

**Talent Management: Improvement of the Employee Selection and Retention  
Process through Service Design**

**(Case Study)**

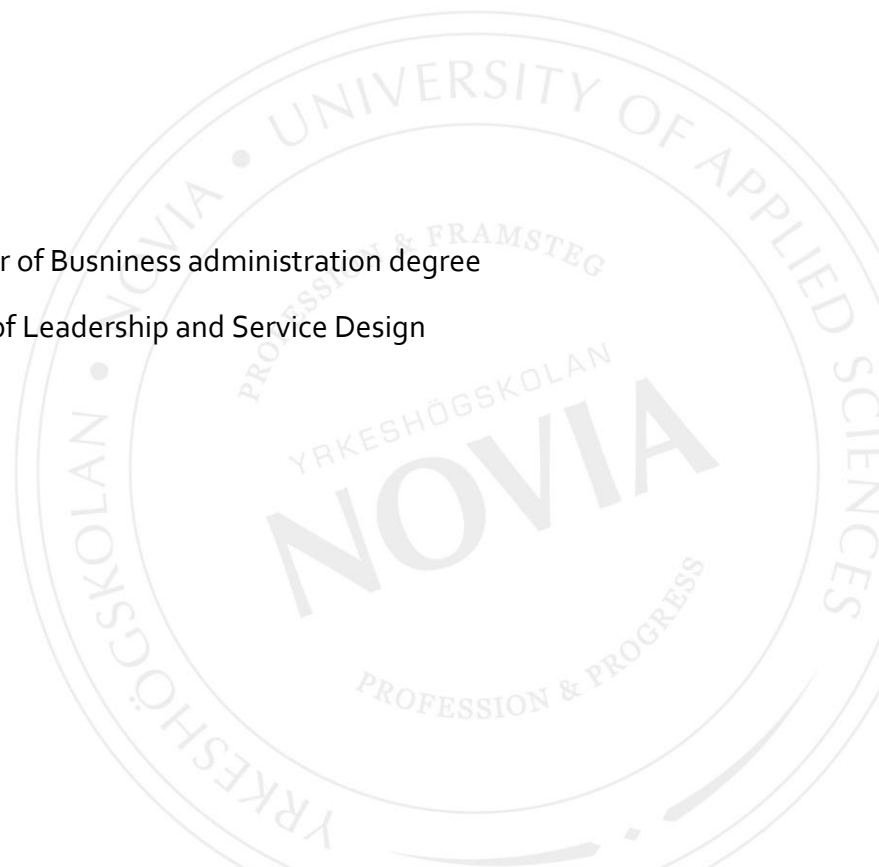
**Development of The Employee Journey Map to impact employee retention**

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## **DEGREE THESIS**

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### **Abstract:**

The objective of this study was to examine selection and retention process in an organization to improve employee retention. The first choice was banking industry of Finland and the aim was to understand Finnish banking industry's previous selection and retention process. Since the industry is on a fast track of digitalization, another objective was to see, how the industry is behaving with the current human resource, how service design can improve selection and retention process in the current industry practices. However, after several unsuccessful attempts it was realized that data collection would be difficult due to limited communication resources and sharing confidential data would be hazardous for banks.

Therefore, the aim of this study was shifted to banking industry in Pakistan, although data sharing issue would remain the same, but due to being my native country I could gather relative information to support this study, the target was to understand employee prospective after selection in the organization, what factors motivate employees to create long term relation with the organization and what forces drive employees to quit their jobs.

Qualitative and quantitative research methods used in this thesis to understand case company policies. Structured interviews and survey executed to find out employees prospective. Service design methods tested with case company employees by using real personas, service blueprint constructed with company data, empathy map, and value proposition created to find employees insight. Employee journey map co-created in the workshop as final thesis result.

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Language: English

Key words: Talent Management, Strategy, Human Recourses, Digitalization

## Table Of Contents

|   |   |    |
|---|---|----|
| 1 | Introduction .....  | 1  |
| 2 | Background.....   | 3  |
|   | 2.1 Case company and delimitations .....                    | 3  |
| 3 | Study Design .....  | 4  |
|   | 3.1 Aim of study .....                                      | 4  |
|   | 3.2 Research Questions.....                                 | 4  |
|   | 3.3 Process Flow Chart.....                                 | 5  |
|   | 3.4 Frame of reference .....                                | 7  |
| 4 | Literature Review .....                                     | 8  |
|   | 4.1 Factors Influence employee retention.....               | 8  |
|   | 4.2 Tools and strategies to improve employee retention..... | 10 |
|   | 4.3 Talent Management .....                                 | 11 |
|   | 4.4 Talent Management Model .....                           | 13 |
|   | 4.5 Recruitment and Selection process .....                 | 14 |
|   | 4.6 Effectiveness of Managing Talent.....                   | 15 |
| 5 | Theoretical Aspects of Human Resources .....                | 17 |
|   | 5.1 Employee Understanding .....                            | 17 |
|   | 5.2 Emotional Condition.....                                | 17 |
|   | 5.3 Financial need .....                                    | 18 |
|   | 5.4 Retention Strategies .....                              | 19 |
|   | 5.5 Factors of losing employees .....                       | 19 |
|   | 5.6 Element of Retention.....                               | 20 |
| 6 | Organizational Data collection Reforms .....                | 22 |
|   | 6.1 Case Company Hierarchy Pyramid .....                    | 22 |
|   | 6.2 Case company recruitment and selection process .....    | 23 |
|   | 6.3 Case company Retention Policies and Strategies:.....    | 33 |
| 7 | Research method.....  | 39 |
|   | 7.1 Survey results.....                                     | 39 |
|   | 7.2 Semi-structure Interviews results .....                 | 41 |
|   | 7.3 Case company employment data .....                      | 44 |
| 8 | Service design process and Methodology .....                | 46 |
|   | 8.1 Service blueprint.....                                  | 46 |
|   | 8.2 Personas .....  | 48 |
|   | 8.2.1 Persona 1 .....                                       | 48 |
|   | 8.2.2 Persona 2 .....                                       | 49 |
|   | 8.2.3 Persona 3 .....                                       | 50 |
|   | 8.3 Empathy map .....                                       | 50 |

|                                    |    |
|------------------------------------|----|
| 8.4 Value proposition canvas ..... | 52 |
| 8.5 Workshop .....                 | 52 |
| 8.6 Employee Journey Map.....      | 56 |
| 9 Results and conclusion .....     | 57 |
| 10 Discussion.....                 | 60 |
| References .....                   | 61 |
| List of Figures.....               | 63 |
| List of Tables.....                | 64 |
| Appendices .....                   | 65 |
| Appendix 1.....                    | 65 |
| Appendix 2.....                    | 68 |
| Appendix 3.....                    | 71 |
| Appendix 4.....                    | 74 |

# 1 Introduction

Organizations concentrate on acquiring appropriate human resources because they know that employees are the most valuable assets of an organization. It is the individual performance of an employee that will converge to form the overall performance of the organization. Hence employees are seen as the first customers.

Combined efforts of the human resource management and talent management associations are what cultivate a group of well-trained employees that further the success of any business or organization. Human resource management is often perceived as just the board of hiring and firing employees, but in reality, they are a base of much more. Likewise, talent management goes beyond only managing a group of individuals.

Human resource management is the department in any organization that has the responsibility of working with old and new employees. Their roles include recruitment, resource management, providing of guidance and direction to the people employed. All processes or situations that involve people interaction, come under the jurisdiction of HR (Human Resource). They are therefore responsible for seeking out the best talent to be brought into the company; they are most aware of what the company needs and what best "fits in" their culture. They are also in charge of being aware of their employee's needs (emotional and financial) in making sure a safe and healthy environment is persistent throughout the company's lifetime. Hence they are also responsible for retaining its best employee into long term. HR is, therefore, vital in the successful running of any business-oriented platform. However, a well-functioning HR department is one that not only grows and evolves over years but also one that collaborates with talent management.

Talent management is much like its name suggests; it's the processes and stages that deal with managing new and old talents on business platforms. It is often defined as a strategy used by HR departments; however, it is more proficient to look at this as a unit of its own. Talent Management is an ever-evolving unit and requires real-time management of all matters. It deals with all processes that are responsible for making a potential employee into a permanent one. Though it encompasses many of the HR responsibilities, but it is not the entire department, and an effective talent management strategy is a precise tool for the success of managing talent.

The focus of this study is to improve employee long term relationship with the organization by using a service design approach and creating employee centric tools, which the

organization could present to the selected candidates at the time of appointment to help the employee visualize his whole future in the organization from the beginning of his career, I believe that once the worker knows the answers to, *'how, when and where'* this employment could take, the employee trust would be increased, and this trust can aid in creating a strong relationship between the employee and the organization.

During the service design degree program we learnt how to value a customer, their comfort and emotional needs while designing the products and services for them. We created many customer journey maps to evaluate their pain points, touch points and their emotional state during their purchase and after the use of the product and service. This is when an idea came into my mind regarding service design methods and the potential of their use in HR. Service design methods are powerful and effective, I realized that the creation of an employee journey map could support the human resource management of an organization, this could create an HR service designer job and simultaneously it would affect and facilitate the long term relationship of an employee and organizations.

According to my understanding the banking industry has more opportunities for the employee to grow in the organization and to proceed further. To pursue my idea I required a bank as a commissioner to study their current recruitment and retention policies and factors that motivate employee to stay longer the organization. I tried to contact few banks in Finland to collect requisite data but unfortunately the attempts remained unsuccessful due to the data sharing issues, but I did not give up, I approached one of the banks in Pakistan. This bank has a strong appearance in the country and has operational branches in both rural and urban areas.

After some delimitation agreements, they decided to discuss their policies and granted permission to conduct a paper based survey and employee interviews to collect the desired information.

The survey was an important data collection method as the bank is currently managing a large scale of employees, whereas limited interviews were allowed, and I appreciate their support in this study process.

## **2 Background**

The author decided to collect desired information from the Pakistani bank to comprehend employee understanding at the particular organization under current available policies and procedure of selection and retention. The data sharing channels were call and email, and company wanted to know about service design subject before sharing the data or before they could allow interaction with their employee as this subject is not available in the country's educational institutions. In the context a brief email sent to the competent authority.

Finally organization authorized a person allowed research to collect limited information from the pre-selected resources only.

### **2.1 Case company and delimitations**

There are 33 banks currently operating in Pakistan, the case company is one of the leading banks in Pakistan, the bank was established in the 1950s, and since then, providing commercial banking services, including fund management services, account facility, remittance, leasing and investment advisory services nationwide.

The organization has a large branch network and currently operates with 1400 branches all over Pakistan with 15,188 employees. The industrial competition in Pakistan is enormous and organizations are reluctant to share their information.

It is appreciated that upon, a special request, the senior management of the organization agreed to support this study process but on strict conditions.

The following conditions were agreed on:

- No company name
- No name of employees (only fictitious names are allowed)
- Any kind of employee identification would not be used
- Survey and interview questions would be approved by SEVP
- Suggested employees would take part in this study
- Limited policies and strategies would be discussed
- Limited data would be shared with the approval of SEVP

After this discussion the executive suggested three names that could be part of qualitative and quantitative research process to support the study, although this limitation could affect end results.

### **3 Study Design**

The chapter focuses on the content and format of the thesis. It details structural aspects of the thesis including the aim, the research questions, the process flowchart, and the frame of reference.

#### **3.1 Aim of study**

Human resource management is the most difficult process of the organization as the talent management model is one of the processes operate with human resources, the model consists of six stages, Planning, Attracting, Selecting, Developing, Retaining, and Transitioning. During this study the main objective is to convey organizational transparent image to the employee at the time of selection process, and it is possible once the appointed employee could visualize his future with the organization, this ultimately affects positively to the retention stage of the talent management model.

The approach of service design methodology is to understand the end user, and in this case the employee is end user of HR policies, identify pain points of the service which is “selection, and retention” policies of the organization and further develop the product or a document, which is employee journey map that display current policies of the organization, road map of growth for the employee in long term relation, and future policies of the organization.

#### **3.2 Research Questions**

1. What factors motivate employees to create a long term relation with the organization and what forces drive them to quit their jobs?
2. What kinds of tools and strategies are utilized by organizations to improve the employee retention?
3. How could service design thinking be useful?



