

# **Competency based interview as the recruiting method for quasi state sector in Kazakhstan**

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## **Abstract**

**Objective of research:** to identify the most preferable and objective methods for evaluating candidates for vacancies in quasi-state sector of the Republic of Kazakhstan.

At the moment, candidates are obliged to pass the following assessment methods when entering the civil service of the Republic of Kazakhstan:

- Analysis of biographical data from CV for compliance with the formal qualification requirements for education, work experience and qualifications;
- Passing the test of professional knowledge of the legislative acts of the Republic of Kazakhstan;
- Panel interview with the commission.

Selection process for candidates of national state owned companies (joint-stock companies) consists of the methods described on the above. Additionally, some of this companies apply competency based behavioral interview and sometimes, the assessment center's methodology.

Our hypothesis is that the expansion of assessment methods and the inclusion of methods for evaluating behavioral competencies will improve the quality of candidate evaluation and allow companies to predict the effectiveness and productivity of future employees.

We conducted a longitudinal 3-year study and calculated the correlation between the results of professional testing of candidates and the efficiency of hired employees in the next 3 years of their work at the enterprises of the quasi-state sector of Kazakhstan. We obtained positive correlations between the results of testing for knowledge of legislative acts and the results of competence based interviews with the results of appraisal the effectiveness of employees' activities.

Thus, we recommend these methods for the selection of candidates for the civil service of the Republic of Kazakhstan.

**Three key words:** Selection, recruiting, competences.

An analysis of global HR trends in 2019 conducted by Deloitte showed that recruiting and selecting candidates for hiring is becoming highly important. In global companies, on average, up to 400 candidates apply for one vacancy. Accordingly, the time, money and labor resources that are spent on the process of attracting and selecting candidates are increasing.

In this regard, the selection of competent candidates from a long list of all 400 candidates, as well as the selection of the 3 most suitable candidates for qualifications, that is, the preparation of the so-called short list is also given great attention.

The world's best candidate selection practices include the following:

1. Analysis of biographical data;
2. Testing of knowledge and abilities;
3. Personal questionnaires;
4. Recommendations;
5. Essays;
6. Biographical, situational interview, interview on competencies;
7. Assessment centers

At the same time, the prognostic validity, that is, the general reliability and reliability of different assessment methods, is different.

Studies show that the structured interviews, ability tests and assessment centers tend to be the most reliable methods. In the same time, qualification requirements set for candidates are a significant issue.

Another modern trend is the increasing importance in predicting the effectiveness of future employees, the presence of so-called soft skills (soft skills), or personal and behavioral competencies of candidates. Already in the 70s of the last century in America, the universally applied approach to assessing professionalism was criticized, based only on traditional academic tests of ability and the knowledge of the subject. As an alternative to testing, competencies began to be developed from the end of the last century that could more accurately predict the future success of the candidates. The word "competency" comes from the Latin verb *competo* - "I seek," "match," "fit." By competencies we mean a set of behavioral stereotypes that represents success factors in a certain position in a company and helps a person achieve high results in work. Among HR managers, there is a catchphrase "We recruit people, as a rule, for their professional knowledge and experience, and dismiss for competencies, or rather, for their absence."

In other words, competencies are a behavioral style, the ways in which a person in the workplace solves the tasks assigned to him. This is a typical and preferred behavior that he demonstrates, managing himself, interacting with people and tasks, performing work in a certain position. This style was developed by him for years under the influence of the type of his nervous system, education, training, previous work experience and interaction with people. Defining competencies, we say that these are the behavioral styles that distinguish a successful performer from an unsuccessful one. Competency assessment became very popular in the recent years. But competence, of course, is not the only factor determining the success of a person in the workplace.

At least three groups of factors affect a person's success: competencies, qualifications (vocational skills and knowledge) and motivation. Moreover, it is rather difficult to determine the contribution of each of these groups to success, since the absence of one of the factors reduces a person's efficiency not by a third, but, as a rule, but by eighty percent.

How do we apply these practices in Kazakhstan?

I will give examples of personnel assessment methods used in the public service of Kazakhstan and in national companies (joint-stock companies, 50% or more owned by the state, so called state owned companies).

