Is Past Performance an Accurate Indicator of Future Performance in Evaluating Candidates' Success in a Future Job? A Conceptual Analysis

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Abstract

Structured behavioral interviews have gained popularity among human resource professionals based on the simplicity of rating candidates' future job performance. Despite the inconsistent study of empirical research on structured behavioral interviews, human resource professionals continue to use them with an assumed premise that past job performance is an indicator of future job performance. The article aims to analyze the empirically supported theory of past job performance and to explore why this premise is not considered the best indicator to measure candidates' future performance. Through the process of developing a conceptual framework, the article also aims to illustrate how extenuating factors and conditions impede candidates' abilities to repeat the same performance in a future job. Overall, the article attempts to show that further research is needed to consider alternative interview methods in evaluating candidates in a future job without using past performance as a predictor of success.

Keywords: Past Job Performance, Predictive Behavior, Candidate Interviews, Employment Interviews, Alternative Interviews, Structured Behavioral Interviews.

1. Introduction

In a global competitive market, it is necessary for organizations to hire the best candidates (Saadat & Eskandari, 2016). Companies invest a great deal of time and money in selecting and interviewing candidates to determine their qualifications for open positions (Bowers & Kleiner, 2005). During the interview process, human resource professionals utilize a type of interview called the 'structured behavioral interview' to predict job performance (Lesvashina et al., 2014; Taylor & Small, 2002; Roulin et al., 2014). However, the use of structured behavioral interviews comes with an assumption by human resource professionals that candidates, who performed the skills and competencies in the past, can perform the same skills and competencies in the future (Ingold et al. 2015; Huffcutt et al., 2013). Although empirically supported research revealed that structured behavioral interviews offer greater predictive validity than unstructured interviews (Oliphant et al., 2008; Posthuma, et al, 2002; Taylor & Small, 2002; Roulin et al., 2014), the theory that past performance is an indicator of future performance, does not consider extenuating factors and conditions, which can determine whether candidates are able to repeat the same performance in a future job (Posthuma et al., 2002; Oliphant et al., 2008; Lee & Yu, 2004; Lim et al., 2014; Sturman et al., 2002).

In a volatile environment, it is necessary for human resource professionals to take into consideration the myriad of factors, which can determine whether candidates are able to repeat past performance. In addition, the myriad of factors, whether they are anticipated or unforeseen, have financial consequences to an organization's bottom line (Bowers & Kleiner, 2005; Sturman et al., 2002). This observation has led to the necessity of being proactive and strategic, by reviewing interview practices (Taneja et al., 2013), to determine whether they are yielding the most qualified candidates, based on the theory that past performance is an indicator of future success (Ingold et al. 2015; Huffcutt et al., 2013). There is a plethora of factors which can affect future performance (Sturman et al., 2002).

Although it is not the intent of this study to address all extenuating factors and conditions, which exist in a global market or identify all changes which impact candidates' future performance, this study will focus on three extenuating factors and conditions that have the potential to hinder candidates in repeating future performance: Culture, individual performance and technologies and processes. In addition, this study will explore alternative interview methods in evaluating candidates in a future job without using past performance as a predictor of success.

2. Synopsis of Structured Behavioral Interviews

According to Huffcutt (2011), the study of empirical research on interview constructs are scattered due to the lack of a conceptual framework around the research. The lack of standardization in the empirical research of employment interview constructs has created a challenge to accurately predict performance and validity (Huffcutt, 2011; Huffcutt et. al., 2013). For instance, Taylor & Small (2002) evidenced 62 percent higher validity rate in predicting performance in using structured behavioral interviews while Huff et al., (2013) study reported a .74 higher validity rate. The fluctuations of validity performance ratings further support a need for a standardization process in measuring job performance validity in using structured behavioral interviews. Despite the inconsistent study of empirical research on interview constructs (Huff, 2011), structured behavioral interviews have gained popularity among human resource professionals based on the simplicity of rating candidates' performance (Levashina et al., 2014; Oliphant et al., 2008; Posthuma, et al., 2002).

