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Hiring

Hiring for Culture Fit Doesn't Have to Undermine Diversity

by Joeri Hofmans and Timothy A. Judge

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Summary. The idea of hiring for culture fit has become controversial. But research suggests it need not be. Most of the controversy boils down to a single key issue: the wrong definition of culture fit. This has given rise to a number of common misconceptions about how... **more**

Although most managers would agree that it is important to hire people who fit in, the idea of hiring for culture fit has become controversial. Our work suggests it need not be. Most of the controversy boils down to a single key issue: the wrong definition of culture fit. The confusion over what culture fit is has given rise to a number of common misconceptions. Clearing these up can help managers improve their talent strategies.

Misconception #1: Culture fit is a "nice to have" but not a necessity.

The core assumption here is that employees' skills and competences matter more for organizational effectiveness than how well they fit in. While we're not disputing the importance of having a highly skilled workforce, a large body of scientific evidence has shown that culture fit—which we and others define as how well one's values adhere to the values of the organization or team — matters significantly for how people act and behave at work. Meta-analyses have found that people whose values are more aligned to those of their organization are more committed to the organization, more satisfied with their job, and less inclined to leave. Studies show that value fit also relates to actual job choice decisions, in the sense that people with higher value fit stay longer and perform better than people whose values fit less. So if leaders want to have an engaged and motivated workforce — as well as the ability to attract and retain the skilled employees they want culture fit is essential. It is not a luxury; it is as important to overall organizational functioning as hiring for other qualities.

Misconception #2: Hiring for culture fit hurts diversity.

The idea here is that hiring for culture fit undermines efforts to increase workplace diversity, because it leads to hiring managers essentially trying to clone their current workforce. Although, at first blush, this assertion seems to make sense, a simultaneous pursuit of culture fit and diversity is possible. An assessment of culture fit should focus on how well the person's values align with the organization's, rather than how well their personal characteristics, such as gender, ethnicity, age, and sexual orientation, align with the current workforce. Research shows that adopting this stricter definition of culture fit can reap its benefits while still bringing in

diverse perspectives, experiences, and skills; it also finds that higher value fit is associated with higher retention for people who, because of being demographically different, are typically more at risk for low retention. Pursuing culture fit and diversity together can buffer some of the challenges that come with managing a more diverse workforce. When done right, hiring for culture fit might enrich rather than undermine diversity in your organization.

Misconception #3: Hiring for culture fit hurts innovation.

This misconception relies on the idea that, if everyone is the same, it reduces creative thinking and therefore innovation. If people think differently, that boosts innovation. But again, people can think differently while still maintaining the organization's overall values. A study of 346 members of 75 health care teams found that, when members perceived higher value fit to their team, team leaders rated the team as being more innovative. Importantly, the effect of value fit on innovation was due to team members identifying more strongly with the team, which led them to be more accepting of the diverse ideas and approaches of the other team members. Innovation often involves conflict and difficult processes; value similarly can help keep everyone aligned. This suggests that, when done correctly, hiring based on fit may enhance team identification and therefore benefit rather than hurt innovation.

Misconception #4: Hiring for culture fit is an art, not science.

This one is a common misunderstanding that, in our experience working with companies, is the main reason why hiring for culture fit is sometimes frowned upon. First, trying to assess value fit using intuition and "gut feelings" is a bad idea. When people try to assess the candidate's values based on gut feeling, this assessment can easily get confounded by other things, like their personality or background. Research has demonstrated that recruiters' perceptions of culture fit in an interview often reflect a "similar-to-me" effect rather than being indicative of the actual fit with the organization's culture. They tend

to mistake alignment between themselves and the candidate for alignment between the candidate and the organization.

You can't determine culture fit without a proper measurement. This consists of three steps: First, you need to measure the *actual* values of the organization or team. This is done by measuring the values of each employee in the organization or team using a standardized value instrument. Second, because the goal is to compare the candidate's values to those of the organization or team, the value assessment of the candidate should be done using the same standardized instrument. Third, you want to objectively compare the candidate's value profile with that of the overall organization or team. Using algorithms can help minimize bias at this step.

You want to see that the candidate's values align with those important to the organization, but you also want to see that the organization's values align with those that are important to the candidate. For example, an organization that greatly values hard work might consider hiring a candidate who values it similarly, but this candidate might not be a great culture fit if they greatly value fairness whereas the organization doesn't.

Hiring for cultural fit is something of a "holy grail" in that it is highly valued but often avoided. We have heard many leaders tell us "I'd love to hire employees who fit into our culture, but I don't know how to do it" or "Yes, it would be great to pick employees who embrace our values, but it's fraught with all sorts of pitfalls." But this wariness largely comes from a few key misconceptions. By addressing these, we believe that hiring on culture fit is something organizations can and should do. With the proper definition and objective tools, managers can ensure they're hiring people who can align on the team's and organization's values, and do much to enhance their levels of engagement, satisfaction, and retention.

Joeri Hofmans is Associate Professor of Work and Organizational Psychology at the Vrije Universiteit Brussel, Belgium. His research focuses on the role of personality, leadership, and motivation at work. In addition to his academic career, Joeri is co-founder of Twegos, an HR tech company specialized in the prediction of Person-Organization fit.

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Timothy A. Judge is the Senior Associate Dean for Programs and Outreach, the Joseph Alutto Chair in Leadership Effectiveness, and Executive Director of the Fisher Leadership Initiative, Fisher College of Business, The Ohio State University. His research interests include personality, leadership, job attitudes, and career success. Together with Joeri Hofmans, Tim is in command of the R&D of Twegos, an HR tech company specialized in the prediction of Person-Organization fit.