

HOME

Revista ESPACIOS

ÍNDICES / Index

A LOS AUTORES / To the AUTORS ✓

Vol. 40 (Number 4) Year 2019. Page 27

# Non-pecuniary incentives and their incidence on the staff turnover at Compañía Farmacéutica Vera S.A. (Vera Pharmaceutical Company S.A.). An analysis as regards the personnel selection process

Incentivos no pecuniarios y su incidencia en la rotación de personal en la Compañía Farmacéutica Vera S.A. (Vera Pharmaceutical Company S.A.) Un análisis sobre el proceso de selección de personal

VERA, Carlos A. 1; BRAVO, María A 2.; FLORES-URBÁEZ, Matilde J. 3

Received: xx/08/2018 • Approved: xx/01/2019 • Published 04/02/2019

### **Contents**

- 1. Introduction
- 2. Labor incentives
- 3. The process of personnel selection
- 4. Staff rotation
- 5. Methodology
- 6. Analysis and discussion of results
- 7. Conclusions and recommendations

**Bibliography** 

### **ABSTRACT:**

The objective of this investigation is to determine the incidence of non-pecuniary incentives in the personnel rotation of Vera Pharmaceutical Company S.A. Interview formats and knowledge tests were reviewed; non-participant observation was made. The results indicate that the expectations of the candidate for the position are not inquired nor are they informed about what the company offers. It is concluded that one of the causes of the turnover of personnel in this company is in the process of personnel selection. **Keywords:** selection of personnel, retention of personnel, non-pecuniary incentives.

### **RESUMEN:**

El objetivo de esta investigación es determinar la incidencia de incentivos no pecuniarios en la rotación de personal de Vera Pharmaceutical Company S.A. Se revisaron los formatos de las entrevistas y las pruebas de conocimiento; Se realizó observación no participante. Los resultados indican que las expectativas del candidato para el puesto no se consultan ni se les informa sobre lo que ofrece la empresa. Se concluye que una de las causas de la rotación de personal en esta empresa se encuentra en el proceso de selección de personal.

**Palabras clave**: selección de personal, retención de personal, incentivos no pecuniarios.

### 1. Introduction

Human talent management models are essential for managing personnel at the business environment. Pérez Redondo (2014) takes as a reference the model implemented by Taylor who sought to improve productivity by minimizing certain processes, focusing on efficiency and improvement of performance, considering the appropriate instruments with trained and qualified personnel, in addition to the search for stimuli to achieve the objectives.

There are drawbacks that corporations fight every time they make a poor selection of personnel. Sutherland and Wöcke (2011) state three (3) situations about incorrect recruitment and selection:

- -To affirm that the error is the behavior and/or skills of the recruited and not the organization.
- -The cost of a poor selection can be up to five (5) times the salary of the employee.
- -To apply corrective actions after poor selection have opportunity costs associated with demands or payments for dismissals, in addition to the time that has been wasted in recruitment.

During recent years, the selection and rotation of personnel in companies worldwide has been subject of study because it involves training and administrative costs and require time for the new personnel to adapt to the work dynamics (Chaparro Rintha, Guzmán Rodríguez, Naizaque Pérez, Ortiz Figueroa and Jiménez Barbosa, 2015).

The processes of recruitment and selection have changed with new ways of evaluating the candidate to find the characteristics of the nature of the person, instruction or prior preparation of the individual for the position or the skills or experience acquired over the years.

In the selection process, "the lack, the fault, the lie, the weakness of the candidate are investigated; the relationship is then established from distrust, since it seeks to monitor where the error is, where the candidate is wrong, what is the pathology that hides. " (Hernández Sánchez, 2012, p 179). Nowadays, finding suitable personnel to obtain benefits for the company has become a necessity. However, on the one hand, the person who best fits the needs of the company or organization is hired; and on the other, time and money is wasted on repeated personnel selection processes" (Ruvalcaba Coyaso and Vermonden, 2015, p.242).

In addition to finding the staff for each job, keeping them motivated and with a high performance is what companies are still looking for. However, the type of stimulus given is what is not carried out conscientiously in several organizations. For example, in a study conducted by Deci (1971, cited by Muñoz Restrepo and Ramirez Valencia, 2014, p.145) it was confirmed that "if a person performs an activity for reasons of intrinsic motivation and begins to receive external recognitions, the degree of intrinsic motivation decreases ". For example, if an employee has as internal or intrinsic motivation to work in a place with the hope of growing professionally, and only receives as external motivation a high salary, the time may come when the high salary displaces the possibility of professional growth as the main motivator, and the employee remains in that job only for the salary received

For this reason, it is important that intangible incentives are also given so that productivity is maintained and staff remains motivated. "The motivations which lead a person to work also include social rewards such as social interaction, respect, approval, status and the feeling of been useful." (Gutiérrez Quispe, 2014). The companies are currently thinking of the motivation and training of staff to lower the indicator of staff turnover as one of the bases of their strengths.