### 3.3 Process Flow Chart

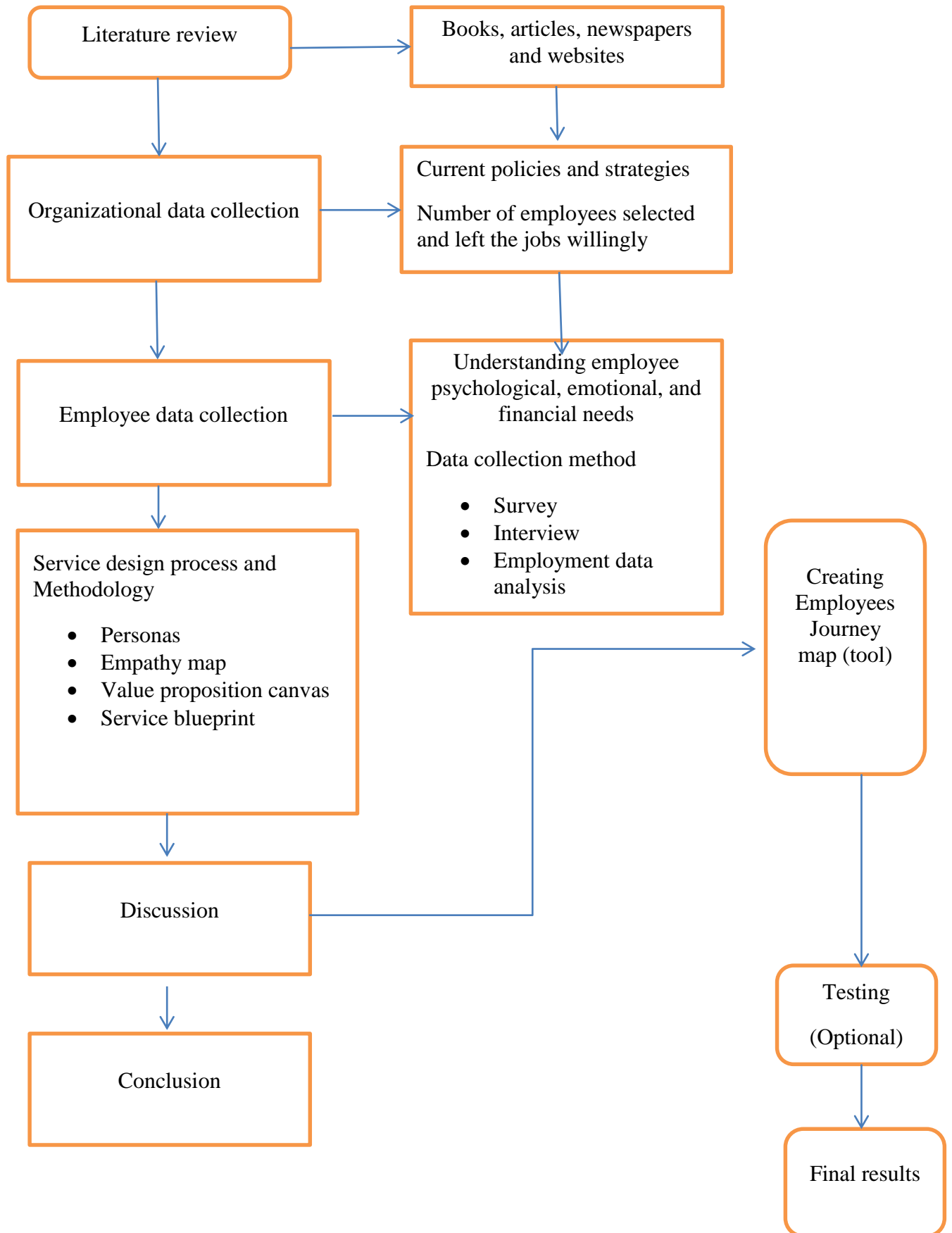


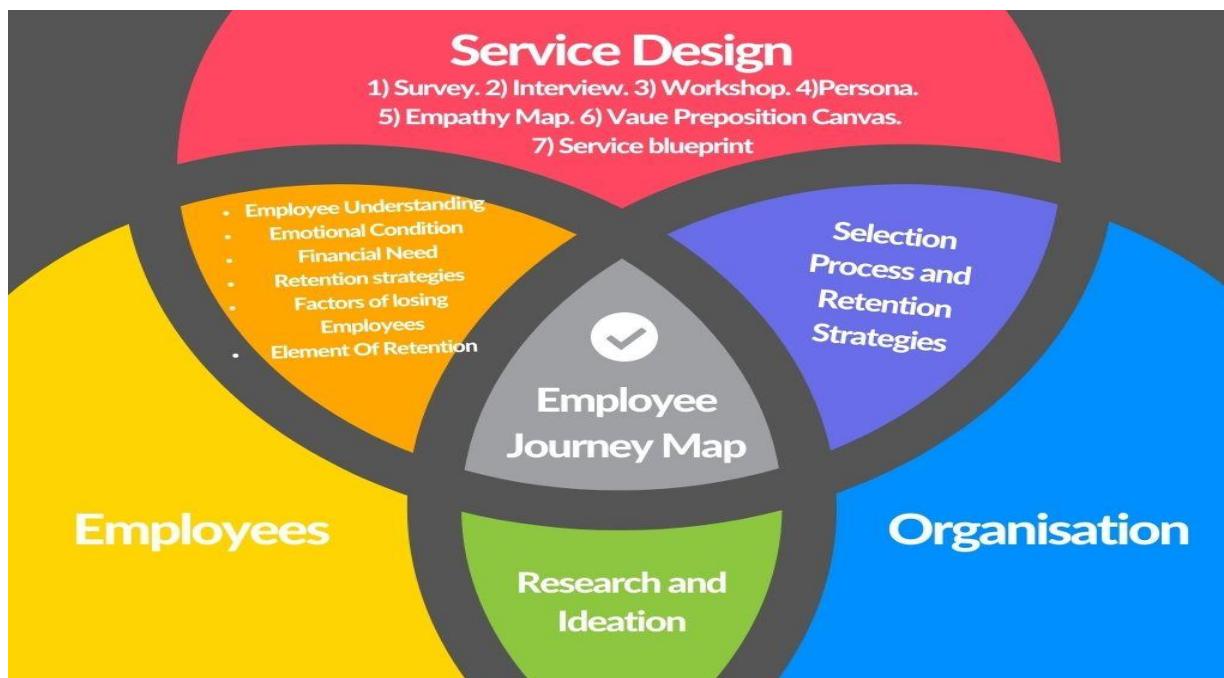
Figure 1: Process Flow Chart

The process flow chart (see figure 1) explains the steps taken during the completion of this thesis, the starting point of this thesis was a literature review, to find out how human resource were valued previously and what factors helped to create or motivate employees to work for the long tenures with organizations.

The organizational data was collected as shown in the figure 1, this data further analyzed to see how does organization take care of their employee, and what is the employee satisfaction level, what policies are acceptable and where changes are needed? It is important to identify how well organization is connected with the employee, do they understand their psychology, their emotional and financial needs and how service design methods and tools are being applied.

After the results of those methods final discussion could concluded, what employee journey map offer the employee, and that map could be tested in the organization which is not possible in this case study due to limitation, it is therefore effects of this employee journey map could not be added to the thesis.

### 3.4 Frame of reference



*Figure 2: Frame of reference*

The main objective of this thesis is to form an “Employee Journey Map” tool, which is inspired by the widely used customer journey map in service design. The thesis is formulated around the relationship of the three main components, organization, employees and service design methodologies. The main research areas are organization and employees, the understanding of these groups are vital for the development of the employee journey map. Organization and employees together provide the base for research and ideation, however, further knowledge is gathered by the collective understanding of organization and employees through the use of various service design tools and methods. The organization spectrum provides an in-depth analysis of selection and retention policies currently employed by the company in maximizing the best work force. This data is collected and analyzed by the qualitative research methodologies. Survey and interview of an employee, the workshop further enhance organizational view point, personas would reflect the set of employees performing their job activities in the organization, empathy map and value proposition canvas would be prepared with the help of qualitative data, and service blueprint would reflect selection process of the company. These methods also help to understand the employee spectrum, and gather further information on employee understanding, financial needs, factors of losing employees and retention strategies. The understanding of all these components aids the development of a successful employee journey map, which is the center of the thesis.

## **4 Literature Review**

The chapter focuses on the theoretical and psychological aspects that influence and determine retention and selection within a company. It primarily focuses on the work of the Human Resources department. It also handles the literature review of the various sources used to gather information.

### **4.1 Factors Influence employee retention**

There are various factors that influence retention of employees and the identification of these factors is vital to maximize a strong working force. According to Kerr and Slocum (1987, 99-108) and Kopelman, Brief & Cuzzo (1990, 282-318), one huge factor that contributes to employee retention is organizational and cultural values within the working environment. They suggested that the organization's cultural value influences its human resource management and its strategies that determine the selection and placement of employees, these strategies and policies develop the psyche of the working force. It can be a leading factor in molding different levels of loyalty, commitment and retention between employees.

Kerr and Slocum (1987, 99-108) also determined certain features that aided in higher retention between different work forces. According to their research, they were able to identify different values that ultimately influenced the rate of retention between different employee types over various organizations. It was observed that organizations with cultures that emphasize teamwork, security and respect among employees fostered higher rates of loyalty to the organization and more long term relationships between employee and organization and this trait was not limited to just the high performing employees but was seen through all employee types. In organizations that promotes a culture of individuality, personal initiative and singular rewards rather than team efforts, were seen to form an entrepreneurial norm and a mindset of loyalty to oneself rather than the organization. The culture lacked long term security for the employees and hence the employees lacked loyalty to the organization. They believed that the weaker performers would eventually depart from the company and the stronger ones would adopt the culture of exploiting the organization until a better opportunity presented itself.

The organization's mission and values are other factors that are seen to contribute to employee retention. Employees that form a connection to the organization's mission, vision and values are seen to form a more long-term relationship with the organization. This linked with job satisfaction are seen to be key factors in retention. The larger the extent to which a

job challenges the employee in a meaningful way, the more employees are attracted to stay and when the organization gives them the freedom to grow and develop within the organization, the comfort of this atmosphere fosters a deeper, more secure relationship between employee and organization.

Steers (1977, 46-56) and Price and Mueller (1981, 116-119) identified various reasons for employee retention. There was a correlation seen between advancement opportunities and higher levels of employee retention. The more potential there is to move to higher levels in the organization, the more driven employees are to stay and work at their maximum potential. Extrinsic rewards are vital factors as well, the (amount of pay) employees receive act as driving forces for the work they put out in, if an employee feels rightfully compensated for their work and service they stay longer. Rewards and Equivalents are further strengthening factors.

Organizational justice and prestige are great facilitators of retention. An organization with a more just department and one that fosters fairness of reward allocations and has policies and procedures that are equal in treatment, attract more employees and form loyalty. Employees also seem more driven to stay in an organization when it is highly reputable and recognized by many.

Non-organizational influences and factors play an impact as well. A location closer to home not only provides ease of access but is also less of a hassle to the employee and hence more attractive. A far off work location can increase stress and also limit access to attend to non/work responsibilities. The existence of prior responsibilities outside the organization are driving factors as well. Family responsibilities can either aid a long-term relationship or disrupt it and this is dependent on the services the organization provide and the understanding it is willing to offer as well.

March and Simmons (1958, 103) came up with the theory of equilibrium and according to it, desirability of movement and ease of movement were underlined as two big factors for determining retention. Desirability of movement is described as an individual's job satisfaction and ease of movement is described as the availability of other job alternatives or perceived job alternatives externally. The model suggests that employees are more likely to stay in a company when they are satisfied with their jobs and have fewer job alternatives externally.

Porter and Steers (1973, 151-176) provided an updated version of the same theory and added the factor of rewards. The employees are perceived as sensitive to reward allocations and

hence an unfair distribution of rewards can lead to employees leaving, especially when they are faced with alternatives of better reward allocations and more opportunities of advancement.

They also studied evidence that showed higher turnover among employees that were exposed to a poor work atmosphere. A working atmosphere with supervisors that treated the employees poorly, displayed low levels of consideration or where they did not receive appropriate or helpful feedback or recognition tend to create a negative psyche for the employees and, hence limiting retention. Peer support and an attitude of being a team rather than an individualistic entity provides employees with encouragement and support and a more positive attitude which in turn forms an attachment to the organization and aids retention.

## **4.2 Tools and strategies to improve employee retention**

Employee retention is crucial for any organization's success and hence it is important for organizations to adopt appropriate retention tools and strategies to maximize retention.

Performance criteria is one of the tools being used for retention, Boyne (2003, 367-394) found that information on performance of the employees helps management recognize the organization's status. It can help monitor whether the organization is improving or deteriorating and pinpoint the factors that aid or exempt success. This criterion emphasizes efficiency as a criterion for performance measurement.

$$Efficiency = \frac{COST\ OF\ OUTPUT}{VALUE\ INPUT}$$

It also allows organizations to adjust according to the information and utilize it more efficiently ensuring the organization's success and employee retention.

A rewards Strategy is one of the most equipped tools used to guarantee retention. Taplin, Winterton. J, Winterton. R (2003) found a correlation between rewards provided by the organization and job satisfaction which lead to employee retention. Rewards help to motivate employees and form a sense of loyalty and feeling of appreciation within the work force, this leads to the retention of a well-equipped and motivated work force.

Clardy (2005, 279-304) established a positive relationship between an organization's image and employee's satisfaction. The ability of an organization to fulfil their promises to their employees regarding their welfare and working conditions and the level of satisfaction the

customers receive from the products or services, determines the reputation of the organization. This reputation then in turn can either aid or disrupt retention and hence maintaining a good reputation is a great tool for retention.

HCL technologies is a prime example of international business that spans over 45 countries, Finland being one of them. A study on HCL technologies outlines their retention strategies and talent management plan. Goud, (2014, 10-16) outlined that one of the key strategies is the “Employee First” strategy. It is a one of a kind method to ensure a pride in their employees and make them feel valued and appreciated. This strategy has sub levels like talent transformation, employees’ first academy and Open 360 Degree Feedback™.

HCL also recognizes the importance of nurturing new talent and hence educating their employees is another tool of retention. HCL provide them training and activities that keep them sharp and up to date in the competitive work force. These include tools like employee satisfaction surveys, a youth forum, engagement initiatives and affinity networks.

They also believe in the engagement of employees and hence provide platforms that encourage this, such as clubs and committees.

These are just some of the various tools being used for the retention of employees and ensuring a successful business.

### **4.3 Talent Management**

Talent Management still requires a lot of work and research. Businesses are, however, now working to improve this, a new policy coming into shape is the aligning of talent and strategy, this helps businesses to work better at solving and handling specific talent challenges.

Mentoring Programs is another tool that is being developed. This type of program allows the new talent to be nurtured by an already experienced and senior executive. It allows the already existing talent to be a part of the new talent journey and hence maximize the work force.

Staphanie Edward mentions in her online and added that new trends are also emerging in the management of talent. Previously employment gaps were looked down on by companies but now the stigma around it is wearing off and tactics are being developed to reach the talent with employment gaps. These tools include targeted proactive sourcing, talent communities and workshops and alumni workshops.

Artificial Intelligence (AI) is another tool being used for talent management and recruitment. AI has been used for recruiting and sourcing qualified recruits. To limit biases from AI recruitment, many businesses have started to adopt blind screening where personal information is left out till the hiring process.

The workforce now consists of multiple generations of employees and hence there are different expectations and needs of the employees. A new policy being adopted is tailored compensation and reward packages that are more individualized than generalized.

Employee voices are also more valued now, hence companies use surveys, focus groups and social listening to recognize the employee's needs. A relationship of balance is being formed now, rather than the previous imbalanced one.

Annual reviews are also seen to be ineffective and unhelpful for employees as a survey by Korn Ferry (Global Organizational Consulting Firm) revealed that 43% of the participants expressed that the annual review had no impact on them and were unhelpful in revealing what they were doing wrong or how they could improve performance. 96% of the respondents expressed that real time feedback and ongoing performance discussions with the leading figures are more effective and helpful than annual reviews.

Business analytics has been a prime tool in determining cost and operational effectiveness for many years now, however, now organizations see the need to also put in work talent analytics to fully form an effective and successful operating unit. The talent analytics looks at the talent available and works through the competition and availability of the talent available in an area while also recognizing the norm is in play.

Service Design can help improve future talent management profoundly as the talent management is shifting towards a more individualistic and employee centric format. The increase in understanding employees and giving them a voice is where service design can fit very well. Tools like system maps, personas and journey maps can aid companies in forming more precise tools and gain a deeper understanding of their work force.



## 4.4 Talent Management Model

The business jargons online article explained that talent managing model is an excellent example of what exactly this unit is required to do. It consists of 6 stages. Planning, Attracting, Selecting, Developing, Retaining, and Transitioning. The Planning, part of this process consists of formatting a model of what to look for in potential employees by aligning the company's needs with its goals and the culture and environment it plans on setting forth.

*Planning* requires the management to survey its present employees to recognize what attributes the best work with their company goals and is successful in forming a stronger workforce.

*Attracting* is heavily reliant on how the company is branded and advertised. Some aspects to consider are, what key features are put forth, and what platforms determine the type of candidate pool the company would be selecting from. The objective is to not only make the company look approachable but also the one that offers the best work environment. It is about creating a positive experience for all.

*Selecting* is a monumental stage in the talent management process; it goes hand in hand with recruitment and is one of the main focuses of this thesis.

*Developing* is for the already selected and appointed employees; it consists of activities like orientations and workshops. These activities are to cultivate the talent further and create finesse in the workforce for maximum productivity, while ensuring a healthy environment. They are to enhance further the qualities the workforce already possesses.

*Retaining* stage requires the mentoring and counseling of the new talent by the old and much wiser employees and enhances collaboration and a much friendlier work environment. Retaining is another essential stage; it has similarities to selecting, but this stage is incorporated into making its staff want to continue work at the organization and to do so with the same passion and vigor as when they were selected. Promotions, bonuses, increments can reach these results. It is also essential for the HR management to invest their time and resources at this stage to ensure that its workforce needs are met, not just financially but also emotionally, by providing a healthy and friendly work environment and the possibility for privileges at special occasions, like a wedding in the family or death.

