Expectations of recruiters and applicants in large cities of China

Hao Zhao
Lally School of Management and Technology, Rensselaer Polytechnic Institute, Troy, New York, USA

Abstract

Purpose – This paper has three purposes. First, it aims to explore important factors in the Chinese employment market. Second, it aims to find whether recruiters and applicants understand each other’s expectations. Third, it aims to find whether applicants with different Hukou (locals vs non-locals) have different expectations on position/organization characteristics and whether recruiters from organizations of different ownerships (foreign vs state-owned) have different expectations on applicant qualifications.

Design/methodology/approach – A list of 15 applicant qualifications items and 15 position/organization characteristics items that are relevant in the Chinese context were generated by interviewing ten applicants and recruiters. Then 141 college graduates and 44 recruiters were surveyed in four job fairs in Beijing, and asked them to rank the importance of position/organization characteristics and applicant qualifications.

Findings – The study found that recruiters overestimated applicants’ expectations on extrinsic rewards (e.g. salary) but underestimated their needs on intrinsic rewards (e.g. job security). Applicants overestimated recruiters’ expectations on exogenous qualifications (e.g. local Hukou) but underestimated their expectations on endogenous qualifications (e.g. analysis skills). Local applicants have higher expectations on job locations and voice opportunities while non-local applicants have higher expectations on local Hukou quota. Recruiters from foreign organizations have higher expectations on endogenous qualifications than recruiters from state-owned organizations.

Research limitations/implications – The applicant samples were college graduates in Beijing, and the findings may not be generalized to the whole job applicant population in China.

Originality/value – This paper represents an early attempt to investigate both recruiters’ and job applicants’ expectations at the pre-employment stage in the contemporary Chinese context, and it provides practical suggestions to recruiters, students, and policy makers.

Keywords China, Recruitment, Jobs, Job applications

Paper type Research paper

Recruiting and selecting the best employees is one of the most important tasks for human resource managers. In the recruitment and selection literature, a common theme is achieving an appropriate match between job applicants’ abilities and organizational requirements, or between job applicants’ wants and needs and the organization’s wants and needs (Wanous, 1992).

The perceived importance of different applicant qualifications and position/organization characteristics may reflect individuals’ work value or specific motivations, and they will determine their job-related decisions such as application, impression management, job offers, and job acceptance. However, because of the short time frame and possible deliberate distortion or faking (Mueller-Hanson et al., 2003), it is not easy for recruiters and applicants to know each other’s strengths, weaknesses, desires, and expectations. Recruiters and applicants often have to guess or estimate
what the other party considers to be the most important factors and it is questionable whether such guesses or estimations are accurate.

This paper has three purposes. First, it explores what applicant qualifications and position/organization characteristics are important in the Chinese employment market. Applicant qualifications, such as work experience and communications skills, refer to job applicant factors that the employer will consider when deciding on whether or not to tender a job offer. Position/organization characteristics, such as salary and advancement opportunities, refer to factors in the job or the organization that can attract job applicants. Although past research has examined this topic in western countries, it is very likely that some socio-economic factors unique to the Chinese employment market can play an important role. Second, I compare Chinese recruiters’ and applicants’ perceived importance of applicant qualifications and position/organization characteristics. I use recruiters’ perspective as the benchmark for applicant qualifications, and I use applicants’ perspective as the benchmark for position/organization characteristics. To successfully “sell” the position (for recruiters) or the talent (for applicants), recruiters and applicants have to estimate the decision criteria used by the other party and the relative importance of each criterion. Comparing such estimations to the “actual” decision criteria by the other party can shed light on the source of mismatches in the recruitment stage and provide suggestions for improving the match. Finally, this study breaks down the applicant population by their Hukou (locals vs non-locals) to see whether the two groups have different expectations in position/organization characteristics; and it breaks the recruiter population by their organizational ownership (foreign vs state-owned) to see whether the two groups have different expectations in applicant qualifications. Such comparisons further assess the impact of the two unique socio-economic factors in the Chinese employment market.

Literature review
In the recruitment literature, there has been a great deal of emphasis on the “match” or “fit” between job applicants and organizational needs. It is assumed that the fit will produce a stable and harmonious employment relationship that contributes to high performance. Kristof-Brown et al. (2005) summarized past research on person-job fit, person-organization fit, person-team fit, and person-supervisor fit in a meta-analysis, and concluded that the fits are correlated with nearly all pre-entry and post-entry outcomes. A limitation in previous fit studies, however, is that they tend to focus on employees’ demographics, experiences, abilities, and personalities, and little attention is given to the fit between employees’ expectations/needs and employers’ expectations/needs. Psychological contract theory addresses this issue by examining the “terms of an exchange agreement between individuals and their organization” (Rousseau, 1995, p. 9), and it has been used to explain constructs such as commitment, job satisfaction, turnover, and performance (e.g. George, 2003; Robinson, 1996), but psychological contract tends to focus on employed workers and there have been few studies examining the development of psychological contract during the recruitment stage when applicants have very limited information about the organization.