Both types of work incentives (economic and non-economic) are vital in any organization, but in view of the high turnover of the company's personnel under study, despite the fact that their salary incentives are equal and in some cases better than those of the competing companies, we will deal only with non-monetary incentives in this investigation. Therefore, the objective of this research is to determine the incidence of non-pecuniary incentives in

the rotation of the staff at Vera Pharmaceutical Company S.A., based on the analysis of the personnel selection process.

### 2. Labor incentives

### 2.1. Conceptualization

Krajewski and Ritzman (2003) define work incentives as a stimulus that the employer establishes or grants so that their workers, either individually or as members of a team, raise their levels of production in the company or improve labor performance standards. Caso (2003) considers that the work incentives are a variable part of the salary or a recognition that rewards a result superior to the demandable one, which must be obtained in exchange for a fixed salary. It is the responsibility of the company to do so. Obtaining a result higher than that required is voluntary, so it can be incentivized and must be agreed upon. The responsibility of the company is to achieve this agreement and supply the means for reaching it.

An incentive is the condition to satisfy the need that is deliberately controlled to increase both the productivity and the integration or the moral of the workers (Flores, Abreu and Badii, 2008). Chiavenato (2017) defines incentives such as payments (salaries, awards, social benefits, growth opportunities, job security, open supervision, recognition, etc.) that the organization gives to its participants in exchange for contributions. Each incentive has a value of subjective convenience, since it varies from individual to individual.

# 2.2. Importance of work incentives

From the point of view of human resources, an organization recruits and uses its talents properly, but then requires keeping them motivated in the organization, both through compensation plans, as well as social benefits and hygiene and safety plans in the workplace. The system of compensations in an organization must not only include salaries, vacations, social benefits, but also non-pecuniary incentives such as job stability, the possibility of occupying more stimulating positions that allow professional growth, as well as recognition for outstanding work, among others. Prizes are awarded because they reinforce human activities:

- -They increase the conscience and responsibility of the individual (or group).
- -They extend the interdependence with third parties and with the whole.
- -They help consolidate the control that the group exercises over its own destiny.

Currently the definition of motivation can confuse some entrepreneurs and business managers. Williams (2013) states that: "Managers often confuse motivation and performance, but job performance is sometimes a multiplicative function of motivational capacity and sometimes situational limitations" (p.269). The incentives, pecuniary and non-pecuniary, aim to "increase efficiency in the cost structure, to multiply the offers of products and services", (Aguilar Medina, Perez Dominguez, and Madriz, 2012, p.35). In addition, incentives become methods and ways for employees to be comfortable in their workplace and in turn increase their productivity.

### 2.3. Types of work incentives

The work incentives are classified in two (2) forms (Velasco, 2017):

- -Incentives based on money are those where money is given to employees. They are the most common, but at the same time some of the least effective because their effect is very short.
- -Incentives without money are those where money is not given to employees. Employers should know what employees want, what motivates them and what goals they have to fulfill. In this way, the staff can be given as an incentive something they really appreciate.

Chiavenato (2017) states that the monetary benefits provided in money through the payroll generate social obligations that are derived from them: annual premium, vacation, pension and complementation of the pension, Christmas bonus, special bonuses, loan plans, complementation of salaries in prolonged absences due to illness, reimbursement or subsidy of medications, among others.

Chiavenato also considers that non-economic incentives are also very important in companies, because they are given to praise the efforts that go beyond those that a person is obliged to do. These recognitions can be: restaurant service, medical-hospital and dental assistance, social service and counseling, club or recreational association, group life insurance, driving or transport from home to the company and vice versa, mobile office entry and exit schedule of the staff, club or trade union.

According to Zapata and Hernández (2010), an adequate incentive system is required as a management and control instrument for management, which seeks, among other things, that the employee limits deviations from the interests of top management. This means that the result in terms of productivity depends, in part, on the choice of effort made by the employees and, in part, on the salary and working conditions established by the company. The authors affirm that the design of the incentive system should try to clearly establish the responsibilities and remunerations of employees for their performance or behavior.

The non-economic incentives are called *intrinsic* by these authors. These intrinsic incentives link with the position the employee holds in the company, the feedback of performance through his/her evaluation, the promotion of job stability and career, the sense of success, self-esteem, encouragement to participation and social recognition.

# 3. The process of personnel selection

According to Flores et al. (2008) one of the most common causes why labor turnover has increased in Mexican organizations in recent years is related to the content of work and wages. When this relationship does not correspond, the worker will try to find a better job inside or outside his/her workplace. The authors indicate that although there is a fee system in Mexico that establishes that equal jobs receive equal remuneration, this relationship can be violated by additional benefits that can make certain types of work more advantageous and attractive than others. When the work environment where the worker performs his/her job is not the most appropriate one, it makes him/her feel dissatisfied; and in extreme cases, it leads to job rotation.

### 3.1. Conceptualization

While the recruitment tries to selectively attract through various communication techniques, candidates who have the minimum requirements of the vacancy, in the selection process the basic task is to choose among the candidates recruited those who are more likely to adapt to the position and perform it well (Chiavenato, 2017).

