCUS

Symbolic vs Functional Recruitment: Cultural Influences on Employee Recruitment Policy

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This paper reports the results of a study of the cultural influences on employee recruitment. The authors report the conclusions reached during the first phase of a large European study on managerial decision-making. Nearly 300 managers participated in this phase, which surveyed 25 firms from the financial sectors of France, German, Italy, Spain, and the United Kingdom. Models built upon the works of Perlmutter and Heeman's (note 8) international staffing policy framework and others are examined. The results of this study indicate that nationality is a good determinant of the choice of internal or external promotion systems. The data provide evidence that certain cultures are likely to recruit managers who represent a symbolic value for the organisation or its clients while others follow a more instrumental recruitment strategy. It also finds that individual self-interest remains an important factor in managerial decision-making because lower skilled managers may resist hiring higher skilled recruits. The authors conclude that human resource programs designed to standardise career management policy across Europe may fail because of intentional and unintentional barriers. © 2001 Elsevier Science Ltd. All rights reserved

A Widespread Problem

They are a valuable resource. There are not enough of them to go around. If companies do not get their share they are in trouble. They can be one of your company's competitive advantages or its worst burden. They are your new recruits. For many expanding European companies this often means the prototypical Euromanager, dynamic, well-educated, at ease socially and linguistically in several cultures. This is what nearly everyone writing on the topic says but is it true?

Hiring the right person is important for firms and many would rather remain understaffed than employ just anyone walking through the door[1]. Among many European companies, this means there is a considerable shortfall in most areas of graduate recruitment. A recent study found a 9.1 per cent average shortfall across six recruitment areas. (Table 1) One way individual firms can improve their access to high quality employees is to recruit internationally. Have firms adopted the advice of management writers, univer-

Table 1 Percentage of Companies with Shortfalls in Graduate Recruitment

Scientific/technical/engineering	21.1
Management	10.9
IT/Computing	10.2
Accountancy	6.0
Marketing/sales	4.5
Legal	1.9

Source: Association of Graduate Recruiters (1999)

sity placement officers, and recruitment specialists to hire multi-nationally? Are European firms searching for the same characteristics in their job candidates? These are important questions for the competitiveness of Europe's companies. Without high quality employees properly distributed among Europe's firms, competing against the North American and Asian companies will be more difficult.

The European Managerial Decision-Making Project (EMDM) was organised to examine organisational issues that create barriers to effective cross-border integration of European companies. It is funded by the *Fondation HEC* with assistance from the European Financial Marketing Association, the Community of European Schools of Management, and the EU-ASEAN Management Centre.[2] It sampled nearly 300 managers, working in 25 financial institutions across England, France, Germany, Italy, and Spain. It concentrated on isolating managers and organisations that have traditionally been the most protected from international competition in an effort to capture the essence of European organisational values.

The EMDM project asked managers to read a one-page scenario describing the following recruiting situation.

You have decided to hire someone who can work with new foreign customers. Your company is getting more foreigners asking for products and services. Even some small foreign firms have inquired about your products. You have a list of candidates and their dossiers prepared by the Personnel Department. All of the final candidates have the necessary training and experience for the post. Plus, they all speak English well. The firm is under a lot of time pressure so you must choose someone who can start right away. Who would you hire?

The scenario further offered four distinct choices and a dialogue among the four fictional managers discussing their own preferences. The choices and justifications of the European managers responding to the Survey provide ample reason to doubt that European corporate integration will be easy. We outline below the job candidate profiles offered to the respondents, their choices, their justifications, and an analysis of these justifications. The differences among the nationalities represented will be uncovered and illustrated with examples. An explanation of why these differences might exist and what advantages they might confer is offered.

Recruitment: Local or Foreign, Generalist or Specialist, Elite or Otherwise?

The basic situation underlying the employee recruitment scenario is based on the results of a previous exploratory study that interviewed nearly 100 European managers about the cultural problems European integration created for their companies.[3] The principal purpose of this earlier study was to limit, as much as possible, the personal biases of the EMDM project's principle designers. Roberts (1970), in her influential article on culture and management studies notes that one of the main limitations of the state of research at that time was that the kinds of questions covered and the methodological strategies employed were largely determined by the author's biases.[4] Little has changed over the past three decades. It is fair to note that most studies of organisational or managerial problems have been primarily ethnocentric and often North American in their conception and execution.[5] Other European researchers[6] have examined common organisational problems from a theoretical perspective in one context or another. But few have collected empirical data about managerial values directly from a large sample of European managers about day-to-day managerial situations. During these exploratory interviews, high-ranking managers were asked to recount business problems they attributed to the differences among Europe's many national and regional cultures. These stories were recorded and analysed. They are the basis for a series of scenarios[7].

