

ST. MARY'S UNIVERSITY

SCHOOL OF GRADUATE STUDIES MASTERS OF BUSINESS ADMINISTRATION IN PROJECT MANAGEMENT

THE HUMAN RESOURCES MANAGEMENT PRACTICES AND CHALLENGES IN THE PROJECTS OF THE GIFT CONSTRUCTION PRIVATE COMPANY

BY

FITSUM KIDANEMARIAM

MAY, 2017 ADDIS ABABA, ETHIOPIA

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DECLARATION

I, the undersigned, declares that this thesis is my original work, prepared under the guidance of worku Mekonnen (PhD). All sources of materials used for this thesis have been duly acknowledged. I further confirm that the thesis has not been submitted either in part or in full to any other higher learning institutions for the purpose of earning any degree.

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St Mary's University, Addis Ababa May 27, 2017

ENDORSEMENT

This thesis has been submitted to St. M Graduate Studies for the examination with	v g,
Advisor	Signature

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Above all, GOD IS LOVE!!

ACRONYMS

GIFT Gebreyesus Igata Family Trading

GBG GIFT Business Group

HR Human Resources

HRM Human Resources Management

IT Information Technology

PLC Private Limited Company

PMBOK Project Management Body of Knowledge

PMI Project Management Institute

SPSS Statistical Package for Social Sciences

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ABSTRACT

Recruitment and Retention of employees are important functions of the Human Resource Management. Unless there is a cautious effort from the management towards these two functions is made, the end result is high turnover of the already experienced, skilled and talented employees which are attracted and snatched by competitors in the industry. The purpose of this study was to discuss the HR practices in the GIFT Construction Company PLC and the challenges the company has in running projects, focusing on these HR functions of recruitment and retention and to find out the root causes of the high turnover of employees. The study employed descriptive analysis. The survey questionnaire was designed based on the literature and distributed to 120 permanent employees with a mix of managerial to non-managerial, men and women and new and seasoned employees. Out of the 120 employees, 113 among them 113 of them responded which represents a response rate of 94%. The data collected through the questionnaire was analyzed by Statistical Package for Social Science (SPSS). Secondary review and focus group discussions also conducted. The analysis of the finding showed that the recruitment process is not well planned and lacks transparency. Retention is given the least priority. Due to this fact, employees' turnover is high before the projects are completed or phased out. The study recommended the need for giving the due consideration for the recruitment process, to have training and staff development, to revise the benefit packages to retain valuable employees of the company. The need for an HR policy guideline for the company is also recommended. The management and shareholders shall also consider these to bring solution on the day to day HR functions under this study to minimize the employees' turnover so as to stay in the competitive business industry.

Key words: Recruitment, Retention and Turnover

CHAPTER ONE

INTRODUCTION

1.1. Background of the Study

One of the most important resources to a project is its human resources, the project team. Project Human Resource Management is one of the knowledge areas of the project management process group. It includes the processes that organize, manage, and lead the project team. The project team is comprised of the people with assigned roles and responsibilities for completing the project. Project team members may have varied skill sets, may be assigned full or part-time, and may be added or removed from the team as the project progresses. Although specific roles and responsibilities for the project team members are assigned, the involvement of all team members in project planning and decision making is beneficial. Participation of team members during planning adds their expertise to the process and strengthens their commitment to the project. (Project Management Institute, 2013)

The role of the Human Resource function is to take initiatives and provide guidance, support and services on all matters relating to the organization's employees. Essentially, the HR function is in the delivery business – providing the advice and services that enable organizations to get things done through people. People possess innate abilities, behaviors and personal energy and these elements make up the human capital they bring to their work. And it is they, not their employers, who own this capital and decide when, how and where they will contribute it. In other words, they can make choices. Work is a two-way exchange of value, not a one-way exploitation of an asset by its owner. (Armstrong, 2009)

In today's global market economy and age of competition, organizations are turning to their human capital as an important source of competitive advantage (Barney, 2001) and are becoming to be employee-centric by focusing on enhancing employee engagement. Researches from practitioners also indicate that retaining valuable employees is one of the biggest problems of companies in the competitive marketplace (Frans L. Kgomo, 2010).

This research doesn't sort out the dilemma between best-fit & best practice Human Resources (HR) philosophy rather it analyzes the relevance of the selected HR functions; recruitment practices, retention and turnover in the case company.

In this research, the practices and the challenges that the GIFT Construction Company PLC has in recruiting and retaining the valued project employees and how the turnover of these employees is affecting the operation of the company. The research also analyzed how the existing Human Resource Management policy is applied practiced and used by the project managers as a guideline to serve as a tool to recruit and retain the employees and enhance the competitiveness in the Modern building and construction Industries.

For a project, either to succeed or fail, its human resource, the project teams take the major role. They are one of the stakeholders that have impact on the project success. The project staff contributes to the project, or can make or break the project larger than one can think. (Levine, 2002).

These days, all organizations be it private or non-private are commonly challenged of retaining their valued employees. When it comes to private companies practically the project employees' turnover is very high that is affecting the timely delivery as well as the quality of the projects. This is also true to the sampled company, GIFT Construction PLC.

What kind of recruitment process is practiced, to what extent the project employees' turnover is high and what kind of retention mechanism is applied to hold the employees and how the turnover issues are carried out is the focus of this study. From the outcome measures, the study analyzed the possible relation between organizational outcomes along with the individual HR issues. And such an outcome positively contribute to further evaluation of the company's "Project Human Resource management policies" for a better performance and achievement of company goals.

1.2. Background of the Company

GIFT Construction Private Limited Company (PLC) is one of the five companies in the GIFT Business Group Companies. The company is organized and started functioning as a separate business unit in 2010. It is established with the intention to enter into the booming construction market at the highest level. Since its inception, as a member of the Gift Business Group (GBG) Companies, GIFT Construction PLC has been engaged in the construction of villas, apartment buildings, commercial centers and related civil works. It is currently undertaking mainly construction of residential houses for one of the sister companies in the business groups; the GIFT Real Estate Private Limited Company.

Currently, the company has a total of 160 permanent employees working in the different construction projects of the company. The company has a matrix organization structure. The General Manager is the leader of the company which is reporting to the Deputy Managing Director. The higher body on the hierarchy is the Managing Director, who is the founder and shareholder of the company.

The mix of employees are project employees and non-project or administrative employees. All are guided and ruled by the home grown Human Resources Management (HRM) policy formulated by the management of one of the sister companies; the GIFT Real estate Private Limited Company.

The student researcher has focused on the human resources management; especially on how the recruitment is handled, how the employees are retained, how the project teams are incorporated in the policy, how they are familiar with the policies to know their duties and responsibilities and how they are managed as the valuable teams of the company.

1.3. Statement of the Problem

A number of factors may be identified as contributing to the poorly execution of Construction projects. Among the factors having adverse impact on the delivery of projects is related to the recruitment, retention and turnover of project employees that are engaged on the construction projects.

Researches from practitioners also indicate that retaining valuable employees is one of the biggest problems of companies in the competitive marketplace (Frans L. Kgomo, 2010).

As business owner and/or project manager, one wants to keep the project team members productive, happy, motivated and self-sufficient. The problem intended to this study is whether effective recruitment policy and practice could serve as a means to retain project employees in order to minimize (if not possible to eradicate) employee turnover. Accordingly, the study has an objective of identifying the Human Resources issues on recruitment, retention and how the turnover is handled when employees are separated from the organization. What the causes for high turnover are and what factors contribute to the retention and engagement of project employees at the case company. The study also indicates the requirement of effectiveness Project human Resource management policy and its relationship and impacts on project employees in GIFT Construction PLC.

Projects are costly and high risk undertakings that need to be accomplished by certain date, for a certain amount of money and within some expected level of performance. Important aspects of a project includes inputs in the form of workforce, money, materials, and plans and outputs in the form of activities, products or services (Asfandyar, 2012).

GIFT Construction PLC is a matrix company, running many projects, which are functioning in a competitive environment where there are many other construction companies, local as well as international companies which are engaged in the construction business. Due to the aforementioned reasons, projects are not completed or delivered as per the planned schedule, cost and quality. If the GIFT Construction management/shareholders are not taking corrective

measures, the company may continually lose its critical employees/workforces as a result of which it will face the challenge to stay in the competitive market.

"The challenge today is not just retaining talented people, but fully engaging them, capturing their minds and hearts at each stage of their work life" (Kaye & Jordan-Evans, 2003:7).

When turnover is high, business leaders face increased costs associated with recruiting and training replacements. Other, more-difficult-to-quantify effects also arise, such as declines in productivity, morale, customer satisfaction and innovation. (Society for Human Resource Management, 2012).

1.4. Basic Research Questions

In order to address the problems, make clear and understandable research process and formulate researchable objectives, the below specific research questions consequently stated:

- ➤ How is the company exercising the selected Human Resources (HR) functions; recruitment, Retention and turnover?
- ➤ What is the relation between the selected individual HR functions and GIFT Construction's operation?
- ➤ Which of the Human Resource Management approaches has higher impact on the company's project operations?
- ➤ To what extent the HR functions; recruitment, retention and turnover be addressed in the Project Human Resources Management Policy to impact company's operation?

1.5. Objectives of the Study

The objectives of this research are:-

- ✓ To assess how the HR functions; recruitment, Retention are exercised and how the turnover is looked into in the GIFT Construction Company
- ✓ To identify the relevance of the selected HR functions in use for the operation of the company.
- ✓ To assess the HR functions, identify gaps in their execution and recommend remedy to close gaps in executing these HR functions.
- ✓ To show the important role the HR functions may have for firm sustainability and strategic goal attainment.

1.6. Scope (Delimitation) of the study

In this study, the case company is operating in Addis Ababa. The targeted employees are working in the different construction project sites located at three separate areas. All employees working at the different sites are included in the survey. Few administration employees of the company which are stationed at the head office of the sister company, GIFT Real Estate are not included in the study.

