



## Proposing a Balance Competency and Cultural Fit Recruitment Strategy in Startup Company (Case: Beta)

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**Abstract:** This study aims to develop a recruitment strategy that balances the assessment of competencies and cultural fit at BETA, an ed-tech startup in Indonesia. The research focuses on recruitment challenges, including lengthy hiring processes and high probationary failure rates due to mismatches in competencies and cultural alignment. A qualitative approach was employed, involving in-depth interviews with six key informants from BETA's Talent Acquisition team and division leaders. Data analysis was conducted using the Interactive Model Analysis, which includes data collection, condensation, display, and conclusion drawing. The findings reveal that key competencies required include a strong work ethic, a lifelong learning mindset, and innovation, while cultural values prioritized collaboration, commitment to learning, and optimism. The proposed recruitment strategy involves detailed job specifications, competency-based interview guidelines, cultural fit assessments, structured probationary workflows, and clear Key Performance Indicators (KPIs) for objective evaluation. Implementing these strategies is expected to enhance recruitment efficiency, reduce probationary failures, and build a team that is both competent and culturally aligned.

**Keyword:** Recruitment, Competencies, Cultural Fit, Startup Strategy, Human Resource Management

### INTRODUCTION

Startups are characterized as newly established businesses with a focus on innovation and disruption, often operating under significant uncertainty. In Indonesia, the startup ecosystem has grown rapidly, positioning the country sixth globally with 2,492 registered startups in 2023 (Startup Ranking, 2024). Startups operate with a dynamic and flexible work culture, requiring employees to adapt quickly, perform diverse roles, and thrive in a fast-paced environment (Kerrigan, 2018). While this environment presents opportunities for rapid career growth and creativity, it also poses challenges, particularly in recruitment, where startups must find candidates who balance technical competencies with cultural alignment (Neshkoska, 2023).

The recruitment process is essential to building a high-performing team in startups, where employees are considered critical assets directly impacting business success (Mardi

Arya et al., 2017). Competency refers to technical skills and abilities that ensure candidates can meet job requirements effectively, while cultural fit relates to the alignment of a candidate's personality, values, and work style with the company's culture (Spencer & Spencer, 1993). Studies indicate that candidates who demonstrate strong cultural fit are more likely to achieve job satisfaction, perform better, and remain with the company longer (Robert Walters Whitepaper, 2017). However, balancing these two aspects—competency and cultural fit—remains a significant challenge for startups, particularly in Indonesia's competitive talent market.

This study examines the recruitment challenges faced by BETA, an Indonesian ed-tech startup, and proposes a strategy to address the mismatch between technical competencies and cultural values in its hiring process. The research focuses on identifying key aspects of competency and cultural fit required at BETA, understanding the challenges encountered during recruitment, and designing an effective strategy to improve hiring outcomes. Guided by the Competency-Based Model (Spencer & Spencer, 1993) and the Person-Organization Fit Theory (Kristof, 1996), this study emphasizes the importance of aligning technical qualifications with cultural alignment to enhance organizational performance.

The formulation of the problem in this research is as follows: (1) What are the key competencies and cultural values required for candidates at BETA? (2) What are the recruitment challenges faced by BETA in balancing these aspects? (3) What strategies can be implemented to optimize the recruitment process and align it with organizational needs? This research aims to propose a balanced recruitment strategy to address these challenges, providing actionable insights to enhance recruitment efficiency, reduce probationary failures, and build a workforce that is both technically skilled and culturally aligned.

## **METHOD**

This research adopts a qualitative approach, focusing on exploring recruitment challenges and proposing an effective strategy for balancing competency and cultural fit at BETA, an ed-tech startup in Indonesia. Qualitative research is suitable for understanding complex organizational issues, particularly in startups, as it allows for in-depth insights into the recruitment process and cultural dynamics (Creswell, 2014).

The research subjects include six key informants from BETA's Talent Acquisition team and division leaders, specifically from Partnership, UI/UX, Research, and Marketing departments. These informants were selected using purposive sampling to ensure they possess relevant expertise and firsthand experience in the recruitment process. The study was conducted over three months, from October to December 2024, with interviews carried out online.

Data collection was conducted through in-depth, semi-structured interviews using open-ended questions to explore recruitment practices, challenges, and expectations. This method provided flexibility to delve deeper into specific issues while maintaining consistency across informants. The interview questions were designed to capture perspectives on key competencies, cultural fit, and the overall recruitment process.

The collected data were analyzed using the Interactive Model Analysis by Miles and Huberman (2014), which includes four stages: data collection, data condensation, data display, and conclusion drawing. Data condensation involved coding responses based on the study's conceptual framework, focusing on competency indicators (knowledge, skills, motives, traits, and self-concept) and cultural fit indicators (value congruence, goal congruence, employee need fulfillment, and culture personality congruence). Data displays in the form of tables and thematic summaries facilitated the identification of patterns and key insights.

This methodological approach ensured a comprehensive understanding of BETA's recruitment challenges and informed the development of a tailored strategy to address

inefficiencies in the hiring process. The qualitative insights derived from this study contribute to practical solutions for improving recruitment outcomes in fast-paced startup environments.