2.1 Case for Structured Behavioral Interviews

Human resource professionals use structured behavioral interview questions to gather from candidates "what they have done" in work situations (Taylor & Small, 2002). Candidates are asked to describe how they solved, handled or managed problems in the past using their knowledge, skills and abilities (Bowers & Kleiner, 2005). Human resource professionals can easily rate job performance by asking candidates the same questions about their experience in work situations (Roulin et al., 2014). It is important for candidates to "provide examples of their past that demonstrates a specific time when the skill was used" (Bowers & Kleiner, 2005). Candidates' responses are evaluated and rated based on their explanation of how their knowledge, skills, abilities and experiences are a fit for the job (Levashina et al., 2014). In addition, since candidates are rated based on what they have done, rather than what they would do (Taylor & Small, 2002), structured behavioral interviews have the potential to decrease personal opinions of interviewers (Kluemper et al., 2015).

Furthermore, since candidates must provide specific examples of the steps they took to solve problems and their outcomes (Bowers & Kleiner, 2005), structured behavioral interviews also decrease the chances of candidates fabricating accomplishments and skill sets they do not possess (Kluemper et al., 2015). Moreover, researchers have found that structured behavioral interviews decrease the chances of hiring people who are not qualified to perform the job, since candidates are being rated on the actions they performed (Levashina et al., 2014). Human resource professionals are trained in assessing and interpreting candidate responses to rate their knowledge, skills, abilities and experiences as they relate to the job responsibilities (Taylor & Small, 2002). Bowers & Kleiner (2005) claimed that human resource professionals are tasked with interpreting "candidates' responses during the interview as a sample of behavior… to predict job performance". However, there are factors human resource professionals need to examine to determine whether past performance is the best indicator of future performance when utilizing structured behavioral interviews.

3. Conceptual Framework Analysis

The existing theory suggests that if candidates performed the knowledge, skills, abilities and experiences in the past, then candidates will more than likely perform the same knowledge, skills, abilities and experiences in the future. The conceptual framework (Figure 1) proposes there are factors and conditions which determine whether candidates can repeat future performance. These factors and conditions have the potential to impede candidates' future performance in a job (Sturman et al., 2002). The long-term impact of human resource professionals overlooking such factors and conditions in the interview process can result in financial and productivity loss (Bowers & Kleiner, 2005). The main concern with the existing theory is the perceived expectations from human resource professionals that candidates can repeat past performance in a future job without considering environmental and personal factors which can influence future performance. As mentioned earlier, environmental and personal factors such as culture, individual performance and technologies and processes can influence and impede future performance.

3.1 Culture

Lim et al., (2014) noted that "the role of culture in the recruitment and selection process is not only taken for granted, but also… not considered". Organizational cultures are unique as they are comprised of shared beliefs and customs, which set behavioral expectations for employees (Murphy et al., 2013). The shared beliefs and values guide employees' behaviors in the way they treat one another and their customers (Flamholtz & Randle, 2012). The shared beliefs and cultural values employees possess about their organization are "predictors of future organizational performance" (Lee & Yu, 2004). In other words, the way in which employees perform their work and how they get things done is due to the constructs of a culture (Lee & Yu, 2004; Flamholtz & Randle, 2012). Since companies have their own beliefs and values which guide employees' behavior, it is in the best interest of human resource professionals to be cognizant of candidates' ability to repeat job performance (Murphy et al., 2013). For example, a candidate who was successful performing in a Clan culture, where group participation and a sense of belonging guides behavior (Yazici, 2011), may not share the same success performing in a Hierarchy culture which is governed by standardization, bureaucracy and a chain of command (Yazici, 2011). Since cultural values are unique and different for each organization, it seems logical that a candidate's past performance success in one organizational culture does not necessarily indicate a candidate will be successful performing in another organizational culture in the future, due to the exclusive dimensions in every culture. Research findings supported the notion that culture can impact candidates' behavioral traits which are directly associated to the method in which work is performed (Lim et al., 2014). Therefore, the theory that past performance is an indicator of future performance has limitations, as it does not take into consideration the multi-layers of a culture.