1.7. Significance of the Study

Different studies have been conducted to see the relationship between human resource functions with project success and this research contributes to the existing literature through identifying the significance of Project Human Resource Policy for the case company.

This study is expected to support the Human Resources Management practices of the GIFT Business Group (GBG) Companies, especially to the Human Resources Department of GIFT Construction Company PLC. It is hoped that the findings of this study will provide the GIFT Construction Company management and the human resources officials with a clear understanding and awareness of the problems in the Human Resources management practices

that they have in the company. In the future, relevant and appropriate human resource activities, policies and procedures can be developed and implemented for an effective human resources management.

Policies influence employees' behavior in many ways and hence such types of studies can in fact identify minor or major areas of improvements. Understanding of the process will serve as a future orientation and source of improvements for actions of the GIFT construction PLC as well as the GIFT corporate management system.

Hence, this study contributes to the management and paves the way for understanding of the same by external readers who would like to progress along the same line of corrective operations enhancement methods. The outcome of the research will be useful provided that its recommendations are to be treated favorably and made a reference to similar actions by all those interested in it.

1.8. Limitation of the study

The limitation observed during data collection was lack of interest in filling the questionnaire by the respondents. As majority of the employees are working at the construction sites, some of them were reluctant to take time and respond. During the focus group discussions, some of the management teams were not open to share their ideas to the researcher. Due to this fact, the data collection took longer time than scheduled.

1.9. Organizations of the Research

The Research Study is organized under five main chapters. It starts with an introductory chapter which outlines the background of the study, the background of the sampled company, Statement of the problem, Research objectives as well as the Research questions, significance, scope and limitations of the study. In Chapter Two Literature Review of all related literature is undertaken from various sources of materials that include journals and books. Chapter Three presents the Research Methodology adopted in the study. The same

chapter also details the research design used, the target population as well as the sample used for the study. Chapter Four captures the Data Collection and Analysis and finally Chapter Five that presents the study's findings and Recommendations.

CHAPTER TWO

REVIEW OF RELATED LITERATURE

INTRODUCTION

This chapter covers review of theories and related literatures by different authors and scholars in the field under study; Recruitment, Retention and turnover.

2.1. The Concept of Recruitment

According to recent studies on human resource management, Human Resource (HR) is a main source of competitive advantage as long as there is matching between what the business needs & the competency of the people available. Human resources are one of the core resources for any organization regardless of its size, nature and scope of operation if it aims to thrive in this highly competitive and rapidly changing environment (Greer, 2001).

Organizations' dependence on the availability of the right person, at the right time, for fulfilling job requirements cannot be debated (Saiyadain, 2003).

Recruitment is one of the principal functions of human resource management (Armstrong, 2009). According to Armstrong, recruitment is the process of finding and engaging the people the organization needs. He explained that the number and categories of people required may be set out in formal human resource or workforce plans from which are derived detailed recruitment plans.

Recruitment begins by specifying human resource requirements; numbers, skills mix, levels and time frame. It is a form of business contest and it is fiercely competitive. Corporations must vie to identify, attract & hire the most qualified people. Because, any business strategy will falter without the talent to execute it (Cascio & Nambudiri, 2013).

The process of attracting people to apply is called recruitment (Saiyadain, 2003). Saiyadain explains that it is different from selection which begins after recruitment has ended.

Most employer organizations recognize that when a task is key to the success of the firm, an expert is required. The three 'R's – recruitment, retraining and retention, of high-caliber, well-motivated staff – is the main differentiator of good workplaces, so when it comes to attracting and successfully recruiting the right people expertise is sought (Brown & Swain, 2009).

The need for recruitment may arise, as per Saiyadain, out of the following situations:

- Vacancies due to transfer, promotion, retirement, termination, permanent disability, or death;
 caused purely by mobility of human assets.
- Creation of vacancies due to expansion, diversification, growth, or job reclassification; caused by the growth of the business of the organization.

When an organization makes the decision to fill in an existing vacancy through recruitment, the first stage in the process involves conducting comprehensive job analysis. Job analysis provides information about what the job entails and what human characteristics are required to perform these jobs. This information, in the form of job description and job specifications helps management decide what sort of people to recruit and hire (Dessler, 2005).

Job analysis is the process by which data, with regard to each job, is systematically observed and noted, and it provides information about the nature of the job and the characteristics or qualifications that are desirable in the job holder (Saiyadain, 2003).

When we come to the specific to project human resources under concern of this study, we may observe similarity in the recruitment process.

Project Human Resource Management includes the processes that organize, manage, and lead the project team. Although specific roles and responsibilities for the project team members are assigned, the involvement of all team members in project planning and decision making is beneficial. Participation of team members during planning adds their expertise to the process and strengthens their commitment to the project (PMI, PMBOK 2013).

According to the PMBOK, the Project Human Resource Management processes are the following:

- Plan of Human Resource Management—the process of identifying and documenting project roles, responsibilities, required skills, reporting relationships, and creating a staffing management plan.
- **Acquire Project Team**—the process of confirming human resource availability and obtaining the team necessary to complete project activities.
- **Develop Project Team**—the process of improving competencies, team member interaction, and overall team environment to enhance project performance.
- Manage Project Team—the process of tracking team member performance, providing feedback, resolving issues, and managing changes to optimize project performance.
 Accordingly, acquiring of project team, which is the second in the process above is materialized through recruitment process.

According to the PMBOK, the project manager or project management team should effectively negotiate and influence others who are in a position to provide the required human resources for the project. Failure to acquire the necessary human resources for the project may affect project schedules, budgets, customer satisfaction, quality, and risks. Insufficient human resources or capabilities decrease the probability of success and, in a worst case scenario, could result in project cancellation. If the human resources are not available due to constraints, such as economic factors or previous assignments to other projects, the project manager or project team may be required to assign alternative resources, perhaps with lower competencies, provided there is no violation of legal, regulatory, mandatory, or other specific criteria.

Acquiring project team, developing project team and managing project team are part of the executing process group in the project management process group (PMI, PMBOK 2013). Accordingly, acquiring Project Team is the process of confirming human resource availability and obtaining the team necessary to complete project activities. The key benefit of this process consists of outlining and guiding the team selection and responsibility assignment to obtain a successful team.

One of the reasons for ineffective control of projects is people problems. To control a non-routine project, a manager requires an ability to monitor a wide range of disparate factor, a

sensitivity to symptoms indicative of potential problems, and a faculty for comprehending the combined effort of multiple forces (Chandra, 2006).

2.1.1. Recruitment Planning

The human resource management plan, a part of the project management plan, provides guidance on how project human resources should be defined, staffed, managed, and eventually released. The human resource management plan and any subsequent revisions are also inputs into the Develop Project Management Plan process. (PMI, PMBOK 2013)

A recruitment plan will cover the number and types of employees required to cater for expansion or new developments and make up for any deficits, the likely sources of candidates, plans for tapping alternative sources and how the recruitment programme will be conducted (Armstrong, 2009).

As Armstrong explained, the recruitment plan should include plans for attracting good candidates by ensuring that the organization will become an 'employer of choice'. This could be achieved by such means as generally improving the image of the company as an employer (the employer brand) and by offering:

- Better remuneration packages;
- More opportunities for learning, development and careers;
- Enhanced future employability because of the reputation of the organization as one that employs and develops high quality people, well as the learning opportunities it provides;
- employment conditions which address work-life balance issues by, for example, adapting
 working hours and arrangements and leave policies, and providing child care facilities or
 vouchers to meet the needs of those with domestic responsibilities;
- Better facilities and scope for knowledge workers, such as research and development scientists or engineers or IT specialists;
- Golden hellos' (sums of money paid upfront to recruits);
- Generous relocation payments.

2.1.2. Employer of choice

It is safe to assume that in the recruitment process potential applicants will be more likely to be attracted to an organization that has a reputation for offering a healthy and safe work environment for employees. The maintenance of a healthy and safe workplace can be facilitated in the selection process by selecting applicants with personality traits that decrease the likelihood of an accident (Bratton & Gold, 1999).

According to Bratton and Gold, recruitment followed by selection would be vital stages in the formation of such expectations, with an emphasis on a two-way flow of communication. Employees would be selecting an organization and the work on offer as much as employers would be selecting employees. More advanced approaches to recruitment and selection are part of a package of HRM activities. Traditional approaches, that attempt to attract a wide choice of candidates for vacancies before screening out those who do not match the criteria set in job descriptions and personnel specifications, would be one-sided.

In essence, organization's retention strategy shifted from attracting fresh new talent to retaining valued employees in the face of a financial blow. In both situations, retention is a key strategy driven by top executives. Most organizations now view the issue of retention and becoming an employer-of-choice as a strategic advantage (Philip, 2003).

The aim of any organization is to become an 'employer of choice', a place where people prefer to work (Dessler, 2003). This means developing what Sears (2003) calls 'a value proposition', which communicates what the organization can offer its employees as a 'great place to work'. The factors that contribute to being an employer of choice are the provision of:

- interesting and rewarding work;
- opportunities for learning, development and career progression;
- a reasonable degree of security;

- enhanced future employability because of the reputation of the organization as one that employs and develops high quality people, as well as the learning opportunities it provides;
- better facilities and scope for knowledge workers,
- employment conditions that satisfy work-life balance needs;
- a reward system that recognizes and values contribution and provides competitive pay and benefits.

2.1.3. Source of Recruitment

Sometimes one of the hardest things to do as a recruiter is to decide where to start working the recruitment process. Recruitment is about providing a candidate or a recruitment service that clients might want to buy, at a price that they perceive as value for money and making them aware of what is available (Brown & Swain).

Once the demand for human resources is made, the recruitment planner have to go out and find the kind of workforce needed. There are two kinds of sources; internal and external (Saiyadain, 2003).