It is crucial to make the workforce feel like a family at work rather than rivals or just employees. Another critical factor is recognizing the efforts of the employees and rewarding them. Positive reinforcement is more appreciated than negative engagement.

**Transitioning** is the exit stage of talents from a company. It highlights the transition of the long term, employee from being an active part of the company to sometimes a more passive one. This stage consists of retirement benefits, exit interviews, and internal promotions. The main objective of this stage is to make the transition smooth and leave the employee with a positive outlook towards the company, so that they can spread a positive image outside the company as well.

#### **4.5 Recruitment and Selection process**

The core activities of Human Resources Management (HRM) are the processes of Recruitment and Selection, which also form a vital part of the work of HR Managers. It is the responsibility of all managers to play a consultative role as people, who will supervise or in other ways work with the new employees. As Mullins (2010, 485) notes: *"if the HRM function is to remain effective, there must be a consistently good level of teamwork, plus ongoing co-operation and consultation between line Managers and HR Manager."* The HR managers (or even external consultants) can be a storehouse of up-to-date knowledge and skills.

Recruitment and selection could always form a key part of managing and leading people, however, recruitment and selection have become even more critical now, as organizations increasingly regard their workforce as a source of competitive advantage. However, not all employers engage with this proposition. The selection methods are valid, reliable, and fair. The purposes of recruitment, which are through accurate development and evaluation of personnel selection procedures, have influences of work psychology. The people that best "fit" the organization's culture are recruited.

Recruitment and selection are a designed rational activity, comprising certain sequentially-linked phases within an employee resourcing process, which itself may be placed into a broader HR management strategy. Bratton and Gold (2007, 239) differentiate between recruitment and selection, while establishing a clear link between them. According to them recruitment is a process of collecting a sum of capable applicants for employment to an organization and selection is described as the process in which managers and others use specific instruments to appoint individuals ,from the recruited pool of candidates, who they perceive to be most likely to succeed in the job efficiently.

Recruitment activities provide a pool of people eligible for selection, Foot and Hook (2005, 63) suggest that though the two functions of recruitment and selection, are closely

connected, they still both require a separate range of skills and expertise to function efficiently and are also likely fulfilled by different staff members. Hence, although the recruitment activity can be outsourced to a separate entity, the selection decision cannot. Therefore, each activity of recruitment and selection must be treated separately.

#### **4.6 Effectiveness of Managing Talent**

Lockwood approach was more general to talent management, and defined as “*the implementation of integrated strategies or systems designed to increase workplace productivity by developing improved processes for attracting, developing, retaining, and utilizing people with the required skills and aptitude to meet current and future business needs*” (Lockwood, 2006, p. 2).

Recruitment and selection play a significant role in shaping an organization's effectiveness and enhancing its performance, if relevant knowledge, skills, and ability are possessed by the worker hired by the organization; the newly hired worker gets higher quality training and are able to make an accurate prediction regarding his future abilities.

In this premise, the undesirable cost can be avoided when recruiting and selecting staff in an effective manner. For example, those associated with high staff turnover, but poor performance and dissatisfied customers can endanger a mutually beneficial employment relationship characterized; wherever possible, this mutualistic relationship can be achieved by a high commitment from both sides.

Retention is another crucial stage in talent management, wherein the selection of the focus is on employing the individuals with the most potential, skills and those who best fit the culture of the company. During retention the goal is to maintain employment with the employees for the most prolonged period of time possible. Organizations want to retain the best of the workforce so that the company can be successful and run effectively. An effective retention strategy requires managers to carefully study the reasons for an employee to leave a company as well. This is important as the understanding of what can lead to an employee leaving, also can help the management to ensure safeguards and methods to minimize this action.

There are many reasons why companies can lose a "good" employee; however, the most commonly found reasons are more emotionally charged than economically. Lack of trust and autonomy is one of the biggest reasons for the loss of good employees. Trust is seen as

an essential tool for any relationship to prosper in human nature, and this applies to the relationship dynamics between an employee and their authoritative figure as well. The lack of trust often leads to micromanaging and the employees' every decisions being questioned. This behavior can enlist a strong negative feeling in the employee that often leads to them leaving the company. Other emotionally centered reasons are lack of respect, not being appreciated or recognized for their efforts, being given no room for improvement, being overworked, and not supported. Along with these reasons, there are also many personal reasons like changes in one's personal life or wanting to experience something new.

## **5 Theoretical Aspects of Human Resources**

This chapter reflects the author's own theory about the employee along with other author's researched material, and accordingly, it is explained in six valuable components. It is important that HRM should treat every resource individually to understand every employee's need, and that could increase the possibility of their satisfaction in the organization.

It is HR responsibility to connect employee emotionally with the organization, provide feedback about their financial need, form employee-centric strategies, and monitor all possible factors that could become the reason for losing an employee.

### **5.1 Employee Understanding**

Employee understanding is a key feature in this thesis and aim of this thesis is to create a tool that improves selection and retention of an employee. Employees are not just the workers for the organization but are also the first customers. A successful business is one that has a high performing workforce, and to establish such a workforce, the HR management and the authoritative figures of the company need to have an understanding of their employees. Trust must be established between the two workforces. The employees need to feel heard and valued and they must have a clear road map of their future at the organization.

Griffeth & Hom proposed that understanding the reasons why people stay, on average, is an important goal, but also oppose that it may be more valuable to examine how these retention factors differ for high performers and those at different levels of the organization (Griffeth & Hom, 2001).

Companies always prioritize their customers and try to make their customers feel understood. "The customer is always right" is the general perspective that most companies function on. They do this to make their customers feel like a priority and to form a better relationship with them. Employees need a similar environment to perform at their peak.

### **5.2 Emotional Condition**

Working environments and professionalism always insist on the minimal use of emotions, or so was the case in the past, human nature is persistent of emotion in all aspects of its life. Companies and organizations now realize the importance of emotions and their understanding of a productive and high performing workforce to be set up, emotional

attachments have been defined as the beliefs about what employees owe to the organization and what the organization owes to them (Robinson, 1996, 574-599).

HR managers centralize their talent management, attracting campaigns to put forward a positive image of the company and to portray the working environment to be friendly and welcoming so that candidates would want to be a part of their company. Talent Management also incorporates what they have learned through the years to cater to the new talent's emotional needs as well as their other needs. They also centralize their search for future employees by highlighting certain emotions in their portfolio for an ideal candidate, like people who are passionate about the job would make driven employees.

Once the talent is selected, the HR must ensure a smooth transition into the working environment, the training sessions and workshops must provide an environment of learning and progress and not of inferiority. The new talent must feel part of the family, and as outcasts, positive reinforcements must be made. It is essential for the new ability to prosper, and a suitable friendly environment would be the best for this to happen.

Retaining customers is another stage that requires a lot of emotional understanding. It is the lack of emotional knowledge and appreciation from the companies' end that results in good employees leaving spanning from the lack of respect to the feeling of hostility from their seniors. A high performing workforce is only reachable when a company can retain its talented employees; for this to be possible, the HR management of the company needs to be in check with employees' working conditions at work and their emotional well-being.

Trust must be established between all employees and the authoritative figures so that the employees feel valued and prioritized and not inferior to each other. An employee that feels heard, valued, and trusted is more likely to be loyal to the company for the longest run of time possible.

It is also vital for the company to provide support for not just working situations but also personal journeys. Excusing an employee when their family is struck with tragedy or showing joy in their personal life triumphs are all ways to make the employees feel more than just the workforce.

### **5.3 Financial need**

Financial Needs are another aspect of careful consideration for employee understanding. In order to attract a strong pool of candidates, the salary must be as attractive as the company

demands from worker for his hard work, the company must cater employee financial needs. Companies with a generous and justified income attract a strong force also (Porter and Steers 1973, 151-176).

Finances are a priority for all human beings; hence, a company that caters to its employee's financial needs forms a strong and loyal workforce as well. Rewarding employees with increments and bonuses are ways of catering to the financial needs of their employees. These show that with the success of the company, the employees to succeed, and their work does not go unnoticed. These also help in retaining employees on a long term basis.

#### **5.4 Retention Strategies**

A method of retention is pairing a new employee of promise to an old, well-established employee. The older employee works as a mentor for the new employee, this exercise forms trust within the two employees and the company ensures that the new workforce would be as great and well trained as the mentor. Retention strategies also include increments, bonuses, more understanding and compromise on personal matters of the employees, appreciating the work the employees do, and forming trust and respect.

#### **5.5 Factors of losing employees**

According to Steel, Griffeth, and Hom “*the fact is often overlooked, but the reasons people stay are not always the same as the reasons people leave*” (2002, p. 152). There are vast number of reasons for losing employees, however, the most frequent and widespread reasons seem to be centered on the emotional aspect rather than financial. Most employees are seen to leave when they are unhappy with their working environment.

Lack of trust seems to be an important reason. Employees facing a lack of trust from their seniors are often micromanaged and witness their decisions being second-guessed. When such a negative perspective is attached to their work, the employee feel untrusted, and hence a feeling of inferiority is inflicted onto them, which over time can lead to resentment and hence departure from the company. This reason is closely linked to the lack of respect as well. Another critical reason, when a lack of trust is established, the same behavior from their seniors overtime can be seen as lack of respect for their decisions and work. Respect is more individualistic for each person, and hence the meaning of it to each employee can differ, however, assigning easy work than abilities of employee can be seen as not being disrespected. Often employees leave when they feel the company was not compensating

them rightfully for the level of work they were providing, which is seen as the company not respecting them enough to take the right measures. The lack of respect can be directly linked to feeling undervalued and unappreciated. When no positive reinforcement is shown for good work verbally or financially, employees lose their drive to do well and also feel undervalued and unappreciated, which leads to them departing from the company. Many employees are faced with the feeling of being underutilized and seeing no growth or future at the company. It is often evident in large companies that not all employees are noticed, and the workload is not always equally distributed, hence many employees are faced with the dilemma of seeing no future at the company or having to wait a long time to have their time to shine and thus find resigning much more beneficial. The lack of support from the managing parties during work disruptions or during a crisis in their personal life where they need some time off or some other personal need and are unsupported and met with scorn or negativity, are factors for resignations as well (Kickul & Lester, 2001; Zhao, Wyane, Glibkowski, & Bravo, 2007, 191-217).

Poor management and poor communication also create doubts in employees mind, they feel that they are not utilized appropriately, they start thinking that might have a brighter future elsewhere. The doubts arising prove to be their driving force for leaving from the company.

However, sometimes there are more personal reasons, such as new interests, finding inspiration elsewhere, a significant change in their lives such as marriage or a geographic move. Such aspects lead to departures as well.

## **5.6 Element of Retention**

The methods for retaining talent are vast, but their motive is the same for all methods, to maintain a high performing workforce. Retaining methods can be done by appealing to the emotional psyche, financial needs, and the right means of training.

An ideal way to produce a high working force from new talent is pairing them up with already distinguished employees and have them as mentors to the new employees. This method enlists a good relationship between the old and new talent, it makes both forces feel trusted and valued and proves that the next generation of the company will be as well-trained and established as the current one. Through this factor, employees are given support and are provided with as opportunity to grow individually, and increase their abilities without having to work through a storm of similar employees with similar cases. This individualistic growth means that each employee will be as well nurtured in their skills as they can be.



Appreciation of an employees work is another effective method of retention. Employees aspire to stand out and be noticed, and any positive reinforcement increases their passion for the job and feeds into their emotional growth. Hence appreciating good work and being seen for it proves to be quite beneficial for retention. In a similar way, bonuses and increments for progress made and good work being done are another way of retaining employees. These not only improve the lifestyle of the employee, they also make them feel valued and hence more loyal to the company.

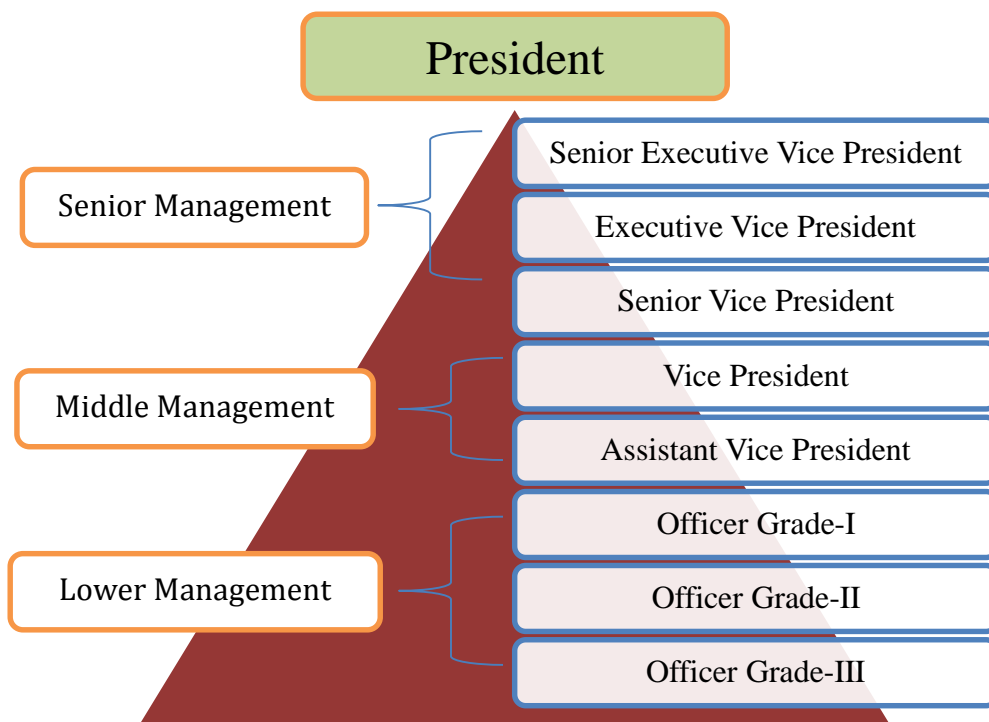
Employees also want to stay in a company where they see a great future, and hence discussing the companies' plan for their employees future, not only makes them feel heard, it also gives them an aspect of what their future could be and ensures them that they have a future with this company.

## 6 Organizational Data collection Reforms

Organizations form a set of policies and strategies to ensure the selection of the best, most active and skillful new talent, while also securing a long-term relationship with their existing talent. These policies and strategies are put in to place to ensure the organization to run at its peak with the best built work force and continue its success.

### 6.1 Case Company Hierarchy Pyramid

The divisional head HR of the company provided hierarchy information during personal discussion in the month March-2020 to explain their management system.



*Figure 3. Company hierarchy pyramid and management layers*

The figure 3 demonstrates the available opportunities for an employee within the organization. An employee could progress from the lowest grade of Officer Grade-III up to the most vital position of the organization, which is Senior Executive Vice President.

According to the current organization policy, every employee could promote after three years working in the same grade, depending on their annual performance appraisal score.

The figure created during a discussion session with the senior executive vice president of the company, who explained that company management categorised was into three Layers, lower management, middle management and senior management.

The lower management consists of OG-III, II and OG-I. This area of management mostly used in the branches as field officers, and also deployed in the regions and head office, depending on their experience and qualification.

The second layer is middle management, and it consists of AVP and VP. Mostly work as branch managers and act as a communication bridge between lower and senior management.

The most vital group in the organization is senior management, and the group consists of SVP, EVP and SEVP. This group only deployed at regional offices and head office, accordingly responsible for policymaking, implementation of the policies and passing instructions.

