Interrelation between Psychological Contract Breach and High Turnover: A case study from an HR Shared Service

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ABSTRACT

Interrelation between Psychological Contract Breach and High Turnover: A case study from an HR Shared Service.

Davide Giuliano

The Irish economy is characterised by an incredible dynamism and constant growth and the companies are currently struggling to operate on this unstable market. Consequently, organisations are constantly competing to get the brightest talent and keep the high-performing employees. Not all of them have the resources to challenge the market. Therefore, it becomes fundamental to fully enhance the potential of the organisations in order to compensate for the lack of economical capability. The competitive advantage can be reached through a deep understanding of their own labour force. Psychological Contract has been individuated as the key element to understand the workforce and consequently enhance employees' engagement and retention. There is a gap in the literature about the Psychological Contract in the HR Shared Service context. The chosen methodology has been the Case Study in order to achieve the research objective and the sub-objectives. Data have been collected through ten interviews conducted between the employee and the management at various lengths of services in order to investigate different perceptions on Psychological Contract and mutual expectations. The research investigated the high turnover of the company in relation to the psychological contract. It has been found that the organisation is not completely aware about the PC and his function, but the interviews helped to explore the elements of the PC and identify possible breaches in it. Through the literature review, it has been possible to outlines feasible and practicable ways to reinforce the Psychological Contract and therefore, potentially reduce the turnover. A more effective HR Strategy can be implemented by working on the existent processes and tailoring them based on the employees' characteristics.

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To my parents and my sister. I wouldn't achieve anything in my life without their constant support and love. I will always belong to them and they will always belong to me.

To my family. They have never left me alone in any of my journeys.

To my friends. They constantly tolerate my moody and weird behaviors.

CONTENTS

I - INTRODUCTION

The Irish economy has been recently living a favourable growth; The GDP has risen to 5% in 2014 and to 2% in the last year, leaving behind many European States (McQuinn et al., 2015). The trend positively affects the labour market, causing a significant reduction in the unemployment rate (McGuire, 2015). The most recent National Skills Bulletin (Behan et al., 2015) reveals the collateral effect of this growth: shortage of skills and qualified personnel; this reality is especially reflected in the service sector (e.g. office support staff), where there is an evident difficulty in filling vacancies (Manpower, 2013). According to the Bulletin (Behan et al., 2015), a high turnover is almost endemic in many sectors; it can include low skill jobs (e.g. care workers, sales workers, general clerks), elementary occupations (e.g. waiters, cleaners, catering assistants, security workers) and highly qualified jobs (e.g. IT professionals). A full comprehension of the psychological contract can become fundamental when the skill shortage comes in addition to a high turnover rate. Consequently, the HR management, influenced by the very challenging reality, needs to concentrate its strategy on inventive policies and original practices in order to bring in the organisation the best talent and to keep the key workers, developing specific programmes that merge incentives (bonus, stock option, reward etc.) and non-cash incentives (training, flexible hours, career path etc.) (Ermel & Bohl, 1997). The Psychological Contract, seen as the mutual obligations between employee and company, is also an element that is mandatory to consider. The employee creates an expectation that the company should satisfy; if this happens, positive outcomes will be generated. Otherwise, the performance will be compromised

(Robinson & Morrison, 1995). Also, Mitchell et al. (2001) defined the idea of 'job embeddedness' as interesting. It is based on three factors, determining for the retention: link (every social connection that the employee establish in the company), fit (the match between employee, role and organisation) and sacrifice (material and psychological renunciation that the employee does when leaving a job). A very high turnover also characterises the HR Shared Service of STAR, the second largest mobile telecommunications provider in the United Kingdom. In 2015, Deloitte (2015) conducted a survey on the Global Shared Services, identifying a turnover rate of 8.3% in front of an average target of 7.2%. The companies involved in the survey recognise Culture, Brand Reputation, Work-Life Balance, Job Rotation and Financial Support for education as the key elements to retain talents (Deloitte, 2015). Hurst and Good (2009) suggested that it is essential that organisations try to mitigate the difference between met and unmet expectations. My hypothesis is that the high turnover is caused by a breach in the Psychological Contract and this research aims to understand the mechanics of the PC in the HR Shared Service, identify the flow and determine potential solutions to reinforce it, referring to the literature. The idea is to use the qualitative method to study the psychological contract from the point of view of the current and the ex-employees as well as from the point of view of the organisation interviewing the management.

II - LITERATURE REVIEW

HR SHARED SERVICES

A large number of Multinational Companies redesigned their own HR strategy creating an HR strategic function that has a concrete impact on the overall business strategy and an HR administrative function that can deliver a better service to the employee and the manager (Cooke, 2006). During the last few years, the Human Resource function struggled and fought to find its role in the organisation and the new structure was finalised to recognise the HR not as a support system, but as a key element of the business strategy (Reilly, 2000).

Reilly (2000) identifies 3 key reasons to set up HR Shared Services:

- Cost (decreasing HR staff, diminishing accommodation cost, increasing efficiency)
- Quality (enhancing consistency and accuracy, improving employee experience, becoming more handy and reachable)
- Organisational Change (having a more flexible organisation, knowledge widely spread)

This is achieved by delegating to the Shared Services all the administrative tasks related to Payroll, Recruitment, Learning and Development, Pay Review, Benefits, Welfare etc. All these activities are delivered by the call centre and online platforms.

If we consider that the final purpose of HR SSC is to create value, it is necessary to cite an important research (Meijerink et al., 2013) that introduces the concept of transformational and transactional HR value. Transactional HR Services aim to accomplish administrative tasks for the employee and the organisation; they need to be accurate, precise and delivered on time. The value is created working on high volume at a low cost. Transformational HR Services aim to recruit, train and develop practices and procedure that can bring a concrete change to the organisation. The value is created by adding valuable resources to the organisation, enhancing skills and knowledge and customising the services.

The advantages of implementing HR Shared Services are clearly identified and defined, but there are also some 'side effects' on the staff that need to be considered and they are not deeply investigated in the literature. This research could also give information about this phenomenon.

The first main consideration that arises from the literature is that HR Shared Service could be negatively associated with call centres that didn't have a good reputation during the past few years (Korczynski, 2002). The HR staff is the custodian of the knowledge of procedure and policies that need to be recognised and valued; also, the shared services are permeated with the help of the organisational culture among employees and managers (Reilly, 2000). Cooke (2006) highlights that a focus that is too strong has been put on the administrative aspect of the HR job. Therefore, tasks and activities could become tedious and repetitive and the rationale behind policies and procedures is often not clear; as a consequence, the decisional power becomes very limited. The second main consideration is that there is no big room for improvement for the HR staff; the shared services are characterised by a very flat organisation that doesn't provide many chances to grow and develop one's own career (Cooke, 2006). Monitoring the performance through productivity and quality review, one can also be perceived as oppressive by the HR administrators and the basic routine of their job is perceived as a deskilling activity (Redman et al., 2007).