Internal:

First, consideration should be given to internal candidates. It may also be worth trying to persuade former employees to return to the organization or obtain suggestions from existing employees (referrals).

Saiyadin explained that before going out for external supply of human resources, organizations usually look for what is internally available, and can be used. Accordingly, a total audit of the existing human resources in the organization conducted.

In discussing internal applicants, selectors frequently comment that in comparison to external applicants at least it is 'the devil we know' (Tylor, 2007).

Filling open positions with inside candidates has many benefits (Dessler, 2003). According to Dessler, the benefits are:

- There is really no substitute for knowing a candidate's strengths and weaknesses since we are likely to have a more accurate view of the person's skills than we would an outsider's
- Inside candidates may require less orientations and training than the outside candidates
- Morale may rise, to the extent that employees see promotions as rewards for loyalty and competence.

External:

If internal candidate consideration approaches does not work the main sources of candidates are external (Armstrong, 2009). According to Armstrong, the external sources include:

- Advertising
- Online recruitment or e-recruitment using the internet to advertise or 'post' vacancies
- Using agencies and job centers; using recruiting agencies
- Using recruitment consultants to advertise, interview and produce a short-list
- Direct approaches to educational establishments (Campuses)
 As recruitment becomes more important to organizations, and takes up more time, businesses are often taking advantage of the options.

2.1.4 Project team recruitment sourcing

The content of the staff acquisition (recruitment) process in projects is different from the general staff recruiting procedures for the organization (Newell & Grashina, 2004). Newell & Grashina explained that in projects, the project manager does not actually recruit personnel for the project from outside the organization except for skills and knowledge that are not available inside the company.

One of the reasons for ineffective control of projects is people problems. Most of the operational managers, used to the steady rhythm of normal operations & routine works lack the experience, training, competence & inclination to control projects (Chandra 2006).

With regard to the sourcing of the project team, the project management team may or may not have direct control over team member recruitment and selection because of collective bargaining agreements, use of subcontractor personnel, matrix project environment, internal or external

reporting relationships, or other various reasons (PMI, 2013). Accordingly, it is important that the following factors are considered during the process of acquiring the project team:

- The project manager or project management team should effectively negotiate and influence others who are in a position to provide the required human resources for the project.
- Failure to acquire the necessary human resources for the project may affect project schedules, budgets, customer satisfaction, quality, and risks. Insufficient human resources or capabilities decrease the probability of success and, in a worst case scenario, could result in project cancellation.
- If the human resources are not available due to constraints, such as economic factors or previous assignments to other projects, the project manager or project team may be required to assign alternative resources, perhaps with lower competencies, provided there is no violation of legal, regulatory, mandatory, or other specific criteria.

All these considerations make it important for the project manager to be able to preplan for certain people to be assigned to certain project tasks at the stage of staff acquisition/recruitment (Newell & Grashina, 2004).

2.1.5. Cost of Recruitment

Recruitment costs are perhaps the most visible cost directly related to turnover as employees are recruited and employed to replace the departing employees (Phillips, 2003). According to Phillips, ten major cost categories are contained in the replacement costs:

- 1. Recruiting/advertising. Expenditures directly related to attracting new employees
- 2. Recruitment expenses. This category includes direct expenses involved in recruiting, such as travel to visit job candidates, conducting job fairs, and expenses to inform applicants about the organization prior to the actual application process
- 3. Recruitment fees and bonuses. Expenditures for highly specialized employees and managers is paid directly to third-party agencies.
- 4. Employment bonuses. Bonuses may be paid for the employee to join the organization; may include cash, expense allowances, vacation time, stock options, or a new computer.

- 5. Selection interviews. the expenses associated with the interview process including the interviewer's time, materials, and other expenses directly related to the interview
- 6. Testing/pre-employment examinations. This item includes the cost of administering and analyzing any type of pre-employment test.
- 7. Travel expenses. To be-reimbursed travel expenses for the candidates to interview for the job
- 8. Moving expenses. Moving expenses are including fees for the relocation firm.
- 9. Administrative time. The time for administrative staff support, including overhead
- 10. Management time. the time managers spend in this process, from planning a recruitment strategy for a particular individual, to conducting interviews and making the final job offer

With today's demands on high efficiency, speed, and quality, project teams have become increasingly more important for dealing with the technical complexities, cross-functional dependencies, and need for innovative performance (Milosevic, Dragan, Z., 2003).

The costs of recruitment and the hidden cost of hiring the wrong person far outweigh the additional costs of using a wider range of selection tools, particularly if in-house resources are used. Of course there are also hidden costs in using assessment centers, notably the costs of training and utilizing a team of non-specialist assessors (Taylor, 2007).

2.1.6. Ethics in Recruitment

Like any other profession the staffing industry has a broad range of ethical guidelines and considerations (Brown & Swain, 2009).

Ethics are based on organizational values. Trust is integral to all ethical behavior. Organizational values are reflected in the organization's culture. Standards of ethics help the organization and its employees understand that workers will be valued and fairly treated. Ethical standards also usually state that customers, suppliers, vendors, and the general public will be treated honestly and fairly. Employees need to feel that they can trust and believe in the integrity of their employers. Employees need to be able to trust their organization and depend on it to act with integrity.

Organizational commitment has been shown to be consistently related to turnover; the less committed an employee is, the more likely that employee is to leave the organization (Phillips & Connell, 2003)

Expectations of ethical behaviors are typically communicated to employees through a code of conduct, policy, training and a role model behavior of top management (Saiyadain). According to Saiyadain, recruitment and selection process should contribute to a workforce that values ethical behavior as something to aspire to in the work place.

2.2. The Concept of Retention & Turnover

An understanding of the basic distinctions between retention, turnover, and other related topics is important. A business purpose is to increase customer satisfaction, enabling their easier acquisition and retention and eventually leading to more repeat business that tends to be more profitable as well (Milosevic, 2003)

Historically, the turnover and retention issue has been perceived to be a human resources problem. That perception is rapidly changing. Most management teams readily accept retention as a strategic issue and recognize it as their responsibility. As part of the retention strategy, it may be helpful to include tactics to clarify the responsibility for retention and turnover (Phillips & Connell, 2003).

At times when most people employed in most organizations were employed on permanent contracts with defined tasks to perform, based on stable skills-sets, personnel managers were able to build up a 'toolbag' of key manpower measures such as turnover, retention and stability and absenteeism (Bratton & Gold).

2.2.1. Retention

Retention is the percentage of employees remaining in the organization. High levels of retention are desired in most job groups (Phillip, 2003). According to Phillip, the process to measure the success of retention solutions and place a monetary value on managing retention does not exist in most organizations. As his explanation, retention requires a commitment from the entire senior management team and must be addressed as a part of strategy. Only then will the tactical issues become a routine and supported step in the process.

Managing retention and keeping the turnover rate below target and industry norms is one of the most challenging issues facing businesses. Employee retention will continue to be an important issue for the most job groups. A process to measure the success of retention solutions and place a monetary value on managing retention does not exist in most organizations (Phillips & Connell, 2003).

Attract, develop and retain high quality people are among the HR practice area which are having impact on the matching of people to the strategic and operational needs of the organization. These also provide for the acquisition, development and retention of talented employees, who can deliver superior performance, productivity, flexibility, innovation, and high levels of personal customer service and who 'fit' the culture and the strategic requirements of the organization (Armstrong, 2008).

For senior managers in an organization, whose task it is to plan a response to such pressures, the attraction, recruitment, utilization, development and retention of people of the required quantity and quality for the present and the future ought now to rival finance, marketing and production in the construction of strategic plans (Bratton & Gold, 1999).

According to Phillips & Connell, Some organizations do a superb job of managing retention, whereas others fail miserably. The issues are not always externally driven but often lie within the organization-sometimes in the approach to the problem. Finding a new approach requires

shifting paradigms, changing perceptions, and throwing out old habits. A more rigorous, analytical, and strategic approach to addressing internal issues is often needed (Steel, Griffeth, and Hom, 2002).

2.2.2. Turnover

Employee turnover (sometimes known as 'labor turnover, 'wastage' or 'attrition') is the rate at which people leave an organization. It can be disruptive and costly (Armstrong, 2008).

Turnover is the opposite of retention, refers to the percentage of employees leaving the organization for whatever reason(s). (Phillips & Connell, 2003). According to Phillip, turnover is an HR problem. Pointing fingers at the HR executive or staff is unproductive in today's environment. Turnover is an organizational issue that must be addressed with leadership from the senior executive team. The HR function can have a tremendous impact on retention, but for the most part, HR staff provide the administrative support for measuring, monitoring, analyzing, and reducing excessive turnover rates.

Turnover can have a devastating impact on the organization. Almost every departure translates into something not being accomplished. Phillips & Connell explained that employee turnover continues to be one of the most unappreciated and undervalued issues facing business leaders. This stems from several important assumptions and conclusions about turnover:

- All stakeholders involved in the issue, including Human Resource managers, underestimate the true cost of employee turnover.
- The causes of turnover are not adequately identified in most organizations.
- The solutions to reduce turnover are sometimes mismatched with the cause of turnover and do not generate the desired results.
- Many of the preventive measures for turnover are either overkill or they often miss the mark altogether.

The loss of skilled labor has important cost implications and, in the face of continuing shortages of skilled workers, a diagnostic approach to retention can provide a significant pay-off. Bevan (1991) provides a guide to some of the reasons for high staff turnover. Significantly, but not unexpectedly, pay was not the only issue. Among the main factors identified were:

- ✓ Job not matching expectation for new employees
- ✓ Lack of attention from line managers and lack of training
- ✓ Lack of autonomy, responsibility, challenge and variety in the work
- ✓ Disappointment with promotion and development opportunities
- ✓ Standards of management including unapproachable, uncaring and distant behavior and a failure to consult.