One of the common problems included hiring job candidates that fit both the culture of European business in general and the culture of the individual firm. The common situation found during the initial interviews often had these elements. A young, multi-lingual, foreigner from an elite business school is hired but within several months has problems with his co-workers. These co-workers, often less educated, less international in perspective, and maybe less motivated, find working with a foreigner difficult. Although the competition from a strong colleague may be one factor, another is certainly his foreignness. Foreigners often do not understand the rules of a national culture therefore adding strain to relationships with local colleagues. Another situation was the conflict between line managers and the human resource management department or firm's owner about whether to hire generalists or specialists. This problem can occur in both large and small-sized firms. Line managers often want recruits with specific job skills who can be productive very quickly. The HR department or owners sometimes want recruits with potential to grow with the post or firm. For them skills can be taught but potential is either there or not. These and other stories were matched with some well-known ideas about recruitment and staffing including Perlmutter and Heeman's inter-

national staffing policy framework[8] (i.e. ethnocentric, regiocentric, polycentric, and geocentric), generalist vs. specialist recruiting strategy, elite vs. non-elite recruitment (Barsoux and Lawrence (1997) and language fluency.[9]

The problem setting is the creation of a new position to manage a growing market of international clients with both personal and small business products and services. The four options include a mix of generalists, specialist, local, and foreign candidates with varying foreign language abilities. Information about each candidate includes age, graduation rank, school reputation, in-house managerial assessment test score, previous positions, and typical personal details recorded during the initial job interview. The focus and status of the schools also varied. They included elite and non-elite business schools as well as high status university programmes. For example, the geocentric choice was a foreign national from a markedly different culture and had the highest assessment test score. He speaks several languages but is not absolutely fluent in the local language although he successfully graduated with high honours from one of the country's best schools. A glance at Table 2 indicates why the managers interviewed about the cultural problems of European integration identified recruitment as a problem — the respondents of this study do not agree about who should be hired.

Different Countries — Different Choices

While there is a large variation within and across counties concerning who should be offered the post, it is clear that the Italian, English, and French respondents more often choose foreign, multi-lingual, employees with a generalist educational background. The Germans and Spanish follow the opposite strategy by hiring local managers with more technical training. Spanish respondents particularly focus on finding recruits with strong skills and avoid graduates of elite business schools. In fact across Europe the least preferred candidates tend to come from the 'old boy network' since graduates of the elite business schools are not chosen as often as job applicants from other schools for the new post. This is also evi-

dent in the countries typically known for their elitism, such as the UK and France. This is a clear difference in preference and needs to be examined more deeply. How do the managers justify their choices?

The Obvious Reasons for Selecting Job Candidates

The choices of the respondents indicate that European managers do not always agree about who should be hired for a post dealing with international clients. Although the choices are different, perhaps the reasons for them are suited to the local markets. Therefore the responses are examined to determine whether the respondents use the same underlying criteria to make their decisions. Table 3 presents the top ten reasons offered to justify their recruitment choice. These reasons were taken directly from the respondent's written justifications.[10] At first sight the list appears to support those qualities often cited as necessary for Euromanagers. *Linguistic ability* tops the list and is followed by a combination of *scholastic achievement* and *work experience*. The candidate's *culture/nationality* ranks at the bottom of the top ten reasons. This last item is open for interpretation. Perhaps it is evidence of a double-edged sword since it can be used as a reason to hire or not to hire a candidate. This duality of meaning will be examined later in this report. On the whole, this table suggests that the policy of hiring Euromanager-type graduates is

Table 3 Overall Ranking of the Top Characteristics Used to Justify Recruitment Choices

Training in foreign languages	1
Assessment test score	2
Qualities to handle small or middle size firms	3
Graduation rank	4
Technical or specialist skills	5
References or recommendations	6
Age	7
International work experience	8
Academic background	9
Culture or nationality	10

Table 2 Recruitment Choices

Row %	Ethnocentric generalist; elite education	Ethnocentric specialist good education	Regiocentric generalist elite education	Geocentric generalist elite education
England	10.5	36.8	28.9	23.7
France	10.9	29.7	3.1	56.3
Germany	16.7	44.4	16.7	22.2
Italy	12.2	26.7	14.4	46.7
Spain	22.2	70.4	7.4	0.0
Europe	13.3	36.1	13.3	37.3

widespread. But it does not help clear up the mystery of why the country choices vary.

To dig more deeply into the data, the cross-national differences of the reasons given for the recruitment choices are presented in Table 4. Two criteria seem to be commonly accepted as important in the hiring decision, training in foreign languages and in-house management *assessment test scores*. These two reasons rank either first or second in all the countries of the sample. But after these two reasons unanimity declines sharply.

Notice for example that in France a candidate's *graduation rank* is of little importance. It does not even rank among the top ten criteria used to justify the recruitment decision. Similarly, *technical or specialist skills* do not appear to be a major consideration for the English, Italians, or Spanish. Furthermore the general preference of German and Spanish respondents for hiring someone from their own counties is confusing given the unimportance of the *culture/nationality* criterion. To better understand the interaction among these variables requires more information about the respondents' justifications.

Since the top ten lists of the individual countries appear to vary considerably it is useful to disaggregate these lists by looking at the agreements and disagreements among the five countries. Figure 1 lists the amount of agreement among managers from the five countries. This figure provides a new perspective that shows that collectively the five countries have nineteen principle reasons for selecting a candidate for the position proposed by the scenario. Examining this figure shows that certain functional criteria (*training in foreign languages. assessment test score, qualities to handle small/middle size firms, references /recommendations, and age*) are accepted by every country as relevant to the recruitment decision. Other criteria closely associated with international recruitment (*international work experience, culture /nationality, international profile, skill to attract/find foreign clients, knowledge of foreign markets, and nationality matching market needs*) are less often cited by all countries.