## **6.2 Case company recruitment and selection process**

The Company recruitment and selection process was personally discussed in the month of February, than in month of March there was no considerable communication due to pandemic and in April-2020 data was discussed on call and shared on email.

The Organization's top management places emphasis on sound organizational and human resource policies. The underlying philosophy recognizes that people are the Organization's most valuable asset.

Recruitment procedures must ensure that this asset is protected and enhanced. The Organization must exercise a real commitment to developing, implementing and maintaining policies that are consistent with proper management if they are to achieve corporate objectives.

The purpose of the policy statement is: To formulate and notify recruitment policy, which should set out the minimum for eligibility conditions and standards for recruitment in the various cadres. The Board is authorized to define the policy for recruitment of the employees in the Organization.

This policy applies to the recruitment and selection of all employees in permanent and contract cadre. However, re-hired on contract after attaining the age of superannuation will not be covered under this policy.

This policy covers the following grades:

1. Executive

- a. Senior Executive Vice President (SEVP)
- b. Executive Vice President (EVP)
- c. Senior Vice President (SVP)
- d. Vice President (VP)
- e. Assistant Vice President (AVP)

2. Officers

- a. Officer Grade – I
- b. Officer Grade – II
- c. Officer Grade – III

Update:

The Head of HR Management Group is responsible for:

- Initial issue of the policy to relevant quarters.
- Maintenance and updating of the policy, including distribution of any updates, or amendments to all relevant quarters.

Policy Statement:

The Organization will recruit people with the required basic knowledge, ability, skills and attitude and those who can be relied upon to continuously enhance and apply their competence to the achievement of the Organization's mission and objectives.

In doing so the organization will ensure;

- a) Recruitment Planning: to fill vacancies after due consideration and any availability surplus, projected business requirements and normal attrition.
- b) Equal Employment Opportunity: to ensure equal employment opportunities to all the citizens.
- c) A Transparent Selection Process: to promote open competition and provide a fair chance of success for the most appropriate candidates.

Recruitment Planning:

The annual requirement of Executives, Officers, shall be planned to keep in view the expected retirement, separation, expansion and the surplus employees, if any, already available. The number of vacancies to be filled in are to be indicated in the recruitment/appointment program.

Approval of Vacancies:

Groups/Divisions will provide their additional human resources requirements for the coming year, latest by 30th June of every year to Human Resource Management Group along with specified criteria and Job Description. It will include human resources requirements in all the field offices, including Regions. The HRM Group, in conjunction with the concerned Group/Division, shall consolidate total human resources requirements for placement before the Board for approval.

The HRM Group shall place the requisition received from the concerned Group/ Division/ Region before the President for the respective position along with supporting documentation including job description and selection criteria for approval.

Table 1. Company authorised personnel in selection process

| <b>Particulars / Items</b>   | <b>Recommending Authority</b>                          | <b>Approving Authority</b> |
|--|--|----------------------------|
| Creation of Vacancy (EVP-Direct Reports & SEVP)-                   | President  | Board of Directors         |
| Creation of Vacancy (OGIII to EVP)                                 | Concerned Group Chief/ Divisional/ Regional Head       | President                  |
| Unplanned Recruitment (EVP-DR & SEVP)                              | President  | Board of Directors         |
| Unplanned Recruitment (Up to EVP)                                  | Head of HRM Group                                      | President                  |
| Constitution of Preliminary Interview Committee                    | Recruitment & Placement Wing, HRMG                     | Head of HRM Group          |
| Constitution of Final Interview (Selection) Committee              | Head of HRM Group                                      | President                  |
| Enlistment / De-list of Head hunters/Executive Search Firms (ESFs) | Head of HRM Group                                      | Management Committee       |
| Issuance of Appointment Letters (SEVP)                             | President (subject to Board approval)                  |                            |
| Issuance of Appointment Letters (OG-III to EVP)                    | Head of HRM Group (subject to approval from President) |                            |

**Unplanned Recruitments:**

Appointments which are not planned as described above, will not be made in any cadre. However, in an emergency or an unavoidable circumstances, such appointments that are up to the level of EVP, will be made with the specific approval of the President. The Board must approve unplanned recruitment of EVP (Direct Reports) and SEVP.

**Policy Guidelines:**

### Equal Employment Opportunity/ Non –Discrimination

It is the policy of the Organization to initiate recruitment to fill vacancies, which may arise through the departure of existing employees or the creation of new positions. The Organization has the policy to provide equal employment opportunity to all, without regard to race, colour, religion or gender.

It is further, required that the Organization takes decisive action in all employment matters to ensure that policies and practices are non-discriminatory.

#### Domicile:

Only citizens of Pakistan and those of the State of Jammu and Kashmir are eligible for appointment in the Organization. However, this condition may only be waived by the Government of Pakistan in exceptional cases.

#### Age Limit:

A candidate shall not be less than 18 years of age at the time of recruitment in the Organization.

#### Appointment of Sons / Dependent of Retired / Deceased Employees.

No vacancies shall remain reserved for sons and daughters of retired/deceased employees of the Organization. However, they may be allowed to compete with other candidates on merit. Yet, one son or daughter of an employee, who expires while on duty shall be appointed, subject to fulfilment of minimum qualification and age. The government ban on recruitment shall be followed.

#### Selection Process:

The Organization shall ensure transparency and follow the following selection process while making recruitment.

1. For recruitment against advertisement (by the Organization or by Head Hunting/ ESFs).
  - a. Invitation of applications/ CVs from eligible candidates.

- b. Screening/Shortlisting based on defined criteria (by HRM Group with the consent of the concerned Group/ Division).
- c. Preliminary selection of the most suitable candidates; and
- d. Final selection

## 2. Head-hunters/Executive Search Firms (ESFs)

Listed Head-hunters/Executive Search Firms (ESFs) to hire executives (AVP & above).

### Eligibility Conditions and Standards:

The President shall approve the eligibility conditions and standard for recruitment for the respective position requested by the concerned Group/ Division/ Region on prescribed Requisition Form of the Organization.

### Advertisement of Positions:

On receipt of a requisition from the concerned Group/ Division/ Region, the vacancy shall first be internally advertised by the HRM Group through internal placement circular, duly uploaded on the organization's internal web. In case of non-availability of the required human resources from within, the Organization advertises the position(s) externally through print media. The vacancies shall be advertised preferably on Sundays, i.e. Holidays through National/ Provincial/ Regional Newspapers. The cut-off date for the receipt of applications would set (15 days) from the date of advertisement. In case of advertisement by Head Hunting (Executive Search Firms) for AVP & above, the Organization will procure services at random by rotation to any one of the Headhunting/ Executive Search Firms.

- a. Recruitment of senior position(s) (SVPs, EVPs and SEVPs) should be through advertisements, Headhunting firms and applications received directly through References. The vacancies should first be advertised internally by the HRM Group. In case of non-availability of the required human resource from within the Organization, the management would confirm to the Board, in case of EVPs (DR) and SEVPs that the internal process was followed, and that no suitable candidate was found internally.
- b. Recruitment of AVPs and VPs would be made through advertisement in the print media by headhunting firms or directly published by the Organization. The



candidates should be shortlisted by the independent 3rd party and finally interviewed by the Organization.

Recruitment in case of OG-III, OG-II and OG-I would be made through advertisement in print media and screening tests by institutions like IBP, IBA, BTA and NTS etc. The Organization would interview the shortlisted candidates.

Coordination:

The Head of HR Management Group shall unless otherwise agreed by the President, be responsible for ensuring coordination of the recruitment and appointment of employees and shall ensure satisfactory implementation of Recruitment Policy transparently.

Selection and Short- Listing Committees:

Following the advertisement, the Head of the HR Management Group shall co-ordinate the establishment of Preliminary / Final Selection committees for conducting the interviews. The preliminary interview committee shall be a sub-group of the Final Selection Committee.

Composition of Selection Committees

1. Preliminary Interview Committee

In the case of direct advertisement by the Organization and subsequent shortlisting, the HRM Group shall co-ordinate the constitution of Preliminary Interview Committee to be approved by the Head of HRMG. This Committee would consist of the representatives of the concerned Group/Division and the HRM Group to assess suitable candidates for Final Interview.

## 2. Final Selection Committee

Final Interview Committee consist as under.

*Table 2. Final interview committee personnel of the company in selection process*

| Grade                | Final Interview Committee Members  |
|----------------------|--|
| For SEVP and EVP(DR) | Board of Directors / Board HR & Review Committee   |
| For EVP              | President  |
| For SVP, VP & AVP    | Head of HRM Group, Concerned Group Chief/ Divisional Head/ and one member as a third eye on rotation basis |

Any internal applicant for the position being considered may not serve on the selection committee concerned.

If a member of a selection committee is unable to attend, the Chairperson may nominate another person as a substitute of similar or a near similar category temporarily.

Screening of Applications, The HRM Group (Recruitment & Placement Wing) in coordination with concerned Group/ Division/ Region shall proceed as soon as possible after applications have closed, to prepare a list of applicants meeting the selection criteria.

Short-Listing of Applications, CVs and applications of all screened candidates would be sent to the concerned Group/Division by HRM Group for shortlisting as per the laid down criteria and their requirement.

The concerned Group/Division will provide a list of shortlisted candidates to Final Interview Committee Members, for SEVP post, the list will be sent to Board of Directors / Board HR & Review Committee, for EVP, the list will be sent to the President, for SVP, VP & AVP the list will be sent to Head of the HRM Group, concerned Group Chief/Divisional Head/ and one member as the third eye on rotation basis, for Officers (OG-I, II & III) the list will be sent to Head of the HRM Group, concerned Group Chief/Divisional Head/ and one member as the third eye on a rotation basis of Group Chief, HRMG.

The final selection needs to be approved by the President along with the original CVs/applications to the HRM Group for arranging interviews. A minimum of three (3) applicants for each vacancy will be shortlisted for the interview.

Written Test:

The Organization at its discretion conducts written tests, where deemed necessary with the approval of the President. In such a case, candidates shall be required to appear in the written tests at their own expenses on designated centres. No TA/DA will be allowed to candidates appearing for Test and Interview. The test will be arranged on the same date, day and time throughout the country. Scrutiny of applications and written tests of the candidates may also be arranged through a consultancy firm having a good reputation of handling recruitment tests. Results of written tests will be ranked in order of merit.

Preliminary Interview:

The Preliminary Interview Committee will interview and recommend candidates for final interviews as per specified criteria. The candidates would be selected through the mutual consent of the members of the interview committee.

Final Interview and Selection:

Interviews shall be conducted by the Final Interview Committee on a strictly confidential basis. The members of the Committee shall be provided with a complete set of papers relevant to the vacancy including selection criteria, copy of the advertisement, and curriculum vitae of all eligible applicants.

In deciding a specific recommendation, an attempt shall be made to reach consensus. However, in case of difference of opinion, the decision of the majority members of the Final Interview Committee would be taken as final.

Final Interview Committee shall have the right to recommend that no appointment be made for the respective vacancy.

In the case of the selection of the SVP and above, the findings of the Final Interview Committee shall be in the form of recommendations to the President. The recommendations should include priorities/ ranking of all candidates deemed suitable for the position(s).

All information concerning applicants/candidates, the interview process and the deliberations of all interview committees shall be kept confidential by the concerned staff involved in the selection process.

Verification of Record:

Verification of educational testimonials of the selected candidate will be done by Personnel Management Wing HRMG and verification of last employment certificates will be done by Recruitment & Placement Wing, HRMG. However, detailed verification of antecedents would be undertaken after the candidate joins the Organization.

The time period for verification of antecedents and educational testimonials should be three months from the date of joining the Organization's service. In case, verification shows that an employee has committed any misconduct or has suppressed any material information about himself/ herself or has submitted fake educational testimonials, he/she will be dismissed immediately.

Medical Examination:

Selected candidates shall be subjected to a thorough medical examination from reputed Hospital before joining the Organization service as per the standard procedure.

Appointment Authority:

The authorities for appointment will be as follows:

*Table 3. Appointment authority in the company*

| Authority          | Position  |
|--------------------|---|
| Board of Directors | For positions of Executive Vice President (DR) and Senior Executive Vice President. |
| President          | For Positions up to Executive Vice President.                                       |
| Head of HRM Group  | For Positions up to Officer Grade – III subject to approval of the President.       |

The Organization reserves the right not to make an appointment or to fill positions by invitation. While making Selection to Officers Grade – III requirement of the areas where vacancies exist should be kept in view and preferences in selection be given to candidates belonging to these areas maintaining merit and other requirements.

Minimum Education Qualification:

*Table 4. Educational qualification table for positions form OG-III to SEVP*

| <b>Grade</b>                            | <b>Educational Qualification</b>  |
|---|---|
| All other positions from OG-III to SEVP | As per specified requirement on prescribed Requisition Form approved by the President |

### **6.3 Case company Retention Policies and Strategies:**

Promotions

Promotions are one of the vital elements that motivates employees to create a strong relationship with the Organization, and the iteration is as follows:

- a) The Promotion Policy shall be applicable to all employees - Regular, Contract. However, this policy shall not be applicable to re-hired employees.
- b) Promotions from OG III to OG II shall be awarded to all those employees, who meet the eligibility criteria without an interview.
- c) Promotion Interviews shall be conducted for only those executives who meet the minimum eligibility criteria for promotion to AVP, VP, SVP, E'VP and SEVP grades.
- d) Promotions to AVP, VP, SVP, EVP and SEVP grades shall be subject to availability of clear vacant position(s).
- e) The eligible candidates for SEVP shall be considered through internal advertisement on availability of Group Chief Position only.
- f) All promoters will be entitled for a 10% increase in their basic pay.

Minimum Eligibility Criteria:*Table. 5 Minimum eligibility criteria for promotions in all categories*

|  |   |
|--|---|
| OG-III to OG-II  | <ul style="list-style-type: none"> <li>• Minimum 3 years' Service in the grade</li> <li>• Minimum Educational Qualification: Graduation</li> <li>• Annual Appraisal Score for the last three years, not to be less than 18 with performance not below 'Good' during last year</li> <li>• No listed punishment awarded during last year</li> </ul> |
| OG-II to OG-I  | <ul style="list-style-type: none"> <li>• Minimum 3 years' Service in the grade</li> <li>• Minimum Educational Qualification: Graduation</li> <li>• Annual Appraisal Score for the last three years, not to be less than 18 with performance not below 'Good' during last year</li> <li>• No listed punishment awarded during last year</li> </ul> |
| OG-I to AVP<br>AVP to VP<br>VP to SVP<br>SVP to EVP<br>EVP to SEVP | <ul style="list-style-type: none"> <li>• Minimum 3 years' Service in the grade</li> <li>• Minimum Educational Qualification: Graduation</li> <li>• Annual Appraisal Score for the last three years, not to be less than 18 with performance not below 'Good' during last year</li> <li>• No listed punishment awarded during last year</li> </ul> |

Performance Ratings' yearly Score:

The Score for the last three years appraisal ratings in the current grade shall be considered.

