

Leonardo da Vinci Innovation Transfer Project
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ADAPTYKES - ADAPtation of trainings based up on the Finnish Workplace Development
Programme (TYKES)

Case Study Report of IntegraHR on Workplace Innovations

AdapTYKES project WP3

ADAPTYKES

Case study guideline and research questions

The case studies that should be carried out in the project are neither explanatory, nor exploratory ones, but should serve as model case that illustrates the various difficulties, advantages/disadvantages an organisation has to face with when introducing workplace innovations. It means, that in the case study research we do not intend to investigate fairly new social phenomenon or provide detailed explanations of social mechanisms, but should focus on the detailed descriptive analysis of the various practical issues that are related to effective implementation of workplace innovations. When compiling the case study, please bear in mind that our aim is to share the lessons learned so that they can applied more widely.

In order to avoid one-sided interpretations we ask you to carry out semi structured in-depth interviews both at the management and employee-level. If possible please make interviews with the CEO, the HR manager, one senior representative of the professional or line management and with representatives of the different employment groups at the shop floor-level. If there is trade union or any other representative body of employees at the company, it would be a value added to know their experiences, as well. We would like to ask you to carry out 8-10 interviews at least. The issues to be investigated are listed below.

Case study findings

Please provide a brief description of the organisation investigated according to the following issues:

Brief history of the firm

IntegraHR is a small service company established in 2009, offering human resources services for both individual and organizational clients. The company started with a team of three persons, and added with one member after only six months, as a consequence of the increasing trend it followed. After only one year of activity the company started two projects based on externalised services of human resources, followed by a third project after a short period of other four months. The company includes mainly experts with over 5 years of experience who “acknowledge that the value of a company resides in the value of its employees” (company administrator). At the beginning of 2013 the company launched the division IntegraEducational, which is specialised in delivering course (such as Human Resources Analyst, Trainer, English language skills, Sales agent) and organising professional development events.



Main activities

The company offers two kinds of services:

- services addressed to companies: the company offers to its clients a new approach on HR services, focused on specific need by offering autonomous HR services or on a complex set of activities, by offering a package of services (job analysis, personnel recruitment and selection, performance appraisal, employee satisfaction analysis, evaluation of employees' potential, professional development programs, organisational diagnosis).
- services addressed to individuals: personal evaluation of the individual potential and abilities (based on psychological tests, assessment centres, career decisions, development plans) and trainings accredited at national level (Human Resources Analyst, Trainer, English language skills, Sales agent).

The declared vision of the company is to support their customers to reach the category of the most famous firms on the labor market, disregarding the number of employees, by the way they motivate their own employees and value the talents.

The mission of the company is to contribute to the development of their partner companies, by establishing long term relationships based on trust and achievement of the planned objectives and standards.

Ownership structure

The company is equally managed by three associates - managing partners (company administrator, sales coordinator and HR specialist). The total number of employees is currently of 8 persons. A more detailed description of the responsibilities of each of the managing partners is offered below: the sales coordinator, a founder member of the company, has an educational background in Economics and is responsible for promoting the services, financial aspects, the relationship with the clients, and applying the sales strategy; the recruiting coordinator has sound professional experience in career orientation and is responsible with the personnel recruitment and selection for both the company and customers; the HR coordinators has an educational background in Psychology and is responsible for the job analysis activities, trainings, satisfaction evaluation, performance assessment.

Main characteristics of its market position (B2B, B2C, local, national, international, main competitors, etc.)

Entering a competitive market with over five local competing companies in the HR field on a rather small area, IntegraHR focused on developing long term relationships with the customers. The market comprises mainly clients who, for different reasons, frequently changed the supplier of HR services. They proved to be open to the customers' needs and to fulfil their expectancies. The analysis of the financial turnover shows constant improvement in the activity performed by the company. Moreover, during the first two years of activity the company had over 49 clients, out of which 42% were customers with whom IntegraHR delivered more than two collaboration contracts. The company focused on its marketing strategy, becoming well renowned in the local HR market, by participating to business networking events, organising events in the field, being present on the online social media, conducting social responsibility acts such as supporting persons in the elder group or talented young persons.