The selection of personnel is a process by which organizations decide which of the candidates for a particular position is the most suitable to perform it. In other words, it is a process of making decisions about the adjustment of candidates to the positions offered (Salgado and Moscoso, 2008).

The selection is a process of comparison between two variables; on the one hand, the criteria of the organization (requirements of the position to occupy or the individual competences necessary for the organization); and on the other, the profile of the applicants. The first variable is provided by the description and analysis of the position or the required skills; and the second is obtained by the application of selection techniques (Chiavenato, 2017).

# 3.2. Importance of the personnel selection process

Naranjo (2012) states that: "the success of any enterprise depends mainly on human talent, since it depends on obtaining the organizational objectives that lead to the success of any

company" (p.86). Applying a suitable selection process, according to Martínez, Portales, Palos y Ramos (2015) the following advantages are obtained:

- -Improvement of objectivity which leads to a real acquisition of talent;
- -Consistency in the hiring decisions;
- -Consensus improvement on procurement through multiple stakeholders;
- -Creation of articulated, efficient and effective selection processes;
- -Creation of efficiency, providing tools and reusable selection processes (p.105).

The selection seeks among the candidates recruited the most suitable for the positions available with the intention of maintaining or increasing the efficiency and performance of the staff, as well as the effectiveness of the organization. From this point of view, the selection aims to solve three basic problems: adequacy of the person to work, adequacy of work to the person and the efficiency and effectiveness of the person in the position (Chiavenato, 2017).

Galián Jiménez (2018) points out that in order to carry out a good selection, it is essential to compare the profile required for the position to be carried out and the profile presented by each candidate; it is at this point where the various techniques or selection tests come into play.

### 3.3. The process of personnel selection

Chiavenato (2017) indicates that "the basic objective of recruitment is to supply the process of selecting its raw material: the candidates. The basic objective of the selection is to choose and classify the right candidates for the needs of the organization "(p.169). Once the requirements of the position and those of the candidates have been compared, it may happen that some of them have approximate requirements; and the people in charge of the selection process want to propose those applicants to the department that requested the occupation of the position. The body responsible for the selection advises, in a specialized manner through selection techniques, the candidates that seem most appropriate. The acceptance or rejection of candidates is always the responsibility of the requesting department. In many organizations the recruitment department does not have the authority to carry out any activity in this regard without the department in which the vacancy finds itself having made the corresponding decision (Chiavenato, 2017). A significant number of sub processes are involved in the recruitment process (Alles, 2006, p.130):

- Need to cover a position;
- Staff request;
- Review of the job description;
- Collection of information about the required profile;
- Analysis of possible internal candidates;
- Decision about conducting internal search or not;
- Definition of recruitment sources;
- Reception of candidacies;
- First review of the background;
- Interviews (1 or 2 rounds);
- Specific or psychological evaluations;
- Formation of candidacies;
- Preparation of reports on finalists;
- Presentation of finalists to the internal client;
- Selection of the finalist by the internal client;
- Negotiation;
- Offer in writing;
- Communication to postulants outside the process;
- Admission process;
- Induction.

It is for this reason that all the sub processes that are included in the selection of personnel are mentioned, because this way it could be determined in which phase is ignored both the

query to the candidates about their expectations of the company and the information to the candidates about what the company can offer them.

### 4. Staff rotation

### 4.1. Conceptualization

According to Flores, Abreu and Badii (2008), generally, behind excessive labor turnover, motivation, dissatisfaction and dissatisfaction at work are hidden. This, in turn, is influenced by a set of aspects linked in many cases to a poor management of human resources. Chiavenato (2017) defines staff turnover as "the fluctuation of personnel between an organization and its environment" (p 116).

The rotation of personnel must study several factors, including remuneration, since there is a close relationship between remuneration and turnover. The theory of the efficiency of the wages proposes that an attractive salary dissuades the resignation. The current administration of compensation lies on the premise that competitive wages sustain worker loyalty (Gómez-Mejía, Balkin and Cardy, 2001).

Strauss George and Sayles Leonard (1985) also talk about staff turnover within the same company. They point out that this allows the worker to know new occupations, expand their knowledge, evaluate their real potential, look for new opportunities for promotion, and improve their income and working conditions. When leaving a job, workers make use of their freedom, right and personal power of decision to direct their own life.

# 4.2. Impact of personnel turnover in the company

Hernández, Hernández and Mendieta (2013) point out that staff turnover is influenced by demotivation and job dissatisfaction, so it can be affirmed that the reasons that lead to the departure of workers are mainly labor. However, Cabrera, Ledezma and Rivera (2011) suggest that the rotation of personnel helps the company acquire new resources, as long as the entries are greater than the outputs. In this research, we will focus on the perspective of Hernández et al (2013) on the reasons for the rotation of personnel because in the company under study, staff turnover rises from 20% to 25% per year, which has become a serious problem for the organization. We know that the rotation of personnel in organizations is a multi-causal phenomenon, but for the purposes of this investigation we will investigate its causes from the analysis of the personnel selection process.