Wanous et al. (1992) summarized 31 studies in a meta-analysis and found that the gap between new employees’ pre-entry expectations and their post-entry experiences has a huge impact on their attitudes and behaviors. Although recruiters and inside
sources, such as referrals, could shape job applicants’ expectations for the job, applicants’ job expectations might have existed before any interaction with the recruiters. These expectations can be based on the applicants’ own values, needs, and past job search and work experiences. Similarly, recruiters who represent the employers may also have a set of expectations regarding the qualifications of job applicants, based on the companies’ strategies, values, resources, and past recruitment and staffing experiences. These two sets of expectations do not only determine the successful “match” in the recruitment/selection stage, but also lay the foundations for the development of future employment relationships.

There have been some attempts to explicitly explore the expectation of job applicants and recruiters. For example, Posner (1981) studied the perceptions of recruiters, students, and faculty members in the USA on various applicant qualifications (e.g. work experience, sense of humor, and appearance) and position/organization characteristics (e.g. learning opportunity, salary, and job title), and found that although the three groups had different perceptions, students and recruiters seemed to understand each other a little better. McGinty and Reitsch (1992) surveyed 480 US students, and found that the position/organization characteristics students valued most were, in that order, job location, promotion opportunity, corporate social responsibility, interest in the job, and salary. This finding was contrary to the popular public perception that salary is the number one concern of applicants. However, they did not survey recruiters, and they only studied the above five position/organization characteristics, which may be an incomplete list of the important position/organization characteristics. Redman and Mathews (1992) and Mathews and Redman (1998) studied the perceptions of British recruiters (as indicated by the writing of job ads in the newspaper) and British applicants (as represented by the surveys responses collected from the general public or MBA students). They found that recruiters did not understand the applicants’ need for and expectations of the position/organization characteristics, and recruiters might want to reconsider their way of writing the job ads by addressing the applicants’ concerns directly so that applicants are more likely to read the advertisements and apply for the positions. As a way of helping applicants to understand the selection criteria used by employers, the US National Association of Colleges and Employers (NACE) regularly surveys employers and publishes an annual report that summarizes the most important applicant qualifications US employers seek.

However, all these studies or reports have been conducted in the Anglo-Saxon culture context, and the conclusions may not be necessarily the same in other countries such as China. With the largest population in the world and a fast-growing economy, China has received more and more attention from management researchers. Since its economic reform in late 1970s, China has been attracting investments from all over the world. Foreign businesses, however, usually face many challenges in China. One of the major challenges for foreign businesses is the recruitment and selection of competent local professionals (Law et al., 2004). For successful recruitment results, it is very important for foreign businesses to understand the Chinese cultural and social-economic characteristics and their impacts on the employment market. Past research tends to rely on the cultural difference to explain Chinese employees’ attitudes and behaviors (e.g. Leung and Kwong, 2003; Thomas and Au, 2002). Although the cultural perspective is helpful and theoretically appealing, there are important
socio-economic factors that can influence recruiters’ and applicants’ psychological needs. China used to have a totally planned and centralized economy for several decades. Although its economy has become more and more market-oriented in the recent years, the impact of the planned economy may continue to exist in the economic system and in the minds of Chinese employees and managers. For example, state-owned enterprises are still an important component in China’s economy today and they enjoy many privileges (e.g. Hukou quota and bank loans) when competing with private businesses and foreign businesses. Recently, there have been some efforts to examine the role of socio-economic factors, such as the types of organizational ownership (Turban et al., 2001), in applicants’ perceptions of firm attractiveness. But so far there has been no thorough examination of what factors are relevant in the Chinese employment market.

Hypotheses
Recruitment is a set of planned procedures through which organizations attract and absorb new talent from the environment (McKenna and Beech, 1995). To attract qualified employees, it is very important for organizations to accurately assess the expectations and needs of job applicants. Similarly, to secure a job, job applicants need to know what qualifications employers will judge for job offer decisions. However, the information each party needs may not be easily available. The best source about positions and applicants should be the recruiters and applicants themselves. For various reasons, information exchange between recruiters and applicants is usually very limited and often inaccurate. First, applicants and recruiters tend to manipulate information and filter undesirable messages, in hope that the other party perceives them more favorably. Second, even if they wish to express themselves in a straightforward manner, the short time period and the limited communication channels during the recruitment stage may make comprehensive communication and understanding impossible. Third, human perceptions are subject to cognitive biases such as stereotypes and first impression effects, and these biases may distort the information being communicated in the recruitment stage. Recruiters and applicants may also learn from a third party (such as college faculties, media, or friends/relatives) about what characteristics are valued in the eyes of the other party. However, as shown by Posner (1981), the third party might know even less. Thus, it is very likely that recruiters and applicants will have inaccurate estimations of each other’s decision criteria. Although past research in western countries has found that recruiters and applicants do not understand each other well, it is worthwhile to test this hypothesis in the Chinese context:

\[ H1a. \] Chinese recruiters do not have an accurate estimation of applicants’ expectations on position/organization characteristics.

\[ H1b. \] Chinese applicants do not have an accurate estimation of recruiters’ expectations on applicant qualifications.

