

To Study the Ethical Concerns in HR Recruitment Process Within Employment Market in Malaysia

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Abstract

The purpose of the study the ethical concerns within the human resource (HR) recruitment process within employment market in Malaysia. The rising competitiveness in the job market in Malaysia had been very significant where the demand for the candidates had been increasing the difficulty in recruiting good talents into the business organization. This had results in further pressure for talent and acquisition department when comes to recruiting talents and skills which triggered to the potential risk into the ethical concerns for the recruitment process. Based on the methodology of the research, the data input had been collected from five HR manager who are currently working in MNC in Malaysia to share the useful insight towards the relevance theme for the highlight using the thematic analysis of qualitative study method. The outcome for the key findings had addressed the major theme highlight including the transparency, fairness and equal opportunity and confidentiality that had posed major concerns and addressed of the unethical suggestion resulting in verifying the actual ethical issues arising within the recruitment process in Malaysia. The study concludes with the significant contribution of the study and addressing the future study to explore the potential best practices to be recommended to overcome the ethical challenges for the recruitment process in Malaysia.

Keywords- *ethical, recruitment, Malaysia, employment, human resource*

Introduction

The market for employment had become more and more competitive these days with higher demand and supply in the market. This had become the rising common factor with the increasing competitiveness in the talent and skills where the business organizations tend to compete to obtain the best candidate for the open position to fill in (Kuenzi, Mayer & Greenbaum, 2020). With this, the human resource (HR) had been actively engaging with multiple strategy to attract fresh talent which had been crucial for the development for the business organization to further expand and achieve better growth (Williams, McDonald & Mayers, 2021). Therefore, the process for talent acquisition had been part of the necessity within the HR process which address the common needs for the company.



However, the recruitment had been facing multiple challenges where the potential candidates had become more demanding with the job requirement as well as the compensation package for the employees (Koch, Gerber & De Klerk, 2018). This had certainly addressed the concern in meeting the obligation as the increasing of the benefits and flexibility will eventually translate to higher costing for the business organization. The higher cost will then contribute to lower profitability for the business that will negatively affect the business growth over time (Tërstena, Goga & Jashari, 2020). Therefore, the HR had been constantly engaging for new strategy to attract new talents when comes to recruitment process which include the effort to advertise the job openings in the job market (Geetha & Bhanu, 2018).

The rising process in the recruitment in aligned with the competitiveness in the job market certainly increase the difficulty in reaching out for good candidate where the HR will eventually be engaging for potential ethical risk actions for the job recruitment (Köchling & Wehner, 2020). Therefore, the HR under the talent acquisition will provide higher emphasize to create more positive image when comes to advertising the job to the candidate which at times could be misleading (Tërstena, Goga & Jashari, 2020). The misleading information could be due to miscommunication or even the intentionally manipulated information that provide the false positive impression to the candidate in order to attract more candidates to apply for the job creating higher chance in capturing the good pool of talented individuals (Hangartner, Kopp & Siegenthaler, 2021).

This will address the problem statement for the study where the study had been identified with the gap arise from the potential ethical risk that comes into the picture when comes to talent acquisition and recruitment process as there is a lot of common noises that provide the relevance understanding towards the misleading information advertised by the HR (Hangartner, Kopp & Siegenthaler, 2021). This will create the objective of the research which is to investigate the ethical risk for the recruitment process in Malaysia in aligned with the increasing competitiveness in the job employment market. The research is expected to provide relevance contribution towards the academic in narrowing down the gap in literature review where the outcome will create significant reference towards the HR recruitment process in Malaysia including innovative improvement ideas for the talent acquisition for the business organizations.

Literature Review

The previous studies had highlighted the numerical points where the job employment through the talent acquisition had been the significant process for HR to engage into hiring better talents from the labour force in the job market (Tërstena, Goga & Jashari, 2020). The honesty in the hiring process is crucial to be addressed for the benefits for both parties of business and the candidate (Köchling & Wehner, 2020). The HR recruitment process in Malaysia had certainly create concerns to be highlighted where the ethical actions and values had not been properly demonstrated in the HR process.