The Hidden Factor — the Importance of the Reasons

The EMDM coding team found that some respondents listed a large number of criteria that they or their firms typically considered but indicated that certain were more important. Therefore, during the coding process, the research team recorded these differences in importance. Each criterion cited by a respondent was coded as unimportant, important, or necessary according to the respondents' written remarks. Tabulating this data provides an even clearer picture of the values driving recruitment decisions among the respondents. Two tables are provided below. Table 5 lists the top ten criteria for the entire sample based on their importance. These criteria importance scores match very well the initial raking displayed in Table 3. The only real differences are slight displacements in the bottom half of the group.

In Table 6 importance of these criteria is compared across the sample of countries. Here one can discern quite a lot of difference concerning the importance of international recruitment as well as the criteria that appears to be influential across all the countries. Note that *training in foreign languages* is much less important to French respondents than for the English, German, or Spanish. A similar pattern appears concerning *assessment test score*, which is less important to French than to English, Italian, CDT Spanish respondents. The Spanish respondents indicate that having the *qualities to handle small and middle size firms* is important. Indeed they tie it for second place in the importance ranking, Somewhat surprising given the extensive literature concerning the importance of intellectual skills among French managers is the unimportance of a job candidate's *graduation rank* to the French respondents.[11] This may be explained by the practice of some of the top French business schools of not officially ranking graduates. The English, French, and Italian place higher importance on the job candidate's *cultural/national* origin than the Germans and Spanish respondents. Similarly *international work experience* is more important

Table 4   Ranking of the Top Characteristics Used to Justify Recruitment Choices

| European	England	France	Germany	Italy	Spain
+ Training in foreign languages	1	1	1	2	1
+ Assessment test score	2	3	2	1	2
+ Qualities to handle small/middle size firms	7	2	5	6	3
+ Graduation rank	3	19	3	5	6
+ References/recommendations	4	12	6	7	9
+ International work experience	11	5	10	4	7
+ General academic background	5	4	14	11	5
+ Technical/specialist skills	20	6	4	19	13
+ Age	17	10	8	9	4
+ General culture/nationality	8	7	18	3	22
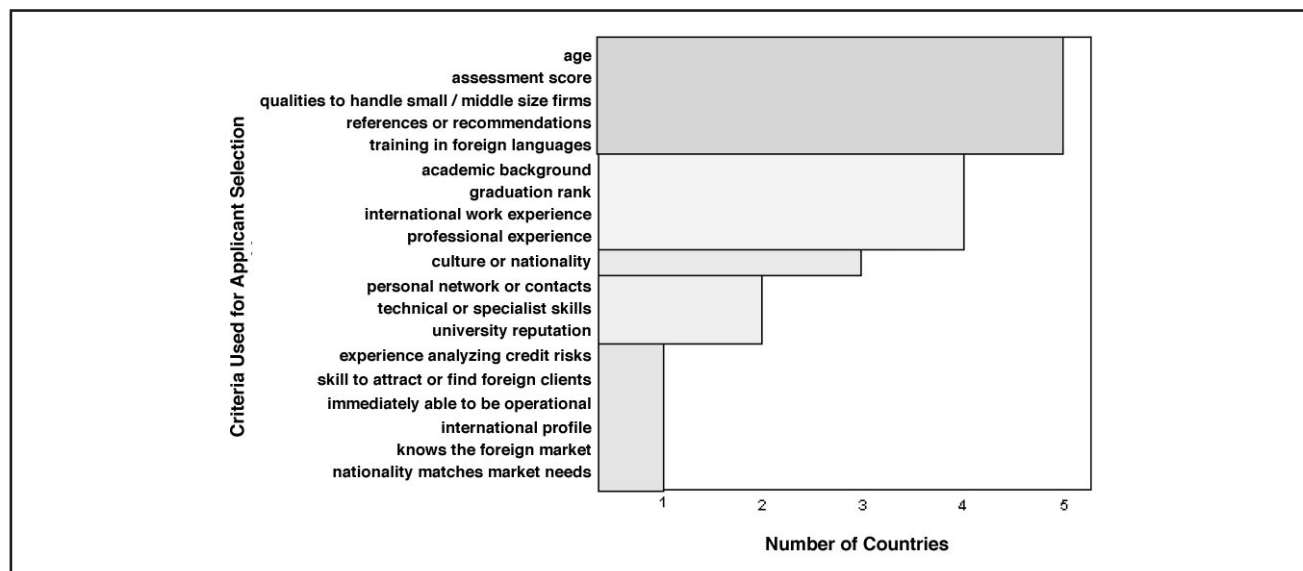
Figure 1   Agreement among Respondents of Top Ten Reasons to Select the Recruit

Table 5   Importance Score for Job Candidate Characteristics in Hiring Decision

|	
+ Training in foreign languages	12.5
+ Assessment test score	10.3
+ Qualities to handle small/middle size firms	8.2
+ Graduation rank	5.6
+ Technical/specialist skills	5.1
+ International work experience	4.7
+ References/recommendations	4.4
+ Academic background	4.0
+ Age	3.9
+ Culture/nationality	3.5

to the French and Italian managers than to the other nationalities represented in the data. English and Italian managers rank *technical and specialist skills* as the least important of the top ten. With regard to the English, this finding is in line with recent surveys of British top managers which found a steady decline in technical backgrounds among top managers since the early 1980s.[12] Finally it is interesting to note that some criterion such as *academic background* and *age* which are always in the top ten lists of criteria con-

sidered are in fact of very little importance to the actual decision to recruit a particular applicant except in Spain where they are moderately important.