The HR administrative job is seen as a stepping stone and it could be attractive for neo-graduated and not high-skilled workers. An interesting research conducted by Redman et al. (2007) underlined that a delocalised team that works on the standard HR process can lack in the feeling of belongingness towards the organisation.

These described issues can result in a high turnover that takes down the cost advantage of a delocalised HR Shared Service.

TURNOVER

All the companies located in Ireland are forced to operate in a very tight labour market and the main challenges are to retain employees and consequently reduce the turnover

rate (Hunt & Rasmussen, 2007). CIPD (2014) defines the employee turnover as 'the proportion of employees who leave an organisation over a set period (often on a year-on-year basis), expressed as a percentage of total workforce numbers'. Glebeek and Bax (2004) identify turnover with an element that can clearly affect the company competitiveness; a low turnover rate lets the company spread the budget resources fairly and intelligently across the different organisational areas and allows the company to hold knowledge and skills. Therefore, turnover is a considerable cost for the organisation because it affects different areas and processes; it is a direct cost as it impacts processes such as recruitment and training while it is an indirect cost because it affects areas like engagement, knowledge, morale etc (Wallace & Gaylor, 2012).

Turnover is a very sensitive area for every organisation and investing in HR practices is seen as the way to improve performance and retain people (Uncles, 1995). Booth and Hamer (2007) identify 5 main areas that can affect the turnover rate. They are as follows:

- Degree of commitment
- Job satisfaction
- Trust and respect
- Manager support
- Career development and fairness
- Work condition and improvement

Therefore, HR practices such as recruitment, induction, training, performance evaluation, organisational culture, compensation and benefits become fundamental in the organisational strategy (Ongori, 2007). Also, they are an integral part of the elements of the Psychological Contract (Rousseau, 2001).

A recent research (Hom et al., 2017), analysing a century of turnover, deducted some practical suggestions in order to improve the employee retention. The employer should build up a recruitment process that includes objective criteria (personality, personal record, data etc.) and the compatibility between the candidate and the organisation. Also, the onboarding team should help the transaction from the previous company to

the new one, harmonising the employee's personality with the organisational culture. The Organisations should also constantly monitor the turnover rate and cost, deeply investigating into reasons and contexts. Hom et al. (2017) suggested to identify reluctant stayers and reluctant leavers because it can help to predict and reduce the turnover rate and also identify the replacement in advance. Nyberg and Ployhart (2013) theorised the concept of collective turnover described as *the aggregate quantity and quality of employee knowledge, skills, abilities, and other characteristics (KSAOs) depleted from the company.* A leaver doesn't bring just his knowledge with him, but it also causes repercussions on the entire team affecting the company's performance and influencing the context and those consequences are directly related to the position of the leaver and his interdependence with the team (Hale et al., 2016). The organisation, as a consequence of the turnover, passes through two main phases, disruption and recovery. The first occurs immediately after the event when the organisation has to cope with the loss of skills and knowledge; it impacts the performance negatively because the team has to compensate the tacit and explicit knowledge that has been lost, a new balance in the social relationship has to be created and the workload relapses on a smaller number of workers. The second is the time needed by the organisation to come back to the previous performance level; it depends on the team adaptability and capability; but training a new hire, re-balancing work and social relationships and assigning different tasks and activities require a considerable amount of time (Hale et al., 2016). Managers should be perfectly aware of disruption and recovery because they can set a strategy that involves the HR department and that reduces the negative impact of the turnover. Also, any strategy should aim to retain top talents even if the HR policies based on commitment and equity have been adopted by the company (Call et al., 2015). The connection between Psychological Contract and Turnover has been clearly stated in many researches. Therefore, a profound understanding of the PC and his status in any organisation can significantly help mitigate the turnover, enhancing the employees' commitment and engagement (Clinton & Guest, 2014).

PSYCHOLOGICAL CONTRACT

ORIGIN

Defining psychological contract is the first step to understand the enormous value that it has inside modern organisations. In his book, (Aigyris , 1960) described a particular relationship between foremen and workers based on the passive or the 'understanding' leadership, drawing attention to the forming of a new contract (psychological contract) that arises from the respect of the employee informal culture (i.e. not strict control on activities, gain an acceptable salary and have secure jobs). During the same period, an analogous concept on psychological contract came up. Levinson et al. (1962), interviewing a consistent number of employees, underlined the recurrence of the word 'expectation' and the idea that this expectation, implicit and unspoken, has to be reciprocal; on one side, (employee) has a sociable environment, secure job, and economic satisfaction, and on the other side, (employer) has efficiency, performance, dedication and flexibility. Clearly, at the dawn of the studies, it is possible to relate the idea of psychological contract with job security. Two authors, Edgar Schein and Denise Rousseau, lay the foundations for the modern concept of psychological contract, defining its importance in order to comprehend and handle behaviours inside organisations. Schein (1980) restated that a range of expectations is established between the employee and the organisation and that these assumptions are not related exclusively to performance or salary but also to the mutual rights, privileges and obligations. In employment, psychological contract refers to 'the system of beliefs that an individual and his or her employer holds regarding the terms of their exchange agreement. The unwritten understandings and informal obligations between an employer and its employees, regarding their mutual expectations of how each will perform their respective roles' (Rousseau, 1989). She brings the psychological contract to a new concept that arises from the sound and unavoidable conflict between the parties and their relationship determines the features of the mutual expectation and the consequent behaviours (Rousseau, 1995).

The latest studies show a growing interest in formation and violation of the psychological contract.

FORMATION

Rousseau (2001) has focused her interest on the relational sphere inside and outside the organisation; she believes that people create for themselves a mental schema. When this schema is influenced by past experiences and relations in the workplace and in daily life, it affects the stipulation of psychological contract and that interconnection and interaction between employees inside the organisation has a strong impact on PC, reducing the chances of its breach. Her theory has been confirmed by different studies. In the first months of employment relationship, interacting and sharing work-life moments decreases the workers' consciousness of their obligations towards the organisation (Tekleab, 2003). The employees' ability to integrate themselves into the organisation's reality may guarantee a positive influence on the psychological contract (Dulac et al., 2006) and the initial sensemaking process, through which newcomers comprehend, decipher and interact with new context; this impacts their initial mental schema (De Vos et al., 2003). It seems that socialisation can positively affect employee retention and performance at the beginning, decreasing the effects of first day jitters (Taormina, Robert J. & Bauer, 2000). Therefore, many companies have introduced induction programmes for newcomers. It begins at a phase that precedes the hiring and goes on during the first few months, decreasing turnover and making the employees rapidly and calmly engaged and committed (Conrad & Warwick, 2002). Socialisation diminishes the stress of the early work period, enhances early work effectiveness and improves new hires' job satisfaction and commitment. Employee expectations towards the organisation starts to materialise in a psychological contract during the recruitment process (Rousseau, 1995), when recruiters provide information about the company and the related benefits to work there. There is a strong relationship between recruiter behaviour and candidate's intention to accept the job because the first is identified as model company employee, contributing to create and develop expectations (Harn & Thornton III, 1985). Recruitment experience, related to psychological contract, is

nothing more than the first exchange of mutual promises between the organisation and the employee (Rousseau, 1989).