Firstly, the recruitment ethics refer to the moral principles and guidelines that govern the practices and behaviors of organizations, recruiters, and HR professionals involved in the process of hiring and selecting employees (Bender et al., 2017). Ethical recruitment ensures fairness, transparency, respect, and equal treatment for all candidates throughout the recruitment process (Gelinas et al., 2017). These expectations had been sunk into the mind of the candidates when applying for the job at the first place. Bender et al. (2017) mentioned that there is multiple suggestion of events where the candidates failed to find the similar expectations from the job advertisement which results in lower confidence for the candidates in building lacking trust against the hiring employer. Recruitment processes should be clear and transparent. Candidates should be provided with accurate and complete information about the job, the organization, the selection criteria, and the recruitment timeline (Kuenzi, Mayer & Greenbaum, 2020). Hidden agendas or misleading information should be avoided. The lack of transparency addressed could become the potential problem to convince the potential candidate to hire with future promises in the compensation package for the employment that could result in failing to hire the good candidate (Gelinas et al., 2017).

Moving on, the fairness on the chance and equal opportunity provided to the candidate should be similar to every single potential candidate to ensure that there has a fair chance of being selected (Quillian & Midtbøen, 2021). However, Villegas et al. (2019) mentioned that often there are discrimination in the advertising for the job openings in multiple events. For instance, recruiters should treat all candidates impartially and without bias. Discrimination based on factors such as race, gender, age, sexual orientation, disability, or religion should be strictly avoided (Quillian & Midtbøen, 2021). Recruitment decisions should be based solely on the candidate's qualifications, skills, and suitability for the job. Köchling & Wehner (2020) emphasize that some jobs had been limiting the candidate to a certain gender or qualification to eliminate majority of the qualified candidates and narrowing down to the preference for the business organization in applying for the role where the specific requirement could not be relevance for the organization's goal or even to fit the requirement in the roles and responsibilities arise.

In addition, the confidentiality should be very important when comes to private disclosure of personal information in the hiring process especially from the HR perspective (Villegas et al., 2019). Recruiters should avoid conflicts of interest that could compromise the fairness of the recruitment process (Sánchez-Monedero, Dencik & Edwards, 2020). For example, nepotism or favoritism toward friends or family members should be avoided. However, Berson, Laouenan & Valat (2020) highlighted the fact where the HR often reveal certain information that would put candidate into disadvantages by using the confidential information like previous employment and salary package against the candidate especially when comes to collaboration on the compensation package to work to the hiring employer's advantage (Sánchez-Monedero, Dencik & Edwards, 2020). This certainly blurred the vision towards the actual value being demonstrated by the candidate that will eventually resulting in lower acceptance in the offer.



Methodology

The methodology of the research had been developed to provide the qualitative analysis where the analysis will review the content from the non-numerical data where the study will understand the data input with the consideration from the judgement and knowledge from the researcher. The qualitative research will apply thematic analysis where the theme for the findings will be identified in aligned with the literature review to provide the relevance reflection into the current findings with the previous research papers (Köchling & Wehner, 2020). To have effective data collection process, the interview is being conducted with five HR manager from talent and acquisition department in Malaysia mainly attached with MNC organizations in Malaysia to share their view and experience from the HR recruitment process in today's trend. The customization to have the first hand of data through primary data collection certainly provide the advantage for the development for the study to achieve the relevant objective of the study (Quillian & Midtbøen, 2021). The reasons for involving the target population among the HR managers is driven by the motivation to have a closer up approach towards the personnel that understanding the recruitment process better to generate more relevance input towards the research study (Villegas et al., 2019).

Key Findings

Based on the research methodology, the below input had been shared from the five participants of the interview where the data input is being categorized into three major themes in regards towards the recruitment process in Malaysia which include transparency, fairness and equal opportunity as well as confidentiality.

Transparency

The transparency had been crucial especially coming to the job advertising in the relevant platform including Jobstreet and LinkedIn that will provide the expectations for the candidates when applying for job. However, the data input did raise up few major concerns for the relevance theme which firstly addressing the honesty in the job description as advertised. It is understood that one of the common approaches by the HR is to downsize the job description in order to make it less complicated and being simple to attract the candidates solely by judging the job description. However, there will be likelihood for the "supporting ad-hoc task" wording to be added into the job description which create lack of transparency towards the potential candidates. As highlighted, this wording had frequently become the key clause for the employers to be flexible into adding additional and new task into the job scope when the candidate actually on board with the company which create high misleading understanding towards the requirement of the roles.