## RESULTS AND DISCUSSION

This study analyzes the recruitment challenges faced by BETA, an Indonesian ed-tech startup, to develop a strategy that balances the assessment of competencies and cultural fit. The findings are based on data collected from in-depth interviews with six key informants representing various divisions, including Talent Acquisition, UI/UX, Research, and Marketing.

**Recruitment Challenges:** BETA faces three main challenges in its recruitment process: prolonged hiring times, competency mismatches, and cultural misalignment. The hiring process often takes one to two months, particularly for technical and creative roles, due to the limited availability of top talent. Positions such as Content Marketing Specialists and Junior Developers are particularly difficult to fill because they require niche skills, and the demand for qualified candidates exceeds supply in the competitive startup market.

Additionally, approximately 30% of newly hired employees fail the probationary period due to competency gaps or difficulties adapting to the company's high-energy culture. For example, some candidates, while technically proficient, struggle with teamwork or maintaining a positive outlook in the fast-paced environment, which emphasizes independence and adaptability. These inefficiencies not only extend the hiring process but also disrupt team dynamics and productivity.

**Key Competencies Required:** The competencies required at BETA can be categorized into two main groups: Motive, Trait, and Self-Concept and Knowledge and Skills. Among these, Good Work Ethic emerged as the most critical competency, followed by Lifelong Learning and Innovation, as identified by key informants. Good Work Ethic reflects an individual's ability to manage tasks independently, meet deadlines, and adapt to shifting priorities without constant supervision. This competency aligns with BETA's "No Rules, Rules" philosophy, which emphasizes autonomy and responsibility. Lifelong Learning and Openness to Change were also highlighted as essential traits for thriving in a dynamic and fast-paced work environment. In terms of Knowledge and Skills, technical competencies varied across divisions. For instance, the UI/UX team requires proficiency in Figma, analytical skills, and problem-solving abilities, while the Marketing team prioritizes data analytics, campaign strategy development, and effective communication. These technical requirements ensure that candidates can meet job expectations immediately upon joining.

**Key Values for Cultural Fit:** Cultural fit plays an equally important role in the recruitment process, ensuring that candidates align with BETA's collaborative and high-energy environment. The study identified nine shared cultural values essential for startup success, including collaboration, trust, learning, and flexibility. Informants ranked Collaboration Over Competition, Commitment to Learning, and Optimism as the top values. However, the absence of formally established core values at BETA poses a challenge. The reliance on implicit cultural expectations makes evaluating candidates' alignment with the company's ethos more subjective. This often leads to mismatches during the probationary period, where new hires may struggle to adapt to the company's unique culture.

**Proposed Solution:** The proposed recruitment strategy for BETA addresses its challenges in balancing the assessment of competencies and cultural fit. This strategy focuses on improving recruitment objectives, sources, and processes. To refine recruitment objectives, specific job specifications for each role and a comprehensive manpower plan for each division were introduced, ensuring alignment with the company's goals and reducing inefficiencies in the hiring process. In terms of recruitment sources, BETA is advised to leverage LinkedIn by actively posting hiring updates and engaging potential candidates through personalized outreach. Additionally, employees are encouraged to share their work experiences on

professional platforms to enhance employer branding and attract high-caliber candidates. Regarding the recruitment process, several improvements are proposed: refining the registration form to better capture essential candidate information, creating structured interview guides based on updated job specifications to assess both technical competencies and cultural values, and implementing a structured probation period workflow. The probation stage includes clearly defined Key Performance Indicators (KPIs) for each division, ensuring a standardized and transparent evaluation process. These solutions aim to streamline BETA's hiring process, reduce mismatches, and build a technically skilled and culturally aligned workforce, thereby enhancing overall recruitment efficiency and long-term employee retention.

## CONCLUSION

This study has successfully developed a recruitment strategy that balances the assessment of technical competencies and cultural fit, addressing the challenges faced by BETA, an Indonesian ed-tech startup. The findings highlight that an effective recruitment process must align with the dynamic and fast-paced nature of startup environments, where technical proficiency and alignment with organizational culture are equally critical for ensuring employee success. By identifying key competencies such as a strong work ethic, a lifelong learning mindset, and innovation, alongside essential cultural values such as collaboration, commitment to learning, and optimism, this research offers a tailored approach for improving BETA's hiring outcomes.

The proposed strategy includes detailed job specifications, structured interviews, cultural fit assessments, and a probation process with clear Key Performance Indicators (KPIs), which collectively enhance the recruitment process. These improvements not only reduce inefficiencies but also ensure that new hires are better equipped to adapt and contribute to the company's goals. This research contributes to industrial engineering and human resource management by emphasizing the integration of structured evaluation methods with a cultural alignment framework, providing a replicable model for startups facing similar challenges. By refining the recruitment process, this study supports the creation of a workforce that is both technically skilled and culturally aligned, ultimately improving organizational performance and employee retention in startup ecosystems.

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