FUNCTION

Mc Farlane Shore and Tetrick (1994) raised the question about the function of the psychological contract. They determined that formal contracts, even if they clarify and establish many issues of employee-employer relations, cannot explicate every aspect of intricate correlation between the two parties; therefore, the tacit and mutual expectations that need to be satisfied to create a solid psychological contract, are the elements that complete that relation. It is possible to affirm that the fundamental PC function is to instil a greater sense of job security in the employees, which will be spurred on to perform their activities and obligations; secondly, it can help to understand and predict employee behaviours, consequently giving power to the organisation to control the work environment. Moreover, the employee will have the perception to be able to actively effect his or her own organisation (McFarlane Shore & Tetrick, 1994).

CHARACTERISTICS

MacNeil (1985) categorised two types of psychological contract, relational and transactional. The first contract has a temporary nature because, for a short window of time, an organisation requires specific competencies and abilities as compared to people who have them in order to perform particular activities; Therefore, the transactional contract that is devoid of any ambiguity, will not be personal involvement and general commitment towards the company (Rousseau & McLean Parks, 1993). The second contract can be defined as an open-ended relationship where, for an indefinite time, the employee and the employer create a strong connection of reciprocal needs. Thus, relational contract that is characterised by explicit and implicit terms, will include emotional involvement, openness to change, growth and development (Rousseau & McLean Parks, 1993). Conceptually, they are based on 5 elements that are as follows: focus, stability, scope, tangibility and time frame (Rousseau, 1990). But

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there are also many aspects and issues that could influence the very essence of obligation created between the parties (McLean Parks et al., 1998); for example, personality could have a critical effect on obligations, influencing the way in which they are perceived (Raja et al., 2004). Psychological contract might be characterised by dynamism (it changes and evolves through time, modifying the very nature of the relationship), subjectivity (its consciousness and expectation vary depending on the party and the individual) and mutual obligation (towards a full satisfaction of the reciprocal expectations) (Anderson & Schalk, 1998).

MAIN PARTIES

It is evident that even if expectations are created individually, psychological contract finds its origin in the result of intricate relations between employee and employer (or organisation).

INDIVIDUAL

The individual creates his or her own expectations towards the organisation through experiences and relations built over time (Rousseau, 1990), but also gathers information about the company (salary, career opportunities, personal development) (McFarlane Shore & Tetrick, 1994). Ashford and Cummings (1983) defined the formation process of the psychological contract as goal-oriented by virtue of an egoistic and natural tendency of the individual to achieve his or her own personal objectives and ambitions. Also, Robinson, Kraatz and Rousseau (1994), asserting that the obligations drawn from PC stipulation can be classified as either relational or transactional, stated that employees see their obligations more attenuated over the time and see the employer obligations growing.

ORGANIZATION

An organisation is a complex organism constituted of a large variety of people that hold different positions and carry out different activities; all elements contribute to achieve business goals (McFarlane Shore & Tetrick, 1994). An organisation constantly emanates messages in the form of 'words, actions and signals' that are perceived as

promises by the employee, which encodes and decodes all elements that he receives through his or her own predisposition and mental scheme (Rousseau, 1995). Therefore, policies and practices, elaborated by the Human Resource Management, not only influence the organisation directly by outlining and regulating employment relationship, but also model the nature of psychological contract (Westwood et al., 2001). This research will consider Guest's Framework (2004) (Fig. 1.1) as the basis on which it is possible to investigate the status and mechanics of psychological contract, identifying sensitive areas that could bring a breach in it.
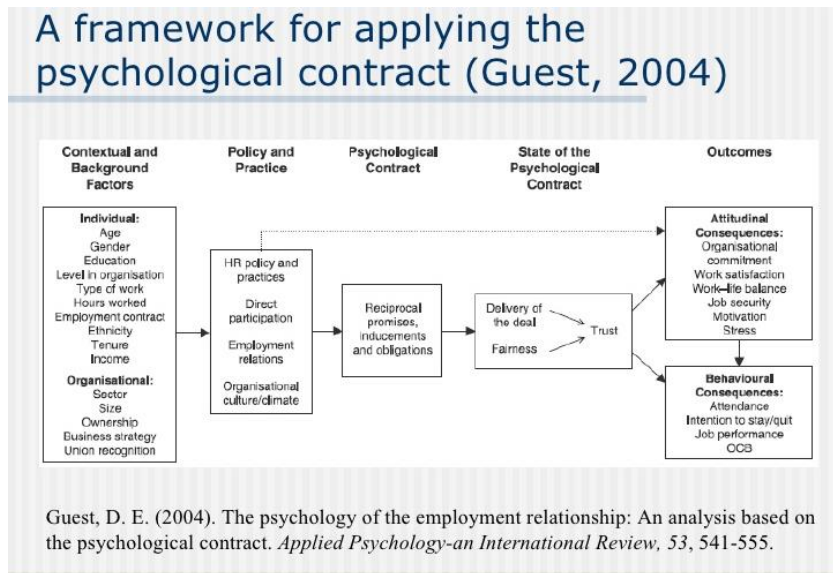
Fig. 1.1

VIOLATION OF PSYCHOLOGICAL CONTRACT

Violation of psychological contract arises when the employee or organisation is unable to keep their mutual obligations and, consequently, it can lead to negative repercussions for the two sides (Robinson & Rousseau, 1994). Rousseau (1995) defined the following three types of violation: Inadvertent (it occurs when the employee or the organisation, though capable and willing to hold their promises,

involuntarily do not meet the reciprocal perceived obligations because of a different interpretation), Disruption (it occurs when chance events delay to honour their contract)and Breach (it occurs when one party, even if it is perfectly able to accomplish its task, decides not to fulfil its part of the pact). Most part of the studies, describing the fracture of the psychological contract, utilise the two words breach and violation as synonyms, but Morrison and Robinson (1997) confer to the first as a cognitive characteristic because it is elaborated through a mental scheme that elaborates the unfulfilled promises between employee and organisation and to the second, an emotional characteristic that arises from the disappointing feelings resulting from the rupture. From this condition, derived from a disillusionment of hearing something wished and awaited, a vast range of emotions emerge as irritation, acrimony and annoyance until you attain a feeling of betrayal and maltreat (Ortony & Clore, 1989). The nature of this contract being related to trust and reciprocal respect, the extreme difficulty to heal the fracture caused by violation will be clear and unavoidable (Millward & Brewerton, 2000). When discussing about bilateral contract, it is unavoidable that consequences of violation fall on both sides (Guest & Conway, 2002). Nadin and Collins (2012), in their research, affirmed that employers are greatly involved on an emotional level in the relationship with their employees, believing in mutual trust and respect; thus, the breach that is hard to recompose, will move the contract from a relational to a transactional nature and will drive the management to a more formal approach. Rousseau (1995) drew attention to the employee's perspective, identifying sources of violation contract makers (recruiters, managers, co-workers, mentors) and systems (compensation, benefit, career path, performance evaluation, training documentation). Also, she elaborated, with Robinson (1994), a model that defines the types of violation with relative examples which are as follows: Training/Development, Compensation, Promotion, Nature of the Job, Job Security, Feedback, Management of Change, Responsibility, People and Other. Guest (2004), aiming to analyse employee relations through psychological contract, recognized trust and fairness as indissoluble elements that are at the same time input and output of PC, explaining that they are simultaneously a constituent part and a consequent part of it.