Number and structure of employees (e.g. age, gender, education, skills, work experiences, etc.)

Besides the three managing partners, the company also includes a marketing specialist (who entered the company as an intern and following the internship period got permanently hired), an HR specialist who joined the company in 2011, an assistant manager (who also started the activity as through an internship in the company) and an unqualified worker (who is responsible for maintaining a clean environment).

While in 2011 the company had 9 employees, in 2012 it decreased to a total of 8 persons. The personnel have work experience (50% of the employees have over five years of experience in the field). The structure of the company personnel based on gender shows that 88% of the employees are females, and only one male. The age structure shows that the company is a young one, 50% of the employees being less than 25 years old. This shows that the company focused on attracting young employees, who were developed within the company. Except the unskilled position, all the other positions are filled in by employees with higher education degree, at master level.

Being a small company, it has no distinct department. Each employee fills in a certain position and is responsible for a clear set of areas. The payroll system of the company is

externalised. The other activities (recruitment, selection, training, employee integration, evaluation of satisfaction) are performed by the employees within the company. As mentioned, the personnel had an educational background in Psychology, Economics

Please also specify the main characteristics of the interviewees in a table (for an example, see Annex I.)

1) The implementation process

The innovation practice implemented by the company is the **assessment centre**. It is a part of the job selection process (following the CV screening, phone interview and the first selection interview). It represents a step in the selection process of the future employees and includes exercises, situational tests, aiming to emphasise the candidates' competencies. As mentioned, the assessment centre is organised following the pre-selection interview (on the phone) and the first face to face interview with the candidate. During the first interview the recruiters (usually one recruiter) checks the CV, gets familiar with the candidates (education background, computer skills, personal characteristics, integrity), and tests the English language skills of the candidate. Also, during this phase, the candidate goes through a written test.

The assessment centre is conducted by three persons (two HR specialists and one recruiter). Sometimes, a fourth person, the sales agent, also participates to the organisation of the assessment centre. It usually involves a set of evaluation techniques, including various types of job-related simulations, and psychological tests. Some of the job simulations used in assessment centres are:

- In-basket exercises
- Group discussions
- Simulations of interviews with “colleagues” or “clients”
- Fact-finding exercises
- Analysis/decision-making problems
- Oral presentation exercises
- Written communication exercises

For example, one of the exercises given for the position Assistant Manager was to realize a cash book, for one day, according to a set of given operations. For secretary positions

the test are focused on administrative problems, task prioritisation. For an engineering position the test are focused on technical problems.

Organisational unit(s) concerned

Being a small firm, a great part of the company was affected by the implementation of the new technique (the recruitment and selection structure). This was implemented both on the internal level (when selecting the new employees and the interns for the company) and externally, when selecting the employees for the client companies.

1.1 Number and share of employees concerned

Three of the employees take active part when conducting the assessment centre (two HR specialists and one recruiter), sometimes accompanied by a fourth person, the sales agent. For about two years, all the new hired employees had to pass the selection stage based on this technique. The results of the assessment centre are helpful for both the candidate (who can benefit from the feedback received: following the implementation of the selection process, a psychological profile of the candidate is created: strengths, weaknesses, and a personalised development plan regarding non-technical competencies.) and evaluators (who get information based on which to make the final selection decision).

1.3 Aims and drivers (i.e. improvement in the quality of products/services, productivity/efficiency gains, better customer service, improved competitiveness, cost efficiency, etc.)

The starting point of the assessment centre resides in the aim of the company to hire the best fitted candidates to the vacant positions. The implementation of the assessment centre aimed to increase the quality of the selection process, leading to better decisions with regard the evaluation of the candidates' potential and their future performance on the job. Given the importance of a good selection decision for the client companies, IntegraHR implemented the assessment centre stage, which contributed to increasing the customers' trust. Being focused on practical skills, the assessment centre is technique which offers a better prediction of the future work performance of the candidates. The simulations are designed to emphasize behaviours relevant to the most important aspects of the position or level for which the candidates are being considered. This is due to the fact that the most important feature of the assessment centre

technique is that it relates not only to the candidates' current job performance, but also to their future performance. Through the observation of how a candidates approach the problems and challenges of the tasks (as simulated in the exercises), the evaluators get a valid picture of how that person would perform in the target position. This is useful especially when the candidates have jobs that don't offer them the chance to exhibit behaviours related to the target position. This is often the case with individuals who wish to obtain a management position, but currently hold positions that don't give them an opportunity to exhibit management-related behaviours on the job.