Job applicants are a diverse population, and each individual is unique. However, they can be categorized into different groups based on relevant features so that researchers can check the role of such features. In China, Hukou is such an important feature with a huge impact on the employment market. Hukou (household registration) is an official certificate of permanent citizenship in a local
city (Wang, 2004), and it is like a “green card” for the city. In China, only people with a local urban Hukou are covered by the government-sponsored benefits such as housing allowance, health insurance, retirement pension, and employment and re-employment privileges. China has been using the Hukou system for decades to limit migration from the countryside to the cities and between cities. The Hukou is determined by one’s place of birth, but local governments usually also allocate new Hukou quota among selected employers so that their new employees can get a local Hukou (in fact, it is a permission to transfer one’s original Hukou into the new location). Many cities protect the jobs of their local citizens by forbidding the employment of non-locals in specified occupations (Mackenzie, 2002). The local Hukou restriction is a big barrier to non-local applicants, and it segregates the applicant population into two classes. Local applicants (defined as those with local Hukou) are the top class and they have more job choices, and non-local applicants become the inferior class and have to struggle for any job that can grant them a local Hukou quota. Given the inequity in employment market, I argue that non-locals and locals will have different expectations in the position and organization.

**H2.** Local and non-local applicants have different expectations on position/organization characteristics.

It is also likely that different types of organizations will value different applicant qualifications. In China, ownership indicates the structure of ownership and governance of an organization, and common ownership types include government agencies, state-owned public organizations (e.g. public universities and hospitals), state-owned enterprises, private enterprises, collectively-owned enterprises, and foreign businesses. In China, Sanzi Qiye (three types of foreign invested ventures) is the official classification for foreign businesses, and it includes equity joint ventures, contractual joint ventures, and wholly foreign-owned ventures (Yeung and Mok, 2004). Organizations of different ownerships tend to have different expectations on employees (Goodall and Warner, 1997), and the difference should be most salient between foreign organizations and state-owned organizations (broadly defined to include government agencies, state-owned enterprises, and state-owned public organizations).

State-owned organizations are traditionally expected to provide “iron-rice bowl” (i.e. lifetime job security and benefits (Turban *et al.*, 2001)) for its employees, and are subject to strict state control over personnel practices such as hiring and wage. They usually prefer employees who are loyal, team-oriented, and capable. In contrast, foreign businesses are clearly for profit and are not burdened with the lifelong employment and benefits expectations. They usually provide better salaries and more autonomy, and thus have higher performance expectations. It was found that foreign businesses in China require employees to work harder and work for longer hours, and to be more self-reliant. The different requirements on employees should be reflected in the applicant qualifications of each type of organizations, and thus:

**H3.** Foreign organizations and state-owned organizations have different expectations on applicant qualifications.
Methods

Pilot study I – item generation
Two pilot studies were conducted between September and October 2000. The purpose of the first pilot study was to generate items and assess the relevance of those items in the Chinese context. Based on published studies or reports utilizing the US and the UK samples, I prepared a list of the 15 most widely examined items of selection, and presented it to seven applicants and three recruiters and asked for their perceptions on the relevance of those items in the Chinese context. The ten subjects made independent evaluations and replaced irrelevant items with something they deemed important. Four applicant qualification items (i.e. health, sense of humor, psychological maturity, and recommendation from the college) were evaluated as irrelevant in China by seven or more of the subjects, and were thus removed from the list and replace by four items that they deemed important in China: local Hukou, gender, Guanxi, and Communist Party membership. Guanxi refers to “the existence of direct particularistic ties between an individual and others” (Farh et al., 1998, p. 471). Establishing good Guanxi with significant others is essential to one’s career and business successes in Chinese society (Xin and Pearce, 1996). Guanxi can shift Chinese people’s perception of social identity to categorize one as an in-group member and thus provide him/her more favors (Farh et al., 1998). Guanxi is important in job search as well, as an applicant with good personal connections with a significant insider in the organization can get more favorable considerations. Since the communists came into power in China in 1949, the Communist Party membership has been traditionally regarded as a favorable qualification of job applicants and sometimes a must for government jobs or for a promotion. Although the importance of Communist Party membership in the employment market has been waning since the economic reform in late 1970s, even today, some employers still favor Communist Party members, because to them the membership does not only reflect a political affiliation, but also reflects one’s ambition, maturity, competence, and loyalty, as evidenced by one’s successful admission to the Communist Party.

