

MYTHS AMONG PERSONNEL (HR) PROFESSIONALS

Mare Teichmann & Liina Randmann

mare@pekonsult.ee

Liina.Randmann@ttu.ee

About the authors

Professor Mare Teichmann is Director of Institute of Industrial Psychology at Tallinn University of Technology and the academic leader of the Masters programme in Work and Organizational Psychology. Her research interests are in the field of occupational stress, work locus of control and quality of life, including quality of working life.

Liina Randmann is lecturer at the same institute. She is an academic leader of Masters programme in Personnel and Development. Currently her priority is her doctoral dissertation in the topic of psychological contracts, engagement and commitment.

Abstract

In this paper we share our experience and examine some myths that exist among personnel (HR) professionals. In order to get an overview how deep is the gap between academic knowledge and everyday truths regarding personnel management we carried out the study in two phases. In the first phase we interviewed outstanding Estonian personnel managers as an expert group, and the second phase interviewed personnel professionals and non-HR professionals from different occupations (engineers, bookkeepers, lawyers, civil servants, and teachers). We explored issues of knowledge in the field by look-

ing at the levels of agreement regarding the quality of research evidence in Work and Organizational Psychology (WOP). The study revealed that the work done in many personnel management fields is based on similar myths that exist among non-personnel professionals.

Background

The past decade has seen a divide develop between academic knowledge and everyday truths regarding personnel management, and as a result differences have developed in the practical everyday work of human resource (HR) employees. Well-known publications of human resource management (HRM, such as *Human Resource Management and Human Resource Magazine*) act as a bridge between knowledge and practice. These journals attempt to intermediate, reflect, and rephrase major academic positions, based on empirical studies and scientific fact, for those working in the personnel field. Unfortunately, these efforts sometimes end up looking like a fun-house mirror rather than a true reflection of the evidence that they are trying to represent. The aforementioned publications and personnel management training textbooks and handbooks fail to address some of the academic knowledge that is vital to HR work. Analysing the content of articles published over five years, researchers in the USA

(Rynes, Giluk, & Brown, 2007) reached the conclusion that topics addressed in publications and books that were geared towards practitioners addressed far less academic studies and literature. The authors' describe that most of the material concerned rotating topics *du jour* (such as emotional and social intelligence, 360° feedback) while knowledge necessary to personnel work (such as employees' mental abilities, personalities, and setting goals; topics that are directly tied to and influence work and productivity) were addressed remarkably little. For example, the role of personality in choosing employees was addressed by three articles (0.4% of all articles published) in *Human Resource Magazine* and by two articles (1.2%) in *Human Resource Management*. Another negative trend affecting practices in HR is the quality of supporting evidence in articles and books geared towards practitioners. Many articles are based on individual experiences of practitioners; which leads to generalisations being made based on limited evidence. As a result of this trend, divergent and incompatible knowledge is widespread among personnel managers resulting in decisions being made based on poor quality, or unproven knowledge.

Current research

In order to get an overview of the evidence-base used in WOP in European countries, the European Network of Work and Organizational Psychology Professors (ENOP) carried out a study among the top specialists in WOP in 14 countries (Guest & Zijlstra, 2012). This study explored levels of agreement on the quality of the research evidence base using a pan-European sample of 75 senior academic WOP psychologists. In Estonia this study

was broadened by adding 15 of most outstanding Estonian personnel managers to the expert group. This work was the first phase of the study that we describe in this article.

In the second part of our study we examined two samples: a group of HR professionals and a control group of professionals from a variety of different occupations. We interviewed 63 HR professionals (58 females, five males, with an average age 32.4 years). The control group consists of 64 non-HR professionals from different occupations such as engineers, book-keepers, lawyers, civil servants, and teachers (56 females, eight males, with an average age 31.9 years). We proposed the same eight statements to both samples asking if they agreed or disagreed with each statement (e.g., "Money does not motivate an employee to boost their productivity"). These statements were taken from the misunderstandings of research evidence ("myths") that had vividly occurred in the first part of interview study. Both parts of Estonian study were carried out by the Department of Industrial Psychology at Tallinn University of Technology.

Results

Our study shows there were few differences between the appreciations of research evidence between the two samples. That is that both groups were likely to make judgements based on a general understanding of WOP than a specific knowledge-based known to their profession. With reference to Table 1 below it is apparent that in accepting or rejecting proposed statements HR professionals did not use or did not have the professional knowledge in their own field.

