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Turnover, especially during the first year, costs organizations thousands of dollars per bad hire. Conservative estimates for associate level jobs are 400 times the hourly wage.

During the past year, we have had the opportunity to tackle turnover and selection issues in Malaysia. Working with Intel, a computer electronics manufacturer, we found that retention and performance could be increased in a manufacturing associate position by developing an integrated recruitment, selection, and orientation program. In doing so, we learned the importance, indeed the necessity, of taking steps to understand the cultural issues at play in order to properly adapt our tools and processes. The associate-level workforce employed in the Penang free trade zone is almost exclusively female, young and representative of all the major ethnic groups (Chinese, Indian, and Malay). They come from the city (Penang and Kulim) as well as remote villages (up to 60 kilometers from the plant).

While some of the issues leading to turnover were similar to western society--transportation problems, naiveté about the impact of a 12 hour shift on personal lives and poor fit with the tedious nature of the job--other cultural issues emerged. We expanded our normal job analysis into a "cultural analysis" through interactions with the local workforce. We traveled with recruiters to the remote villages, attended job fairs at city locations, rode the company sponsored buses, and conducted focus groups with the help of interpreters. What we found is that in Malaysia, particularly for these young women, friendship bonds were extremely important. for their conservative families, especially Muslim families, there was a strong concern for the "safety" of their daughters. As a result, new hires are more apt to leave because of loneliness and apprehension, rather than pay or work conditions.

In designing the selection process we took both the common and the unique aspects of turnover under consideration. A realistic job preview video was developed which showed a "day in the life" of an associate from leaving until returning home.

This allowed the applicant to better understand the nature of the work, special job requirements, and the corporate culture. Thus, applicants could self-select out of the process (quit before they were hired). The new hire orientation and training program was modified and shortened to introduce the new hire to her work group early and to quickly assimilate her into the production line.

From our experience with US companies, we know that well developed, job appropriate tests and structured interviews can also further help organizations identify candidates who can do the job (basic skills) and who are a good fit for the job (personality and other soft skills). These tests allow employers to screen in those candidates with high probability of success and avoid those candidates with a low probability.

We conceptually translated and then locally validated a pre-employment test, which was previously validated in similar jobs in the US. The validation showed that with proper adaptation, basic personality traits apply in the Maylay culture. Tests can help distinguish productive, cooperative workers from those that are lazy and disinterested.

In the pilot implementation, the new selection process has shown substantial improvements. In order to allow direct comparison of results, the Penang plant ran parallel selection processes for a period of several months. (The existing process consisted of an application, brief interview and offer; while the redesigned process includes a realistic job preview video, pre-employment testing and supervisor interviews followed by a modified training and orientation program.)

After three months, associates hired under the redesigned selection process show less than 5% turnover, compared to 28% under the old process. The training department reports faster learning and quicker certifications. Comments from operations describe the new hires as "cream of the crop." In response to the positive results, a second plant in Kulim is now implementing the redesigned process.