# 5. Methodology

The research was divided into two phases: a desk-based research and a field research carried out during the months of August-September 2018. Interview formats, knowledge tests, attitudinal tests, practical sales tests and analysis criteria of resumes were reviewed during the desk-based research. In the field research phase the non-participant observation was applied during the selection interviews to the candidates; in addition, semi-structured interviews were carried out with those responsible for the selection process in the company under study: the Head of Human Talent and the three (3) supervisors of sale points in terms of what they considered strengths and weaknesses of the selection process.

# 6. Analysis and discussion of results

As indicated, the research was divided into a desk-based research phase and a field one, in which the possible causes of the high turnover of the company's personnel under study were explored from the instruments and personnel selection interviews. We will present the results in each of the phases below.

# **6.1. Desk-based research phase**

In the desk-based research phase, the interview formats, knowledge tests, attitudinal tests

and practical sales tests were reviewed. The review showed the following strengths and weaknesses:

Documents	Strengths	Weaknesses	Proposal for improvement			
	It contains a summary of the applicant's resume.	It does not include photo of the applicant.	To include a photo of the applicant to avoid confusion of files.			
	It is brief and concise.	It does not include a	To include questions which are decisive to select the			
Format of interview	It includes a summary of the needs and philosophy of the company.	structured guide of key questions to be formulated to the candidate.  No questions are stated to the applicant about his/her aspirations regarding non- pecuniary and pecuniary	applicant and not leave it to the full freedom of the interviewer.  To include questions related to the applicant's expectations on pecuniary and non-pecuniary			
		incentives.	incentives.			
	They are based on core generalities of the position.	The content of the booklet that is delivered before the test can be memorized so that the interviewee knows in general what will be evaluated in the test.	To use case-study type tests to assess the information analysis capacity of the interviewees.			
Knowledge tests	They previously report on how to answer the questionnaire.	They are the same for all personnel selection processes	To change the content of the tests quarterly to			
	They consider the appropriate time for the execution of the test.	for pharmacy assistants.	avoid being copied by future applicants.			
	They define the competencies for the position the company is looking for.	70% of the evaluations are individual rather than group.	To include more group exercises than individuals in order to evaluate the ability to work as a team.			
Attitudinal tests	They define group and individual qualitative and quantitative tasks.	They do not define the maximum and the minimum number of people who must participate in the test.	To define a maximum of 12 applicants and a minimum of 6 to appropriately evaluate the candidates.			
	The name of the evaluator is specified in the written test.	They do not include an information record format for passive observers designated by the company.	To include an information record format for passive observers participating in the tests.			

	It determines one (1) evaluator for every four (4) evaluated so the criterion of the first one is not dispersed.		
	The test is well structured.	There is only thirty (30) seconds for the applicant to demonstrate his/her abilities as a seller.	To allow two (2) minutes for the candidate to demonstrate his/her capacity as a seller.
Practical sales' test	It evaluates sales cases of non-pharmaceutical products to determine the general selling capacity of the applicant.	It does not define the sales method to be evaluated.	To specify the sales method that they want to evaluate (credit cards, cash, check, among others).
	The questions are oriented to solve the possible situations that the candidates could experience in their job.	It does not include feedback after the exercise.	To feedback the sales exercise with the candidate.

Source: self-made

In the phase of selection process is observed that the interview format does not include questions for the applicant about his/her aspirations regarding pecuniary and non-pecuniary incentives, nor does the candidate receive information about the economic and non-economic benefits offered by the company.

### 6.2. Field Research Phase

# **6.2.1.** First sub phase: Non-participant observation of the selection interview process

In this field research phase, non-participant observation of a structured type during the personnel selection process was applied as a data collection technique. Because of company policies, this process is divided in the following stages:

- Stage 1: Telephone interviews by the Head of Human Talent.
- Stage 2: Face to face interviews with the Head of Human Talent.
- Stage 3: Face to face interviews with the Sale Supervisor.
- Stage 4: Situational assessment interviews conducted by the Chief of Human Talent, supervisors and observers.

### Results of Stage One (1): Telephone interviews

A frequency list was used as an information recording instrument (Arias, 2006) which was developed following the theoretical references of Alles (2006). The results were the following:

**Table 2**List of frequencies in the telephone interview

Aim of the telephone interview: recruitment of candidates:
Person in charge: Head of Human Talent
Average time: 4 minutes

			Locatio	n: numan	Talent Departn	ment 			
				Time: 8	to 10 a.m.				
			Numbe	er of interv	views observed:	: 18			
1. Are o	questions asked	d to check t	he consistency	of the resu	me?				
( x)	Always	( )	Most times yes	( )	Sometimes	( )	Most times not	( )	Never
2. Are (	questions asked	d about the	candidate's yea	ars of expe	rience in sales?				
( )	Always	(x)	Most times yes	( )	Sometimes	( )	Most times not	( )	Never
3. Are o	questions asked	d about don	nain of the posi	tion to be r	equired?				
( )	Always	(x)	Most times yes	( )	Sometimes	( )	Most times not	( )	Neve
4. Are d	questions asked	d about exp	erience in the r	managemei	nt of work teams	?			
( )	Always	( )	Most time yes	(x)	Sometimes	( )	Most times nor	( )	Neve
5. Are (	questions asked	d about ava	ilability to start	working?					
(x)	Always	( )	Most times yes	( )	Sometimes	( )	Most times not	( )	Neve
6. Are d	questions asked	d about the	candidate's ava	ailability to	move within the	city?			
(x)	Always	( )	Most times yes	( )	Sometimes	( )	Most times not	( )	Neve
7. Are o	questions asked	d about the	candidate's exp	ectations a	and non-salary be	enefits?			