Before leaving Table 6 consider again the comment made earlier that the *culture/nationality* criterion could be a double-edged sword since it has both negative and positive connotations depending on the decision-maker. To gain further insight about how this criterion is interpreted two cross tabulations were computed. The first was between the criteria given and the respondents' estimation of whether the criteria were beneficial or not. This created a new variable which indicated whether a criterion has a positive influence or negative influence on the decision to select a job candidate (hence the plus signs before the criteria labels in Tables 5 and 6). This variable was then cross-tabulated with the job candidates actually selected for each country. For simplicity, the two ethnocentric choices were collapsed into one category, as were the two foreign choices. Examining Table 7 provides evidence that nationality is a double-edged sword in Europe. Remember that the German and Spanish respondents choose foreigners much less than the other nationalities in the sur-

Table 6   Importance Score Compared Across Europe

	England	France	Germany	Italy	Spain
+ Training in foreign languages	14.6	6.9	12.7	10.4	16.8
+ Assessment test score	11.9	5.6	9.1	13.0	12.3
+ Qualities to handle small/middle size firms	5.7	6.4	7.0	8.9	12.3
+ Graduation rank	6.3	1.6	8.2	6.6	6.1
+ Technical/specialist skills	1.4	4.7	7.7	1.8	3.0
+ International work experience	2.6	6.2	3.0	10.7	4.2
+ References/recommendations	6.1	3.1	4.9	6.7	3.0
+ Academic background	6.2	4.2	2.3	2.2	7.1
+ Age	1.7	2.6	3.7	3.3	7.1
+ Culture/nationality	4.1	4.4	1.6		0.9

Table 7 Balancing the Double Edged Sword of Nationality
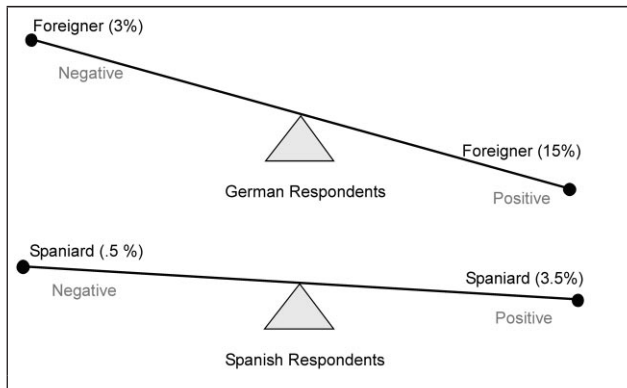
vey. Germans use a candidate's foreign nationality as both a reason for and a reason against recruitment. For the 15 per cent of Germans who select a foreign recruit, their national origin is considered beneficial. For a small percentage (3 per cent) it is a negative factor. The Spanish respondents show the duality of this criterion. A candidate's Spanish origin is occasionally (3.5 per cent) a beneficial factor though a very small percentage (0.5 per cent) of respondents believe it is a negative point.

From Confusion to Order, of a Sort

Finding order in apparent chaos is always a challenge. One needs a starting point and this can often be found in the work of other commentators and researchers studying the same general issue. Hundreds of studies have been written about employee selection over the years. Generally, they have found little agreement about what factors are the most important for a successful recruitment. Since most of these studies are coming from the American experience one can assume that if American managers are not clear about what is important, European managers with their many different cultures, are not likely to exhibit more coherence. Therefore a better point of departure for understanding cultural differences in employee selection is examining the goal of recruitment and the means of achieving this goal. The goal of recruitment should, in some manner, reflect a firm's market needs. Therefore, the goal should be related to maintaining or improving market performance since this is a universal need of 'for profit' companies. Recruitment is usually described as a relatively rational process reflecting the manager's perception about the needs of the firm. The means should be efficient and effective at selecting job candidates whose attitudes, skills, and experience match the firm's perceived market needs.

Other researchers have tried to dislodge or soften this expectation of rationality of goals and means.[13] Many observe that international firms are sometimes incapable of developing and maintaining a unique goal or means of recruitment. This is particularly relevant where local business units may: have 'culture bound' organisations,[14] be subject to shared national values and belief system,[15] recruit from different educational systems[16] or be subject to different legal and industrial organisation frameworks.[17]

Furthermore there is considerable discussion about the need to recruit people who can fit into the dominant organisational culture rather than people who have only the technical competence and experience to do the job.[18] Finally, in race- and gender-conscious America, the desire to reduce the prejudicial effects of belonging to a disadvantaged subgroup has been translated into the need to have culturally diverse employees. Several benefits have been suggested, including better client relations. The insight and cultural sensitivity that company employees with roots in other countries bring to marketing efforts might improve these efforts in important ways.[19]