A similar procedure was performed on position/organization characteristics. Union, Equal Employment Opportunity policy, and job title were deemed irrelevant and were replaced by Hukou quota, occupation reputation, and ownership of the organization. Occupational reputation reflects the reputation people often associate with different occupations. For example, one theme in the Confucian culture is respect for authority and teachers. Thus, government officials and teachers usually enjoy better occupational reputations than sales people in China.

Pilot study II – scale choice
The second pilot study was conducted among 18 faculty members in human resource management or labor economics in a large university in Beijing. Participating faculty members were invited to complete the survey and provide feedback. Three faculty members questioned the use of Likert scale, because according to their research experiences, most Chinese subjects were not sensitive about the numerical difference in the Likert scale. Many subjects would be so cautious and hesitant that they would give the same rating for all items (either at the middle of the scale or at the extreme), thus producing very little variance for the variable of interest. The experiences of these faculty members were consistent with Hui et al. (2004), who indicated that Chinese
samples tend to have high level of central tendency. These faculty members suggested forced-choice option instead of Likert scale. I took their advice and asked my subjects to select the three items they considered the most important (which would receive a rating of 5) and the three items they considered the least important (which would receive a rating of 1). Among the remaining nine items, I asked them to select again the three items they considered the most important (which would receive a rating of 4) and the three they considered the least important (which would receive a rating of 2). The remaining three items would receive a rating of 3. This procedure is similar to ipsative measures, where a set of responses always total the same (Meade, 2004). Although ipsative measures omit some information at the time of measurement (e.g. the absolute value of the stimuli and the distance between the stimuli) and are often criticized, it overcomes central tendency and social desirability that could distort the responses, and has been used widely in areas such as performance appraisal (Giffin et al., 1996), personnel selection (Meade, 2004), and organizational culture (Barber and Wesson, 1998), where between-person or between-item rankings are necessary. In addition, some researchers concluded that the problems with ipsative measures actually have limited consequences in data analysis (Greer and Dunlap, 1997). Thus, after weighing the advantages and disadvantages, I adopted the forced-choice option to assess the expected importance of various aspects of position/organization characteristics and applicant qualifications in the Chinese context.

Sample and procedures
Four assistants and myself collected the data on site in four large job fairs for college students between November 2000 and March 2001 in Beijing. Among the 182 applicants randomly selected, 159 applicants agreed to take the survey and 141 of them provided usable data, a response rate of 77.5 percent. Among the 141 respondents, 57.4 percent were male, 42.6 percent were female. A total of 66 percent were below 23 years old, 23.4 percent were between 24 to 26 years old, and 10.6 percent were 27 years or older. As for education level, 19.1 percent were graduating with an Associate degree or lower, 45.4 percent with a Bachelor’s degree, 31.9 percent with a Master’s degree, and 3.5 percent with a PhD’s degree. Most applicants majored in Economics/Business (29.1 percent), Engineering (15.6 percent), Liberal Arts (14.2 percent), or Sciences (11.3 percent). A total of 14 percent of the applicants already had a Beijing Hukou when searching for a job.

My assistants and I invited 48 randomly selected recruiters to complete a short survey before or after their talks with potential applicants. Three recruiters declined to participate and one recruiter did not finish the survey, so the response rate is 91.6 percent. Among the 44 recruiters, 43.2 percent were male, and 56.8 percent were female. Of the recruiters, 55 percent were below 30 years old, 36.3 percent were between 31 to 40 years old, and 8.7 percent were 41 years or older. All recruiters were Chinese in nationality. Most of them were from the HR department of their organization (81.8 percent), and their average recruitment experience was two years. A total of 39 percent of the recruiters were from foreign businesses (Sanzi Qiye), 34 percent were from state-owned businesses or state-owned public organizations (e.g. public universities or hospitals), and relatively few government agencies or privately-owned businesses (7 percent for each type). Most positions (77.3 percent) would be located in Beijing, and most recruiters (72 percent) claimed to be able to get Hukou quota for new employees.
Results

One-way MANOVA was performed to test whether there was significant group difference on the perceptions of the importance of various position/organization characteristics or applicant qualifications. Whenever a main difference was found, I conducted follow-up univariate $F$-tests to find out the source of difference. Because there were 15 univariate $F$-tests for either applicant qualifications or position/organization characteristics, I made the Bonferroni adjustment for the alpha level to avoid inflated Type I error (Tabachnick and Fidell, 2001). The univariate $F$-value must be significant at the 0.003 level ($= 0.05/15$) to suggest a difference.