Specific strategies aimed at overcoming the causes of turnover and implementing solutions to reduce turnover have important payoffs for organizations. Lower turnover translates into fewer operational problems, fewer delays, increased customer service, smoother flow of work, and improved quality of transactions. Organizations routinely report operational improvements as the most important payoff of managing retention (Phillips, 2002).

Huselid examined HR practices of high performance companies and found that attracting and selecting the rightly qualified employees increase the employee productivity, boost organizational performance, contribute in reducing turnover and consequently increase of economic performance (profitability) (Huselid, 1995).

However, the mere availability of human resources in an organization cannot ensure the effectiveness of the business operations rather the effective implementation of HR practices determines how well we use our human resources in order to achieve strategic goals of an organization (Armstrong, 2008).

Turnover data must be distributed to the management team and other interested parties so that appropriate action need to be taken (Phillips & Connell, 2003). Building the right team and retaining your top talent is critical for success today, and it's why employee retention is essential for long-term growth. (Employee recruitment and retention strategies, April 2017).

2.3. Conceptual Framework

The selected HR activities in this study; recruitment, retention and turnover, the approach to address them and the outcome on the company's operation and sustainability is illustrated in the conceptual framework below.



Figure 2.1. Conceptual Framework: the recruitment, retention and turnover practices and their outcome

CHAPTER THREE

RESEARCH DESIGN AND METHODOLOGY

INTRODUCTION

This research is conducted to measure the adverse effect the HR functions has on project success and company operation of GIFT Construction Company. Under this chapter, the research design, population and sampling techniques, the procedure followed and applied during data collection, and method of data analysis that was used will be discussed.

3.1. Research Design

Mainly, the research aims to explain the relationship the HR functions and processes; recruitment, retention and turnover have with the GIFT Construction Company day to day operation. Research design is expected to be good as indicated by the famous author Kothari (1940, 41), in the sense that it will be flexible, appropriate and economical. To this effect, descriptive methods is used throughout the research process. It is descriptive because it has tried to describe the variables of the HR functions and their relationship with the GIFT Construction company operations.

The majority of the questionnaire is closed and only one open-ended question is included. Accordingly, the responses are analyzed mainly using SPSS V20 to acquire objective causal relationship among the variables. Whereas, the quantitative data are presented in a brief summary.

3.2. Source of Data

The data for this research are sourced from primary and secondary data of GIFT Construction Company. As the issue under study is an administrative as well as strategic matter, the participants are the employees which have an exposure to the issue. The student researcher uses preliminary observation to identify the right respondents who have pertinent knowledge, experience, and ability to provide response for the research questions for the structured questioner.

The secondary date are organized from the existing Human Resource Manual, the strategic and annual operational plans of the company and the annual performance reports of the years 2014 and 2015.

3.3. Population and Sampling Techniques

3.3.1. **Population**

The target populations of the study were all project and non-project employees of the GIFT Contraction PLC. 100% of the respondents are permanent employees and all the critical workforces in the company are included in the survey. On the other hand, those employees having limited/no exposure to strategic and administrative decisions in the business are partially selected to be part of the study due to the fact that they have no or limited exposure to strategic issues. Accordingly, 120 questionnaires distributed, 113 filled questionnaires were collected, which is representing around 94% response rate, and all the responses were filled properly.

Table 3.1. Respondent's designation

	Frequency	Percent	Valid Percent	Cumulative Percent
Project Staff	68	60.2	60.2	60.2
Non-Project employees	8	7.1	7.1	67.3
Site Engineers	18	15.9	15.9	83.2
Other	19	16.8	16.8	100.0
Total	113	100.0	100.0	

3.3.2. Sampling Technique

Survey research provides a means for quantifying relevant concepts and for conducting an exhaustive examination of relationships that will make the research valid and reliable. Random Research sampling techniques is used from the total population representing all target groups qualitatively and quantitatively sufficient to get clear picture of the situation and impacts of each factor of the study, regardless of selection problems to be faced because of difficulties to cover all employees.

Currently there are 160 project and non-project employees in total in the Gift Construction Company, out of which 132 are permanent employees and 28 are contract as well as freelance employees. Among the total permanent employees, 95 of them are project based employees. The number of employees fluctuates depending on the projects at hand. This is the total number by the time of study. Employees from each of the operations are randomly selected to respond to a pre-planned questionnaire while a focal group discussion conducted with heads of each operation as representative of the supervising middle management group.

The simplified formula developed by Taro Yamane (1967) was used to calculate the sample size. This formula is:-

$$n = \frac{N}{1 + N (e)^2}$$

Where n= the sample size
N= the size of the population
And e=the error of 5 percentage points

3.4. Method of Data analysis

All relevant data collected in relation to project employees' recruitment, retention, and turnover and the impact these have on the company's operation, organized and analyzed using satisfaction package for Social Science (SPSS) version 20. Prior to inputting data in the SPSS, the student researcher has employed manual system to edit, code, and classify the raw data. The raw data was reviewed manually to check out errors and omissions. All data were loaded in the SPSS after making sure for the accuracy.

The descriptive statistics was implemented to analyze the demographic data in the form of frequencies, percentages and mean to display the data acquired in a structured, accurate and summarized manner.

3.5. Validity and Reliability Issue

The student researcher has adapted and modified a questioner, which correctly forecasts the outcome of the opinions of respondents that will have a predictive validity. The reliability of the scale which is how the collected data is free from random error was checked. Collected data is worthwhile only if they are recorded in accurate ways. For any measurement to be valid, it must first demonstrate reliability (Frey, Botan, and Kreps 2002).

Cronbach's alpha is a statistic. It is generally used as a measure of internal consistency or reliability of a psychometric instrument. In other words, it measures how well a set of variables or items measures a single, one-dimensional latent aspect of individuals.

In order to be reliable, using SPSS result, the Cronbach's alpha should exceed the threshold of 0.70. This indicates that there was a high degree of internal consistency amongst the test items. (Streiner D.L., Norman G.R. (1989) New York: Oxford University Press (pages 64-65).

As a result, cronbach's alpha which is a measure of internal consistency of the items included in the questionnaire showed a satisfying reliability, above the 70% as indicated in the table below.

Table 3.2. Reliability Scale: Overall Cronbach's Alpha

Cronbach's	Cronbach's	Alpha	N of Items				
Alpha	Based	on					
	Standardized	Standardized Items					
.809	.807		41				

The student researcher has also tried to measure the attitude and personality of the respondents, associate a set of other proportions with the results received from using the measurement tool an tries to correct the measurement in a predicted way with the other proportions.

3.6. Ethical Considerations

Ethical considerations will be taken care of in the process of conducting the research. This will be observed in a way of paying due respects to all those who will take part in this study. Manifestations of the expected ethical considerations include serious implementation of confidentiality to any aspects of free contribution of the participants. Every respondent to all or part of the pre-planned questionnaire or interview will be informed that confidentiality to whatever he/she says will be respected. Besides, some techniques of not providing space to write names or ask particulars of the participants will be employed. This will remain intact not only at the time of conducting the research but also after the finalization of the study unless and otherwise the individual participant wants to be exposed for own reasons.

CHAPTER FOUR

DATA ANALYSIS AND INTERPRETATION OF RESULTS

INTRODUCTION

This section deals with the analysis and interpretation of data collected from the survey questionnaire, focus group discussions and data from the GIFT Construction documents under this study. Responses for the measures on the questionnaire are summarized and presented using tables so as to facilitate easy understanding. The findings were reviewed by considering the different topic areas covered in the literature part of this study; the HR functions of recruitment, retention and turnover.

4.1. Demographic Characteristics of respondents

In this section the demography of the respondents is presented. It includes gender and work experiences in GIFT Construction Company.

4.1.1. Gender distribution of the respondents

The proportion of male and female respondents are shown in Figure 4.1. As shown in the table, 47.8% of the respondents are female and 52.2% are male employees. The sampled Construction Company has significant number of female office and site engineers, even though the male number is higher by 4.4%. This shows that the respondent workforce is composed of male and female employees.

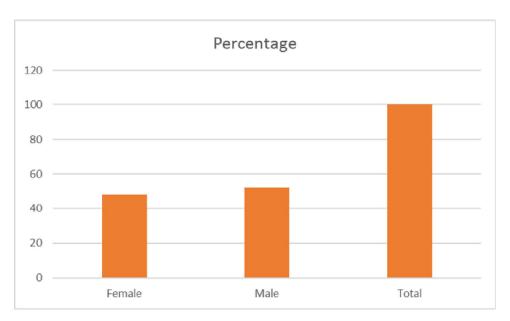


Figure 4.1. Gender distribution of respondents

4.1.2. Working Experience of respondents with the company (years of service)

Concerning the work experience, as indicated in Table 4.4 below, 62.8% of the respondents have less than two years of experience working in the company, 14.2% have from two to four years of working experience in the company and 23% of the total respondents are having more than four years of experience. This experience doesn't mean that they haven't further experience in other companies. This study is made focusing on their experience only in the company so as to enable us how much they are conversant about the HR practices in the company. As can be seen, majority of the respondents are new in the company relatively; when compared to the 23% seasoned employees.

Table 4.1. Summary of working experiences of the respondents

Work experience in the company	Frequency	Percent	Valid Percent	Cumulative Percent
Experiences with less than 2 years	71	62.8	62.8	62.8
Experiences between 2-4 years	16	14.2	14.2	77
Experiences with more than 4 years	26	23	23	100
Total	113	100	100	

4.2. Descriptive analysis of responses on how the practices of the HR functions of recruitment, retention and turnover look like in GIFT Construction PLC

4.2.1. Recruitment practices and the factors affecting this function

In order to see the general perception of the respondents regarding the selected HR Practices in the subject company, the student researcher has included the measures stated in the coming tables followed by analysis & interpretation supplemented using frequency, percentage, mean and standard deviation.