( )	Always	( )	Most times yes	( )	Sometimes	( )	Most times not	(x)	Never
8. Does the		man Talent ir	nform potenti	al candidates	s about the sala	ary and non-	salary benefi	ts offered by	the
( )	Always	( )	Most times yes	( )	Sometimes	( )	Mot times not	(x)	Never

Source: self-made based on Chiavenato (2017) and Arias (2006)

The results of stage one (1) reveal that in the telephone interview, the Head of Human Talent does not ask any questions related to salary and non-salary expectations to potential candidates, but predominantly questions associated with their competencies. Consequently, those selected to move to the second stage still do not have that information and go to that phase without knowing either about what the company offers them according to the position to which they aspire.

Results of Stage two (2): Face to face interviews with the Head of Human Talent A checklist was used as an information recording tool (Arias, 2006), which was developed following Chiavenato theoretical referents (2017). The results were the following:

**Table 3**Checklist in the face-to-face interview with the Head of Human Talent

Checklist in the face-to-face interview with the	e Head of Hu	uman Talen	t	
Aim of the face-to-face interview: recruit	tment of ca	andidates.		
Person in charge: Head of Hum	an Talent			
Average time: 15 minute	es			
Location: Human Talent Depa	rtment			
Time: 8 a.m. to 10:30 a.	m.			
Number of interviews observ	/ed: 8			
Checklist of face-to-face interview	processes.			
<ol> <li>The interview is conducted in a place where noise, distractions are minimized and there are barriers between the interviewee and the interviewer.</li> </ol>	X	Yes		NO
2. The interviewer is trained and instructed to conduct an interview.	X	Yes		NO
3. The interviewer uses a structured database to conduct the interview				
process.	X	Yes		NO

4.	The interviewer asks the interviewee his/her salary and non-salary				
	expectations		Yes	X	NO
5.	The interviewer tells the candidate the salary and non-salary benefits				
	offered by the company		Yes	X	NO
6.	The climate of the interview is pleasant and cordial, without time				
	pressures, without coercion or impositions.	Х	Yes		NO
7.	In the content of the interview aspects such as training, schooling, professional experience, family and economic situation, etc., are	X	Yes		NO
	inquired.				
8.	In the content of the interview is reviewed the behavior of the candidate, his way of acting, way of thinking, motivations, ambitions,	X	Yes		NO
	etc.				
9.	In the interview, the candidate is motivated by some non-pecuniary stimulus that leads him/her to want to keep working in the company.		Yes	Х	NO

Source: self-made based on Chiavenato (2017) and Arias (2006)

The results of the non-participant observation of the face-to-face interview with the Head of Human Talent reveal that the applicants are not informed about the salary and non-salary benefits offered by the company nor are they asked about their expectations as regards this matter.

### Results of Stage three (3): Face to face interviews with the sale' supervisor

An estimation scale was used as an information recording instrument (Arias, 2006) which was elaborated following the theoretical references of Chiavenato (2017). The results were as follow:

**Table 4**Estimation scale format for face-to-face interviews with the Sale's Supervisor

Aim of the face-to-face interview: Selection of personnel
Responsible: Sales' Supervisor
Average time: 10 minutes
Place: Auditorium of the company
Time: 2 to 3 pm

Number of interviews observed: 4					
1. The treatment offered to the interviewees is:					
Good		Not so good	X	Poor	
2. The questions that supervisors ask to obtain information from the interviewee are:					
Good	x	Not so good		Poor	
3. The supervisor's interview is structured in a way:					
Good		Not so good	x	Poor	
4. The environment offered for the interview is:					
Good		Not so good	X	Poor	
5. The interviewer's knowledge of the vacancy is:		_			
Good	X	Not so good		Poor	
6. The information that the interviewer has of the applicant's curriculum is:					
Good		Not so good		Poor	X
7. The information that the interviewer has about the salary aspirations of the candidate is:					
Good		Not so good		Poor	x
<ul> <li>The information that the interviewer has about the non-economic expectations of the interview position to which he/she aspires is:</li> </ul>	vee	associat	ed v	vith the	
Good		Not so good		Poor	X
9. The information that the interviewer gives to the applicant about the economic and non-economic company offers for the position to which he/she aspires is:	omic	benefit	s th	at the	

	Not	_	
Good	so	Poor	X
	good		

Source: self-made based on Chiavenato (2017) and Arias (2006)

From the observation made in the face-to-face interview process by the Sale' Supervisor to the applicants to a position in the company, it was determined that the information provided by the interviewer to the interviewee is deficient in terms of economic and non-economic benefits offered by the company; and the information that the interviewer requests from the interviewee regarding their salary and non-salary aspirations is deficient too.