Besides, the salary transparency had been a common concern addressed by majority of the candidates when comes to the recruitment process. This is mainly contributed by the fact where the HR frequently are seeking into manipulating into committing higher salary range to



attract more talents into applying for the job. For instance, a job opening that can be advertised with the salary range of RM6,000 to RM10,000 may only be having the maximum budget for hiring at only RM8,000. However, this approach has definitely attracted those more experience and qualified candidate into applying misleading with the information that the company is hiring up to RM10,000 of monthly salary.

Furthermore, the concern for the transparency continues to address where the arrangement of the job could not be honest to provide the actual requirement of the job. It is understood that more and more potential candidates are seeking for flexible job role where the post-pandemic situation had created higher demand of working from home job in the employment market. This had led to the unethical actions from HR to falsely advertised the work from home job that actually required to be on-site into the office most of the time. Some of the HR actually revealed that the information was purposely mislead just with the intention to attract more applications into the job opening to ease the recruitment process for HR.

Fairness and Equal Opportunity

In today's employment market, many business organizations like MNCs had been actively advertising their organization as equal opportunity employer to show the support to eliminate biased and discrimination when comes to employing the candidates into the organizations. However, the words and commitment may not apply into real life recruitment process where there are majority of the job filtering when recruitment of the candidate's profile had been highly selected through a certain preference. One of the examples highlighted is where the hiring manager had requested to have female Chinese candidate over any other candidates which means filtering out the chances for the good candidates that potentially more fitting for the job requirement. As part of the request from the hiring manager, the biased opinion on the preference candidate showed no relevance into the current job role which is a financial analyst that applies no preference to gender and race creating biased towards the fairness in the hiring opportunity.

In addition, the major concern when comes to fairness is always the salary collaboration as highlighted as there is no benchmark and honesty when comes to offering the candidate with the compensation package. The HR had disclosed that majority of the events when comes o salary collaboration, the offer tends to be lower than the expected salary of the candidate regardless of the expected salary amount to drive the cost savings into hiring. To put into further argument, the expected salary could be below the budget but still being pressured down by the employer to lower down the average costing for salary and expense> The worst experience shared from HR is that the candidates that actually accepted the offer most unlikely to sustain in the organization especially after knowing the salary offered being lower than the average salary range in the organization which will results in leaving the organization and creating additional jobs for the HR to repeat the recruitment process.



Confidentiality

The ethical values played major role when comes to confidentiality where ethe confidentiality had been importance and crucial to be addressed by both the candidates and the HR. The sad truth in recruitment process is where the previous salary is often requested by HR when recruiting new talents where the reason behind the request for the pay slip as evidence had been clear which is to collaborate on the salary offered for the candidate. However, this will distort the actual salary being offered for the candidate as the offered compensation package will be likely based on the previous salary rather than the actual value offered by the candidate. As part of confidentiality, the salary should remain confidential and should not be need to be disclosed by candidate but unfortunately in today's HR process, the absence of the pay slip will likely to put the risk into rejecting the good candidate and decline for any potential offer for the candidate.

In addition, part of today's HR recruitment process had often required referees from previous employment to become part of the support reference to verify the candidate's background and capabilities. It is common and understandable until the extent where the HR insist in requesting the current employer referees. This had not been very ethical actions to be considered at times as disclosing the current employer's referee or direct manager could expose the candidate into very significant risk. For instance, the leakage of the information through the direct contact with the current employer for the candidate will definitely put the candidate into major disadvantage and risking in losing the job due to engagement with job opportunity with another employer. This action is highly disagreed by majority of the HR but some recruitment process by the talent and acquisition still remained solid to request the referees from current employer which is not appropriate and ethical.

Conclusion

Based on the findings and results for the study, it appears that the rumours and myth for the ethical risk and concerns within the Malaysian recruitment of job employment market had been increasing trend these days that generated further challenges for the HR and the candidates seeking for future job. Majority of the issues that are highlighted actually is made known to the HR personnel but still no drastic actions being taken to curb these concerns resulting into the continuous widening of the gap in the ethical malpractices. The rising of the ethical concerns certainly not benefiting the candidates in the job market where the relevance assessment into drawing the recommendation could be appropriately process in the future study to explore and suggest the best practices in the HR recruitment process.



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