In order to simplify interpretation of the results, ratings of very significant and strongly significant are grouped as agreement with the HR practice and concept and ratings of no significant and slightly significant are grouped as disagreement. Moderately significant rating is taken as response.

According to the responses summarized in table 4.5 below, for the question on clarity on recruitment and selection process in the company, 26.6% (20.4 +6.2) of the respondents agreed, 25.2 (6.2+19.5) of the respondents disagreed and 47.8% responded moderate, which is they have a kind of indifference or neutral feeling.

For the question about the replacement of vacant positions without delay, only 15.9% (9.2+6.2) of the respondents agreed, 63.7% (26.5+37.2) disagreed and 20.4% of the respondents are in between; neutral.

Regarding equal opportunity the internal candidates given to compete for vacant posts, only 9.7% (3.5 +6.2) of the respondents agreed, 63.7% (36.3+27.4) disagreed and 26,5% responded they are moderately agree.

For the question is recruitment based on qualification and experience, 54% (43.4+10.6) of the respondents agreed, 9.7% disagreed and 36.3% of the respondents are moderately agreed, which means sometimes yes and sometimes no kind of feeling.

On the tracking of vacant posts, 32.7% (22.1+10.6) of the respondents agreed the tracking is kept well, 27.5% (7.1+20.4) disagreed and 39.8% of the respondents responded it is moderately kept.

Coming to the question that there is slow decision making to bring the finalists on board, 25.6% (15.9+9.7) agreed on the existence of slow decision procedure, 21.3% (7.1+14.2) disagreed on the slowness of the decision and 53.1% of the respondents answered moderately slow.

The final ask in this section is the owners' interference in the recruitment process, in which 59.3% (48.7+10.6) of the respondents agreed, 16.8 (3.5+13.3) disagreed and 23.9% of them are in between, moderately agreed.

From the above ratings, the observation, discussion and review of procedures, the student researcher observed that based on the proportion of the percentage (26.6% & 25.2%), which agreed and disagreed and the 47.8% indifference, the company should make the recruitment procedure as transparent as possible. Majority of the respondents (63.7%) believed on the delay of replacement on vacant positions, which shows there is significant gap on this area.

Internal candidates are the most valuable asset of the company. However, from the respondents' response (63.7%), it shows that they are not given a chance to compete for new vacant posts or higher position replacements. When coming to recruitment basing on qualification and experience, 54% agreed and 36.3% are neutral. From this, one can understand that the company gives due attention for qualification and experience but not all the employees are clear about the

process. When asked about the tracking of vacant posts, initially, most of them were not clear about it. When explained to them, 32.7% agreed including the HR and Administration Manager which showed the documentation from the previous reporting.

Coming to the decision making process on bringing the finalist or the selected candidate on board, 25.6% agreed but 53% were neutral. They said that some positions are decided immediately when the management feels the position is crucial. But procedurally, there is no one way of handling this. It lacks uniformity.

Owners' interference in the recruitment process is also agreed by 59.3% (48.7+10.6) of the respondents. 16.8% (13.3+3.5) of the respondents disagreed and 23.9% have a kind of mixed feeling, which is rated moderate. From this, the student researcher concluded that the owners' interference on the recruitment process is significant issue, affecting the recruitment practice of GIFT Construction Company.

Table 4.2 Analysis of responses on recruitment practices of GIFT Construction PLC.

	N	N.S S.S		M	M.S.		S.	F	.S.		Std. Deviati	
Descriptions	Freq	%	Freq.	%	Freq.	%	Freq.	<u> </u> %	Freq.	%	Mean	on
Descriptions	ricq	70	rreq.	70	rreq.	70	rreq.	170	r req.	70	Ivican	OH
There is clarity on												
recruitment and selection.	7	6.2	22	19.5	54	47.8	23	20.4	7	6.2	3.01	0.95
Vacant positions replaced												
without delay.	30	26.5	42	37.2	23	20.4	11	9.7	7	6.2	2.32	1.152
Internal candidate are												
given equal opportunity to												
compete for vacant posts.	41	36.3	31	27.4	30	26.5	4	3.5	7	6.2	2.16	1.146
Recruitment is based on												
qualification and												
experience.	-	-	11	9.7	41	36.3	49	43.4	12	10.6	3.55	0.813
Vacant post tracking is												
well kept.	8	7.1	23	20.4	45	39.8	25	22.1	12	10.6	3.09	1.065
There is slow decision												
making to bring the												
finalists on board.	8	7.1	16	14.2	60	53.1	18	15.9	11	9.7	3.07	0.988
Owners' interference in												
the recruitment process is												
under practice.	4	3.5	15	13.3	27	23.9	55	48.7	12	10.6	3.5	0.974

N.S= Not Significant, S.S= Slightly Significant, M.S= Moderately Significant, V.S = Very Significant, E.S= Extreemly Significant

4.2.2. Contributing factors for the turnover of employees in the GIFT Construction Company

Different questions posed to see what factors contributed to the turnover of employees and the retention practice of the company under study.

As shown in Table 4.3 below, the responses for the questions are summarized as follows:

To start with the employees' interaction with their supervisor, 27.5% (20.4+7.1) of the respondents agreed that it is bureaucratic, 29.2% (23+6.2) of the respondents disagreed and 43.4% are reluctant or neutral.

When coming to recognition of employees' contribution by their supervisors, 53.1% (23.9+29.2) of the respondents agreed there is recognition, 29.2% (23+6.2) disagreed with the existence of recognition and 17.7% of the respondents agree moderately, meaning they have neutral feeling.

On the financial problem to promote employees, 46.9% (24.8+22.1) of the respondents agreed on the financial problem, 39.8% (15.9+32.9) disagreed on the existence of financial problem when it comes to promotion and 13.3% of the respondents are indifference.

69.9% (53.1+168) of the respondents agreed that the market is competitive to get new job, 7.1% disagreed on this and 23% of the respondents are moderate or neutral.

Regarding communication between the management and the employees, 61% (54+7.1) agreed that there is poor communication, 29.2 (19.5+9.7) disagreed and only 11% of the respondents were indifferent.

When asked about the grievance handling of the owners, 44.3% (23.9+20.4) of the respondents agreed that they are reluctant to interfere and solve. 35.4 % (31.9+3.5) of the respondents didn't agree and 20.4% of the respondents are in between; neutral.

For the question about decision making about the HR officials, 63.8% (43.4+20.4) of the respondent agreed that there is significant delay, 23% (19.5+3.5) of the respondents on the other hand disagreed and 13.3% of them are neutral on their responses.

61% (50.4+10.6) of the respondents responded that new and higher positions are offered to external employees or applicants, 22.1% (12.4+9.2) responded they do not agree and 16.8% of the respondents are neutral on their answers.

Finally, on the duration of project contracts, 56.6% (33.6+23) responded there is significant unrealistic imposition, 30% (16.8+13.3) of the respondents disagree on the presence of unrealistic imposition and 13.3% of them were neutral.

From the above responses, it can be seen that the major factors contributing for the separation of Employees are lack of recognition, the competitiveness of the market to get new employment, poor communication between the management and the employees, slow decision making process of the HR department, giving priority to external employees when it comes to higher position and unrealistic imposition on the contract duration of projects. Financial problems to entertain promotion and owners reluctant to handle grievances are also factors contributing for separation. The bureaucratic nature of the office operation is not something negligible.

Table 4.3. Analysis of the factors contributing for the employees' turnover

Descriptions	N	.S	S	.S	M	.s	V	.s	E.	.S	Mean	Std. Deviati
	Freq.	%		on								
Employee's interaction with their supervisors is bureaucratic.	26	23	7	6.2	49	43.4	23	20.4	8	7.1	2.82	1.204
Employees are not recognized for their best contribution.	7	6.2	26	23	20	17.7	27	23.9	33	29.2	3.47	1.296
There is a financial problem to promote employees.	18	15.9	27	23.9	15	13.3	28	24.8	25	22.1	3.13	1.417
The market is competitive to get new job.	8	7.1	-	-	26	23	19	16.8	60	53.1	4.09	1.184
There is poor communication between the management and employees.	22	19.5	11	9.7	11	9.7	8	7.1	61	54	3.66	1.64
Owner/s are reluctance to interfere when grievance is reported by employees.	4	3.5	36	31.9	23	20.4	27	23.9	23	20.4	3.26	1.208
The decision-making by the HR officials is slow.	4	3.5	22	19.5	15	13.3	23	20.4	49	43.4	3.81	1.281
New and higher positions are offered to external employees.	14	12.4	11	9.7	19	16.8	12	10.6	57	50.4	3.77	1.464
Unrealistic imposed contract duration on projects cause frustration on employees. N.S= Not Signigficant, S.S= 5	15	13.3	19	16.8	15	13.3	38	33.6	26	23	3.36	

4.2.3. The retention practice to hold employees in the company

The responses related to the retention practice in the GIFT Construction Company, as summarized in table 4.7 below are as follows:

On the attractiveness of salary, bonus and benefit packages, 76.7% (69.9+6.8) of the respondents disagree, only 6.2% responded as attractive and 7.1% are neutral. This shows that majority of the respondents believe it is not attractive.

Regarding training and staff development, 62.8% (38.9+23.90) of the respondents responded that there is significant gap in capacitating employees, 23% (10.6+12.4) of the respondents agreed on the availability and 4.2% are neutral.

67.2% (56.6+10.6) of the respondents know that there is health and safety insurance, 14.2% may not know about the existence of this policy and 8.6% do not know about the policy at all.

On the working environment, 36.3% (19.5+16.8) of the respondents agreed that there is conducive work environment, 23% (15.9+7.1) of the respondents disagree with the existence of good working environment. 40.7% of the respondents remain indifference, which is not a good sign for the company.