3.1.1 Individual Performance

For strategic purposes, companies have implemented performance management systems to track and measure employees' performance against set organizational goals (Amoako & Adjaison, 2012). These strategic goals are not only unique to each company (Amoako & Adjaison, 2012); but also, the method in which leaders' track, measure individual performance through specific criteria and competencies (Tangen, 2005). Since strategic goals are unique to each company (Amoako & Adjaison, 2012), it seems logical that human resource professionals measure individuals' past performance against the organizations' competencies (Figure 2). Although each organization has its own strategic goals (Amoako & Adjaison, 2012) and criteria to measure and evaluate employees' performance, it seems reasonable to conclude that human resource professionals need to consider, whether candidates possess the ability to perform the same competencies in a future job, due to differentiation of organizational goals across various companies, industries and sectors. As a result, the method is which candidate skills and competencies are measured would more than likely change (Amoako & Adjaison, 2012), since the measurement of what constitutes performance and how it is measured, varies from each company and industry (Sturman et al., 2002). For example, if a candidate has earned satisfactory performance ratings with a current employer, a future employer may likely assume the employee will also continue to perform the same way, without identifying how the employee's past performance was measured. Therefore, the theory that past performance is an indicator of future performance does not take into consideration how performance is assessed, since companies have their own unique criteria of measurement.

3.1.2 Technologies and Processes

Some organizations invest in technologies and processes to ensure the delivery and standardization of information (Jiang et al., 2012; Pérez-López & Alegre, 2012). To achieve results, some companies utilize various information and communication technologies to automate work and processes (Gressgårdet al., 2014), while others apply manual processes (Krause et al., 2013). Although the use of technologies and processes to deliver results is different with each company, the technological experience of each candidate is unique as well. For example, a candidate who has performed successfully in the past with automated and electronic processes may not perform the same way in a future company utilizing manual and paper-driven processes. The technological experiences of candidates as well as the technological sophistication of organizations, or lack thereof, can determine whether candidates can repeat past performance. Sturman et al., (2002) asserted that new technologies can change the method in which employees perform their jobs. Therefore, the notion that past performance is an indicator of future performance, does not take into consideration the technological experiences of candidates nor the technological sophistication of organizations, which have the potential to prevent candidates from succeeding in a future job.

4. Factors, Conditions and the Bottom Line

Taneja et al., (2013) affirmed the importance of human resource professionals to become strategic by reviewing their processes to ensure they are aligned with organizational goals. The method in how human resource professionals make decisions as well as being cognizant of internal and external factors can influence their approach to matching people to jobs (Fontaine, 2008). "Competitive behavior, technological change, political and economic conditions, human capital" (Al-Bahiri, 2015) … can impede candidates in repeating future performance due to changes in the job or the candidate (Sturman et al., 2002). In an unpredictable market, it is vital that human resource professionals possess a strategic approach in the recruitment process, by scanning for conditions and anomalies, which can impact the selection of quality candidates (Millmore, 2003). Therefore, possessing a strategic approach to the selection and hiring process, promotes a heightened sense of awareness and foresight, which does not support the assumption that if candidates performed the skills and competencies in the past, they will perform the same skills and competencies in the future. This assumption is not only unreliable, but also, costly to an organization's bottom line. In following the premise that candidates can repeat past performance, organizations increase their risk in hiring candidates who are not a true fit, which can lead to employee turnover, lost productivity, resources and potential liability for a company (Julia & Rog, 2008; Bowers & Kleiner, 2005). Another reason this premise is unreliable because it does not measure the skills and competencies candidates possess in real time to increase the predictive ability on performance. Although there is limited research in studying candidates' skills and competencies in real time, in evaluating success in a future job, the exploration in discovering alternative ways to measure candidates' success in a future job, without using past performance as a predictor of success, illustrates another perspective in rating performance.