The Score for each performance rating shall be as follows:

*Table. 6 Performance rating & score for APA*

| <b>Performance Rating</b> | <b>Score</b> |
|---------------------------|--------------|
| Outstanding               | 10           |
| Very Good                 | 8            |
| Good                      | 6            |
| NI (Need Improvement)     | 3            |
| Unsatisfactory            | 00           |

Promotion Interviews:

Promotions from OG-I to AVP, AVP to VP, VP to SVP, SVP to EVP and EVP to SEVP would require interviews. Interviews shall be conducted for those staff members who meet the eligibility criteria. The Committee formed by the President shall conduct promotion Interviews. The President shall initially interview the executives for promotion from EVP to SEVP.

Performance Appraisal:Scope:

The performance of all officers and executives during the year will be evaluated only once for their performance evaluation and payment of associated benefits. Employees who served the Organization for more than 180 days in a given year will be appraised.

Percentages of Annual Increase:

The rate of annual percentage increase of Basic Pay in all the performance categories will be approved every year by the Board based on the Organization's financial results. It will be effective from 1st January of the year. The appraisal period will be one year starting from 1st January to 31st December.

Methodology:

- a. Job Objectives/KPIs for the next year are to be discussed and agreed upon by the Appraiser and the Appraisee. These job objectives/KPIs would become the basis of the performance appraisal for the next year, i.e. the year for which they were set. The agreed-upon job objectives/KPIs would be written in the Performance Appraisal Performa.
- b. The job objectives should as far as possible be quantitative, fulfilling the following criteria for their realistic measurement and evaluation:

*Table. 7 Quantitative job objectives*

|            |  |
|------------|--|
| Specific   | should be exact  |
| Measurable | can be quantified  |
| Achievable | can be achieved  |
| Realistic  | are within current responsibilities and work environment |
| Time       | must have a deadline                                     |

- c. Their respective supervisors will evaluate employees.
- d. Name and stamp with the designation of Appraiser and Appraiser's Supervisor should be affixed on the evaluation form.
- e. HRM Group, HO will issue letters of pay increase effective for the year of the appraisal.
- f. Annual Increase in the salary of Regular and Contract employees should be only once.
- g. The KPIs assigned to the employees must link with the Objectives of the employees, and their achievements may reflect in their APA ratings of employees.



## 2. Employee Recognition Policy:

The awards given for motivating employees may be both monetary and non-monetary in nature. Non-Monetary recognition can be given in conjunction with Monetary Recognition. All types of Recognitions/Awards will be a centralized function, and the President will give all approvals.

### Non-Monetary Extra Effort Award (Letter of Appreciation)

Recognition is given for a specific accomplishment such as contribution on a short term assignment or project, good customer service, value addition in processes, suggestions for improving efficiency/ working, efforts that resulted in cost savings.

The concerned Group Chief/ Divisional Head (Direct Report) or Regional Head will forward their recommendations duly signed and stamped to HRMG. HRMG will issue appreciation letters after obtaining approval of the President.

### Monetary Extra Efforts Award:

These awards shall consist of the following:

#### a. Spot Awards

Recognition is given for a specific accomplishment such as those defined above under Non-Monetary Recognitions. It may also include extra efforts rendered in excellent customer services, gain sharing, innovations and suggestions leading to improved efficiency. Proposals/Office Note (s) containing recommendations of the concerned authority shall be sent to the Employees Benefits Wing, HRMG providing details of the case along with justification for submission to the President.

1. Maximum 5% of the employees at the Group/Division (DR) at the Head Office shall be considered for Spot award annually. The maximum amount of an award is fixed at Rs.50, 000/- per employee per year. The recommending authority will be the concerned Group Chief/Divisional Head (DR) and the approving authority will be the President.
2. Maximum 10% of the employees at Region shall be considered for Spot award annually. The maximum amount of the award is fixed at Rs.10, 000/-

per employee per year. The recommending authority will be the concerned Regional Head, and the approving authority will be the President.

b. Performance Bonus / Annual Achievement Award

This Monetary recognition shall be given for accomplishments over the year, such as consistently high productivity or high-quality work in relation to established performance standards.

The Performance Bonuses / Annual Achievement Awards would be announced after the finalization of the Annual Performance Appraisal so as to establish a link between these Awards and Annual Performance Appraisal. However, the grant of this award does not necessarily entitle an employee for promotion to the next higher grade.

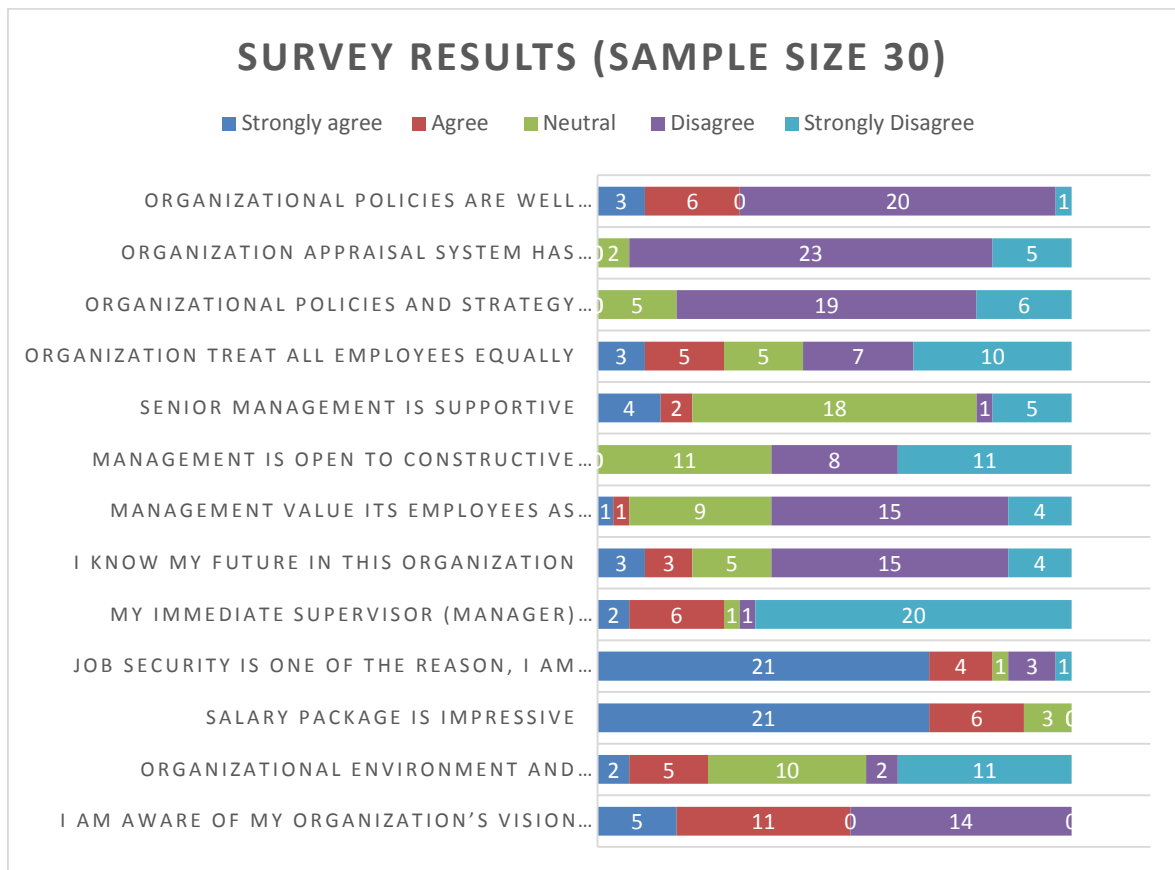
HRMG will decide the limit/amount and eligibility criteria of Performance Bonus / annual achievement award every year for all employees' categories after getting approval from the Board of Directors based on the overall profitability of the Organization.

## 7 Research method

Qualitative research, survey and interview methods are used in this thesis to understand employee prospective and motivation for staying in the long term relationship with the organization. To quantify employee head count, departure and induction in the organization was prepared by company 5 years data. The research is done on one particular case company.

The organizational survey form were electronically circulated within the company between 200 employees during the month of May and June – 2020, whereas only 30 employees participated, for survey questioner (see Appendix 4).

### 7.1 Survey results



*Figure 4. Survey results*

The survey collected information within the organization among its various employees. The survey was anonymous and a mixture of both contract and permanent employees and hence provides versatile results. It allows the employees to demonstrate their concerns and experience in the organization and share their thoughts freely.

The first statement, “I am aware of my organization’s vision and mission” was met with the majority participants agreeing and 5 individuals strongly agreeing. This is a positive outcome as the knowledge of an organization’s mission and vision is vital in not only interacting well with customers but also in guiding employees and forming a foundation on which they can grow. When employees are aware of their company’s goals and their mission, they are more able to form a stronger connection with the organization, it helps them focus better and drives the employees more efficiently. In the same sense, the 14 participants that disagreed portray the work force that is unaware of their organizations vision and mission, this portion of the work force might face a disadvantage and can also face issues forming a deeper connection with the organization and can in turn diminish the quality of the service they provide.

The next three statements help gain insight into what drives the work force. The three statements are as follows “Organizational environment and culture motivate me to continue this job”, “Salary package is impressive” and “Job security is one of the reasons, I am working in this organization”. The first statement among these three displayed a higher percentage of negative or neutral response by the employees, however the other two statements are oriented around more personal reasons that are dominated by money or its security and had most employees in agreement. Through this it can be concluded that more employees are driven by the materialistic aspects rather than the environmental or cultural aspects of the organization. Even though a healthy and positive environment are important for an efficient work force it seems that its importance diminishes in comparison to salary and job security, this can be due to human beings being driven by personal needs or can be due to the drastic need for finances in the growing economy. Job security and salary are great motivators as well as they push employees to continue working hard and keeping a positive consistency. However healthy and positive environment only makes this easier and helps retain employees even longer.

Respect is another important feature in any job or task, however according to this survey majority of the employees do not feel respected by their manager and this can prove to be a demotivation in the work force and can cause disruptions and inconsistencies. Employees are more likely to leave the organization if they are met with disrespect. This builds a negative outlook about the organization and weakens the work force. This in turn leads to employees being uncertain of their future in the organization, as seen through this survey. 19 employees out of 30 strongly disagreed or disagreed to the statement that they knew their future in the organization. This can be a great issue as it is already demonstrated that one of

the biggest retention factors for the participants is job security and the uncertainty of their future makes this a negative point.

The next three statements are regarding the management; “Management value its employees as their assets, Management is open to constructive criticism, senior management is supportive”. These statements help gain insight in the relationship of the management and the work force. Survey concluded that majority employees felt that the management did not treat them as assets, and this also explains the next statement having most responses as strongly disagree. It seems that the more employees feeling not respected grows into them not feeling valued and hence makes them believe that their opinions are not valued, and there is no place for constructive criticisms, this can form a sort of fear of management in the employees and can be quite destructive for the work force. It is made more evident in the responses to the next statement as most employees gave a neutral response.

The next four statements are organization centric and are too met with more negative responses than positive. Most employees do not feel treated equally and hence it explains the response for the next statement being heavily negative, as employees feel the strategies and policies are not centered to their benefit or their wellbeing. The appraisal system is also seen as a failure by most employees and hence gives rise to employees not following or implementing the organizations policies.

In conclusion the survey helped learn the true motivators for employees, but however also identified the key issues within an organization. The shortcomings of the management and the organizational policies heavily impact the quality of the work force. It clearly portrays the need for a better form of understanding between employees and organizational management to optimize success. To maintain a great work force employee need more support and positivity from their seniors. It highlights the need for better communication and a new format of employee understanding.

## **7.2 Semi-structure Interviews results**

Three semi-structured interviews were conducted to understand the case company policy of recruitment and retention elements in the organizational system. Interview questions were almost the same for all three interviewees, and the approach was to observe their behaviour during different timelines. The first interview was conducted on 20.02.2020 and other two were conducted on 09.04.2020 and interview transcripts are placed as Appendix 1, 2 and 3.

In the first question, they were asked about their term of relation with the organization and journey of recruitment. The interviewee one was the youngest and joined the organization in 2018, the interviewee two was well experienced and had 35 years of service in the organization. In contrast, the third interviewee had 24 years relationship with the organization.

The common factor was the pattern of recruitment, and this explains that the policy of recruitment has not changed since a long time. The case company has two types of recruitments, one is a permanent employee, and the second is a contractual employees.

Permanent employees can work till the age of 60, and the contract is only for three years, contractual employees have to apply for a renewal of their contract before the expiry of the current agreement.

Under the current case scenario, the contract employee asked about the renewal of the contract. In response, he said that he is not sure. Still, the trend in the organization shows that contracts are frequently renewed and the appraisal system indicates performance every year, and that is the key to the renewal of the contract.

According to Interviewee 2, permanent employment means a long term relationship, and he sees the organization as his future. In contrast, interviewee 3 expressed his views negatively and said that he was not satisfied when he was posting against his qualification.

The goal of the second question was to understand employee satisfaction about their future in the organization.

The third question was designed to comprehend organizational strategy for engagement of employee from the beginning, but all three responded negatively. Every one said that there is zero policy for a prescribed road map at any level of recruitment. This also explained that need of early road map document is required.

The objective of the fourth question was to understand the financial and emotional level of the employee. The response from the interviewee 1 was as expected because he was in the early stage of employment. There is no prescribed road map give at the time of appointment, but interviewee 2 and 3 response was unexpected, they received their first promotion after 12, and 8 years accordingly.

It also explained that financial gains are not very important for the permanent employees rather than emotional element. Promotions give them a feeling of respect and recognition, which could have been observed instantly during the face to face interviews.

The goal of this question was to understand the employee perspective of a long term relationship with the organization and what associated risks and benefits are. According to interviewee 1, a long term relationship has no harm, and an experienced employee could be more beneficial for the organization.

Interviewee 2, responded differently because of his high management grade and position. According to him a long term relationship is the key to grow in the same organization, he also added that job security is the reason for his long term relation. Still, the high position creates a high risk for both parties.

Interviewee 3 also mentioned that job security was the key element for his long term relation.

Question number six was design to understand the dispassionate element in employees because of company policy, and it appears that the reward policy or the organization not supporting deserving employees and according to interviewee 3, the right person is not getting the chance to work at the right place.

The goal of this question was to collect opinions from the interviewees for organization, for newly inducted employee financial support could motivate the employee to stay longer in the organization. According to interviewee 3, the right person for the right job could be the correct variable to motivate employees.

The next question lead to mixed responses, one respondent suggested, that employee should try to become the need of the organization, the other suggested, that according to the current dynamics employee should keep improving and polish, the last interviewee proposed dedication under all circumstances.

In the second last question, the goal was to understand the desperation of employees to continue the job in this organization and the response was positive from all. No one is willing to discontinue their job.

The final comments of the interview.

Interviewee one: *“Enjoy your work place even if it is harder”*

Interviewee two: “Management is not the organization, it is each and every member that form one organization.

Interviewee three: “Do your duty for the nation not for perks”

### 7.3 Case company employment data

The employment data collected from the company’s website with permission, the idea was to understand inflow and outflow of the employees on a yearly bases. The organization is currently dealing with two types of employment, permanent and on contract based.