When asked whether the management cares for the employees or not, 30.1% (23+7.1) of the respondents agreed that the management cares, 46.9% (30.1+16.8) of the respondents totally disagree and 23% are neutral.

69.9% (30.1+39.8) of the respondents responded that there is significant gap in handling performance appraisal regularly, only 9.7% (3.5+6.2) agreed with the regularity of the performance appraisal and 20.4% responded moderate, which shows that either they are not conversant about the process or they preferred silence because it is a process visible to see and witness.

When asked about the team work and employee interaction among themselves, 29.2% (13.3+15.9) of the respondents agreed for the existence and being commendable, 22.1 %(15.9+6.2) disagreed for its existence and 48.7% remained neutral. This neutral position is not normal for such a variable and the student researcher observed that there is significant gap on this area.

Finally, when it comes to the equal treatment of employees, 66.3% (50.4+15.9) of the respondents agreed that there is significant gap in treating employees equally. 19.5% responded there is equal treatment and 14.2% responded neutral.

From the above responses, it shows that GIFT Construction company management need to work on the retention mechanisms to retain skilled and qualified employees. There need to be a survey on salary and benefit packages which the highest dissatisfaction rate is observed. Training and staff development, regular performance management system, reward system and equal treatment of employees are areas which need more attention.

Table 4.4. Analysis of the retention practice to hold Employees

	N	ı.s	S.S		M.S		V.S		E.S			Std. Deviat
Descriptions	Freq.	%	Freq.	%	Freq.	%	Freq.	%	Freq.	%	Mean	ion
Salary, bonus and benefit												
packages are attractive.	79	69.9	19	16.8	8	7.1	0	0	7	6.2	1.56	1.069
Training and development												
program is intact to capacitate												
employees.	44	38.9	27	23.9	16	14.2	12	10.6	14	12.4	2.34	1.405
Insurance coverage for health												
and safety is in place.	16	14.2	-	-	21	18.6	12	10.6	64	56.6	3.96	1.429
Work environment is good.	18	15.9	8	7.1	46	40.7	19	16.8	22	19.5	3.17	1.281
Management cares for												
employees.	34	30.1	19	16.8	26	23	8	7.1	26	23	2.76	1.525
Performance appraisal is												
conducted regularly.	34	30.1	45	39.8	23	20.4	4	3.5	7	6.2	2.16	1.09
Promotion and reward is												
practiced as per the												
performance of employees.	35	31	37	32.7	15	13.3	7	6.2	19	16.8	2.45	1.42
Teamwork and employee												
interaction is commendable.	7	6.2	18	15.9	55	48.7	15	13.3	18	15.9	3.17	1.077
All employees are treated												
equally (not partially).	57	50.4	18	15.9	16	14.2	0	0	22	19.5	2.22	1.54
N S= Not Signioficant S S= Sli	ohtly S	ionifica	nt MS	= Mod	eratek	, Signif	icant I	IS = V	Very S	ionificat	nt ES=	

N.S= Not Significant, S.S= Slightly Significant, M.S= Moderately Significant, V.S = Very Significant, E.S= Extreemly Significant

4.2.4. Self – Assessment: How do employees rate themselves in the company?

In this section; for the sampled employees/respondents were given a chance to assess themselves on the areas the student researcher identified as expectations from a company employee/s. The questions in table 4.8 below and the rating of their responses are narrated here in below:

To start with the mission and vision of the company, 39.9% (33.6+6.3) of the respondents responded they are conversant, 23.9% responded they are not familiar and 7% of the total respondent remained neutral. This is a wakeup call to the management of GIFT Construction Company as majority or all of the sampled employees should know the organization's mission and vision and work towards the attainment of the same.

54% (31.9+23) of the respondents responded that they share the value of the company, 16.8% (13.3+3.5) responded they don't share the value of the company and 28.3% remained neutral. When totaling 16.8 and 28.3, 45% of the employees do not share the values of the company which is not normal for a company. Values are the way an organization operates and are not optional.

When it comes to loyalty, 87.6% (77.7+10.6) of the respondents believe they are loyal to their company, 6.2% responded they are not loyal and 6.2% remained neutral. Mostly, people do not dare to say I am loyal and the student researcher observed this when discussing with some of the groups.

93.8% of the respondents responded they are good team players and only 6.2% didn't agree. There was no neutral person to abstain or remain indifference about this variable.

With regard to updating oneself on the HR and other policy issues, 45.2% (31.9+13.3) of the respondents answered as they are updating themselves, 44.2% (336+10.6) of the respondents said they do not update themselves and 10,6% remained neutral; either they don't update themselves or they don't want to say anything about their level.

80.5% (46.9+33.6) of the respondents answered they are accountable for the company's business, no one disagreed but 19.5% remained indifference. This is also another issue the management shall take into account.

Final in this group was sharing of innovative ideas to sustain the company business. For this question, 56.7% (43.4+13.3) of the respondents agreed on sharing their innovative ideas, 37.2% remained neutral and only 6.2% responded they don't share their ideas. This is also another area which need consideration as a total of 43.4% (37.2+6.2) retreated not to share their innovative ideas to the company.

All in all, from the responses above, one can conclude that the company has significant number of employees which responded they are good team players, accountable and loyal. If they are given a chance for training and self-development on the mission, vision, values and other policy issues, they will become more accountable and productive teams.

Table 4.5 Analysis of Self – Assessment of respondents

	N.	.S	s s.s		М	M.S		V.S		.S	Mean	Std. Deviatio
Descriptions	Freq.	%	Freq.	%	Freq.	%	Freq.	%	Freq.	%		
I know the mission and vision of												
the company	-	-	27	23.9	7	6.2	41	36.3	38	33.6	3.8	1.151
I share the value of the												
company	4	3.5	15	13.3	32	28.3	26	23	36	31.9	3.66	1.162
I feel I am Loyal to the company	7	6.2	-	-	7	6.2	12	10.6	87	77	4.52	1.061
I am a good team player	7	6.2	-	-	-	-	22	19.5	84	74.3	4.56	0.999
I update myself on the HR and												
other policy issues	12	10.6	38	33.6	12	10.6	36	31.9	15	13.3	3.04	1.274
I am accountable for the												
company business.	-	-	-	-	22	19.5	38	33.6	53	46.9	4.27	0.771
I share innovative ideas to			•		•							_
sustain the business.	-	-	7	6.2	42	37.2	15	13.3	49	43.4	3.94	1.029
N.S= Not Signigficant, S.S= Slig	htly Si	enifica	nt, M.	S = M	oderat	elv Si	enificar	nt, V.S	S = Ve	rv Sie	nificant	, E.S=

N.S= Not Significant, S.S= Slightly Significant, M.S= Moderately Significant, V.S = Very Significant, E.S= Extreemly Significant

4.2.5. The external factors that are challenging the HR functions in the GIFT Construction PLC.

It is obvious that there are external factors which are beyond the control of the company, which are affecting its operation. The HR practices are also part of this to be affected by the external factors. Knowing these factors will help the management to draw a workable strategic plan towards managing its employees effectively.

Table 4.9 below is to summarize the external factors that are challenging the HR practices of the case company. The HR practices in this study are the HR Practices; recruitment, retention and separation/or turnover.

Accordingly, from among the external factors high living standard is considered. 69.9% (53.1+16.8) of the respondents answered that there is high living standard to contribute as external factor, 7.1% disagreed and 23% remained neutral about this issue.

86.7% (63.7+23) of the respondents fill that other construction companies have attractive benefit package than their own company, 3.5% of the respondents disagreed and 97% remained neutral.

Majority of the respondents, 67.3% (54+13.3) agreed that the company is offering higher posts to external applicants than internal candidates, 16.8 (10.6+6.2) disagreed with this concept and 15.9% remained neutral.

With regard to the availability of other construction company to attract the talents, 49.6% (23.9+25.7) of the respondents agreed, 16.8% disagreed and 33.6% were neutral. From the discussion, the student researcher understood that it is not the availability of a construction company close by that attracts talent, rather, websites and job adverts are good attractions.

Final to this part is competition to get more business projects. 66.4% (36.3+30.1) responded there is significant competition as there are many construction companies operating in the town in the same level with GIFT Construction Company. 13.3% responded the competitors' presence is insignificant and 20.4% remained neutral.

As can be seen from the above analysis, companies are adversely affected by the existence of external factors, which also affect the HR practices in the company. The management need to consider all the factors (internal & external) which affect the operation of the company, in order to remain competitive and productive.

Table 4.6. Analysis on the external factors challenging the HR functions

	N.:	S	S.S		М	M.S		V. S.		s	Mean	Std. Deviati on
Descriptions	Freq.	%	Freq.	%	Freq.	%	Freq.	%	Freq.	%		
The living standard is high.	-	-	8	7.1	26	23	19	16.8	60	53.1	4.16	1.014
Other competitor companies have attractive packages.	-	-	4	3.5	11	9.7	26	23	72	63.7	4.47	0.814
Higher posts are offered to external applicants than internal candidates.	7	6.2	12	10.6	18	15.9	15	13.3	61	54	3.98	1.302
Other construction Companies are available close-by the company to attract talents.	-	-	19	16.8	38	33.6	29	25.7	27	23.9	3.57	1.034
Competition is high to get more business projects. N.S= Not Signigficant, S.S= S	- Slightly	- Signi	15 ficant, I									

Extreemly Significant

4.2.6. The shareholders and the managers' effort to address internal and external challenges.

In this section of the question, respondents were given a chance to answer how much the shareholders and the managers are tactful in addressing internal and external issues that are affecting the HR practices. The respondents answer for each question is summarized in table 4.10 below.

The first question in this section was on familiarity of employees on labor law and the company HR policy and procedures. Accordingly, 63.7% (26.5+37.2) of the respondents believe there is significant gap and 10.6% (3.5+7.1) of the total respondents agreed. 25.7% of them remain neutral. This indicates that majority of the employees are not conversant about the labor law and the HR policy and procedures in place.