First, I compared recruiters’ and applicants’ expectations on position/organization characteristics. The results of MANOVA indicated a significant group main effect (Wilks’ lambda $= 0.33; F(15,169) = 23.22, p < 0.001$). $H1a$ is supported. Recruiters did not have an accurate estimation of applicants’ expectations on position/organization characteristics. Table I shows the results of univariate $F$-tests. Recruiters overestimated the expectations of applicants on organization size ($F(1,183) = 17.90, p < 0.001$), salary ($F(1,183) = 12.23, p < 0.001$), and benefits ($F(1,183) = 20.72, p < 0.001$). They underestimated the expectations of applicants on voice opportunity ($F(1,183) = 18.71, p < 0.001$) and job security ($F(1,183) = 16.10, p < 0.001$). There are no differences for the other items of position/organization characteristics. When it comes to the relative ranking of each group’s expectations, it seems that recruiters assume that applicants care most about salary (4.68), while applicants themselves reported that their highest expectation is on learning opportunity (4.11).

Another MANOVA showed that recruiters and applicants had different perceptions about the importance of applicant qualifications (Wilks’ lambda $= 0.35; F(15,169) = 20.62, p < 0.001$). Thus, $H1b$ is supported. Applicants could not accurately estimate recruiters’ expectations on the applicant qualifications. The results

<table>
<thead>
<tr>
<th></th>
<th>Recruiters Mean</th>
<th>Recruiters SD</th>
<th>Applicants Mean</th>
<th>Applicants SD</th>
<th>$F(1, 183)$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organization size</td>
<td>2.84</td>
<td>1.16</td>
<td>1.98</td>
<td>1.19</td>
<td>17.90 *</td>
</tr>
<tr>
<td>Hukou quota</td>
<td>4.07</td>
<td>0.95</td>
<td>3.09</td>
<td>1.68</td>
<td>4.33</td>
</tr>
<tr>
<td>Salary level</td>
<td>4.68</td>
<td>0.56</td>
<td>4.02</td>
<td>1.2</td>
<td>12.23 *</td>
</tr>
<tr>
<td>Occupation reputation</td>
<td>2.64</td>
<td>1.31</td>
<td>2.52</td>
<td>1.05</td>
<td>0.42</td>
</tr>
<tr>
<td>Job location</td>
<td>2.89</td>
<td>1.47</td>
<td>3.56</td>
<td>1.47</td>
<td>7.05</td>
</tr>
<tr>
<td>Learning opportunity</td>
<td>4.30</td>
<td>0.76</td>
<td>4.11</td>
<td>1.35</td>
<td>0.10</td>
</tr>
<tr>
<td>Benefits</td>
<td>3.75</td>
<td>0.99</td>
<td>3.22</td>
<td>1.10</td>
<td>20.72 *</td>
</tr>
<tr>
<td>Organizational culture</td>
<td>3.25</td>
<td>1.28</td>
<td>3.77</td>
<td>1.06</td>
<td>0.26</td>
</tr>
<tr>
<td>Corporate reputation</td>
<td>2.84</td>
<td>.99</td>
<td>2.96</td>
<td>1.12</td>
<td>0.47</td>
</tr>
<tr>
<td>Job security</td>
<td>2.50</td>
<td>1.41</td>
<td>3.40</td>
<td>1.26</td>
<td>16.10 *</td>
</tr>
<tr>
<td>Workload</td>
<td>1.86</td>
<td>0.98</td>
<td>2.11</td>
<td>1.15</td>
<td>1.60</td>
</tr>
<tr>
<td>Voice opportunity</td>
<td>1.98</td>
<td>1.11</td>
<td>2.77</td>
<td>1.05</td>
<td>18.71 *</td>
</tr>
<tr>
<td>Leadership style</td>
<td>2.73</td>
<td>1.19</td>
<td>2.57</td>
<td>1.19</td>
<td>0.61</td>
</tr>
<tr>
<td>Ownership</td>
<td>1.32</td>
<td>0.64</td>
<td>1.55</td>
<td>.64</td>
<td>4.28</td>
</tr>
<tr>
<td>Advancement opportunity</td>
<td>3.36</td>
<td>1.31</td>
<td>3.45</td>
<td>1.56</td>
<td>0.10</td>
</tr>
</tbody>
</table>

Table I.
Univariate $F$-test of recruiters’ and applicants’ expectations on position/organization characteristics

Notes: * $p < 0.003$ (the significance level after Bonferroni adjustment); $n = 44$ for recruiters and $n = 141$ for applicants
of the follow-up univariate $F$-tests are shown in Table II. Applicants overestimated recruiters’ expectations on two exogenous factors: university reputation ($F(1, 183) = 20.96, p < 0.001$) and local *Hukou* ($F(1, 183) = 21.06, p < 0.001$), but under-estimated recruiters’ expectations on an endogenous factor: analysis skill ($F(1, 183) = 27.93, p < 0.001$). There are no differences for the other items of applicant qualifications. When it comes to the relative ranking of each group’s expectations, it seems that recruiters put applicants’ academic major as the most important factor, while applicants estimated conscientiousness as the most important factor.