Table 8. Company employment data of 2014-2019

| S.No | Employment Data  | 2014            | 2015   | 2016   | 2017   | 2018   | 2019   |
|------|--|-----------------|--------|--------|--------|--------|--------|
| 1    | Number of Employees Resigned (Contractual)                     | Base<br>Numbers | -      | 11     | 27     | 2      | -      |
| 2    | Number of Employees Resigned (Permanent)                       |                 | -      | -      | -      | -      | -      |
| 3    | Number of employees Appointed (Contractual)                    |                 | 50     | 200    | -      | 150    | -      |
| 4    | Number of Employees Appointed (Permanent)                      |                 | 50     | 150    | -      | 100    | -      |
| 5    | Employees Retired (at the age of superannuation)               |                 | 622    | 118    | 115    | 109    | 512    |
| 6    | Other separations from organization (Death, medically retired) |                 | 84     | 12     | 35     | 17     | 38     |
| 7    | Total Number of employees 31 December of each year             |                 | 16 190 | 15 584 | 15 793 | 15 616 | 15 738 |



The Table 8 is divided into 7 rows and 6 columns used to display years, row 1 and 2 displaying the number of employees re-signed from the service, row 3 and 4 used to display the number of employees appointed in the each year, row 5 showing retired, row 6 for employee separated due to other reasons and the 7th row demonstrate the total number of employee remaining each year in the organization. This would also increase the understanding of the type of employee that has a strong relationship with the organization.

## 8 Service design process and Methodology

*“We never do anything well till we cease to think about the manner of doing it”.* (William Hazlitt)

To achieve the aim of this thesis following method are used and presented in the chronological orders:

### 8.1 Service blueprint

Service blueprints are a way to specify and provide details of each individual's aspect of a service. This usually involves creating a visual schematic incorporating the perspective of both the users, the service provider and other relevant parties that may be involved, detailing everything from the points of customer contact to behind the scenes processes (Stickdom & Schneider, 2011, 201).

This service blueprint created to understand selection mechanism of the case company by using company policy data. The selection process of the company is simple they use internal and external advertising channels.

Company first try to find required human resource internally, later they announce vacancy in the major newspapers of the country, online applications has to be filled by the candidates which controlled by backstage IT department of the company, correct application further scrutinized in the HR department and finalized candidates called for written test.

Company using external source to conduct written test and front stage HR department only help to identify the correct applicant coming for the test, the external agency prepare results and finally HR department select suitable candidates to call for interviews, after completing selection process candidates called for agreement signing.

The reason to create service blueprint was to observe if company provide any road map to the candidates at the time of appointment and answer was negative.

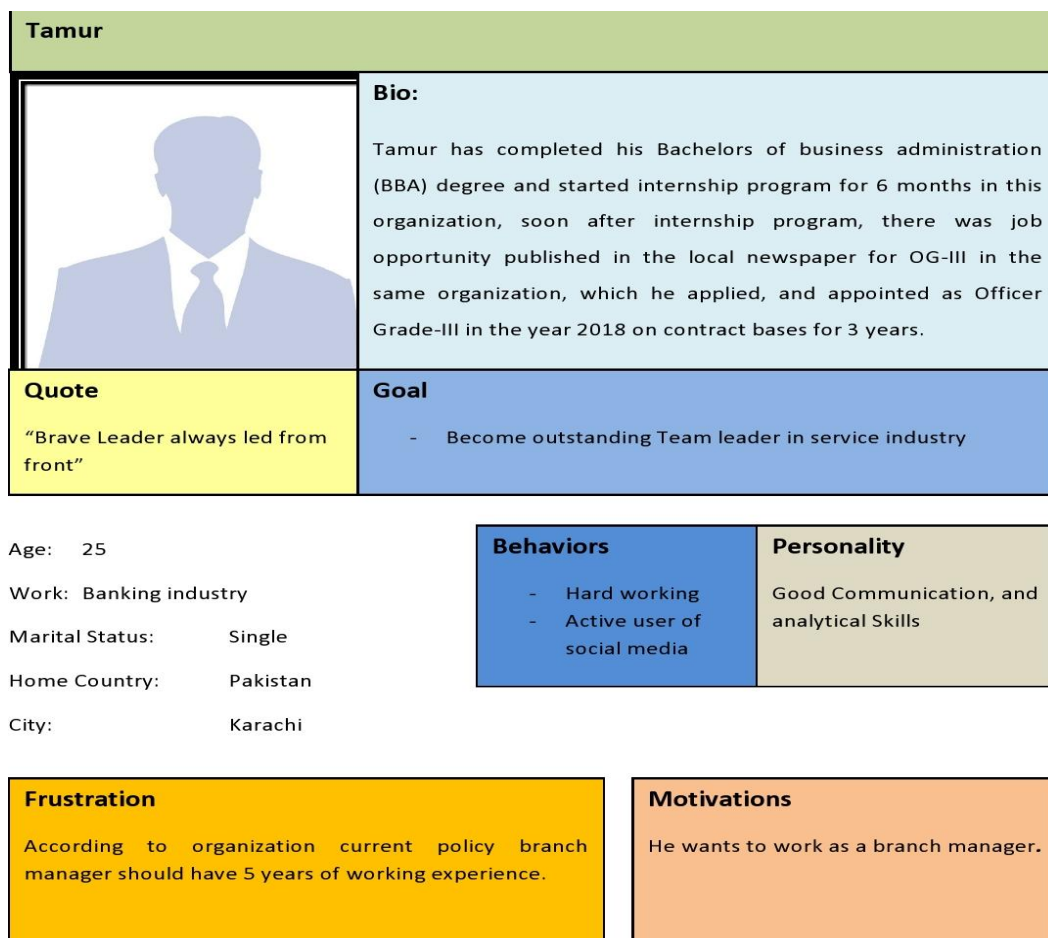


## 8.2 Personas

Persona is the character that plays the role of a user, and persona characteristics help in designing a particular service, it is useful tool in solving service problems at different stages.

In this study, the employees are the customer of the organization. The case company is managing large scale of employment and to narrow down study research, the total workforce divided into three categories, newly appointed workforce, experienced workforce, and workforce that has experience and position of making decisions for the organization.

### 8.2.1 Persona 1



*Figure 6: Newly inducted employee*

Tamur has completed his bachelor of business administration (BBA) degree and started an internship program for 6 months in this organization. Soon after the internship program, there was a job opportunity published in the local newspaper for OG-III in the same organization, which he applied, and appointed as Officer Grade-III in 2018 on a contract for 3 years.

8.2.2 Persona 2

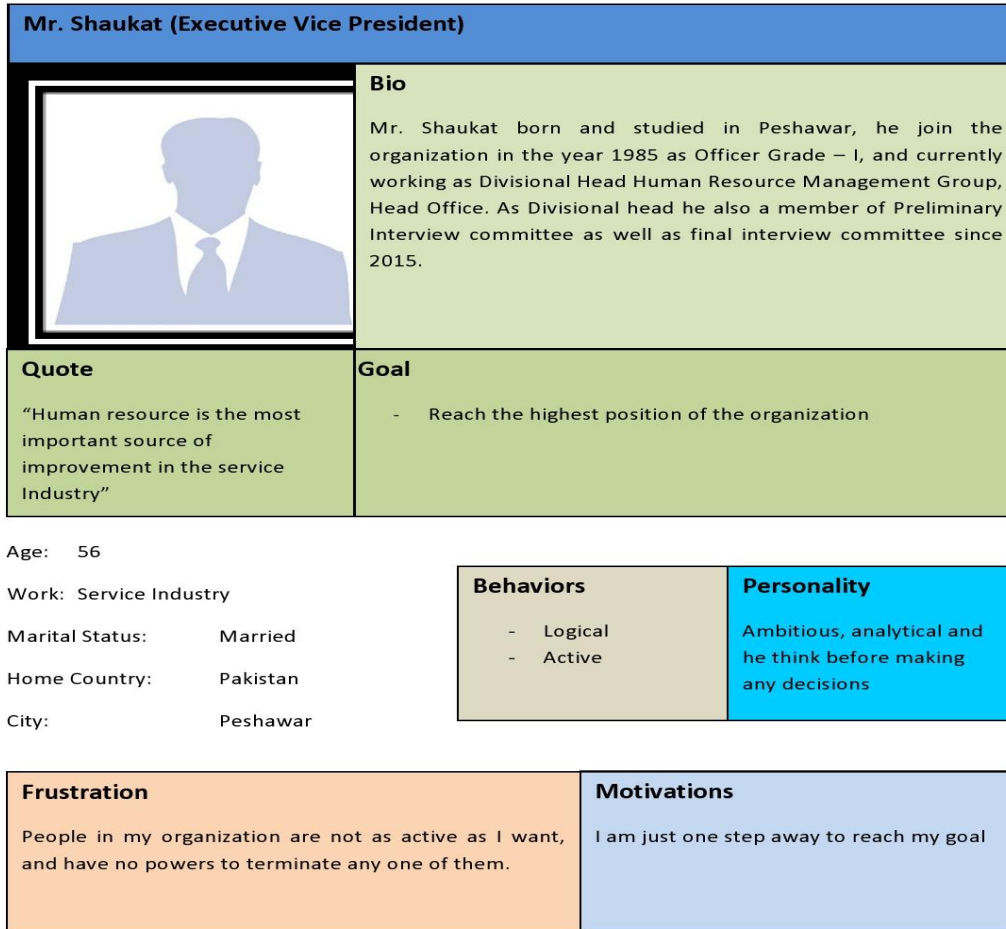
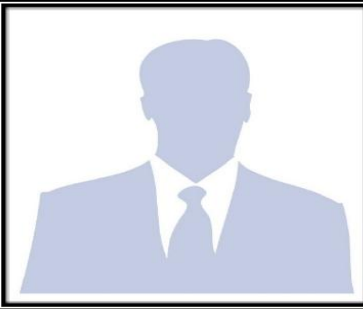


Figure 7: Divisional Head HR

Shaukat born and studied in Peshawar, he join the organization in 1985 as Officer Grade-I, and currently working as Divisional Head Human Resource Management Group, Head Office. As Divisional head he also a member of Preliminary Interview committee as well as final interview committee since 2015.

### 8.2.3 Persona 3

|   |  |
|---|--|
| <b>Birth Lal</b>  |  |
|  | <b>Bio</b><br>He did his Masters in Information Technology (IT), and started his career in Banking Industry. Although his family is business oriented and involved in rice processing business since 1960. Birth Lal has two daughters and both of them are studying computer science. |
| <b>Quote</b><br>"Customers are always my first priority"                          | <b>Goal</b><br>- improve my knowledge  |

|   |   |   |                    |                                  |   |                |                               |
|---|---|---|--------------------|----------------------------------|---|----------------|-------------------------------|
| Age: 53   | <table border="1"> <tr> <td><b>Behaviors</b></td> <td><b>Personality</b></td> </tr> <tr> <td>- Rigid in implementing policies</td> <td rowspan="3">Creative, Idealistic, analytical and he think before making any decisions</td> </tr> <tr> <td>- Hard working</td> </tr> <tr> <td>- Active user of social media</td> </tr> </table> | <b>Behaviors</b>  | <b>Personality</b> | - Rigid in implementing policies | Creative, Idealistic, analytical and he think before making any decisions | - Hard working | - Active user of social media |
| <b>Behaviors</b>  |   | <b>Personality</b>  |                    |                                  |   |                |                               |
| - Rigid in implementing policies  |   | Creative, Idealistic, analytical and he think before making any decisions |                    |                                  |   |                |                               |
| - Hard working  |   |   |                    |                                  |   |                |                               |
| - Active user of social media   |   |   |                    |                                  |   |                |                               |
| Work: Bank Employee   |   |   |                    |                                  |   |                |                               |
| Marital Status: Married   |   |   |                    |                                  |   |                |                               |
| Home Country: Pakistan  |   |   |                    |                                  |   |                |                               |
| City: Karachi Sindh   |   |   |                    |                                  |   |                |                               |
| <table border="1"> <tr> <td><b>Frustration</b></td> <td><b>Motivations</b></td> </tr> <tr> <td>Injustice always frustrate me</td> <td>As a Banker I prefer service.</td> </tr> </table> |   | <b>Frustration</b>  | <b>Motivations</b> | Injustice always frustrate me    | As a Banker I prefer service.   |                |                               |
| <b>Frustration</b>  | <b>Motivations</b>  |   |                    |                                  |   |                |                               |
| Injustice always frustrate me   | As a Banker I prefer service.   |   |                    |                                  |   |                |                               |

Figure 8: Experienced employee

He did his Master in Information Technology (IT), and started his career in the Banking Industry. His family is business oriented and involved in rice processing business since 1960. Birth Lal has two daughters and both of them are studying computer science.

### 8.3 Empathy map

Empathy map is a method to visualize what employee hears, sees, listens, and feels inside the organization, and what effects are coming from outside the organization. Empathy mapping is a helping tool to visualize the voices in the organization, and influences that bring effects over employees.

The figure 8 articulate that new employees are not satisfied with current policies and these policies are need to be changed quickly, otherwise contractual employees have no emotional

connection with the organization, organization is only fulfilling their financial needs and no termination history of contract employees make them feel secure but any attractive high raise salary offer could influence them to shift towards a better opportunity.

|   |   |
|---|---|
| <p><b>What I say and Do</b></p> <ul style="list-style-type: none"> <li>• Hardworking</li> <li>• Analytical with good communicational skills</li> <li>• Enjoy his work</li> <li>• Look for job vacancies</li> <li>• Can switch to other organization, if get permanent job with same salary</li> </ul>   | <p><b>What I thinks and Feel</b></p> <ul style="list-style-type: none"> <li>• Is there a better Salary package in other organization</li> <li>• I don't know my future in this job</li> <li>• How to score well in annual appraisal</li> <li>• Will I get my next contract with promotion after 3 year</li> <li>• I don't know how long I could continue this job</li> <li>• I will be happy if this organization offers me permanent job so I don't want to look further vacancies</li> <li>• Head office is far from my home</li> </ul> |
| <p><b>What I hears</b></p> <ul style="list-style-type: none"> <li>• Where you work before this job</li> <li>• Do you want to switch this job</li> <li>• What is your salary</li> <li>• You should apply some where you can get permanent job</li> <li>• How you come office</li> <li>• Where do you live</li> <li>• There is new job vacancies are available</li> <li>• Professional education is important for growth</li> </ul> | <p><b>What I see</b></p> <ul style="list-style-type: none"> <li>• Large organization, large head counts</li> <li>• Large numbers of employees not promoted since 5 years</li> <li>• Old organization therefore still digitalizing</li> <li>• Organizational environment is not motivational</li> <li>• Supervisor is cooperative</li> <li>• Many employees are on 3<sup>rd</sup> &amp; 4<sup>th</sup> contract which mean no termination policy</li> <li>• Even if I am on contract my job is secure</li> </ul>                           |
| <p><b>Pain</b></p> <ul style="list-style-type: none"> <li>• Branch manager need to have 5 years of experience</li> <li>• Complex Appraisal system</li> <li>• Promotion policy is not accessible to all employees</li> </ul>   | <p><b>Gain</b></p> <ul style="list-style-type: none"> <li>• Supervisor support and explain</li> <li>• Professional courses are available at Institute of Bankers Pakistan (IBP)</li> </ul>  |

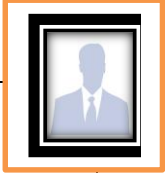


Figure 9: Empathy Mapping with Tamur (current job perception)

## 8.4 Value proposition canvas

Figure 9 is a demonstration of balance between company policies and employees need. The value proposition canvas was prepared based on Tamur's interview to understand challenges faced by him. Tamur joined the organization in 2018 as a contractual employee. His employment contract is for 3 years and renewable for the next period depending on his annual performance appraisal. The canvas is also helpful to understand what solutions are being offered by the organization, and what values could be added to increase his motivation to create a long term relationship with this organization.