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Those two elements also have function as indicators of PC state of health (between full satisfaction and breach of it), consequently allowing one to monitor employee engagement and his or her intention to quit (Turnley et al., 2003). Corrupting the climate of trust and fairness leads to the corrosion of psychological contract and, consequently, to reactions from interested parties (Armstrong & Taylor, 2014). CIPD (2014) outlines three main negative consequences that are caused by PC violation. They are as follows: on job satisfaction, on commitment and on engagement; but there is a vast literature that sounds out the repercussions. Harris et al. (2003) deduced that a breach in psychological contract affects the employees' happiness negatively in the organisation and their capability to achieve their goal and, consequently, the company aims. Even if leaving the job is an extreme choice, PC violation considerably reduces the will to work in the organisation, as a consequence, affecting the turnover rate (Liden et al., 2000). Organisational commitment, intended as psychological connection (or emotional tie) between workers and employers (Allen & Meyer, 1990), is strongly influenced by psychological contract; when expectations are not fulfilled, it suffers a robust decrease, as it is well pointed out in the research conducted in the IT sector by Restuborg, Bordia and Tang (2006). Gakovic and Tterick (2003) described job satisfaction as a mental state of complete gratification about one's own work, relating the level of satisfaction to the PC respect; also, the research carried out by Rayton and Yalabik (2014) views job satisfaction as a mediator between PC breach and work commitment. Performance is also a sensitive point because employees decrease their effort when they perceive a breach in the psychological contract (Zhao et al., 2007). The factor that suffers the most as a result of psychological contract breach is trust, because the fundamental element of every positive relationship is grounded on fairness and transparency (Atkinson, 2007). It is defined in Robinson's research (1996) as 'one's expectations, assumptions, or beliefs about the likelihood that another's future actions will be beneficial, favourable, or at least not detrimental to one's interests'. In the organisational context, it is linked only to relational contract (Rousseau, 1995) and, if corrupted, it brings the employee to show a cynical approach towards the company (Bashir et al., 2011). It may be considered as a moderator in all the processes (policies

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and practices) that are a bridge between organisations and employees (Erkutlu & Chafra, 2013). Culture, characterised by values and norms of the organisation (Cullinane & Dundon, 2006), is considered to be a part of the organisational behaviour and has a strong effect on the continuous process of formation and modification of Psychological Contract (Levinson, 1994). It can help predict the turnover and the employee needs through HR policies and practices, organisational climate, productivity, etc. (Silverthorne, 2004). Rousseau describes PC as the result of organisation culture and not a consequence of it.

REINFORCEMENT OF PSYCHOLOGICAL CONTRACT

The existence of a violation of the Psychological contract was verified. It is mandatory to consider the possible ways to reinforce it and heal the organisation.

RECRUITMENT

As mentioned before, the recruitment process lays down the foundation of the psychological contract between the potential employee and the organisation because it is where the mutual expectations have been created. The attraction of a skilled talent employee is probably the main challenge for any organisation that operates in a tight labour market. Therefore, recruitment process is vital in order to gain competitive advantage and to impact the organisational performance. The applicants identify the recruiters as a personification of the company during the interview. Therefore, their behaviours and actions are perceived by the interviewee as embedded characteristics of the organisation (Tomlinson & Carnes, 2015). Tomlinson and Carnes (2015) introduced the concept of behavioural integrity (*The extent to which an individual's actions are perceived by observers to be congruent with his/her verbal claims*) in relation to recruitment, underlining the importance of a clear communication flow from the recruiter to the applicant, the positive effect of giving accurate job information and the relevance of fulfilling the applicant's expectations. Interestingly, Sherman and Morley (2015) called attention to the difference between a novice employee and an experienced employee; the first one, as a result of lack of experience in previous work-places, will shape the elements of the psychological contract in the new organisational context,

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while the second one, carrying multiple work experiences, will have preconceptions and expectation that affect the PC. Therefore, the company should shape the recruitment strategy and the first induction based on the different applicants and new joiners. An interesting American research (McKinney et al., 2012), investigating into discharge policy information in the job offer letter, underlines the importance of the early stage recruitment material (handbook, brochure, terms of employment etc.) because it reassures the employee about the respect of his rights, enhancing the perception of job security and increasing organisational attraction. A research from India (Holtbrugge et al., 2010), points out the importance of the following three main practices in the recruitment strategy:

- Personnel Marketing (value): It is the intrinsic value of the brand that determine the company's appeal to a target group.
- Employer Image (uniqueness): It is the distinctive mark of the company; something that is exclusive and inimitable from the other companies.
- Internal Recruitment (inimitability): Internal employees bring with them the explicit and implicit knowledge of the company that, if they left, would be irremediably lost.

Including these variables in the recruitment strategy it is vital to attract qualified applicants. The research conducted by Luscombe et. al. (2013) highlights vital information about the new generations of employees. Nowadays, the survival of the company is strictly connected to the capacity to attract the generation Y and there are many variables to consider. The new generation shows a remarkable interest towards companies characterised by job flexibility in all its acceptations and corporate responsibilities. Also, Gen Y employees may consider one year in a company as a long term if they feel 'stuck' in the company. For this reason, the organisation should provide them with challenging activities and constant training. Also, fairness, impartiality, trust, charity and social responsibility are factors that Gen Y evaluate in choosing a company. The same research provides interesting reflections about the relationship between the manager and the employee, as they don't like to be micro-managed and are needy for

positive feedbacks and praises (Luscombe et al., 2013). The relationship between a university and an organisation plays a crucial role in the recruitment strategy (Hessler & Ritchie, 2006).