The following types and methods of selecting candidates for vacant positions are currently being applied in state organs of the Republic of Kazakhstan:

1. Submission of the resume by the candidate and participation of candidates in the competition. Accordingly, an analysis of the resume for compliance with the qualification requirements of the position;

2. Testing of professional knowledge, namely knowledge of legal acts, laws, and in some cases, testing of personal competencies;

3. Essay;

4. Interview with members of the Special Commission and making a decision on hiring.

At the same time, a competition has recently been observed, reaching 15-20 people per vacancy place. While previously there was a competition of 3-4 people per vacancy place.

In the quasi-public sector, other selection methods are used, such as:

1. Analysis of the resume;

2. Collection and analysis of recommendations from previous employers of the candidate;

3. Testing of professional knowledge (for example industry knowledge and knowledge of laws);

4. Testing of knowledge of languages (Kazakh and English);

5. Ability Tests (numerical and verbal tests);

6. Competency based interview with HR manager, in rare cases, assessment center;

7. Interview with line manager;

8. Interviews with members of the Commission.

Thus, candidates go through an 8-stage competitive selection. An average we had 110-140 candidates per vacancy. Context procedures last from several days to several weeks until the vacancy is completely closed.

The introduction of such competitive procedures in 2013 in the central office of one of the large national companies allowed us to collect a large amount of factual and statistical material, based on the results of the testing, assessing the abilities and competencies of candidates for employment. The following competencies were used: inspiring leadership (for a certain level of leaders), change management, teamwork, communication and influence, result orientation and others. This model was developed with the help of foreign consultants and was recommended for the evaluation of hiring.

In addition, we have simultaneously introduced an HR process such as performance management in the form of an annual appraisal of employee performance to this national company. Two parameters of employee efficiency were evaluated: achievement of results by employees according to pre-set goals or the coefficient of the efficient action. Evaluation of the effectiveness of employees was carried out by direct and supervising managers.

Thus, over the course of 3 years, we have collected a large amount of factual data based on the results of evaluating candidates for employment, and then factual material on the effectiveness and efficiency of the accepted candidates, already as employees of the company.

We put forward the following hypotheses:

1. Candidates with higher competency assessment results (through competency interview methods and assessment centers) will be more effective in the workplace in a 3-year period;
2. Candidates with higher ability test scores will also show higher performance compared to candidates with average ability;
3. Candidates who have shown high results only in testing of professional knowledge and laws, but low in ability and competence, will not demonstrate high efficiency.

Our hypotheses were partially confirmed. An unexpected result was that the greatest correlation was revealed between the performance of employees and their test results for professional knowledge and laws.

№	Hypothesis	Correlation
1	High competency assessment results (through competency interview methods and assessment centers) and high results in evaluating workplace performance 3 years after hiring;	Average (0,4)
2	High results in ability tests and higher efficiency compared to candidates with average abilities;	Average (0,3)
3	Candidates who showed high results only in testing professional knowledge and laws, but average in capabilities and competencies, showed the highest efficiency	High (0,6)

2 years after conducting these studies, we conducted a series of studies on the diagnostics of the corporate culture, as well as revised the competency model for this organization of the quasi-public sector.

Our findings were as follows:

1. In an organization, the initially developed competency model was formal and did not reflect the real required behavior and corporate culture. Foreign consultants have developed a competency model, suiting the market-oriented corporate culture, where ambition, leadership, performance, competitiveness and change are valued. The real corporate culture of the organization was a culture of hierarchy, where responsibility and diligence are mainly valued. As a result, candidates selected according to the competency model demonstrated the behavior necessary for a market culture, but unsuccessful in terms of hierarchy culture.

2. Candidates who showed high results in tests of knowledge of the legislation, just had the competencies - responsibility and diligence, as well prepared and learned the laws. In our opinion, this is why they were effective.

Thus, we can argue that competency assessment methods, such as competency interviews or assessment centers, are reliable and important in evaluating candidates for the employment. But it is also important to correctly determine the competency model for evaluating candidates based on the

characteristics of corporate culture and leadership in the organization. As Peter Drucker have said correctly - "Culture eats the strategy for breakfast."