I then compared applicants with local *Hukou* (locals) and those without (non-locals) regarding their expectations on position/organization characteristics. There was a significant difference across groups (Wilks’ lamda $= 0.52; F(15, 125) = 7.60, p < 0.001$). Thus, $H2$ was supported. Table III shows that results of univariate $F$-tests. Locals placed greater importance on job location ($F(1, 139) = 12.62, p < 0.001$) and voice opportunities ($F(1, 139) = 26.91, p < 0.001$) than non-locals, while non-locals placed greater importance on local *Hukou* quota ($F(1, 139) = 22.56, p < 0.001$) than locals. For the other factors, however, local and non-local applicants seem to have little difference regarding their importance.

Finally, I compared recruiters from foreign organizations ($n = 17$) and state-owned organizations ($n = 24$) regarding their expectations on applicant qualifications. Three recruiters from private businesses were excluded from the analysis. There was a significant difference across groups (Wilks’ lamda $= 0.20; F(15, 25) = 7.29, p < 0.001$). Thus, $H3$ was supported. Table IV shows that results of univariate $F$-tests. The only significant difference is on analysis skills. Recruiters from foreign organizations placed greater importance on this factor than recruiters from state-owned organizations ($F(1, 39) = 10.74, p < 0.001$). However, it should be cautioned that the sample size for the comparison was very small.

### Table II

| Expectations of recruiters and applicants’ expectations on applicant qualifications |
|----------------------------------|-----------------|-----------------|-----------------|-----------------|
| **Recruiters**                   | **Applicants**   | **F(1, 183)**   |                 |
| Education level                  | 3.80            | 1.07            | 3.73            | 1.20            | 0.10            |
| Academic major                   | 4.18            | 0.99            | 3.86            | 0.67            | 6.08            |
| University reputation            | 2.70            | 1.11            | 3.57            | 1.10            | 20.96*          |
| Sex                              | 1.82            | 0.99            | 1.64            | 0.85            | 1.39            |
| Communist Party member           | 1.36            | 0.57            | 1.39            | 0.65            | 0.06            |
| GPA                              | 3.23            | 1.26            | 2.79            | 0.98            | 5.90            |
| Local *Hukou*                    | 1.66            | 1.03            | 2.72            | 1.42            | 21.06*          |
| Work experience                  | 3.66            | 1.16            | 3.48            | 1.34            | 0.67            |
| Communication skills             | 3.39            | 0.78            | 3.75            | 1.19            | 3.65            |
| Analysis skills                  | 3.59            | 1.04            | 2.56            | 1.15            | 27.93*          |
| Teamwork potential               | 4.07            | 1.07            | 3.66            | 1.32            | 3.50            |
| Innovation                       | 3.89            | 1.20            | 3.55            | 1.49            | 1.90            |
| Conscientiousness                | 4.11            | 0.75            | 4.48            | 0.74            | 8.21            |
| Appearance                       | 2.30            | 0.88            | 1.90            | 0.58            | 0.12            |
| *Guanxi*                         | 1.25            | 0.58            | 1.96            | 0.93            | 5.47            |

Notes: * $p < 0.003$ (the significance level after Bonferroni adjustment); $n = 44$ for recruiters and $n = 141$ for applicants.
Discussion

Theoretical implications

This paper represents an early attempt to investigate recruiters’ and job applicants’ expectations at the pre-employment stage in the contemporary Chinese context. It provides insights into the important unique factors in the Chinese employment market that foreign businesses must be aware of when recruiting in China. As shown in the
pilot study, factors such as the existence of a union are important in some western countries but are irrelevant in China. In fact, the role of unions in Chinese enterprises is much weaker than in enterprises of western countries (Ding et al., 2002). Furthermore, there are some factors associated with special Chinese characteristics that foreign businesses cannot ignore, such as the Hukou policy and types of ownership. Foreign businesses should take those new factors into account when planning recruitment in the local employment market, instead of duplicating its recruitment procedures in the host country.

By comparing expectations of recruiters and applicants, this study also reveals that Chinese recruiters and applicants have only a very limited understanding of each other. The comparison within the applicants group and within the recruiters group also showed how applicants with different Hukou status and recruiters from organizations of different ownerships have different expectations.