Table 1. Personnel professionals' and non-personnel professionals' judgements

	Sample1	HR group	Sample2	Non-HR group
Statements	Agree (%)	Disagree (%)	Agree (%)	Disagree (%)
Money does not motivate an employee to boost their productivity.	33.4	66.6	15*	85*
It's not possible to use a test to gauge an employee's integrity in order to help decide whether to hire him or not.	63.9	36.1	65	35
Work stress is the primary reason for employees falling ill.	47.2	52.8	75*	25*
Including employees in the decision-making process is vital to improving work productivity.	83.3	16.7	95	5
Satisfaction with one's work guarantees greater productivity and more loyalty to an organisation.	94.4	5.6	85	15
Charismatic leaders are not as good.	5.6	94.4	0	100
Labour unions conduct negotiations about wages instead of employees.	13.9	86.1	15	85
It is not possible to account and to prove the profitability of personnel selection.	33.3	66.7	35	65

*Statistically different from the HR group (Sample 1) at $p < 0.05$

Table 1 shows that there are a number of embedded attitudes (myths) that are not evidence-based. Four statements were judged, by the majority in both samples, adequately:

1. Money does not motivate an employee to boost productivity (66.6% disagree HR; 85% disagree non-HR);

6. Charismatic leaders are not as good (94.4% disagree HR; 100% disagree non-HR);

7. Labour unions conduct negotiations about wages instead of employees (86.1% disagree HR; 85% disagree non-HR);

8. It is not possible to account and to prove the profitability of personnel selection (66.7% HR disagree; 65% disagree non-HR).

In contrast there were three statements in which majority from both samples judged *inadequately*:

2. It's not possible to use a test to gauge an employee's integrity in order to help decide whether to hire him or not (36.1% disagree HR; 35% disagree non-HR);

4. Including employees in the decision-making process is vital to improving work productivity (16.7% disagree HR; 5% disagree non-HR);

5. Satisfaction with one's work guarantees greater productivity and more loyalty to an organisation (5.6% disagree HR; 15% disagree non-HR).

One statement did show a significant difference ($p < 0.05$) between the judgments of HR and non-HR samples:

3. Work stress is the primary reason for employees falling ill; (47.2% HR; 75% agree non-HR).

The prevailing view among non-personnel professionals was (incorrect) that work stress was the primary reason for employees falling ill.

Discussion

The results of ENOP WO Psychologists' study shows that there were only seven of the 24 core findings on which over 75% of the participants agreed that there was good-quality evidence (Guest & Zijlstra, 2012). It is concluded, in agreement with Briner and Rousseau (2011), that there is some way to go before WO Psychologists can begin to feel confident about the quality of much of their research evidence (Guest & Zijlstra, 2012).

Based on results of the current study, four

statements were judged in both samples adequately, and there were three statements in which both samples judged inadequately. One statement did show a significant difference ($p < 0.05$) between the judgments of HR and non-HR samples i.e. "Work stress is the primary reason for employees falling ill". We have to conclude that personnel professionals' knowledge has not progressed far as 37.5% of judgments made by personnel specialists were not supported by evidence. Most intriguing was the finding that there was not much difference between HR and non-HR samples by their level of knowledge.

Next we will examine, in turn, each of the statements we used in the study.

Myth 1 – Money does not motivate an employee to boost their productivity.

This statement can be found in just about every HR management handbook or management training course. Empirical studies done in countries with a high standard of living confirm this statement. But, studies that have been carried out in countries that do not have such a high standard of living and quality of life (for example Eastern European countries) reveal that money is actually a very strong motivator. It seems that money loses its power as a motivator when the standard of living and quality of life are about equal to the employee's expectations. As long as that balance does not exist, money is an important motivator in improving work productivity. Even in the USA, studies reveal contradictions in employees' statements regarding money as a motivator and their actual behaviour – employees talk about money as the least important motivator but their actual decisions and choices tell

a different story (Rynes, Gerhart, & Parks, 2005; Rynes, Schwab, & Heneman, 1983).

Myth 2 – It’s not possible to use a test to gauge an employee’s integrity in order to help decide whether to hire him or not.

Integrity tests are a type of personality test and can successfully predict whether a person will start stealing, or missing work on false pretexts (Ones, Viswesvaran, & Schmidt, 1993; Ones, Viswesvaran, & Reiss, 1996). In terms of their ability to predict work productivity, integrity tests are only slightly less effective than tests of work-specific knowledge and trial assignments. To predict potential work motivators and work behaviours, organisations don’t necessarily need to work out their own organisation-specific integrity tests. Even general integrity tests can reveal whether an employee will behave in accordance with an organisation’s standards and interests.