TRAINING

The positive effect that training has on employee retention, performance and engagement has been extensively investigated by different studies (Armstrong & Taylor, 2014). Employees consider training as the way to enhance their appeal on the job market and to increase their chance to get better salaries and promotions (Benson, 2003). Becker (1962) identified two different skills that can be developed, general and specific; the first reflects behaviours and attitudes that can be applied to different jobs while the second includes a specific knowledge that it used to carry out essential tasks in the company. Caplan (2013), praising the qualities of the inclusive training, described how it can be delivered in different forms (internal and external training, formal and informal training, coaching, mentoring, e-learning etc.) and what the two different outcomes are: one is related to the employee (motivation, performance, sense of belonging) and one is related to the company (productivity, organisational culture, employer branding). All elements contribute to reinforce the psychological contract (Kessler, 2013). An interesting outcome of a study conducted in China (Cheng & Waldenberger, 2013) is that employees are not only focused on the training content but also in how it is created, organised and delivered. Interestingly, companies have a dual attitude towards the training; if training develops a high skilled workforce that enhances the company's performance on one hand, it makes the employees more attractive on the job market on the other hand. However, the company, especially with a high turnover rate, needs to replace the skills and the competencies that have been lost with the leavers and also reinforce employee engagement; this can be achieved through an effective training platform. Introducing the concept of a learning organisation would be important at this stage in order to understand the advantages and benefits of a structured and complex training. Senge (2006) defines a learning organisation as a place in which people 'continuously deploy their capabilities, fulfil their true targets, in which

new ways of thinking are supported and new common hopes are delivered, so organizations, in which people are learning how to learn together'. It is a fascinating concept that can be concretely applied in an organisation positively affecting the employees' retention (Toby et al., 2004). Senge (2006) identified the following 5 disciplines:

- Personal Mastery

It refers to personal awareness, the consciousness of strengths and weaknesses, the vision of own objectives and the path to reach them. The organisation should serve the employees' ambition.

- Mental Models

Everyone has his or her own mindset and prebuilt schemes that arise from beliefs, values, experiences etc. Joining a new organisational environment could be shocking for new employees. Therefore, organisations have to introduce them without unhinging their comfort zone.

- Shared Vision

It is related to the achievement of a common organisational goal through values and visions that inspire teamwork. It reinforces a sense of belongingness and trust.

- Team Learning

It refers to the positive attitude of sharing information and knowledge. It arises from the consciousness that the individual's achievement can be reached through the team too.

- Systems Thinking

It refers to Identifying the organisation as a result of interconnected systems that allow the employees to understand the mechanisms that rule the company. Understanding the value of one's own work and how it contributes to the organisational goal, creates solid job satisfaction.

A training plan focused on coaching, mentoring and on the job training, contributes to create and develop a learning organisation, also keeping the tacit knowledge that is often at risk to be lost (Armstrong & Anis, 2008).

PERFORMANCE EVALUATION

Evaluating the employees' performance can be considered as one of the most challenging human resource activities. It hasn't been considered as an instrument of control but has been considered as the fair way to increase organisational performance through the employees' development (Hitt et al., 2002). It can be defined as the activity of detecting, measuring and developing the workforce's performance at the individual and the team level in order to achieve the organisational goal (Saratun, 2016). It is possible to identify the following three steps (Hitt et al., 2002):

- The organisation sets the individual and collective objectives and standards
- The management measures the performance through objective measurement
- The employee receives feedback and evaluation for his or her own performances
- The following two outcomes arise from this process: development program and compensation scheme for the employee.

A recent study highlighted that an effective performance management program should include constant communication between the organisation and the employee in order to ensure a clear definition of reciprocal expectation and a fluent exchange of feedbacks (Cascio, 2014). Rousseau (1995) identified performance evaluation as one of the key elements of the psychological contract. Employees have a strong faith in the performance evaluation tools because they are seen as a warranty of equality and fairness. On one hand, the development of a fair performance management program leads to the creation of positive outcomes as commitment and engagement. On the other hand, a negative perception of the performance evaluation conveys stress and distrust (Abdulkadir et al., 2012). The management plays a key role in the performance evaluation process as it is the mediator between the organisation and the employee

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expectations; the managers should accurately check the objective and goal, review positive and negative events, discuss them with employees and set new standards and objectives. It is fundamental that the employee leaves the meeting with a sense of satisfaction and positivity (Hitt et al., 2002).

COMPENSATION AND BENEFITS

Compensation includes two main categories: pay, which is monetary and strictly related to the position held and the length of service as well as benefit, which is not necessarily monetary and contains distinctive privileges of working in a certain organisation (Hitt et al., 2002). Compensation is based on may factors, including the employee's skill and performance and it is considered to be the way in which the organisation shows appreciation towards them (Haider et al., 2015). The pay structure should be founded on principles of equality and fairness, monitoring and benchmarking the job market constantly and basing the variable part on a transparent system of performance evaluation (Bhattacharyya, 2015). During the last few years, employees have developed a growing interest towards alternative forms of reward; if their main motivation source is still in monetary reward, different benefits such as training, flexible hours, career path, creche, educational opportunities etc. have been considered as determinant factors to enhance the appeal of an organisation (Judge & Ferris, 1993). Interestingly, Shields (2016) introduces the concept of intrinsic reward that is opposite to economic reward. The word intrinsic is used because it includes all the activities inherent to the work itself: choose freely how to carry out the tasks, sort out the problems by following your own intuitions and methods, apply and develop your own skills and capabilities. Organisations have to create an environment that provides incentives for creativity, innovation and welfare. Carbery and Cross (2013) underlined how flexibility and work-life balance can be considered as a part of the employee benefits. No wonder nowadays there is a growing focus on one's own well-being. It is also important to remark that the importance of the monetary reward is strictly connected with seniority and position in the organisation. Meanwhile, the managerial population thinks that it has already developed its potential and, for this reason, it has put salary before any other benefit.

Instead, employees put their own development as their priority in order to progress both professionally and personally (Giancola, 2008). Both categories recognise transparency and fairness as the main point of every reward program (Baron et al., 2001). A fun work environment, where the boundaries between work-life and personal life becoming not completely defined, seems to be an important instrument of retention nowadays. Fun activities and co-worker socialisation contribute to create a positive and sane relationship among the employees, improve trust and motivation, facilitate the change and can especially reinforce the communication between employee and manager (Flaming, 2005). The career path also plays a key role in employee retention. It should be structured to have two main functions: one that ensures the career progression for the employee and one that ensures the creation of a workforce that is cross-skilled and cross-functional. It is important to highlight that 'career progression' doesn't mean just promotion but also personal and professional growth (Croteau & Wolk, 2010).

ORGANIZATIONAL CULTURE

Aristotle's statement *We are what we repeatedly do* can perfectly synthesise the meaning of Organisational Culture, including the concepts of values and behaviours that are widely applied in a company. Values and behaviours are a part of a complex idea that arises from the sum of attitudes, beliefs, customs, policies, experiences, philosophies and explicit and implicit rules, that have been created, matured and refined during the company's history (Dictionary, n.d.). An Indian research (Dwivedi et al., 2013) that was conducted, confirmed that a positive perception of the organisational culture is associated with a lower intention of leaving the job. This theory is supported by different studies, as mentioned by Courtney Cronley (Cronley & Youn, 2017), but introduces a new element in the discussion. Job satisfaction, considered as the emotional reaction of the employee to the work, is seen as a mediator between the organisational culture and turnover intention, but the personal characteristics are something that need to be considered. A positive organisational culture is fundamental. But it is also important to tailor it based on the employee's personality.