First, let’s look at the position/organization characteristics. This study shows that in general, recruiters overestimated applicants’ expectations on extrinsic rewards such as salary and benefits, while applicants actually value intrinsic reward (e.g., voice opportunity and job security) more than recruiters had thought. It is possible that Chinese recruiters were holding Theory X assumptions (McGregor, 1960) about applicants, thinking that applicants were mainly interested in short-term economic exchanges; while applicants were in fact much more patient and strongly interested in relational exchanges and long-term outcomes. If we examine the ranking of applicants’ expectations, learning opportunity turns out to be the most important expectation for Chinese applicants, and recruiters seemed to have agreement on the importance of learning opportunity. Learning and development is a lifelong process and can improve individuals’ employment potential and value, and it fulfills one’s growth needs. It further supports the notion that Chinese applicants value long-term goals.

Although applicants’ preference for intrinsic rewards and long-term exchanges is consistent with Chinese culture’s emphasis on future orientation (House et al., 2004), it could also be explained by the increasing competition in the employment market. The employment market has been very tough for applicants recently, partly because many state-owned enterprises go bankrupt and drive the unemployment rate up, and partly because Chinese universities and colleges increased their enrollment size and sent more graduates to the employment market than ever. As a result, many college graduates find it very difficult to find a job. Applicants may have lowered their expectations on salary and benefits to get a job, especially for jobs with some promise of job security and learning opportunity (so that they are always prepared for the current or the next job).

For applicant qualifications, it seems that applicants overestimated the importance of exogenous factors (e.g., university reputation and local Hukou) but underestimated the importance of analysis skills. Applicants believed recruiters would prefer applicants from prestigious universities and those with local Hukou, but recruiters were actually more concerned about individual competency such as analysis skills. Although it was an achievement for a student to be admitted to prestigious universities given their more selective standards, it was a past achievement and students’ academic achievement may not be generalized to the job domain anyway. The Hukou status was largely determined by one’s birthplace, and thus should be irrelevant to the employment potential at all. For recruiters, focusing on individuals’ job-related...
competency instead of their graduating schools or Hukou status means access to a broadened pool of qualified applicants, and thus should lead to better recruitment results. Chinese recruiters seemed to be more job-focused than what applicants had estimated. Guanxi, the personal connections with significant others in the hiring organization, was rated by recruiters as the least important factor in applicant qualifications, which further supports the notion that recruiters are not so biased by exogenous influences.

It turned out that both recruiters and applicants agree that conscientiousness is an important criterion in selection. It is not surprising, given the strong validity of conscientiousness on future work performance (Barrick and Mount, 1991). However, what is surprising is that Chinese recruiters put even slightly higher importance on applicants’ major of study than on applicants’ conscientiousness. One possible explanation is that although Chinese employers are not so concerned about applicants’ graduating university, they need someone who can start working immediately, and they are reluctant to invest money and time in training new employees whose education background does not associate closely with the job. It could be a rationale response to the training costs and the increasing voluntary turnover rate in most Chinese organizations (Chow et al., 1999). Another surprising finding is that although communication skill was rated as the single most important applicant qualifications that US employers seek (National Association of Colleges and Employers, 2004), it was not even in the top three most important applicant qualifications in Chinese recruiters’ eyes. It is probably due to the high context nature of the Chinese culture (Kim et al., 1998). Individuals in this society rely more on subtle situational cues and non-verbal communications, while low context cultures (such as the USA) emphasize the spoken and written words and more explicit way of communications. Thus recruiters in China do not value (explicit) communication skills that much.

This study found applicants of different Hukou status had different expectations for the position and for the organization. Hukou is a unique phenomenon in China and its impact in the employment market deserves more discussion. The Hukou system has caused a segregated labor market in the cities: those applicants with a local Hukou have access to the better part of the market, and it is much easier for them to find a job and negotiate a more favorable salary, while those from other cities or the countryside will have much more difficulties (Wang, 1998). Recruiters tend to regard the Hukou quota as a scarce resource to attract applicants. Although it is out of the scope of this paper, it is quite possible that the employers tend to believe new employees who received the local Hukou just because of the employment “owe” the organization a lot, and thus expect them to reciprocate with gratefulness and humbleness, more efforts in working, and staying for a longer time. However, those new employees may soon find better job alternatives in other organizations as soon as they received the local Hukou (because now they can enter the better half of the segregated labor market) and would feel unfair to work much harder or stay in the current organizations for many years as the employers expected. Thus, because of the Hukou policy, there are additional owing perceptions and reciprocation expectations even before the employment starts, which may make the future employment relationships in Chinese organizations more complicated.