So it appears that several reasons can be used singularly or in combination to help explain the wide diversity of choices and justifications found among participants of this study. To narrow the search further perhaps it would be helpful to remember the roots of this study, the problems associated with the cross-border integration of European firms. This leads back to the initial interviews used to develop the scenarios and to the written explanations of the respondents. One idea occasionally surfacing in these data hints at an interesting dilemma faced by the recruitment problem posed by the scenario. Who would international clients prefer to work with in a foreign location? During one of the initial interviews a manager recounted a problem about an exchange programme of young, high potential managers organised by a large European bank. The goal of the programme was to develop a group of Euromanagers chosen from within its own ranks. All of the candidates in this programme were recent recruits with high potential for advancement. They were to be assigned to foreign locations for two years before returning to their own countries. They would occupy functional positions fitting the needs of the local units and the candidate's own competencies. Because of their short-term job assignments it became clear that additional benefits, primarily housing supplements, would have to be offered to reduce the financial burden on the candidates. Importantly this increased the costs of these candidates *vis-a-vis* a local hire. In a sense what developed was a classic recruiting situation since the local units had to assume the salary and other costs in their own budgets, which were already under considerable strain. At this point, the real costs of this programme to the local units became apparent. How did they respond?

The responses broke down into differing perceptions about goal determination and goal attainment. First, some managers accepted the stated goal that the pro-

gramme was designed to foster the long-term development of corporate unity among the European units. Local benefits would accrue from sending local candidates into the programme who would return with added value and from receiving foreign talent not available in their own markets. This was clearly a long-term orientation with benefits spread widely over space and time. Other managers however, downplayed this goal in favour of concentrating more specifically on local needs and local costs. Theirs was a short-term orientation where local needs and resource costs were more important. It is here that goal attainment differences became most evident. One local manager explained that his foreign clients wanted to deal with a local employee, whom presumably would know the local market better. This manager's counterpart from a different country believed exactly the opposite. She wanted a foreigner since her foreign customers would appreciate the international orientation of the company symbolised by a foreign employee. Similar commentaries were heard from other managers across the European network of the company. The recruitment dilemma was essentially based on the best way to attract foreign customers. One set of managers wanted a foreigner (who knew the local market and culture) in the job to show the internationalism of the company. Another group of managers wanted a local (who was sensitive to foreign cultures) to show the internationalism of the company.

This example points to the importance of symbolism in the recruitment decision. Apparently some managers believe that who is hired is a bit like corporate advertising. Having foreign faces representing the company *de facto* sends the message that the company is international. In Europe where the establishment of the European Single Market contributes to the rapid expansion of companies across borders, this message is important. French people have little interest in moving their banking account to a German or Dutch bank. They may however find it attractive to move from a local bank to an international bank. Furthermore with the population movements occurring between countries, for example 200,000 French citizens currently live in the UK,[20] significant market segments are being established. This can only add to the pressure of providing culturally sensitive services to these foreign clients.

Symbolic recruitment can also help explain why the apparent agreement of reasons found in Tables 3–6. Much of the unanimity results from necessary but not sufficient criteria for recruitment. In Europe foreign language training and good academic ability are necessary personal characteristics. Without them, job candidates do not make the shortlist leading to further consideration. After these conditions are met, the real differentiation begins. At this point the nuances in importance of each criteria and ultimately the nature of the goal and process attainment become the critical variables to consider. They also hold the

key for distinguishing different values that may come from national culture.

Separating the Necessary from the Discretionary

Returning to Figure 1, one sees that five seasons (*age, assessment test scores, qualities to handle small and medium size firms, references and recommendations, and training in foreign languages*) are always among the top ten reasons[21] justifying the recruitment of the candidate selected by the respondents. These are therefore the essential requirements to be included in a shortlist of applications. Similarly four other reasons (*academic background, graduation rank, international work experience, and professional experience*) are always mentioned by respondents from four countries. Deleting these nine nearly universal justifications leaves between one and six justifications that are either unique to a single country or shared across a smaller subset of countries (Table 8). Table 8 can help reveal the justifications that may be derived from the respective national differences rather than from simple commonalties in the recruitment process.

Interestingly, the French respondents are the most diverse in justifying their choices. Furthermore, they are the most interested in the cultural characteristics of job candidates. They cite the candidate's nationality as very important (4.4 on a scale of 6.9) and are the only respondents to cite the candidate's skill to attract foreign clients and their international profile as important factors in their employment decisions. The French respondents share with the German respondents concerns for the candidate's technical skills and personal network or contacts. But the Germans do not return the favour by having a large interest in the candidate's nationality or other international characteristics. The Italians are also very concerned by cultural factors. A candidate's nationality is very important to them (10.8 on a scale of 13) and knowledge of foreign markets is cited within the top ten Italian reasons. The English, although concerned about the candidate's nationality, do not value it as highly as a recruit's *alma mater* (respectively 4.1 and 4.4 on a scale of 14.6). Finally, the Spanish respondents have no important distinguishing rationale except a concern that a candidate's nationality reflects the firm's market needs. However as indicated in Table 8 this concern often leads them to select a Spaniard rather than a foreigner.