### Results of Stage Four (4): Situational assessment interviews

A frequency list was used as an instrument for recording information (Arias, 2006). It was developed following the theoretical references of Chiavenato (2017). The results were the following:

### 6.2.2. Situational assessment test (group interview)

From the analysis to the interview made by the head of human talent and the three sales supervisors to the group of applicants that was selected at this stage of the selection process, it is evident that the candidates were never asked what their salary expectations were, nor were they informed about the salary and non-salary benefits offered by the company for the positions to which they aspired.

**Table 5**List of frequencies in the situational assessment test

List of frequencies	in the sit	uatio	nal asse	ssme	ent test				
Aim of the situational a	ssessmer	nt tes	st: Sele	ctior	of personn	el			
Responsible: Chief of Hu	uman Tale	nt an	d the 3	Sale	Supervisors				
Ave	erage time	e: 4 h	ours						
Place: Au	uditorium	of the	compa	ny					
	Time: 8 to	o 12 r	m						
Number of i	nterviews	1 gr	oup inte	erviev	V				
Are situational assess	ments cor	nduct	ed as a	grou	o practice?				
( )	Always	(x)	Most times yes	(	Sometimes	(	Most times not	(	Never
Are the cases reviewed in	the evalua	ation	always ı	relate	ed to the work	ι?			
( )	Always	(x)	Most times yes	(	Sometimes	(	Most times not	(	Never

Is time devoted to the	correct plar	nning	and des	sign o	of each case?				
(x)	Always	(	Most times yes	( )	Sometimes	(	Most times not	(	Never
Are homogeneous	groups put	toge	ther for	case	studies?				
( )	Always	(	Most times yes	(x)	Sometimes	(	Most times not	(	Never
Are participants in the group intervie	ew asked abo	out th	neir sala	ry an	d non-salary	exp	ectation	ıs?	
( )	Always	(	Most times yes	( )	Sometimes	(	Most times not	(x)	Never
Are participants of the group interview info			=			efit	s offered	d by t	:he
( )	Always	(	Most times yes	(	Sometimes	(	Most times not	(x)	Never

Source: self-made with bases in Chiavenato (2017) and Arias (2006)

### **Interview with the Head of Human Talent**

In addition to the non-participant observations made in the different phases of the selection process, an in-depth interview was conducted with the Head of Human Talent, in which she was asked how, according to her opinion, the selection process staff in the company is carried out. With her answers the following SWOT matrix was elaborated, in which, according to our criterion, we consider strengths or weaknesses in the described process. An improvement alternative is also proposed for the weaknesses.

**Table 6**Strengths and weaknesses of the personnel selection process
Head of Human Talent

Strengths	Weaknesses	Improvement proposal	
There are policies and procedures with a process regulation for the selection of personnel.	Psychotechnical and/or psychometric tests are not applied to select the personnel.	To hire an industrial psychologist to perform psychometric and psychometric tests.	
The publications for the recruitment are done in a schematic way within the media	The company does not have a web page where applicants can upload	To create a corporate website for those interested to apply for a position in the company directly	

or from the points of sale.	their resumes.	from that medium.	
The recruitment and selection process is carried out under the strict supervision of Human Talent.	No specialized personnel recruiters (headhunters) are used.	To work with specialized personnel to perform a better filter of the folders which arrive at the company.	
	Applicants are not informed how much they will earn or what economic and non-economic benefits the company offers.	To inform applicants from the beginning of the selection process what the company offers.  To Inform applicants from the beginning of the selection process what the company offers.	
	Candidates are not asked about their professional or salary aspirations or about their social aspirations within the company.	To ask the aspirants from the first phase of the selection process what they expect from the company.	

Source: self-made

With the application of psychometric and psychometric tests, it is possible to determine if the profile of the candidate fits the profile of the position and the expectations of the company. The omission of these tests increases the possibility that the selected candidates voluntarily dissociate themselves from the company in the short and medium term because there is no coherence of the persons with the position to which they aspire. The head hunter is also an excellent resource to ensure to a large extent the coherence between the expectations of the candidate and the company.

### **Interview with the Sales' Supervisors**

Finally, an in-depth interview was carried out with the Sale' Supervisor in which they were asked about the aspects of the candidate's business experience that they took into account to conduct the business interview. With their answers, a SWOT matrix was elaborated, in which, according to our criteria, we consider strengths or weaknesses that were present in the results of the interview. Alternatives are also proposed that could be incorporated to improve what the company is currently doing in the face-to-face interview for which they are responsible.