The comparison between recruiters from foreign organizations and state-owned organizations showed a significant difference in their expectations on applicant
Expectations of recruiters and applicants

Practical implications
For recruiters, especially foreign companies who wish to recruit talents in China, this study sheds light on several important issues. First, recruiters should understand applicants’ needs and improve their recruitment services to address such needs in order to attract more qualified applicants. For example, this study shows that learning opportunities are the most desired job characteristic to Chinese applicants, and such opportunities are often not explained clearly or emphasized in the job advertisements. Applicants may have to estimate or infer the existence of such opportunities based on very limited information. Recruiters should provide more learning opportunities, and add this information in the job advertisement and recruitment posters to attract the best applicants. Second, recruiters should analyze their unique strengths and weakness in attracting applicants. Hukou is important in attracting non-local job applicants but it is a scarce resource, especially for foreign companies. In the past, many foreign businesses avoid the trouble by only hiring applicants who already possess a local Hukou, and it might have significantly limited the pool of qualified applicants and undermined the effectiveness of recruitment. Foreign businesses have several ways to solve the problem, such as lobbying the local government for the Hukou quota, or finding a local partner who can get Hukou quota from the local government, or using agency/contractor service and put the burden on the agency/contractor.

For students, this study provides hints that can benefit their job search and their careers. First, the results show that recruiters are not so concerned about the reputation
of applicants' graduating university as applicants imagined. So if students could not go
to a prestigious university, they can at least choose a good major to be competitive in
the employment market. Second, although local Hukou is part of the consideration, it is
less important than what students have thought. In fact, the majority of the employers
in my study reported being able to get Hukou quota for new employees through some
channels. So students without a local Hukou should not be discouraged from looking
for a job in their desired city. Third, Guanxi is usually thought to be the invisible hand
behind many decisions in China, but in this study it seemed not that important as
students had thought. It might not be the dominant factor for a job offer. At best, one
with good Guanxi with an insider might receive some favorable considerations when
his or her qualifications are equivalent to the competitors. While in colleges, students
should put knowledge learning and skill building as a priority, although Guanxi with
insiders can be a plus.

For policy makers, this study revealed the fact that compared with western
countries, China's employment market is still less market-oriented and less
equity-oriented. So far there is no law equivalent to the Equal Employment
Opportunity Act in the USA to protect job applicants. Some exogenous factors such as
applicants' Hukou and gender are still considered as important factors when judging
job applicants' employability. Equity in the employment market should be a guiding
goal for policy makers, and they should take actions to forbid the employers from
discriminating certain groups of applicants. However, part of the problem is due to the
policies or laws (such as the Hukou policy) mandated at a level higher than HR
managers, and such policies need to be reviewed and modified when China is becoming
more market-oriented through economic reforms. To help the best flow and allocation
of human resources, policy makers should gradually ease controls over migration and
finally replace the Hukou system with a more flexible population registration system.

Limitations and suggestions for future research
There are some limitations in this study. First, the findings may not apply to the whole
job applicant population in China. The data was collected from Beijing, the capital of
China. It can only represent China's largest cities, where there are the many
government agencies, hospitals, universities, large state-owned business, and foreign
businesses, thus making the employment market very active. In addition, large cities
usually have more stringent population migration policies than smaller cities or the
countryside. Because of the regional differences in China, findings of this study may
not necessarily generalize to the whole country. Future studies can collect data from
other representative locations for a more comprehensive understanding of the whole
employment market in China. Also, the samples used in this study were college
graduates, who were younger and better educated compared to the overall workforce
or job applicants in China. Thus, the findings of this study may not generalize to the
whole workforce. For example, migrant workers from the countryside with less
education might have quite different expectations. Since local governments usually
only grant the limited number of Hukou quota to well-educated employees, it is almost
impossible for migrant workers from the countryside to get a local Hukou no matter
they find a job or not. Thus for those workers, their biggest expectation may be
short-term economic rewards (i.e. salary). Second, although ipsative measure was
carefully chosen for this paper because of the necessity to avoid the central tendency
and social desirability of Chinese subjects, ipsative measure has limitations and its use is a topic of debate in the general domain of psychology. Some researchers have found ipsative measures to be superior (e.g. Miethe, 1985), some have found normative techniques to be superior (e.g. Hicks, 1970), while some others found little or no difference between the two types of measures (e.g. Rankin and Grube, 1980). Future studies can choose normative measures and see whether the findings in this paper can be replicated. Finally, the cross-sectional design could only provide a snapshot of the expectations of recruiters and applicants at job fairs, and future studies can use longitudinal design and track the change of the expectations over time. Individuals’ expectations might be adjusted according to their actual experiences. For example, it is likely that after some interactions (e.g. interviews and on-site tours), the gap between job applicants’ and recruiters’ expectations might be smaller than in a job fair. Studying individuals’ changing expectations can explain the dynamic nature of the employment relationship and the ways through which discrepancies and conflicts can be minimized.

References