Also, Guest (2007) included fairness and trust as important parts of organisational culture that can reinforce the psychological contract in a company. Starting from the assumption that trust directly affects people's performance and engagement, Berens (2007) introduced the concept of transactional trust that is the result of three different parts: contractual trust, communication trust and competence trust; investigation into them can bring to individuate the weaknesses and reinforce the mutual trust. This is a key element to reduce the turnover rate in an organisation. An organisational culture based on fairness and transparency gives a remarkable contribution to the employees' engagement; the feeling of inclusion that arises from acceptance of diversity and enhancing of equality, promotes a positive atmosphere that improves performance and retention (Tillott et al., 2013).

EMPLOYER BRANDING

Joseph Shaheen (2010) defined employment branding as *the process by which employees internalize the desired brand image and are motivated to project the image to customers and other organizational constituents*. He analysed the consequences between the employee and the organisation perceptions. He underlined that PC and Employment Branding are two complementary concepts because they foster each other; a responsible and positive brand can reinforce the PC between the two parties and at the same time, a strong PC enhances retention, engagement and appeal of the company, strengthening the Brand in the market (Shaheen, 2010). Also, he identifies four areas to improve the employment branding:

- Psychological contract
- Mission, Vision and Values
- Local, National and Global Content
- Strategy Delivery and Execution

Shaheen's study is also confirmed by two different studies. Backhaus and Tikoo (2004) asserted that Employer Branding considerately affects the creation of the Psychological Contract between the employee and the organisation because it is part of the expectation that the future employee has towards the company. Therefore, it is vital that the

employer brand reflects the reality of the company. Edward (2009) stated that Psychological Contract directly affects the Employer Branding because the ladder reflects the promises and the perceptions that the employee has towards the company and he will himself become the driver of the brand. Biswas and Suar have elaborated an interesting framework in order to analyse antecedents and consequences of the employer branding (fig. 2); they defined the elements that compose the EB (trust, management, psychological contract etc) and the areas that are affected by the EB (performance, attraction and retention, engagement etc.). Berthon et al. (2005) suggested that companies should consider their own employees as customers and their job should be considered as a product that the organisation is offering. Therefore, a clear need to fully satisfy the workforce seems to emerge nowadays in a tight and competitive labour market. Furthermore, Ritson (2002) highlighted that EB can decrease many costs in the organisation related to recruitment, retention and engagement. Curiously, he asserts that a strong employer brand can allow a company to offer a lower salary. A research, conducted by (Nor & Daud, 2016), clearly proves that the turnover rate is affected by the employer branding and it suggests that the organisations should work to improve the employee experience HR policies and practices.
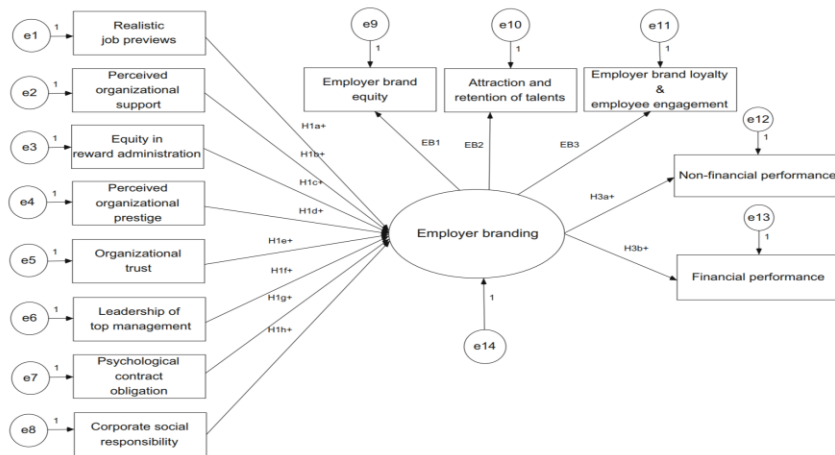

Fig.2

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MEASUREMENT

Freese and Schalk (2008), referring critically to different studies, outlined the key to measure and understand the psychological contract in an organisational context. It is preferable to measure PC from a unilateral (employee or organisation) view because it is intrinsically related to an individual perception and it includes behaviours as reaction to its perception. It is complicated to compare a hypothetical juxtaposition between two different perceptions (Freese & Schalk, 2008). Rousseau and Tijoriwala (1998) have identified three patterns to measure Psychological Contract:

- Feature-oriented: comparing the contract to some attribute or dimension (e.g. short-term, specific activities and influence on them)
- Content-oriented: examining the specific terms of the contract (e.g. obligations, practices and policies)
- Evaluation-oriented: assessing the degree of fulfilment, change or violation experienced within the context of the contract (e. g. provision of training or compensation)

Freese & Schalk, following the main foundations for assessing content and constructing validity for scale development in psychological measurement, describe six criteria to apply:

- A psychological contract measurement has to be theory-based or inductively developed (content as well as evaluation measures).
- A psychological contract measurement should assess mutual obligations/promises (construct validity of content and evaluation measures).
- The psychometric properties of the psychological contract measurement and the appropriateness for the sample have to be assessed (content validity of content and evaluation measures).
- The evaluation of the psychological contract has to be assessed for separate items. Global measures of fulfilment or violation have to consist of multiple

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items to ensure the reliability of the measure (content validity of evaluation measurements).

- In the evaluation of the psychological contract, it should be assessed whether a certain item is important. In addition, the evaluation should be direct (construct validity of evaluation).
- Violation of the psychological contract has to be distinguished from fulfilment and from contract breach (construct validity of evaluation measures).

As the conclusion of their study, the authors (Freese & Schalk, 2008) underlined that the instruments to measure PC cannot be standardised but they need to be constantly changed and modified, adhering to organisational, cultural and economic transformations. Herriot (1992) confirmed this thesis, affirming that psychological contract is dynamic and is subject to a continuous renegotiation with the organisation and expectation being mutable like the economic and social context.

III - RESEARCH PROBLEM OBJECTIVE AND SUB-OBJECTIVE

STAR HR Shared Service suffers high turnover rate. The research aims to evaluate the key factors that reinforce Psychological Contract in the organisation and its weight on employee retention. My hypothesis is that the high turnover is caused by a breach in the Psychological Contract.

Objective:

To investigate formation and development of the Psychological Contract in STAR HR Shared Service and its effect on people retention.

Sub-objective:

•   To figure out if employees in the organisation are conscious to be under psychological contract.

•   To identify the breach in the Psychological Contract through interviews to current and former employees and managers.