In addition, the assessment centres can improve the accuracy in diagnosis and selection. Both the candidates and customers accept the fairness and accuracy of selection decisions more readily.

1.4 Enablers and inhibitors of the changes (such as government initiatives/programmes aimed at fostering innovation, tax advantage, resistance of the management and/or employees, lack of appropriate knowledge pool, etc.)

The main enable of the change was the research findings in the field literature which empirically support the implementation of this technique. Also, the members of the company with Psychological background were strongly aware about the benefits this could bring to the company in making better informed decisions about the candidates. The feedback received from customers and the performance of the candidates hired based on this method represented an encouragement and a confirmation of the fact that the decision to implement the process was a good one.

The main difficulty faced while implementing the assessment centres resided in the larger amount of time required for organizing this method and the fact that it imposed more recruiters to participate during the assessment. In order to be able to implement the assessment centre, other preparatory activities had to be implemented: realise a detailed job analysis of the vacant position, revise the job description or build a new one (if necessary), design the tasks and exercises included in the evaluation, instruct the recruiters involved in the process, allocate time for continuous observations during the assessment, organize the meeting with all the participants (both recruiters and candidates).

1.5 Outcomes of the changes (what has been achieved in comparison to the aims above)

As one of the managing partners the HR manager states “the assessment centre was a very profitable process for the company: it raised the trust in the selection decisions taken and improved our image in front of our customers”. While implementing the assessment centre useful ideas appeared related to how improvements could be brought to the selection process. Moreover, since the candidates received an individual evaluation report, this offered them a feedback for their performance.

In time, there was an increase in the number of clients who opted for the use of this technique and also an increase in the retention rate for the candidates hired by the client companies.

2) Changes in work organisation

Please describe the effects and the changes the workplace innovation induced on the work organisation

2.1 Content of work, cooperation, managerial control, role of customers

Being a specialised HR firm, the technique strongly changed the content of the work. The selection procedure (for both client companies and internal selections) was changed by adding a new evaluation stage. Also, it influenced the relation among employees, a better and stronger communication being required in order to decide the content of the evaluation, the evaluation criteria the indicators monitored during the assessment. Also the managerial control improved, since they could get quantitative and comparable results for each of the candidates from each evaluator.

The role of the customer also increased. For designing the assessment centre, the client had to offer a clear picture of the vacant job and their requirements. This helped in better understanding customers’ needs and consequently supported the company in fulfilling them.

2.2 Organisation of working hours, differentials in working hours between organisational units, temporal flexibility (i.e. introduction of flexible working time arrangements)

There were no changes in the total number of working hours set for the employees, but there were changes in the schedule. Given the need to arrange a meeting time

convenient for a larger number of persons the individual schedule of each of the recruiters involved decreased in flexibility.

2.3 Functional flexibility, teamworking

Due to the required time arrangements for organising the assessment centre the working activity in the company went through positive changes with regard a better planning and improvements in setting the agenda. Also, exchanging opinions with regard the performance of the candidates during the assessment centre helped recruiters to established more clear selection criteria and metrics, and then a better selection work standard. They also had the opportunity to better understand each other and the way they approach the candidates.

3) Changes in skills, knowledge and learning (Please describe the effects and the changes the workplace innovation induced on the skill development, knowledge use and sharing and individual and organisational learning processes)

3.1 Formal skill structures (including differences between men and women) and actual skill needs (did the workplace innovation involve higher skill needs for the employees, why, how it was resolved, etc.)