Symbolic Vs. Functional Recruitment

It is clear that some countries rely more heavily on symbolic factors than others, but by how much? To

Table 8 Differentiating Factors in Recruitment

France (6.9)[a]	Italy (13)	England (14.6)	Germany (12.7)	Spain (16.6)
Culture/nationality 4.4 Technical/specialist skills 4.7	Culture/nationality 11	Culture/nationality 4.1	Technical/specialist skills 7.7	
University reputation 3.1		University reputation 4.4		
Personal network or contacts 3			Personal network or contacts 4.2	
	Immediately able to be operational 6.7 Knows the foreign market 3.6			Nationality matches market needs 3.8
		Experience analysing credit 3.1		
Has skill to attract or find foreign clients 2.9 International profile 2.4				

[a]These scores are the maximum importance scores for the country. They are based on the frequency of individual reasons multiplied by a factor weight based on the importance given to the reason. Higher numbers therefore represent a combination of more occurrences and more importance. The absolute value should not be compared across countries
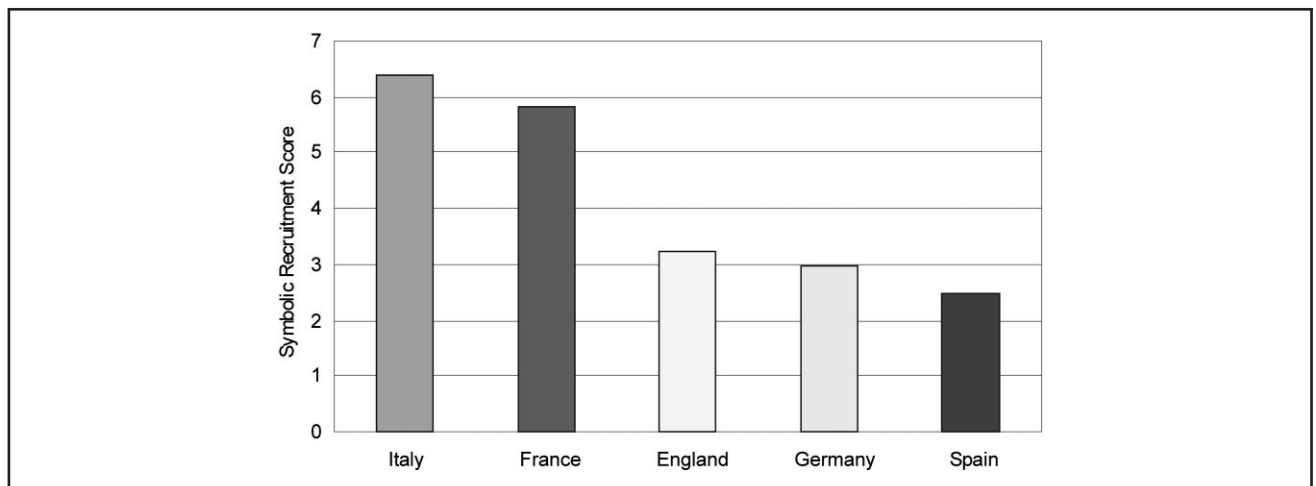

Figure 2 Symbolic vs. Functional Recruitment

answer this question a symbolism score was tabulated[22] and is presented in Figure 2. Among the respondents it is the Italian and French managers who rely on symbolic rationale more often than their English, German and Spanish counterparts. Does this difference reflect simply a difference in the belief about which type of recruitment is likely to produce the best results or does it uncover some hidden values having an origin in the national cultures? Of course this is difficult to assert with any degree of reliability. But it is tantalising to imagine a while and look for anecdotal evidence. One author recalls a meeting with an English academic about his university's decision not to host a large international conference. The explanation given for the decision went something like this. 'You know we discussed hosting the international conference among our faculty But then we discovered it would cost us about £45,000. For that price we could hire a new faculty member so **of course** we said no to the conference.' The French

colleague upon hearing this replied that his university would have said, 'Yes, **of course** we will host the international conference.' The emphasis on the *of course* is not accidental. It implies the nearly automatic conclusion or decision made by the respective colleagues. For the English academic the functional value is spending money on a new faculty member, perhaps an international hire. For the French school the symbolic value of hosting an international conference outweighed the functional value of spending the money some other way. Such automatic conclusions open a window on the cultural landscape that influences the decisions of managers.

Each culture has its own *'of course'* decisions. These nearly automatic reactions channel the options and criteria embedded in managerial decisions. They also make it difficult for managers from different countries who do not know each other well to communicate effectively. In a multi-country study of mana-

gerial behaviour, French researchers found that managers from different countries have varying conceptions of their rights and duties.[23] These rights and duties are deeply embedded in the education and training of a manager and are virtually hidden. Since managers no longer think consciously about them they do not question whether a foreign manager sitting across from them in a meeting has the same reflexive values or not. When they discover that indeed such differences exist, it is usually after a mistake has been made. An excellent, and very costly, example of this problem was the recent loss by NASA of a satellite approaching Mars. One of the two teams co-ordinating the arrival of the space craft transmitted instructions using the metric system while the other sent complimentary instructions using the English system of inches and feet. Both teams used the same numbers but the numbers did not mean the same thing. The result was the loss of a multi-billion dollar project.