•   To collect and analyse employee and manager opinions about elements of the Psychological Contract in pre-employment stages (recruitment and employer brand) and post-employment stages (HR policies and practices, Compensation, Training, Organizational Culture).

•   To investigate organisation attitude towards psychological contract and future measure to reinforce it and decrease turn over.

IV - METHODOLOGY and RESEARCH DESIGN

INTRODUCTION

This research aspires to deeply understand the mechanics of the psychological contract in an HR Shared Service that suffers a high turnover rate. My study aims to investigate into the sensitive areas that need to be looked after and developed. I chose to approach this research through deductive and inductive methods and collecting qualitative data. Robson (2011) identified two types of research: Pure Research and Applied Research. The first one aims to gain knowledge and it has more of an academic spirit while the second one, that inspires my research, aims to identify issues and find their solutions. Anderson (2016) outlined six stages to follow in order to build an effective case study:

- Identify concrete and significant issues in the organisation
- Relate the issues to the relevant literature
- Gather and analyse data
- Extrapolate supportable conclusion
- Sketch realistic recommendations to be converted in an action plan
- Reflect critically on the consequences for the organisation

The concept of Research Onion (fig. 1.2), elaborated by Saunders Lewis and Thornhill (2016), has been applied to this research. It leads the researcher through his study showing the phases that are required to set a research and elaborate on an efficient methodology.
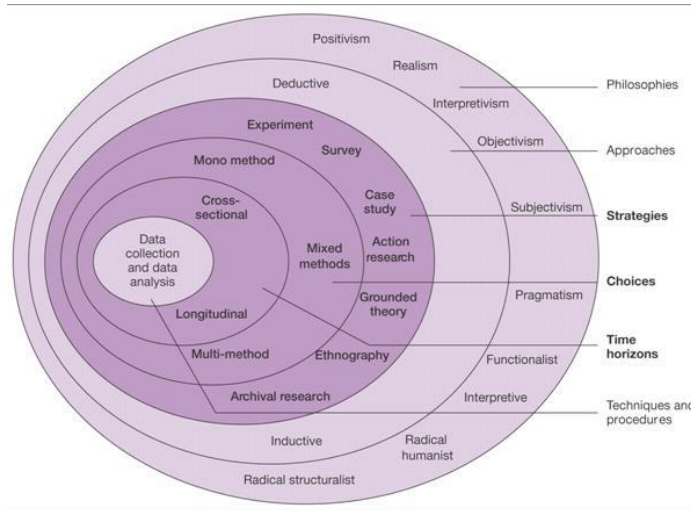
Fig. 1.2

PHILOSOPHIES

The first step is to adhere to one of the three types of research assumptions: Ontology, Epistemology and Axiology.

Ontology

Ontology, the chosen philosophy for this research, is related to nature of reality (Collis & Hussey, 2009). Everyone has different perceptions of reality and of rules that regulate it. This philosophy analyses the differences between those realities and the effects in people's behaviours (Saunders et al., 2016). Phillimore and Goodson (2004) proposed that the researcher should choose the elements to omit and the ones to include in order to elaborate an argumentation. It is possible to distinguish two forms (Saunders et al., 2016): objectivism, concretised when the researcher investigates a social reality that is codified externally to us and others, and subjectivism, shaped when social actors, acting on the bases of own perceptions, models the social reality. Saunders (2016) described two versions of it: nominalism (multiple realities are created from the different social

actors) and social constructionism (it considers the possibility to build one reality through social interaction of social actors that share meaning and realities).

Epistemology

Epistemology is related to the constitution and diffusion of acceptable knowledge in a chosen field; usually it is used in scientific research because we are able to produce data that are not debatable (Horn, 2009). Three philosophies are related to it: positivism, critical realism and interpretivism. The first one considers only the knowledge achieved through observation as valid, an objective approach that is based on data collection (quantitative measurement) and logical deduction (Saunders et al., 2016). The second one describes a reality that is external and independent and is not reachable directly by knowledge and observation (Saunders et al., 2016). The third assumes that social actors and the social world cannot be investigated as physical phenomena because it is different from it; the researcher has to aim at a new conceptualisation of the social worlds and contexts (Saunders et al., 2016). For this reason, , implying the use of qualitative analysis through interview is considered in this research. Lee and Lings (2008) expanded the concept of interpretative study, arguing that the understanding of reality cannot be limited to what is measurable and that experiences cannot be isolated from context and time. They aim to understand, more than to explain, the world. Anderson (Anderson, 2016), adhering with the concept of hermeneutics, asserted that every event needs to be analysed through the human experience because people have values, cultures and backgrounds that affect the vision of the reality. For this reason, the research's outputs are subject to multiple interpretations (Saunders et al., 2016).

Axiology

Axiology recognises the weight of values and ethics in a collection and analysis of data in the research; a researcher's belief plays an essential role in carrying out the research (Saunders et al., 2016).

APPROACHES

The second layer of the Research Onion defines two different approaches: inductive and deductive. Deductive approach means that it is necessary to start with a statement or a question. Then the research, through data collection, will find the appropriate answers that will confirm or reject the initial hypothesis (Collis & Hussey, 2009). It is a very rigid approach that is founded on rigorous scientific principles. The researcher needs to identify variables that can be measured (operational terms) to use a designed system that can be replicable, gather quantitative data that guarantees objectivity and neutrality, be detached from the subject and from the environment and collect a large quantity of data to effectively test a theory (Anderson, 2016). Saunders (2016) also mentioned the concept of generalisation, stating that the outcomes of the research can be generally applied to wide contexts and behaviours. Inductive approach means that the research starts from the research question and through observation and analysis, the researcher arrives at new theories (Horn, 2009). It is a flexible approach that is founded on the observation and investigation of a context. The researcher, through the collection of qualitative data (interviews), will work on considerable amount of information that will also include perceptions and meanings. The conclusions will be less generalisable because they are related to a specific context and to multiple interpretations of reality. Ghobadian and Gallear (1997) suggested to use the inductive approach in a small organisation because it allows to have a better and full comprehension of the context and behaviour. The inductive approach seems to be applicable to a small organisation like STAR HR Shared Services. This research implies an inductive process that should guarantee, through unstructured interview, different perspectives of the psychological contract that is related to the context of an HR Shared Service. It is common to find this approach related to qualitative research methods in order to build easier hypothesis and statements (Saunders et al., 2016). The elements of the Psychological Contract cannot be isolated from feelings and perceptions of the employees in this context because everyone perceives the mutual expectations differently. In this case, the deductive approach contextualised in a positive philosophic context and supported by a qualitative

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research (interviews), seems to be preferable; reminding that the research aims to understand mechanics and status of Psychological Contract in the organisation, verifying if its breach could cause the high turnover. Bryman and Bell (2015) identified characteristics of quantitative and qualitative approaches:

Quantitative:

- Brings to a deductive approach that investigates the connection that is established between theories and research, focusing on testing theories
- Integrates all the characteristics of positivism position
- Considers neutrally social reality

Qualitative:

- Brings to an inductive approach that investigates the connection that is established between theories and research, focusing on generation of theories
- Doesn't bring the characteristics of positivism position, converging instead on individual perceptions and interpretations of one's own social worlds
- Considers social reality as an individual construct in perpetual movement

RESEARCH STRATEGY

Defining and justifying the strategy is crucial for every research because it delineates the method adopted to answer the research question and it includes three main elements: clear objectives, sources of data collections and restraints (Saunders et al., 2016). Yin (2014) described three different research categories:

- Exploratory: It is used to highlight issues, discover areas of improvement and find creative solutions. It is associated with qualitative data collection based on interviews with open-ended questions.
- Descriptive: It aims to objectively describe reality through the collection of quantitative data in order to provide a statistic that analyses behaviour, opinion and attitudes.
- Explanatory: It analyses the connection between variables in order to explain a phenomenon and predict the effects. It is related to quantitative data collection.