55.8% (30.1+25.7) of the respondents disagree on the responsiveness of the shareholders and the managers on grievance issues, only 6.2% of the respondents agreed and 38.1% remained neutral. This indicates that grievances are not well entertained and addressed in the company.

When asked about the trend on salary and benefit package revision to cope up with the cost of living standard, 82.3% (44.2+38.1) of the respondents mentioned that there is no this practice in this company, 7.1% responded there is regular revision and 10.6% of them remained neutral. The student researcher tried to find out data from secondary sources about the availability of any salary survey or benefit packages. The Admin and HR Manager of the company was interviewed on this particular issue and the increment is not on regular basis as the cost of living adjustment, but depending on the profitability of the company, which didn't happen for the last three years.

The final question was to know about the formation of labor union. The reason the student researcher posed this question is that from experience and its purpose, Labor Union represent the collective interests of workers in negotiations with employers over benefits (salary and other packages) and working conditions and acts as an advocate on the employees' behalf. When asked, most of the respondents even didn't know about its existence and benefit. But if given a chance, majority of them, 69.9% (54+15.9) believe that the employer or the management is not willing for having such union that protects the employees. 9.7% of the respondents believe the shareholder and/or the management will be willing if asked to have a labor union and 20.4% have neutral feeling.

All in all, As can be witnessed on the below table, which depicts the relationship between the employees and the shareholders and the management with regard to the selected HR practices and productivity, all HR practices under emphasis are found to have a significant correlation with productivity from the above questions, the student researcher observed two things; one is that there is significant gap between the shareholder and the management with the employees. On the other hand, the employees themselves are not conversant with the HR policies and procedures to address issues they might have.

Table 4.7. Analysis of shareholders and the managers' effort to address internal and external challenges

	N.S		S.S		M.S		V.S		E.S			Std. Deviat
Descriptions	Freq.	%	Freq.	%	Freq.	%	Freq.	%	Freq.	%	Mean	ion
Employees are familiar with												
labor law and company HR												
policy and procedures.	30	26.5	42	37.2	29	25.7	4	3.5	8	7.1	2.27	1.112
Grievance is responded timely												
and objectively.	34	30.1	29	25.7	43	38.1	7	6.2	-	-	2.2	0.946
Salary and benefit packages												
revised regularly to cope up												
with the cost of living standard.	50	44.2	43	38.1	12	10.6	8	7.1	-	-	1.81	0.895
Employees are encouraged to												
form labor union.	61	54	18	15.9	23	20.4	11	9.7	-	-	1.86	1.06

N.S= Not Significant, S.S= Slightly Significant, M.S= Moderately Significant, V.S = Very Significant, E.S= Extreemly Significant

There were three sites when this study was started. These sites were the sites where the sister company, GIFT Real Estate constructs houses to its customers. GIFT Construction took 90% of the contract from the real estate, to construct the houses. One of the sites was fully completed and handed over to the customers while collecting date for this study. Most of the project and non-project employees are working on the remaining two sites. In addition, the company takes new contracts with other companies.

On the survey questionnaire, an open-ended question was included to give respondents an opportunity to express their view focusing on the HR system and productivity of the company. On these question, not all 113 respondents wrote a response and only 54 respondents give their views and the student researcher considered and summarized all responses. The focus group discussion was conducted with few management and middle management group. Accordingly, the responses from each respondent, discussions and the researcher's observations are summarized and presented in the succeeding paragraphs below.

Respondents indicated that HR related issues have impact on productivity of the GIFT Construction Company. They noted that employees should be given due recognition for their

contribution. Majority of them being site workers, they blamed themselves for not being conversant on the HR policies and procedures. They believe the HR should take the responsibility to enable the employees know their responsibilities and rights.

Majority of them wrote about lack of transparency on the HR practices of recruitment. As they wrote, there is no training and staff development program to connect employees with the management. Because of this, as they said, there is significant gap between the employees and the management.

One of the respondent mentioned that once the company hire an employee, it doesn't consider how valuable that employee is. Mostly the construction work is done at the site. Most of the respondents doesn't have direct impact but employee turnover factored by low salary, lack of training, shortage of skilled manpower, lack of uniform incentive package, and lack of employee-job matching do have direct as well as indirect implication on the company productivity.

There were also respondents who stated that company competitiveness and productivity has no relation with HR because the fundamental factors are outside the scope of HR related issues. They indicated that poor decision making and lack of financial sources that caused lack of raw material supply have been mentioned as major factors.

The researcher observed the gap between the management and the employees on the HR related issues. The mix of employees as mentioned earlier, are project employees, non-project employees, site engineers and other support staffs (accountants, admin and operation). The project employees feel like they are contract employees who will be staying with the company only projects are available. They do not consider policies and procedures as important documents. On the other hand, the responsible managers didn't give due attention on providing training on HR matters. This is also a significant gap observed. Some of the ideas in the questioner were new to some of the respondents and this was because they were not familiar with HR practices, policies and procedures.

CHAPTER FIVE

SUMMURY OF FINDINGS AND RECOMMENDATIONS

INTRODUCTION

This chapter includes the summary of findings and recommendations that would help in solving the challenges that GIFT Construction Company has in recruiting and retaining the valued project employees and how the turnover of valued employees is affecting the operation of the company. The research is also analyzed how the existing Human Resource Management policy is applied, practiced and used by the project managers as a guideline to serve as a tool to motivate the employees and enhance competitiveness of the case construction company.

The first objective of this study was to assess how the HR practices; recruitment, Retention and turnover are exercised in the GIFT Construction Company. The second objective was identifying the relevance of the selected HR functions in use for the operation of the company. The third objective was to assess the HR functions, identify gaps in their execution and recommend remedy to close gaps in executing the HR functions and the fourth objective was showing the important role the HR functions may have for firm's strategic goal attainment.

Based on the objectives the student researcher analyzed the relevance of the selected HR functions; recruitment, retention and turnover and summarized the findings and finally provided possible recommendations.

5.1. Summary of findings

Based on the results of the analysis of respondents' responses, desk review, focus group discussion and observations, the following findings are drawn.

In assessing how the HR functions; recruitment, Retention and turnover are exercised, (Table 4.2)

- One of the HR functions under study is recruitment. According to the responses summarized in the analysis part above, from the total of 113 respondents, 72 of them which is the 63.7% believe that there is significant delay in filling out vacant positions. It is clear that when recruitment is delayed, existing employees will be burdened shouldering the tasks and responsibilities of other employees which at the end decrease efficiency and effectiveness, resulting less productivity.
- Internal candidates are the most valuable asset of the company. Regarding the opportunity for new and higher positions that the internal candidates are given, 63.7% of the respondents responded adversely. This shows that mostly, new and higher positions are filled out by new employees from outside. This affects the existing and experienced employees, which at the end causes for their separation or turnover. Losing experienced and qualified employee who knows the project very well is a huge cost to a company.
- Though majority 54% agreed that recruitment is made based on qualification and experience, 9.7% disagreed and 36.3% of the respondents remained neutral and this indicates that there is no uniformity on the recruitment and selection process. Delay on deciding on filling vacant post is also one of the area the respondents agreed. It is the HR department and the responsible management which shall be responsible in the recruitment process whereas majority of the respondents agree the owners interfere.

When looking into Retention, this area seems not given the due attention. The following conclusion is drown from the analysis. (Table 4.4)

- One of the many factors to retain employees is the attractiveness of salary, bonus and benefit packages. It shows that 76.7% of the respondents have dissatisfaction. This is very significant number. Another HR practice which holds and satisfies employees is availability of training and development program in the company. Accordingly, 62.8% of the respondents responded that there is significant gap in capacitating employees, which is another area which the management and the shareholders need to give due attention and take action.
- Regular performance appraisal is one of the means to encourage employees. When it is correctly
 practiced, it is followed with promotion, salary increase, training and other actions which will
 have a positive impact on the retaining of employees. However, according to the responses,

69.9% responded that there is significant gap in handling performance appraisal regularly. 20.4% of the respondents have given this a moderate rating, which shows that either they are not conversant about the process or they preferred silence because it is a process visible to see and witness.

66.3% of the respondents believe that there is unequal treatment of employees in place. This will
also have adverse impact on the retention of valuable employees and is the area which the
management shall consider.

There are many factors observed which are contributing to the turnover of employees. There is no one employee leaving his/her company without compelling reason/s.

- Internal Factors: the above bulleted points (as summarized in Table 4.4) as retention mechanisms, when unfulfilled contribute to the turnover of employees. Employees need to have good salary and benefit packages for the job, conducive working environment, equal treatment or justice when rules and procedures violated, regular feedback for their performance, training and development are the most important factors which need to be fulfilled in order to hold employees before they are separated. Besides, the management need to treat all employees as valuable asset.
- External factors: though these are beyond the capacity of the company, surveys shall be conducted on how other competitors are operating and what kind of HR practice they bring on place to hold their valuable employees. The cost of living standard, the benefit package they have, the way they are attracting and retaining talents shall be studied. Because almost 70% of the respondents agree that the company is not considering the cost of living standard, 86.7% of them believe other construction companies are higher payers.
- Final to the external part is competition to get more business projects. 66.4% responded there is significant competition as there are many construction companies operating in the town in the same level with GIFT Construction Company, which is affecting the productivity and profitability of the company.

