## **Hiring Ethics: A Case of Undue Influence in Employee Selection**

## Salvador G. Villegas and Kristi M. Bockorny

Northern State University, USA

**Abstract.** When hiring for an open position, the branch manager of Intermountain Trust Bancorp was challenged with an ethical dilemma he was not anticipating. An internal applicant challenged the hiring manager's ethical values by insisting that their friendship and other external employment factors be taken into consideration in the hiring decision. This is a classic case of a candidate using undue influence<sup>1</sup> to manipulate a colleague and gain employment. In what started as a routine decision, the manager was faced with an unforeseen ethical quagmire. This case describes a real situation that had local impact on the stakeholders of a regional bank, and provides a true example of the types of difficult situations that can affect candidate selection in hiring decisions.

Keywords: hiring ethics, undue influence, reciprocity, employee selection, HRD.

## 1. Introduction

The role of a bank manager provides exciting interactions with hundreds of clients, prospects, and co-workers alike. Sam Vincent, branch manager of the privately owned regional bank Intermountain Trust Bancorp, gladly began the recruitment process for a new personal banker position. Sam had developed a reputation within the organization as someone who sought to build up each of his employees through effective training, coaching, and providing them with the tools they needed to be successful.<sup>2</sup> His team was self-motivated,<sup>3</sup> accomplished, and competitive.<sup>4</sup> This managerial philosophy and style made Sam a popular manager. During the past year under his leadership, traffic and customer service levels had increased exponentially at his office, surpassing expectations. The growth allowed his office approval to add additional staff to keep up with customer demand. He was excited to grow the number of employees in the office, and was hopeful for the reduced workload.

<sup>1.</sup> See Winder (1939). See Largent (2017)

<sup>2.</sup> See Gilley, et al. (2009). See Reed (2017).

<sup>3.</sup> Theory Y Manager. See Johnson (2018)

<sup>4.</sup> See Hussein (2009)

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A personal banker position for Intermountain Trust Bancorp had several minimum requirements (Table 1). These factors gave a baseline for the minimum criteria needed for employment consideration, yet Sam had crafted a list of desired attributes and characteristics for his ideal candidate (Table 2). There was more at stake than solely filling this position. Management was aware that multiple stakeholders that would be affected by the decision, including the existing branch staff, bank clients, community business leaders who would interact with this person, and the organization itself. Contrary to shareholder theory,<sup>5</sup> the ideal candidate for this position would be someone who provided benefit to all branch stakeholders, including staff, customers, and management. Cognizant that the new hire would impact the corporate culture of the branch, the concept of proper team fit weighed heavy in the hiring decision.<sup>6</sup> Whoever was chosen would be expected to have a high level of hardiness, demonstrated success with diversity, and the ability to thrive in the demanding world of retail banking.<sup>7</sup>

Table 1
Minimum attributes of a potential candidate
Applicants needed to be a minimum age of 18 years;
Be authorized to work in the United States;
Have a high school diploma;
At least one year of sales experience;
At least one year of customer service experience;
Fluent in the English language;
Able to pass a background check.

Within hours of the position being posted to the company website, there were several internal candidates (existing employees from other offices/departments within the bank) and external applicants (those outside of the company) who applied for this position. By mid-week, there were 54 applications for this single role. After applications and resumes were sorted, the list was narrowed to a few top candidates. Each of the finalists met the minimum criteria for the position (Table 1), and many had several of the ideal candidate qualities (Table 2). With so many qualified candidates, management was optimistic and determined to find the next successful banker for this office.

<sup>5.</sup> See Friedman (1962)

<sup>6.</sup> See Creelman & Kaiser (2009)

<sup>7.</sup> See Eschleman, et al. (2019).