The rationalism discussed during the introduction still nags and one might be tempted to search again for other explanations for the differences observed between the symbolic Italians and French and the functional English, Germans, and Spanish. The academic literature provides many examples of the importance of symbols within organisations[24]. This supports the assumption that symbolic recruitment could easily exist and play an important role. Perhaps the French and Italian respondents believe that recruiting foreigners sends strong signals to their 'culture bound' organisations. If certain French and Italian companies are more closed to foreign cultures top managers might try to remedy this by deliberately hiring a foreigner and thus sending a signal to clients and to their own subordinate managers. If this were true one could construe the apparent strategy of the Italian and French respondents as rational with respect to certain organisational needs. Testing this

proposition requires some measure of international openness.

Using the EMDM demographic data two scores of international openness were constructed and are displayed in Figure 3. The first is percentage of respondents speaking two or more foreign languages. The second is a score measuring the degree of international perspective (DIPS) based on some of the demographic variables collected by the EMDM research project related to international career aspects. These included additional items of having worked in a foreign location, for a foreign employer, or having two mother tongues. The premise behind the DIPS score is that exposure to foreign companies, environments, or cultures enhances ones openness to foreign ideas and practices. The two measures track each other very well except for the German respondents. However examining the actual data indicates that a small subset of young German respondents have significantly greater experience in foreign posts and speak more languages. (Which incidentally reflects the predominate choice of the German managers sampled for recruitment.) The older German respondents have much less foreign experience and have less linguistic ability. Therefore the German international experience score is overstated due to these few young recruits. Comparing Figure 1 with Figure 2 one can see that respondents from countries with high symbolism scores also have high levels of linguistic ability and international experience. So the supposition of a rational strategy to make an organisation more open to internationalisation by hiring foreigners is not supported by these data. What other explanations could be forwarded?

The EMDM project also examined promotion policies and found that France, Italy, and Spain are more likely to adopt internal promotion policies. A closed internal career system limits job competition to[25]
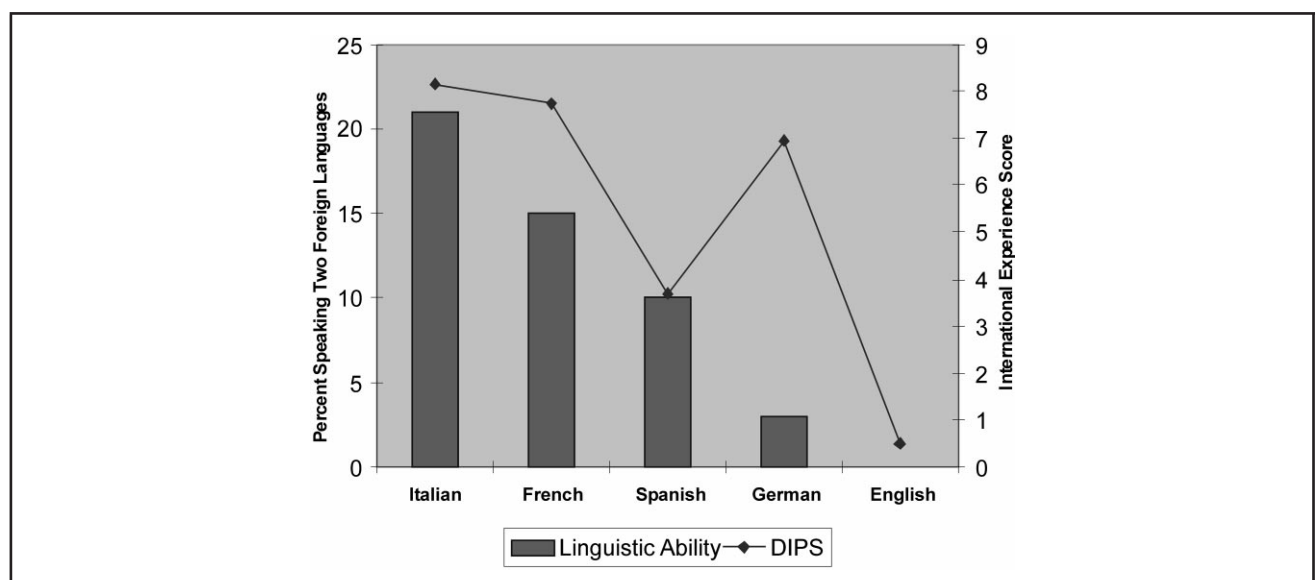

Figure 3   International Openness Indicators

existing organisational members[26]. The popular Euromanager profile always includes the capacity of communicating in two or more languages. Could it be possible that hiring foreigners with superior skills that are likely to be in high demand over the next ten or more years creates too much competition for lower-skilled employees? The Italians and French may have little to fear given their own Euromanager profiles. The English respondents may have little choice given their low level of international openness. It is the German and Spanish respondents who would have the most to fear. Their linguistic abilities, although superior to those of the English respondents, are lower than the Italian or French respondents. This is also true for their international experience excepting the young Germans. Therefore since they may be at competitive disadvantage regarding future promotions it is reasonable to assume that German and Spanish respondents with lower linguistic abilities would be more likely to select a local candidate with similar language abilities than a foreigner with superior abilities. The influence of German and Spanish respondent's linguistic ability on their recruitment choices is displayed in Figure 4. Notice that respondents speaking fewer languages more often select local candidates. Respondents speaking more languages select foreign recruits much more often than their less capable compatriots.