The basic purpose of this insightful descriptive research was to investigate the role of the selected HR functions; recruitment, retention mechanism that they can play in minimizing the high turnover/separation of qualified, experienced and valuable human resources and the effect they have on the performance, productivity and profitability of GIFT Construction Company. The study was made based on the variables the student researched depicted mainly based on the structured questioner and the desk review of available documents in the company. The focus group discussion held with the selected management group of the company and the shareholder is included in the study. Generally, the study has attempted to draw the following findings from the survey and the observation:

- The existence of the different HR functions, and the HR system in general is at its development stage and not well communicated to the employees.
- The HR department is not looking into the gap between the management and the employees towards finding a better solution.
- Though the study focused on project human resources, non-project employees were also included in the study. What makes the project employees different is that the project deliverables are time bound and their stability is crucial to deliver the projects in schedule without excess cost.
- Employee Training and development programs for the capacitating and empowering of the existing employees is not provided the due attention. This practice is both to the project and non-project employees.
- New job openings and higher positions are not given to internal candidates. Though bringing new blood to the organization is another dimension or advantage to the organization, the existing employees shouldn't be disregarded.
- The HR policy document is not existing. Rather, the company is working on the sister company's manual or policy.
- Employee satisfaction results in customer satisfaction, and create sustainability to the business works. This is not considered.

- Retention mechanism is not there to hold experienced and qualified employees; be it project and nonproject employees
- The business is functioning in a highly competitive market which will make it vulnerable if not
 considering the HR best practices to train, develop and retain existing employees based on their
 competencies and experiences.
- There is no regular performance management process
- Salary survey has not been conducted and the competition of the market in the HR area is not considered.
- The role of HR department on organizational performance is not proactive but more of administrative.

5.2. Recommendations

Human Resources functions are strategic partner for a business when it presents a tangible support for a company to be competitive in the market. Organizations need to closely identify HR functions that have a higher impact on company performance and execute these practices by avoiding any loop holes that inhibit their effectiveness and result in higher enhancement of the HR system. For a project, either to succeed or fail, its human resource, the project teams take the major role. They are one of the stakeholders that have impact on the project success. The project staff contributes to the project, or can make or break the project larger than one can think.

Accordingly, to minimize the turnover of valuable employees and retain them in the case company, the following recommendations are forwarded:

Regarding recruitment processes, the company need to have selective hiring practice.
 Recruitment process shall be given due attention from the planning and budgeting perspective.
 This will help the company to be able to attract and select the best employees out of the labor market which is critical in ensuring both the short term & long-term existence of the company.

In doing this it will also possible to minimize the cost of wrong recruitment, the costs related to employee-employer relations and brings team spirit and commitment.

- When coming to retention, attractive salary and benefit package is critical. In order to attract, motivate and retain employees, the company needs to conduct regular survey of the external labor market. In addition, the company needs to take immediate action to resolve the drawbacks.
- Supervisors or managers need to be committed for their employees (subordinates) development, and they have to be engaged in the need analysis and human capital development coordinated with the HR department. Skill development trainings are another important elements which the GIFT Construction management need to consider. If this is also practiced, employees would be encouraged and it will help as retention mechanism and also to reducing turnover of employees. Staff development will be effective when their specific area of improvement is identified with need analysis otherwise the effect will not be recognizable.
- Regular performance management system has to be in place and the management, particularly the immediate supervisors need to identify the areas of improvement which their subordinates need the coaching & mentoring. The performance management practice will also be a good input for a number of administrative decisions including compensation, training, career development & succession planning. Therefore, the company need to create this system for these decision that affect employee morale and commitment.
- The management need to be as close as possible with the employees. The modern management system encourages open door policy. There should be regular meetings and informal gatherings to minimize the gap between the management and the employees.
- The employees need to be familiar and connected with the mission, vision and values of the company. The management and the shareholders need to create a regular platform to enable the employees to be connected with the big picture, the purpose and goal of the company.
- The GIFT Construction Company is using the HR manual of the sister company, the GIFT Real Estate. Instead, it is advised to have a corporate HR policy which all GIFT Business companies can be guided with, for differences in some HR practices, they shall be advised to have an addendum tailored to their respective company.

As can be seen from the above summary, companies are adversely affected by the existence of external factors, which also affect the HR practices in the company. The management need to consider all the factors (internal & external) which affect the operation of the company, in order to remain competitive and productive. The GIFT Construction company management need to work on the retention mechanisms to retain skilled and qualified employees. There need to be a survey on salary and benefit packages which the highest dissatisfaction rate is observed. Training and staff development, regular performance management system, reward system and equal treatment of employees are areas which need more attention. In doing this it will be possible to retain employees and minimize, if not possible to eradicate the separation/turnover of qualified employees. All GIFT business companies need to closely identify HR practices that have a higher impact on company performance and execute these practices by avoiding any loop holes that inhibit their effectiveness and result in higher enhancement of the HR system.

All in all the HR department must be strategic partners in enhancing the organizational performance.

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ANNEX: QUESTIONIER

This questionnaire is prepared to obtain information from key respondents on structured

questions. The key respondents are the shareholders, project managers and employees of GIFT

Construction PLC. The information is required for the academic research entitled "Project

Human Resources Management Practices and Challenges in GIFT Construction Private Limited

Company". The research is being conducted as partial fulfillment of MBA in Project

Management. The main objective of the research is to identify the HR management practices and

challenges focusing on HR functions of recruitment, retention and separation/turnover, to

identify what the challenges are and then make recommendations based on the findings.

This questionnaire consists of six sections;

• Section A is on general information about company and the respondent/employee,

• Section B contains practices and trends of recruitment and factors affecting this human resource

practice,

• Section C contains factors for separation and the retention mechanism that is implemented in the

company.

• Section D contains self-assessment to the respondent to tell about his/her role in the company

• Section E is for the external factors challenging the HR practices of GIFT Construction PLC

Section F is on the shareholders and managements' effort to address the challenges on the HR

challenges

At the end there is a space that is provided to respondents for their general comments regarding

the research topic/areas.

Please be informed that your response, in this regard is highly valuable and influential to the

outcome of the research. All feedback will be kept strictly confidential, and utilized for this

academic research only.

Thank you,

SECTION A: GENERAL COMPANYAND PERSONAL INFORMATION

54

1.	Name of Company:					
2.	Respondent's employment type.					
Pen	manent Temporary		Con	sultant/fr	eelance	
3.	Respondents designation:					
Sha	reholder of Company Project manager	Project	Staff	Non Proj	ect Staff	•
		[
Site	Engineer Other					
4.	Gender of the Respondent					
Fen	nale Male					
5.	Working experience of Respondent with th	e compan	y (Year	s of servi	ce):	
	\square <2Yrs \square 2-4Yrs \square >4	Yrs				
	CTION B: RECRUITMENT PRACTICES FUNCTION IN GIFT CONSTRUCTION I		E FAC	CTORS A	AFFECT	TING THIS
	ase indicate the significance of each factor by cators.	ticking th	e appro	priate bo	oxes usir	ig the below
E.S	. = Extremely Significant (5); V.S. = Very	Significan	t (4);			
M.S	S. = Moderately Significant (3); S.S. = slight	ly signific	ant (2);	N.S. = N	lot Signi	ficant (1)
No	Factors	E.S.	V.S.	M.S.	S.S.	N.S.
		(5)	(4)	(3)	(2)	(1)
Recr PLC	ruitment practices and the factors affecting	this HR	functio	on in GII	FT Con	struction
a	There is clarity on recruitment & selection process					
b	Vacant positions replaced without delay					
c	Internal candidate are given equal					

	opportunity to compete for vacant posts				
d	Recruitment is based on qualification & experience				
e	Vacant post tracking is well kept				
f	There is slow decision making to bring the finalists on board				
g	Owners interference in the recruitment process is under practice				
RET	TION C: FACTORS FOR SEPARATENTION MECHANISM IN THE GIFT CO	NSTRU(CTION) THE
C.1.			5 5		
a	Employees interaction with their supervisors is bureaucratic				
b	Employees are not recognized for their best contribution				
С	There is financial problems to promote employees				
d	The market is competitive to get new jobs				
Е	There is poor communication between the management and employees				
F	Owner/s are reluctance to interfere when grievance is reported by employees				
G	The decision-making by the HR officials is slow				
Н	New and higher positions are offered to external employees				
i	Unrealistic imposed contract duration on projects cause frustration on employees				
C.2	What kind of Retention Mechanism is in pl	ace to ho	ld emp	loyees	

a	Salary, bonus and benefit packages are attractive					
b	Training and development program is intact to capacitate employees					
С	Insurance coverage for health and safety is in place					
d	Work environment is good					
e	Management Cares for employees					
f	Performance Appraisal is conducted regularly					
g	Promotion and reward is practiced as per the performance of employees					
h	Teamwork and employee interaction is commendable					
i	All employees are treated equally (no partiality)					
	TION D: SELF-ASSESSMENT: HOW D MPANY	O YOU	RATE	YOUR	SELF I	N THE
a	I know the mission and vision of the company					
b	I share the values of the company					
c	I feel I am loyal to the company					
d	I am a good team player					
e	I update myself on the HR and other policy issues					
f	I am accountable for the company business					
g	I share innovative ideas to sustain the business					
SEC	TION E: THE EXTERNAL FACTORS T	HAT AR	E CHA	LLENG	ING TI	HE HR

PRA	CTICES IN GIFT CONSTRUCTION PLC					
a	The living standard is high					
b	Other competitor companies have attractive packages					
c	Higher posts are offered to external applicants than internal candidates					
d	Other Construction Companies are available close-by the company to attract talents					
e	Competition is high to get more business projects					
	TION F: SHAREHOLDERS AND THE MA ERNAL & EXTERNAL CHALLENGES	NAGEM	IENT I	EFFORT	TO AD	DRESS
a	Employees are familiar with labor law and company HR Policy and procedures					
b	Grievance is responded timely and objectively					
c	Salary and benefit packages revised regularly to cope up with the cost of living standard					
d	Employees are encouraged to form labor union					
e	Staff training and development is practiced in the company					
f	Employees are treated as valuable asset of the company					
g	Employee separation is documented with exit form/interview					

11	you have additional	comments, you are	c killary requested	i to write here in below	•

Thank you for your time in filling in this questioner!