5. Alternative Interview Methods

Employers heavily depend on interviews as a primary tool in selecting candidates for hire (Buckley et al., 2000). Although structured behavioral interviews are popular and utilized by various organizations (Levashina et al., 2014; Oliphant et al., 2008; Posthuma, et al., 2002), an alternative interview method is needed to evaluate candidates' success in a future job, without using past performance as a predictor of success. The goal in exploring alternative interview methods is to evaluate candidates' competencies in real time to gain a true assessment of their knowledge, skills, abilities and hands-on experience. For example, in a group or fish bowl setting, candidates are asked to perform specific tasks in the job description to measure competencies such as "carefulness, attitude, ability to follow directions, and self-confidence" (Buckley et al., 2000). It is not the intent of this article to solely identify group interviews as the alternative method to structured behavioral interviews. However, based on Huffcutt (2011) and Huffcutt et. al., (2013) research, which demonstrated the lack of standardization in evaluating future success, when using past performance as a predictor of success, there is a need to measure candidates' competencies in the present time to assess future performance. As mentioned earlier, extenuating factors and conditions, such as culture, individual performance, technologies and processes as well as other conditions outside the scope of this study, can impede candidates in repeating past performance. With further research, the ideal interview method should also consider assessing candidates' adaptability in keeping up with changes in the business environment (Khatton & Farooq, 2015; Xu et al., 2016), in addition to measuring skills, competencies and experience.

6. Conclusion

The theory that past performance is the best indicator to measure future performance has been accepted within the human resources field. Despite the research supporting performance validity, in using structured behavioral interviews, there are countless of factors and conditions that impede and disrupt future performance. In this study, the culture, individual performance and technologies and processes were identified as potential inhibitors to future job performance. However, there are anomalies outside of the three identified inhibitors in this study, which can also pose a threat to candidates repeating future job performance. Since uncertainty impacts candidates and organizations differently, an alternative interview method, which measures skills in real time by performing tasks in the job description, has the potential to serve as a better predictor of success, more so than accepting candidates' responses to validate experience, skills and abilities. Although researchers argued that structured behavioral interviews decrease the chances of candidates fabricating accomplishments and hiring unqualified people (Kluemper et al., 2015; Bowers & Kleiner, 2005), candidates have exaggerated their experiences and skill sets in employment interviews "to increase their chances of being hired" (Fell et al., 2016) while using impression management to "create, maintain, or protect an image held by other individuals" (Bolino et al., 2014).

Uncertainty is considered a normal activity in the business world (Wayland, 2015). Over time, human resource professionals have accepted a theory which is difficult to predict future performance. It seems logical to explore a new theory since the premise that past performance is an indicator of future performance does not accurately evaluate candidates' performance in a future job. Kuhn's scientific theory posited that if the current theory is not working, then a new theory must be explored "when past achievements no longer seem to hold" (Wayland, 2015). A new theory in measuring and evaluating candidates' competencies and skill sets in real time for future performance, can better determine an accurate skill fit as well as assess how candidates respond to change and uncertainty.
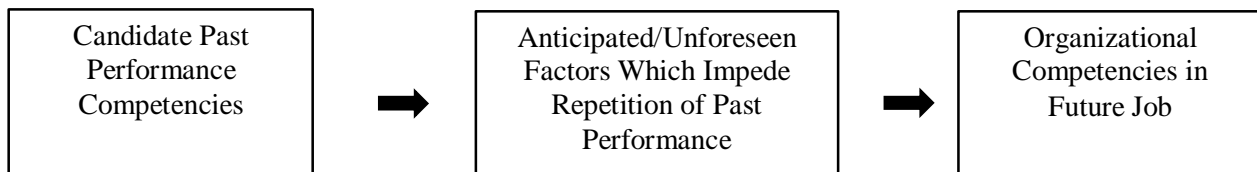
7. Conceptual Framework Figures

Figure 1: Candidate past and future competency model
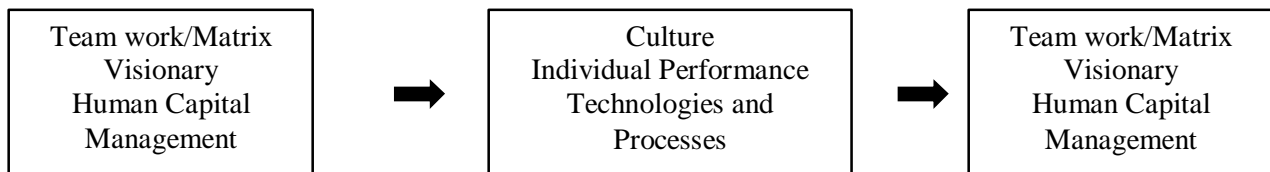

Figure 2: Candidate past competencies are evaluated against future organization competencies. Anticipated and unforeseen factors will determine if candidate can repeat past competencies.

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