Myth 3 – Work stress is the primary reason for employees falling ill.

Statistics on employee illnesses do not support this statement in any European country. Work stress is directly related to an employee’s productivity with companies likely to lose 5-10% of their profit due to work stress (European Commission, 1999; Cooper, 2011). Therefore, reducing work stress can mean more productive work is being done; with fewer errors or sub-standard products being produced, and friendlier customer service. The indirect role played by work stress in psychosomatic illnesses in employees has been proven, but it is quite certain that work stress is not the primary reason employees get sick. People can fall ill even when they feel no stress at all with common colds and ailments, and musculo-skeletal injuries.

Myth 4 – Including employees in the decision-making process is vital to improving work productivity.

Setting work-related goals and giving employees’ feedback on their productivity are more necessary and effective methods to improve productivity than including them in the decision-making process (Locke, Feren, McCaleb, Shaw, & Denny, 1980; Locke & Latham, 1990; Wagner, 1994). Work productivity is boosted by specific goals (with set deadlines) that are meaningful and challenging (Latham, 2006). However, instructions to “work better” are actually more likely to decrease motivation and productivity.

Myth 5 – Satisfaction with one’s work guarantees greater productivity and more loyalty to an organisation.

Satisfaction with one’s work does have a positive (but weak) correlation with productivity, but it is not the major factor that affects performance. Work productivity indicators are actually more closely tied to the relationship the employee has with their direct supervisor (Gerstner & Day, 1997). When employees sense that they are being treated fairly and relationships are positive and supportive, much better work results are seen (Greenberg, 1990).

Myth 6 – Charismatic leaders are not as good.

There are clearly different views on charisma, mainly due to the fact that charisma possesses a different meaning for practitioners than it does in academic literature. Practitioners relate charisma with charm and mystery and attribute all-powerful, superhero characteristics to charismatic people. Academic literature views charisma more broadly and generally sees such people as transforming leaders. The academic literature also dif-

ferentiates two types of charismatic leaders: those who are self-centred or those who are more socially oriented. The former are described as manipulative leaders who are trying to achieve their own personal goals and who, in the long run, could be dangerous to an organisation (Howell & Shamir, 2005). Socially oriented leaders direct their efforts towards achieving common goals and towards protecting the interests of the organisation (and its employees) (Judge & Piccolo, 2005).

Myth 7 – Labour unions conduct negotiations about wages instead of employees. According to the Estonian Statistical Office (2009) 6% of all organizations are unionised and 13.3% of organizations have Works Councils elected by employees. Trade Union members make up only 7.7% of the whole Estonian workforce in 2010 (Source: OECD Statistics). Therefore, it is usual for employees to represent themselves without an intermediary; undertaking individual negotiations and entering into private agreements. Personal and sometime informal arrangements (so-called I-deals, Rousseau, 1995) are based on the employee's personal "value" for the organization and ideally, satisfy the needs of both parties in the employee-employer relationship. Therefore, wages and working conditions may vary from other colleagues who are performing the same job. With the help of I-deals employees have significantly greater opportunity to determine their own wage and working conditions.

Myth 8 – It is not possible to account and to prove the profitability of personnel selection. Already decades ago there was strong scientific evidence to prove that a profit of personnel selection is accountable and can be related to organizational performance (Schmidt & Hunter, 1998).

In conclusion, the martyr syndrome is rampant among Estonian HR specialists; although it is hard to pinpoint the cause and the effect here. HR textbooks, handbooks, and periodicals say that a personnel employee's ideal role within an organisation should be that of a business partner. In reality this ambition is rarely met, and therefore personnel professionals feel that they are poor victims ("we are so small and the bosses are so big; they don't listen, they hurt our feelings"). Therefore, HR professionals feel the need to prove their worth within organizations. However, it would never occur to non-HR professionals (such as book-keepers, lawyers, and marketing specialists) to try to prove their added value in the company and be seen as a business partner. If it does become necessary to prove to management what kind of added value human resources brings, it would be quite easy to reach a conclusion based on evidence from facts, studies, and other knowledge. Our study in Estonia revealed that the work done in many HR roles is based on similar myths that exist among non-personnel professionals. Our results reveal that the knowledge of HR in Estonia was marked by confusion and in majority cases were not based on scientific evidence.

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