**Table 7**Strengths and weaknesses of the personnel selection process Sale' Supervisor

Strengths	Weaknesses	Proposal for Improvement
The selection process is carried out in an orderly manner, minimizing errors	Supervisors are not formally trained to conduct personnel selection interviews	To train people in personnel selection to ensure the proper election of candidates.
In the selection process, personnel with experience in pharmacy are not necessarily sought; that gives the company the opportunity to train the selected people from	The situational assessment test is predominantly theoretical, which hinders identifying the best profile of	To carry out the team selection interview process with the Human Talent Manager and sale supervisors to have different points of view regarding the candidate.

its bases to the most specialized knowledge.	sellers required by the	Incorporate more case studies to
	company.	optimally determine the
		candidate that the company
		requires in the situational
		assessment tests.

Source: self-made

The fact that supervisors do not feel qualified to conduct selection interviews means that they cannot identify those candidates who are not in tune with the company's objectives; therefore, if they are selected, in a short or medium term, it is very likely to voluntarily dissociate from the company.

### 7. Conclusions and recommendations

The methods and procedures of recruitment and selection process are in some cases simple and in other complexes; therefore, sometimes the company must make the decision to hire experts to carry out this activity. The more structured and organized the selection process is and the more consistency there is between the candidate's expectations, the company's expectations and the profile of the position, the rotation of personnel is supposed to be reduced to a minimum.

In the evaluation of the process of personnel selection of the company under study, it was possible to verify that in the different phases in which it was carried out, the main weakness was concentrated in the fact that the aspirants went through several phases of interviews and a written test, and none were asked about their pecuniary and non-pecuniary expectations nor were they informed about what the company offers. This may be one of the main reasons why the company has such a high turnover rate; however, we recommend more studies in other phases of the human talent system.

With the results of this research we recommend incorporating, in the interview formats and structured interviews that are made to the applicants, questions directly related to what the applicant aspires to have in the company. Although this research is aimed at non-pecuniary incentives, it is very convenient to inquire about the pecuniary ones as well.

It was also observed that all the phases of the selection process are directed to inquire about the competences of the candidate, but not about their emotional and personal aspects, which leaves aside a core part of the human being that every organization should contemplate. In this case, as indicated in the interview by the Head of Human Talent of the company, it is necessary to apply psychotechnical tests.

The information gathered from the interviews regarding the pecuniary and non-pecuniary expectations of the candidates, as well as the psycho-technical tests, will allow the company to have the necessary information to design an incentive system that minimizes staff turnover because they will select the candidates that the company needs and those who need the company, which generates a coherence between the profile of the position and the profile of the candidate, both in competence and in affectivity, attitude and motivations. Finally, we can conclude that one of the causes of the high turnover of personnel in the company under study is in the process of personnel selection.

# **Bibliography**

Aguilar Medina, M.; Pérez Dominguez, F. y Madriz, D. (2012). Incentivos laborales como aporte a la productividad y a la calidad de servicio en las farmacias. Ingeniería Industrial. *Actualidad y Nuevas Tendencias*. *3*(9), 33-48. Available on the website: http://www.redalyc.org/html/2150/215026158003/

Alles, M. (2006). Selección por competencias. Buenos Aires: Granica S.A.

Arias, F. (2006). El proyecto de investigación. Introducción a la metodología científica. Caracas: Episteme.

Cabrera, P.; Ledezma, E. y Rivera, H. (2011). El impacto de la Rotación de Personal en las