With the help of this tool organization could understand that new employees are facing issues because the policies are neither employee centric nor accessible, there is no clear road map to achieve their goals.

### Value Proposition Canvas---Mr. Tamur (on contract)

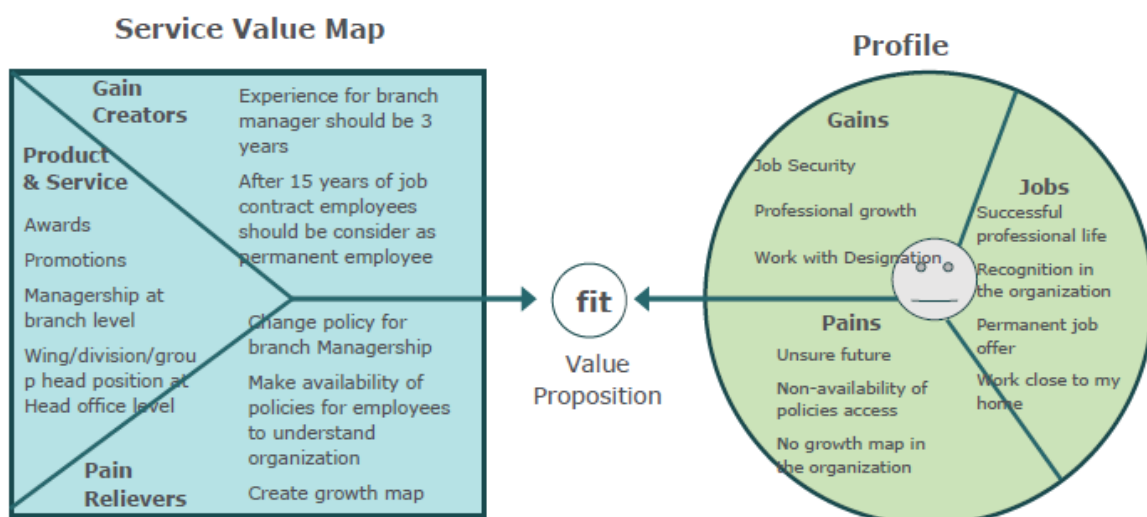


Figure 10: New employee and current organization policies

## 8.5 Workshop

Co-creational workshop was approved for the month of October-2020 at company's conference room by the senior management of the organization. Four key personnel were invited to attend the workshop in the company conference room.

- Wing Head Operations: deals all the local branches operations and employees posted in the branches report all kind of HR issues to further report to HRM-Group



- Wing Head HR policies: a key person in the development of new policies and play a major role in the review of previous policies.
- Group Head: Service Quality Group, manages all service-related issues of the entire bank.
- Divisional Head Risk management: This division analyses risk factor of all policies and response to mitigate the risk factors.

Unfortunately, the workshop was cancelled, and rescheduled, it was then conducted in the month of November-2020. The workshop's topics were Design Thinking Process, Customers Journey Map template, Employee Journey Map, its practice in the organization, benefits and risk mitigation.

The workshop began with participant's introduction they were also asked to share their first day at work as well, this exercise served as an ice breaker, in the second phase design thinking process was briefly explained to the audience, to enhance their understanding of design thinking approach for solving complex problems in a user-centric way.

Discussion continued with customer's journey map template, it was important to discuss the template before taking them towards the employee journey map for co-creation. The design thinking components were not difficult for the participants to understand because of their association with the service industry, all four of them had previously worked in HRM Group that also supports to connect them with the idea of developing employee-centric policies through service design approach.

The prototype of the employee journey map was discussed in detail, it was their first experience of visualizing their current organizational policies and the idea of displaying policy content in an image form. The wing head HR policies appreciated the use of financial and emotional need measurement section, he also added that current HR policies were never designed by keeping these two crucial factors in mind.

The group head service quality, complimented it, and added "*it seems like watching a soccer match on TV and criticizing the mistakes of the players*", he added more by saying that the line showing number of years of growth should be more prominent, bolder, he agreed that employee should know their future.

Other participants agreed with the comments, they added and said that evergreen contract is in the pipeline, and soon offered to the contract employees, key feature of the evergreen contract is that, all employee served three successful contracts of three years each contract

would automatically convert into the evergreen contract, after signing this contract employee would only terminate on the bases of listed punishment of the organization, otherwise they could serve the organization lifetime.

All the participants agreed that presenting this kind of documents at the appointment stage would improve employee loyalty with the organization, decrease employee search for other opportunities and build their confidence level.

The operation wing head operations suggested that policy review should be 3 years instead of 5 years, salary disparity issues between permanent and contractual employees could also be highlighted, he also suggested to mention reward compensation at par, and he explain that rewards could be equally divided in employee to avoid conflict, other participants agreed and suggested to make changes in the prototype documents for final version.

According to the divisional head risk management, the organization is highly politicized, he added and said that this nature of transparency in the policy documents are not easy to introduce, whereas group head service quality commented positively by adding that increase in loyal employee demand in the banking sector need transparency, this kind of initiatives could bring exclusiveness in the organization to compare to other banks in the country and all other participants agreed.

The workshop ended with the final comments that they try to bring up this matter in the board meeting with other board members and chairperson of the organization to use this type of document in the organization for future recruitment, they also added that organization should consider to have service design department in the organization to conduct similar research and surveys.

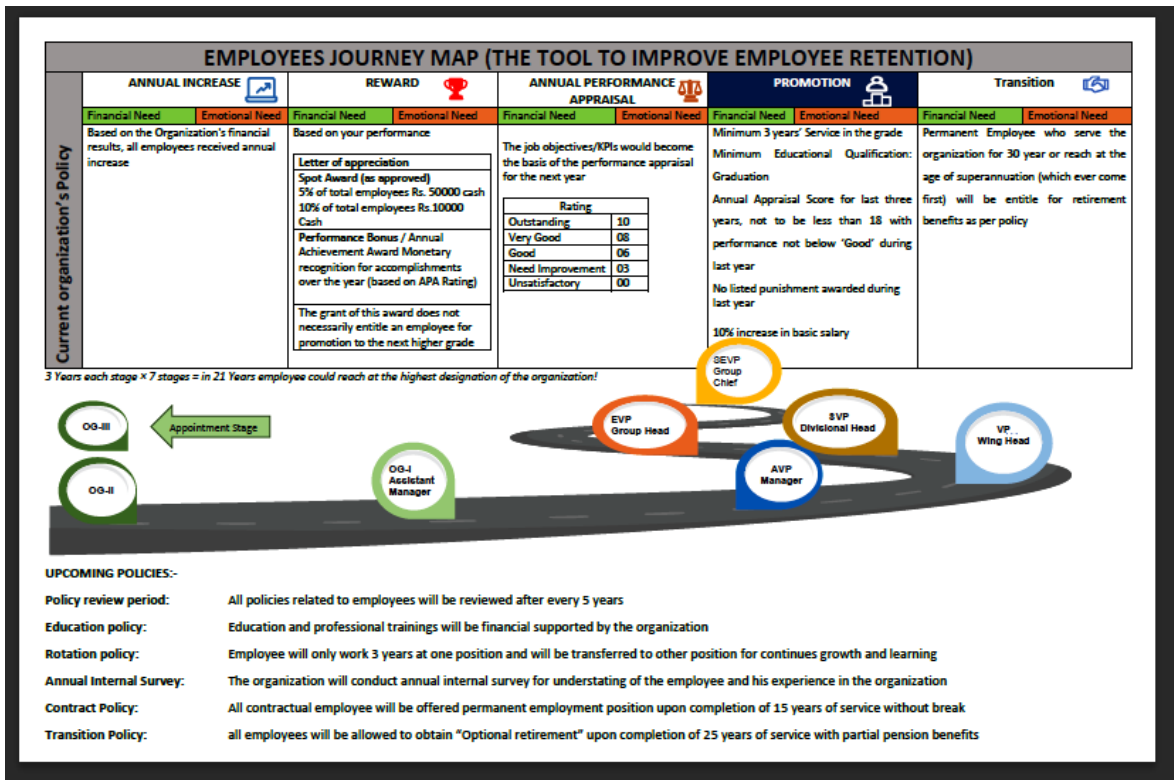


Figure 11: Workshop slide (EJM prototype)

## 8.6 Employee Journey Map

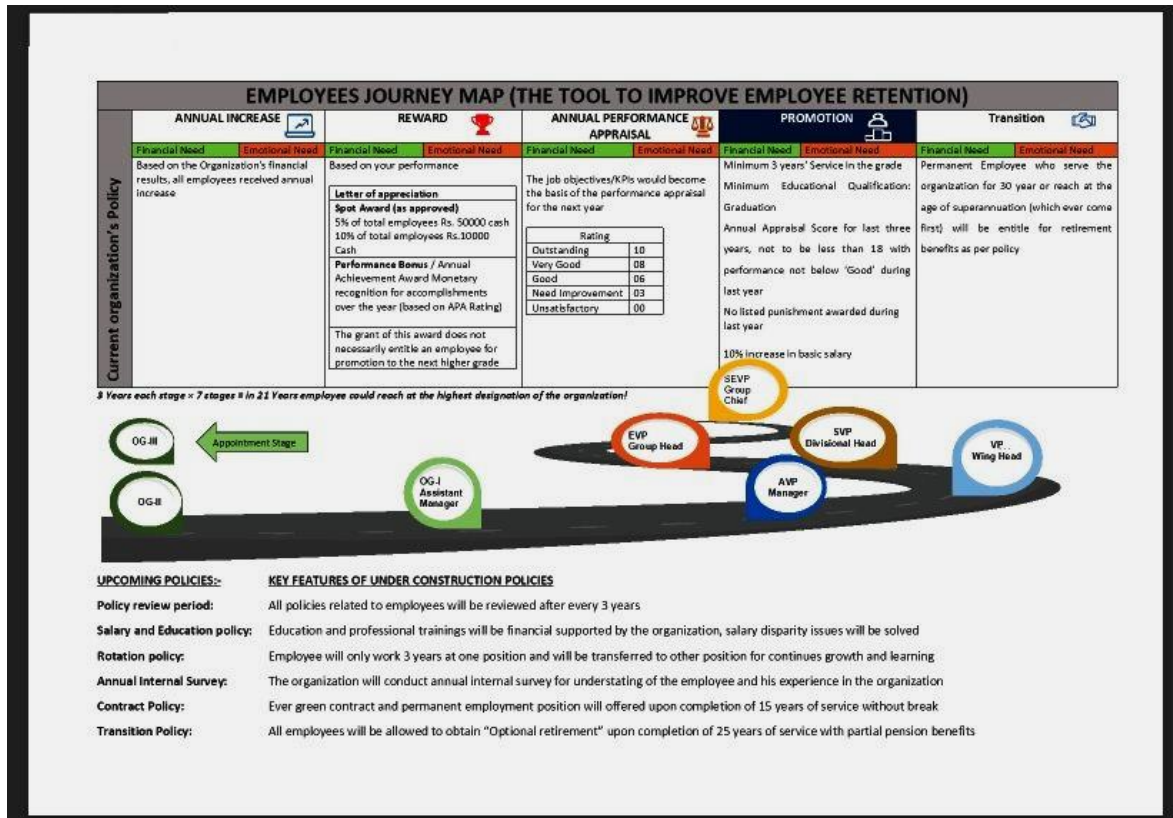


Figure 12: Co-created employee journey map

The employee journey map (Prototype) created and presented in the workshop for co-creation with the company senior management and final version was created.

The EJM was created in three sections, the top section reflects the available retention strategies of the organization, the section two shows employee starting point, the minimum grade offered by the organization, and how much growth opportunity is available in the organization, the map also indicate potential number of years to meet the highest position of the organization to motivate employee for long term relationship with the organization.

The last section is there to keep transparency of HR policies and what organization going to offer employee in future.

## 9 Results and conclusion

The main objective of this study was to improve employee retention by creating a comprehensive future road map through service design thinking and by using service design method and tools. The idea was to present this road map to the fresh employees at the time of selection in the organization, in order to create a positive impact on employee loyalty right from the beginning of their career.

To achieve study results, one of largest bank in Pakistan has been used as case company, all the data was collected on calls and by emails except for the workshop which was conducted physically.

The service blueprint was created by using company data to highlight find selection mechanism, it was observed that the case company currently is not using any documented tool or road map to display an employee future growths. That was a great beginning for the study because it was the ideal organizational atmosphere to understand employee prospective.

The finding in table 8, of company employment data indicated that only contract employees have resigned from their services. This displays instability between contractual employees and shows constant stability between permanent employees that created curiosity to study employees more deeply.

The organization presently managing two types of employment a permanent and contractual employee, therefore three selected personas have been created, one contract employee and two permanent employees, all three became the interview candidate as well.

The interview results showed that contract employees are only connected with the organization because of financial needs and no emotional relationships are holding them in the organization, they might separate from the organization if better financial offers come in the same industry. Whereas permanent employees are only retained with the organization because of job security, although the organization has failed to keep their policy promises.

Interviews were very limited compared to company head count, the company currently managing 15188 employees according its 2019 figure, therefore it was important to conduct a company survey to determine better findings. Around 200 survey forms were sent through email but only 30 employees participated, the survey questioner was designed to get three findings, first to measure company policies and their implementation, second to showcase

how supervisors and senior management supporting their subordinates, and third was to determine what factors keep employees motivated to stay in long term relationship with the organization. The results shows that policies are not fully implemented, favoritism in the company largely affects employee's loyalty, they are unaware of their future growth, but results also showed that the two factors keeping them motivated are job security and the salary package.

A finding of the empathy map and value proposition canvas shows similar results, according to the results, contract agreements are only for three years. Hence they keep searching for permanent employment offers in other organization.

The workshop was conducted in the last stage of the research, four participants were invited from the management to include management prospective in the need of an employee's journey map as a tool to improve employee retention. All participants responded positively after watching the prototype of EJM they agreed that there is a need for such a document in the organization, even though open policy system is not the part of the organization but the document is worth taking to further discussion with competent authorities.

Based on the research results 5 factors were highlighted that negatively impacting on the long term relationship between organization and employees in this particular case company. 1) No employee centric policies. 2) No proper implementation of current policies. 3) Favoritism culture. 4) No placement of right person for the right job. 5) Long waiting for promotions.

The only two motivators are observed during the research, one is good salary package and other job security (no termination policy) but that could not hold the employee for longer period and as they receive any better opportunities they might quit. In answer to first research question the company needs to monitor all these factors highlighted.

In reply of second research question it is observed that company is utilizing excellent policies that could bring positive long term relation, and improve retention results. Company currently offering annual increase, reward policy, promotion and retirement policy but that needs proper implementation.

Service design methods are most beneficial to understand employee and organizational policies, during the workshop all the participants acknowledged that design thinking process could create deep connection between employee and organization, they also appreciate service design method of visualizing the policy.

Moreover, the research findings has shown supporting results but it is also observed that limited employee interaction, small survey sample and one workshop is not enough research in such a large organizations, therefore further research is recommended for more appropriate and correct findings.