These findings suggest that no single reason explains the choice of a new recruit under similar conditions across the five countries. The Italian and French cultures appear to be influenced by a strategy of symbolism where characteristics other than mere competence are often decisive factors in the recruitment decision. The respondents from these two countries were most at ease with foreigners. The English managers appear to have basically a functional recruitment policy. They are searching for specific skills and when a Euromanager profile is needed they do not hesitate to recruit a foreigner. Their choice does not reflect a symbolic statement as much as a real need given the lower level of linguistic and international openness of the English respondents. For instance, a recruit's *alma mater* is more important to the English respondents than his nationality. The German and Spanish respondents appear to follow a functional recruitment policy also but for different reasons. Important factors for the German managers included a candidate's technical skills and local network of contacts. International characteristics are not very important for them. Their preferences are for local candidates with linguistic skills. For the Spanish managers, nationality — if the candidate is Spanish is almost always a favourable attribute. Foreign candidates are at distinct disadvantage during the recruitment process.

Conclusions

While the hiring of a single employee is not likely to have such a spectacular and visible effect as the loss of a spacecraft or the failure of an international managerial training programme, the collective hiring of hundreds or thousands of employees across a multinational company is not negligible. Employees are one of the most valuable resources companies have to remain competitive. They can also be one of the most expensive liabilities a company has if they do not match market and internal needs. Many European companies would like to standardise their managerial recruitment policies across their foreign units. Standardisation can help ensure that the Europe-wide corporate strategies can be successfully implemented or that the right mix of managerial skills is available within the company over the future years. Failure to standardise can lead to higher levels of managerial turnover as middle to high level managers find their careers threatened by local business unit values which place them at a disadvantage. Finally, mixing managers accustomed to success indicators under symbolic recruitment policies, with managers who succeed under a functional recruit system may create conflict. One set may be more concerned with the appearance of success than more objective measures. The other set may prefer objec-
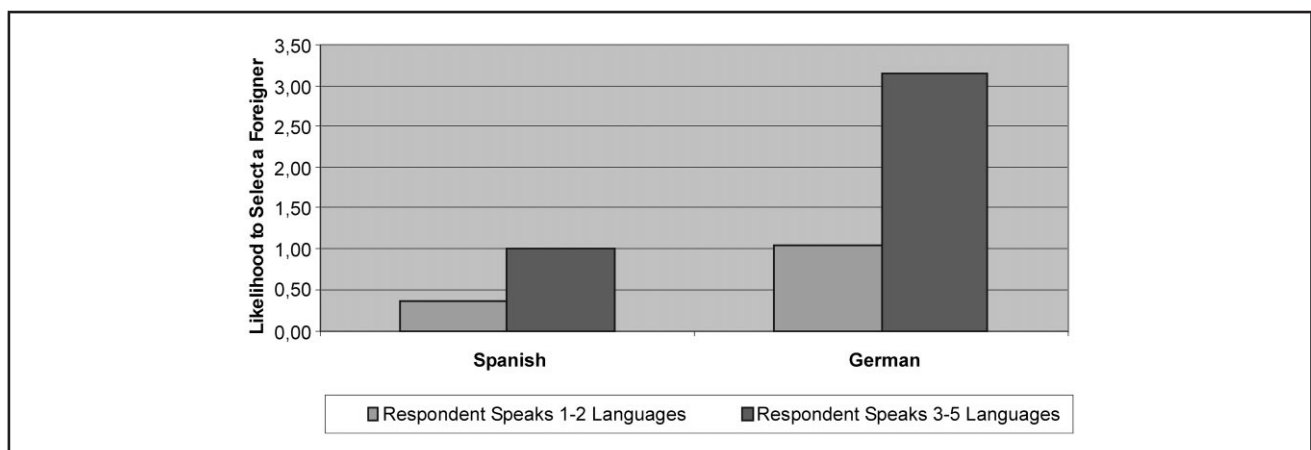

Figure 4 Influence of Respondent's Linguistic Ability on Recruitment Choice

tive but less salient measures of success. It may be difficult to achieve both the appearance and substance of success.

This article proposes and illustrates five important issues that European companies should address when considering standardising recruitment or transfer policies across their country units. First, never equate the enunciation of a recruitment policy with a well-defined and respected strategy. Second, expect that even for identical positions, local country managers are likely to recruit different types of candidates. Third, the reasons used to justify recruitment have two dimensions, one necessary and the other decisive. It is the latter dimension that carries the most risk of inadvertently creating divergent recruitment policies. Fourth, there appear to be underlying reasons related either to national culture, organisational culture, or local conditions that influence the automatic decisions which most managers learn to make. When a firm wants to clarify or create new policies, it must break these decision-making habits. Making them visible is one step toward this process but probably not sufficient. Finally, top managers should never underestimate the influence of self-interest. New recruitment policies are essentially strategic plans indicating what employee characteristics will be considered important for career advancement. Leaving managers who will be disadvantaged by these policies in charge of implementing them is like asking the foxes to guard the chickens.

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Notes

1. Staff Writer (1999) Degrees are not enough: IT firms are seeking something extra from graduate recruits. *The Guardian*, 7 October.
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