- empresas constructoras del estado de Nuevo León. *Contexto.* Revista de la Facultad de Arquitectura de la Universidad Autónoma de Nuevo León, *5*(5), 83-91. Available on the website: http://www.redalyc.org/articulo.oa?id=353632025006
- Caso, A. (2003). Sistema de incentivos a la Producción. 2da. Edición. Madrid: Fundación Confemental.
- Chaparro Rintha, D.; Guzmán Rodríguez, A.; Naizaque Pérez, L.; Ortiz Figueroa, S. y Jiménez Barbosa, W. (2015). Factores que originan la rotación del personal auxiliar de odontología. *Universitas Odontologica*, 34(72), 19-26. Available on the website: http://www.redalyc.org/pdf/2312/231242734009.pdf
- Chiavenato, I. (2017). Administración de recursos humanos. México: McGraw-Hill.
- Flores, R.; Abreu, J. y Badii, M. (2008). Factores que originan la rotación de personal en las empresas mexicanas. *Daena: International Journal of Good Conscience*. *3*(1), 65-99. Available on the website: http://www.spentamexico.org/v3-n1/3%281%29%2065-99.pdf
- Galián Jiménez, M. (2018). *Nuevas tendencias en los procesos de reclutamiento y selección de personal*. Universidad de Jaen. Facultad de Ciencias Sociales y Jurídicas. Tesis Para optar al título de licenciado en Administración y Dirección de Empresas. Available on the website: <a href="http://tauja.ujaen.es/bitstream/10953.1/7907/1/TFG-%20GALIAN%20JIMENEZ%2c%20MARIA.pdf">http://tauja.ujaen.es/bitstream/10953.1/7907/1/TFG-%20GALIAN%20JIMENEZ%2c%20MARIA.pdf</a>
- Gómez-Mejía, L.; Balkin, D. y Cardy, R. (2001). *Dirección y gestión de recursos humanos*. México: Pearson Educación.
- Gutiérrez Quispe, D. (2014). Influencia de las políticas de motivación e incentivo en los recursos humanos de la Cooperativa de Telecomunicaciones Oruro Ltda. *Perspectivas*, 1(34), 45-112. Available on the website: http://www.scielo.org.bo/scielo.php?
  script=sci\_arttext&pid=S1994-37332014000200002&lng=es&tlng=es
- Hernández Sánchez, B. (2012). La selección de personal, algunas consideraciones frente a sus prácticas. *Semestre económico*, *15*(31), 173-186. Available on the website: http://www.redalyc.org/pdf/1650/165024299007.pdf.
- Hernández, C.; Hernández, C. y Mendieta, R. (2013). Modelo de rotación de personal y prácticas organizacionales. *Historia y Comunicación Social*, 1(18), 837-863. Available on the website: http://revistas.ucm.es/index.php/HICS/article/viewFile/44369/41927
- Krajewski, L. y Larry, R. (2003). *Administración de operaciones, estrategias y análisis*. 5ta. edición. México: Pearson Educación.
- Martínez Rojas, M.; Portales García, P.; Palos Cerda, G. y Ramos Ávila, A. (2015). Incorporación efectiva del talento humano en las organizaciones: ¿cómo integrar a candidatos con competencias asertivas? *OIKOS*, 1(40), 93-121. Available on the website: file:///D:/USER/cvera/Downloads/974-943-1-PB.pdf
- Muñoz Restrepo, A. y Ramírez Valencia, M. (2014). La motivación de los empleados: más allá de la "zanahoria y el garrote". *AD-minister*, 1(24), 143-160. Available on the website: http://www.scielo.org.co/pdf/adter/n24/n24a8.pdf
- Naranjo Arango, R. (2012). El proceso de selección y contratación del personal en las medianas empresas de la ciudad de Barranquilla (Colombia). *Pensamiento y gestión*, 1(32), 83-114. Available on the website:
- http://rcientificas.uninorte.edu.co/index.php/pensamiento/article/viewFile/3978/2826
- Pérez Redondo, R. (2014). Una relación desequilibrada: la selección de personal en tiempos de crisis. *Methaodos, 2*(1), 23-35. Recuperado de: file:///D:/USER/cvera/Downloads/35-108-1-PB.pdf
- Ruvalcaba Coyaso, F. y Vermonden, A. (2015). Lógica difusa para la toma de decisiones y la selección de personal. *Universidad & Empresa, 1*(17), 239-256. Available on the website: https://revistas.urosario.edu.co/xml/1872/187243745010/index.html
- Salgado, J. y Moscoso, S. (2008). Selección de personal en la empresa y las aapp: de la visión tradicional a la visión estratégica. *Papeles del Psicólogo*. 29(1), 16-24. Available on

the website: http://www.redalyc.org/html/778/77829103/

Stoner, J.; Freeman, E. y Gilbert, D. (1996). *Administración*. México: Prentice-Hall Hispanoamericana.

Strauss, G., y Sayles, L. (1985). *Personal: Problemas humanos de la administración.* México: Prentice-Hall Hispanoamericana.

Sutherland, M. y Wöcke, A. (2011). The symptoms and consequences to selection errors in recruitment decisions. *South African Journal of Business Management*, *4*(42), 23-32. Available on the website:: https://journals.co.za/content/busman/42/4/EJC22428

Velasco, A. (28 de octubre de 2017). *Tipos de incentivos laborales para motivar a las personas*. Available on the website: http://blogwami.com/tipos-de-incentivos-laborales-para-motivar-a-las-personas/

Williams, C. (2013). Administración. México: Cengage Learning Editores.

Zapata Rotundo, G. y Hernández Arias, A. (2010). Sistema de incentivos y tipos básicos de trabajo en la organización bajo la perspectiva de la teoría de agencia. *Pensamiento y Gestión,* (29), 56-86. Available on the website:

http://rcientificas.uninorte.edu.co/index.php/pensamiento/article/viewFile/1968/1271

- 1. Estudiante de la Maestría en Administración de Empresas, Instituto de Postgrado de la Universidad Técnica de Manabí, Ecuador. Ingeniero Comercial, mención en Gestión Empresarial. Subgerente Comercial Compañía Farmaceutica Vera S.A. Manta Ecuador. Correo electrónico carlos.vera@cofarve.com.ec
- 2. Master in Business Administration. Professor at Facultad de Ciencias Administrativas y Económicas. Universidad Técnica de Manabí. Ecuador. E-mail: mabravo@utm.edu.ec
- 3. Doctor in Social Sciences, Majoring in Management. Professor at Facultad de Ciencias Administrativas y Económicas de la Universidad Técnica de Manabí. Ecuador. E-mail: floresurbaez8@gmail.com

Revista ESPACIOS. ISSN 0798 1015 Vol. 40 (N° 04) Year 2019

[Index]

[In case you find any errors on this site, please send e-mail to webmaster]

©2019. revistaESPACIOS.com • ®Rights Reserved