The discussions required for making the final decision on the candidates helped the employees to better understand the in-depths of the selection process, the areas where some errors were made or aspects they were insufficiently proficient. As mentioned, the employees also documented themselves on how to conduct an assessment centre. Because often assessment centres become rigid events, the next step was to make them less formal and rigid while keeping the basic components that provide validity.

3.2 Knowledge intensity of the different tasks, standardisation and formalisation of work

As a direct outcome, recruiters better established a set of evaluation standards with regard the performance of the candidates. Also, a more in-depth approach on the work itself was reached through the feedback meetings after the assessment centre. This led indeed to an improvement with regard the recruiters' work knowledge.

3.3 Learning opportunities, training policies: internal vocational training courses (that is, training activities principally designed and managed by the enterprise itself),

external vocational training courses (that is, training activities principally designed and managed by a third party organisation), any other forms of training (on-the-job training, planned learning through job rotation, self-directed learning, consultation with managers and colleagues, etc.)

The learning opportunities were mainly offered by the research findings offered in the literature. Also, the interns had the opportunity to take part in organising the assessment centres and the new hired recruiters improved their skills. The company did not organize formal trainings on the topic, but they organised short informal instructional sessions for the newly hired and their interns.



4) Quality of working life and labour relations (Please describe how workplace innovations affected the formal and informal processes of social dialogue and the quality of work (physical, mental and social working conditions, well-being at workplace, employee commitment and satisfaction, etc.)

The influence with regard the working life and labour relations was not so strong.

4.1 Forms of workers' representation (social dialogue)

Since the company is a small one, there is not the case for workers' representation structures.

4.2 Information and consultation, issues of negotiations

As mentioned, it was noticed a better communication between recruiters. Also, as an outcome, the recruiters got better informed with regard the expectations of the job, the content of the evaluation process, and the performance standards for each position.

4.3 Working conditions

There were no remarked influences upon the working conditions.

4.4 Employee commitment and satisfaction

The implementation of the assessment centres positively influenced the recruiters' satisfaction with the job and their attitude toward the working place, since they gained

better trust in the decisions taken. Also, the chance to exchange opinions on the candidates' performance helped them to develop the expected work standards.

4.5 Work-life balance of employees

There were no remarked influences upon the work-life balance of employees.



5) Conclusions

5.1 Basic characteristics of the case

The analyzed company is a small firm who succeeded in becoming a removed provider of HR services on the local market. While the organisational performance of the company is constantly increasing across time, the company is making efforts in increasing the quality of the services they offer. Despite the low number of employees, the company managed to find solutions for boosting the validity of the selection decisions taken for their customers, such as implementing a complex and valid selection technique. Starting from here, the outcome resided in an increase on the customers' trust in their selection decisions, a positive impact on the employees' communication and their awareness with regard the performance standards and expectations for each vacant position.

5.2 Importance of the case for the research questions

The role of the case for the research question resides in the following:

The analysis revealed the *steps of the implementation* process of an innovative practice and emphasised a *positive impact on the quality of the services offered*, starting with scientific based methods for delivering the best services.

5.3 Impact of the workplace innovation on the performance of the firm

Despite the challenges faced on the market of HR services during the crisis period, the company managed to overcome the difficult period and even increase during the last year. The financial turnover increased, and also the company market share, the visibility of the company in online social media, and the total sales.

5.4 Impact of the innovation on the quality of working life

The impact of the evaluation practice on the quality of the employees' working life resided especially in improving the job satisfaction of the recruiters, by improved communication and increased trust in the decisions taken.

5.5 Recommendations relevant for the implementation process

The main recommendation for the implementation of the assessment centres regards developing a data base with the results obtained by the candidates from different perspectives and run a comparative analysis of the recruiters' opinions as reported to the future job performance of the candidates who got hired.

References

www.integrah.ro

Annex I: An example list of interviewed actors and their professional background

N°	Sex	Function/ Department	Organisation	Date of interview (2013)
1	Female	Managing partner – HR specialist	IntegraHR	17.09.2013
2	Female	HR specialist	IntegraHR	19.09.2013
3	Female	Marketing specialist	IntegraHR	24.09.2013

	
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