## 10 Discussion

The most important lesson this study provided that research required proper time and attention. During the survey pandemic element shorten the time which affect the involvement of respondents because all the participants required to use company domain intranet emails but due to lockdown it was challenging, research in the controlled environment also affected.

Creating personas was not difficult, all three participants were friendly, it is also observed that they were happy to share whatever is asked and it is realized that employees feel satisfy when they are ask about organizational situation, they want to contribute by sharing challenges faced by them, interview session gave similar impression but facial expression could not monitored in this study which could have been added more authentication in the results.

The research provided the chance to practice service design methods individually, with the large organization, during the study it is realized that empathy is key element to understand employee who is giving his time to establish organization. In fact during the workshop session when design thinking process was explained to the participates they agreed that mostly while preparing HR policies they do not use empathy approach, but they also agreed to practice this approach in policies and in other matters of employees.

Overall, this study suggests that case company employees are demoralized because of the organizational culture of favoritism. Although motivational policies are available but they remain unimplemented, according to the data, the organization needs to focus on an emotional needs along with the financial needs of the employees and construct dreams for employees from the early stage of recruitment.

This can be achieved by adding employee journey map as an additional motivational tool. It must be borne in the mind that this study was conducted with a small group of participants under a controlled environment. Therefore future research is hence needed to determine the long term relationship of the employees before generalized conclusions can be drawn.



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## List of Figures

Figure 1. Process flow chart

Figure 2. Frame of reference

Figure 3 Company hierarchy pyramid and management layers

Figure 4. Survey results

Figure 5. Service blueprint of selection process

Figure 6. Newly inducted employee

Figure 7. Divisional head HR

Figure 8. Experienced employee

Figure 9. Empathy mapping with Tamur (current job perception)

Figure 10. New employee and current organizational policies

Figure 11. Workshop slide (EJM prototype)

Figure 12. Co-created employee journey map

## List of Tables

Table 1. Company authorised personnel in selection process

Table 2. Final interview committee personnel of the company in selection process

Table 3. Appointment authority in the company

Table 4. Educational qualification table for positions form OG-III to SEVP

Table 5. Minimum eligibility criteria for promotions in all categories

Table 6. Performance rating & score for APA

Table 7. Quantitative Job Objectives

Table 8. Company employment data of 2014-2019

## Appendices

### Appendix 1

Interview transcript of Persona 1.

Date: 20.02.2020

Method: Semi-structured Interview

Interviewee: Officer Grade-III of case company

1. How long you are working for this organization and please tell us about your journey of recruitment and selection in this organization?

I started in the year 2018 as a contractual employee and my contract is for 3 years. I was in an internship program when the job advertisement was published, it was a long procedure, online application, written test, and interviews, medical and finally appointment.

As this is my first job experience, I remember when my first interview was over, just before leaving the interview hall, I asked “am I selected” and one of the interviewer responded with just one word. “No” and other one said “you may leave now you will be informed.

2. You started your career as a contractual employee and the contract was only for 3 years, are you confident that after completion of the contract period you would receive further contract, if yes please tell us why?

Honestly speaking, there is no surety about that, I am a bit concerned too, but I have seen some contract employees are on their 3rd and 4th contract. Appraisal system is the key to measure performance and I hope I will continue improving myself in this organization.

3. Is there any prescribed employment road map was given to you at the time of your appointment for your growth?

No, I was just posted in the Service Quality Group and here I am till now.

4. What about promotion? Do you know when and how you could grow in this organization?

There is promotion policy for both contract and permanent employees, but I have no idea about it and this is my first contract, so it is a learning period for me now.

5. What do you think about long term relationship with organization, and what are the risks and benefits of long term relations?

I think prescribed road map motivates for long term employment, there is no risk but it can benefit both employee and employer.

Experienced employee understand the need of organization and the customers associated with the organization and the employer knows where to utilize the experienced human resource.

6. According to your own understanding, would you like to share some worst and best policies of this organization and tell us why?

I don't know much about the policy but I like the slow process of engaging fresh employees, I mean in my case my supervisor was nice with me and that allows me to understand my job and how to interact with different situations. I believe that this is the part of organization policy to engage employee with ease.

7. What would you suggest the organization to create long term relationship with current and future employees?

I could only say financial support would work for both.

8. What would you suggest to the current employee to create their long term relations with the organization?

Understand the organization and become the need of the organization

9. Have you ever thought of leaving this organization and join any other one, how you define culture of this organization?

No, as I just started my career, it is very difficult to understand the culture of this organization in a short time. For now, it seems like a “yes boss” culture to me.

10. Any further comment you would like to add?

Enjoy your workplace even if it is hard.

## Appendix 2

Interview transcript of Persona 2.

Date: 09.04.2020

Method: Semi-structured Interview

Interviewee: Executive Vice President of case company

1. How long you are working for this organization and please tell us about your journey of recruitment and selection in this organization?

It's been 35 years now. I started my career as officer grade – I, when I completed my Master in commerce, few years were very frustrating because I was posted in the regional office after one month of training in the staff college of the organization, whereas I wanted to work in the field. Finally, after 5 years I was posted as a branch manager.

2. You started your career as a permanent employee, please define permanent employment and share as a youth of that time what was your plan for future in this organization?

Permanent employee means that you can work till the age of 60, at that time there was no concept of contract employment, and honestly there was no future plan, because at that time organization was my future although I did not know where I would end.

3. Is there any prescribed employment road map was given to you at the time of your appointment for your growth?

No there was no road map and still we do not have.

4. When do you received your first promotion? I mean after how many years of serving this organization, and if you could share your emotional and financial satisfaction?



After 12 years, I received my first promotion, although it was very late, I remember I was very happy not because of financial gains, but because recognition felt like a gain to my respect.

5. Since you are working in this organization for a very long period, could you please tell us the reason and the elements of your long term relations, what are the risks and benefits of long term relations?

In my time, jobs were not very easy to get, especially getting job in this kind of organization, I think job security was the reason, my current position is the result of my hard work, dedication and long term relationship with the organization.

I also believe that now I am more risk associated member of the organization, since my decisions could impact the organization negatively or positively.

6. According to your own understanding, would you like to share some worst and best policies of this organization and tell us why?

As a Divisional head I think service organizations depend on their employees more, therefore reward policy is not utilized properly because deserving employees do not get benefits from this as they should.

Promotion policy is the best to motivate employees but delay in promotions is effecting that.

7. What would you suggest the organization to create long term relationship with current and future employees?

I would only say that service industry sell dreams. So create dreams for all your employees and make sure they can live them.

8. What would you suggest to the current employee to create their long term relations with the Organization?

Since organizational values are changing dramatically, and shift towards contract base employment is increasing, I suggest every employee to improve, grow and upgrade.

9. Have you ever thought of leaving this organization and join any other one, how you define culture of this organization?

No, Not at all.

I, think this organization need improvements in many departments, but the culture of human resource utilization is not handled efficiently since long in the organization and this need immediate consideration.

10. Any further comment you would like to add?

Management is not the organization, it is each and every member that form one organization.

## Appendix 3

Interview transcript of Persona 3.

Date: 09.04.2020

Method: Semi-structured Interview

Interviewee: Officer Grade-I join case company in the year 1996, he only received 2 promotions in 24 years of service.

1. How long you are working for this organization and please tell us about your journey of recruitment and selection in this organization?

I am in this Organization since 1996. I was recruited as OG-III, an advertisement was published in the daily newspapers for various posts, as I did my masters in IT sector, I applied for IT based job.

Selection was made by using all tools of recruitment i.e. written test, interviews and medical.

2. You started your career as a permanent employee, please define permanent employment and share as a youth of that time what was your plan for future in this organization?

Permanent employment means lifetime employment, you will retire from the service at a certain age and then pension, as a youth I wanted to serve my nation through different means like serving customers through technology.

My organization is customer based, and facilitate the customers through offering various services and as a part of the organization I serve the customers on behalf of the organization, initially I was posted in operations whereas my dream was to work in Information technology sector.

3. Is there any prescribed employment road map was given to you at the time of your appointment for your growth?

Not much, the Organizations taught us through training about Core value of the organization like mission and vision, and that was the road map for achieving the desired goals.

4. When did you receive your first promotion? I mean after how many years of serving this organization, and if you could share your emotional and financial satisfaction?  
After 8 years of service I got my first promotion, as an enthusiastic youth I wanted to serve my nation without any perks/fruit. I am always satisfied by serving the customer and organization takes care of my financial matters.
5. Since you are working in this organization for a very long period, could you please tell us the reason and the elements of your long term relations, what are the risks and benefits of long term relations?

Job security was the only element, according to my understanding long term relationship has no risks except you own more responsibility if you grow, I mean promotion and position, but there are more benefit, like you become more useful and confident, and you can pass on your experience.

6. According to your own understanding, would you like to share some worst and best policies of this organization and tell us why?

***Right person at the right job policy is not implemented in the organization***, for example, I was expert in IT duty according to my qualification and was never assigned the duty since 23 years.

7. What would you suggest the organization to create long term relationship with current and future employees?

Right Person for right job policy should be implemented for the betterment of the organization and growth of your employee.

8. What would you suggest to the current employee to create their long term relations with the organization?

Do your duty with dedication, as I am doing.

9. Have you ever thought of leaving this organization and join any other one, how you define culture of this organization?

No, I never thought about this because it is not easy to get permanent jobs, Sifarshi (favouritism) culture is dominant in the organization.

10. Any further comment you would like to add?

Do your duty for the nation not for perks

## Appendix 4

# ORGANIZATIONAL SURVEY FORM

This survey is conducted within the organization to understand staff and management relationship.

Please agree/disagree with the following statements:

Scale value: Strongly Agree, Agree, Neutral, Disagree, Strongly Disagree.

1. I am aware of my organization's vision and mission.

|   |                                |                                  |                                   |  |
|---|--------------------------------|----------------------------------|-----------------------------------|--|
| Strongly agree<br><input type="radio"/> | Agree<br><input type="radio"/> | Neutral<br><input type="radio"/> | Disagree<br><input type="radio"/> | Strongly Disagree<br><input type="radio"/> |
|---|--------------------------------|----------------------------------|-----------------------------------|--|

2. Organizational environment and culture motivate me to continue this job.

|   |                                |                                  |                                   |  |
|---|--------------------------------|----------------------------------|-----------------------------------|--|
| Strongly agree<br><input type="radio"/> | Agree<br><input type="radio"/> | Neutral<br><input type="radio"/> | Disagree<br><input type="radio"/> | Strongly Disagree<br><input type="radio"/> |
|---|--------------------------------|----------------------------------|-----------------------------------|--|

3. Salary package is impressive.

|   |                                |                                  |                                   |  |
|---|--------------------------------|----------------------------------|-----------------------------------|--|
| Strongly agree<br><input type="radio"/> | Agree<br><input type="radio"/> | Neutral<br><input type="radio"/> | Disagree<br><input type="radio"/> | Strongly Disagree<br><input type="radio"/> |
|---|--------------------------------|----------------------------------|-----------------------------------|--|

4. Job security is one of the reason, I am working in this organization.

|   |                                |                                  |                                   |  |
|---|--------------------------------|----------------------------------|-----------------------------------|--|
| Strongly agree<br><input type="radio"/> | Agree<br><input type="radio"/> | Neutral<br><input type="radio"/> | Disagree<br><input type="radio"/> | Strongly Disagree<br><input type="radio"/> |
|---|--------------------------------|----------------------------------|-----------------------------------|--|

5. My immediate supervisor (Manager) respect me and appreciate my efforts.

|   |                                |                                  |                                   |  |
|---|--------------------------------|----------------------------------|-----------------------------------|--|
| Strongly agree<br><input type="radio"/> | Agree<br><input type="radio"/> | Neutral<br><input type="radio"/> | Disagree<br><input type="radio"/> | Strongly Disagree<br><input type="radio"/> |
|---|--------------------------------|----------------------------------|-----------------------------------|--|

6. I know my future in this organization.

|   |                                |                                  |                                   |  |
|---|--------------------------------|----------------------------------|-----------------------------------|--|
| Strongly agree<br><input type="radio"/> | Agree<br><input type="radio"/> | Neutral<br><input type="radio"/> | Disagree<br><input type="radio"/> | Strongly Disagree<br><input type="radio"/> |
|---|--------------------------------|----------------------------------|-----------------------------------|--|

7. Management value its employees as their assets.

|   |                                |                                  |                                   |  |
|---|--------------------------------|----------------------------------|-----------------------------------|--|
| Strongly agree<br><input type="radio"/> | Agree<br><input type="radio"/> | Neutral<br><input type="radio"/> | Disagree<br><input type="radio"/> | Strongly Disagree<br><input type="radio"/> |
|---|--------------------------------|----------------------------------|-----------------------------------|--|

8. Management is open to constructive criticism

|   |                                |                                  |                                   |  |
|---|--------------------------------|----------------------------------|-----------------------------------|--|
| Strongly agree<br><input type="radio"/> | Agree<br><input type="radio"/> | Neutral<br><input type="radio"/> | Disagree<br><input type="radio"/> | Strongly Disagree<br><input type="radio"/> |
|---|--------------------------------|----------------------------------|-----------------------------------|--|

9. Senior management is supportive.

|   |                                |                                  |                                   |  |
|---|--------------------------------|----------------------------------|-----------------------------------|--|
| Strongly agree<br><input type="radio"/> | Agree<br><input type="radio"/> | Neutral<br><input type="radio"/> | Disagree<br><input type="radio"/> | Strongly Disagree<br><input type="radio"/> |
|---|--------------------------------|----------------------------------|-----------------------------------|--|

10. Organization treat all employees equally.

|   |                                |                                  |                                   |  |
|---|--------------------------------|----------------------------------|-----------------------------------|--|
| Strongly agree<br><input type="radio"/> | Agree<br><input type="radio"/> | Neutral<br><input type="radio"/> | Disagree<br><input type="radio"/> | Strongly Disagree<br><input type="radio"/> |
|---|--------------------------------|----------------------------------|-----------------------------------|--|

11. Organizational policies and strategy are employee centric.

|   |                                |                                  |                                   |  |
|---|--------------------------------|----------------------------------|-----------------------------------|--|
| Strongly agree<br><input type="radio"/> | Agree<br><input type="radio"/> | Neutral<br><input type="radio"/> | Disagree<br><input type="radio"/> | Strongly Disagree<br><input type="radio"/> |
|---|--------------------------------|----------------------------------|-----------------------------------|--|

12. Organization appraisal system has improved employee loyalty and performance

|   |                                |                                  |                                   |  |
|---|--------------------------------|----------------------------------|-----------------------------------|--|
| Strongly agree<br><input type="radio"/> | Agree<br><input type="radio"/> | Neutral<br><input type="radio"/> | Disagree<br><input type="radio"/> | Strongly Disagree<br><input type="radio"/> |
|---|--------------------------------|----------------------------------|-----------------------------------|--|

13. Organizational policies are well implemented and followed by all employees

|   |                                |                                  |                                   |  |
|---|--------------------------------|----------------------------------|-----------------------------------|--|
| Strongly agree<br><input type="radio"/> | Agree<br><input type="radio"/> | Neutral<br><input type="radio"/> | Disagree<br><input type="radio"/> | Strongly Disagree<br><input type="radio"/> |
|---|--------------------------------|----------------------------------|-----------------------------------|--|

*Thank you!*