Saunders (2016) added 7 types of research categories to the abovementioned ones: experiment, survey, case study, grounded theory, ethnography, action research, cross-sectional and longitudinal studies. Case Study is the most appropriate approach to this research. It allows the researcher to deeply understand the dynamics and mechanisms (psychological contract) that cause the phenomenon (high turnover) in a defined context (HR Shared Service). Anderson (2016) identified the advantages and disadvantages that the researcher can face in this research:

Advantages:

- The issue is completely outlined
- The interaction of factors and events can be taken into account
- Multiple data collection approaches
- Complete access to all the information of the organisation

Disadvantages:

- A Large quantity of data can be problematic to collect and interpret
- Cross-Checking the information can be difficult
- Findings cannot be generalised
- The researcher can be emotionally involved in the case

Yin (2014) highlighted the importance of the case study research in the modern organisations, but he also outlined four tests to evaluate the quality of the research, revealing the standards to fulfil the requirements. The tests are as follows: Construct validity (identify correct and measurable variables), Internal validity (outline the relationships between the variables), External validity (find studies that can validate the findings) and Reliability (create a structure that can be repeated with the same result). This research is based on the holistic Single Case designed by Yin in adherence to two of the five rationales outlined by the author:

1- *Theories* or *theoretical propositions* must be the starting points for a case study. In this case, my theory is that the high turnover is caused by a breach in the Psychological Contract.

2- The case represents an *extreme case*. In this case the high turnover reached a peak of 25% that is an exceptional event.

DATA COLLECTION

The last layer of the Research Onion includes data collection and data analysis. This research has collected data in the form of an interview, considering that the qualitative approach leads to an in-depth understanding of the organisation connoting feeling, considering perception and interpreting the context at a non-numeric level (Quinlan, 2011). An interview is a discussion between two or more individuals that aims to explore and comprehend the nature of a specific subject (Saunders et al., 2016). Ying (2014) warned the researcher of the disadvantages of collecting data through the interview method, highlighting the risks of ineffective questions, reflexivity and bias. But Saunders (2016) saw the interview method as the tool to obtain clear explanations and personal views on a phenomenon. Various authors (Quinlan, 2011; Saunders et al., 2016; Collis &Hussey, 2009) categorized interviews into three types: Structured Interview, Semi-structured interview and Unstructured Interview. This research implies the use of semi-structured interviews that explore different themes related to the Psychological Contract and three different sets of questions have been created for managerial population, general population and former employees. The manager's questions aim to understand if the organisation is aware of the psychological contract and his breaches and how they decide to face the high turnover. The employee's questions aim to understand if there is an effective breach in the psychological contract and what their expectations and feelings are towards the organisation. Leaver's questions aim to understand the reasons behind the resignations and what would have kept the employee in the company. The type used in the research is closed-ended questions, in order to be easy to code and interpret (Horn, 2009) and it is ideal to drive the employee through the concept of psychological contract. This research also provides for the use of unstructured interview, evaluating it as a good source of information to understand the phenomena in a deeper manner. A research interview

gives value to points of view, experiences, opinions, beliefs and motivations of someone about a particular argument or subject (Horn, 2009).

SAMPLING STRATEGY

Saunders, about choosing samples, suggested two main rules to follow:

1- *Identify samples based on the research questions or objectives*
2- *Choose a suitable sample size*
3- *Select the most appropriate sampling technique*
4- *Check if the sample is representative of the population*

I have chosen to interview four managers to understand the point of view of the organisation, four employees to understand the point of view of the general population and two leavers two get information, feeling and perspective about the organisation. Interviews have been carried out in isolated rooms and a voice recorder has been used to archive and then transcript the data. Each interview took about 20 to 35 minutes.

ETHICAL CONSIDERATIONS

Ethics concern behaviours and actions that are appropriate and acceptable by social norms (Saunders et al., 2016). This research has respected the university's code of ethics and ethical guidelines. A consent form has been submitted to the participants and every ethical issue about analysis and reporting has been preserved. The company provided the research with the permission from the Leadership Team. All the interviews have been stored in the researcher's laptop and are password protected.

TIME HORIZON

Research can be carried out through several observations of the same phenomena in a period of time (longitudinal) or through an instant photography of a phenomena (cross-sectional); both of them are observational studies because they do not imply any alteration of the study environment (Saunders et al., 2016). This research will be a snapshot of the organisational context in order to understand the incidence of certain factors (elements of psychological contract) on a phenomena (turnover).

LIMITATION

The main limitation is about the generalisation of the results as they are limited to an HR Shared Service context located in Ireland. A second limitation could be the location of the HR Shared service because the company has all the departments located in UK except the HR Shared Service. The third limitation could be the unconscious influence that the research could have on the research as part of the organisation.

V – STAR HR SHARED SERVICE

STAR is a HR Shared Service operating for the second largest mobile telecommunications provider in the United Kingdom. It employs more than 7000 people working for the retails and for the central functions. The HR Department is structured into two parts: Strategic HR and HR Shared Service; the first works on a strategic level, implementing policies and procedures while the second provides support to the employees and to the business. The HR Shared Service is structured in teams with a specific area of competence:

- Contact Team

- Learning and Development Team

- Lifecycle Team

- Recruitment/On Boarding

- Analytic Team

- Case Management Team

The HR SSC is led by two Heads of the Office that cover the operational and financial part of the centre and they are supported by two HR Generalists who handle all the HR tasks related to the employees' centre. The organisational structure is very flat and has a small number of roles. Each team has one Team Leader, one Functional Specialist and a variable number of Advisors. In the past years, STAR's workers were employed on a part-time and full-time basis. But recently, the company is employing them with a full-time contract after a probation of six months. The current workforce counts 60 employees. In the last three years (2015–2017), 8 employees left the business because their contracts ended, 10 employees were dismissed and 10 employees were made redundant. The salary range is structured as follows:

Functional Specialist   32,000–36,000 k

HR Advisor   21,000–30,000 k

HR Generalist 30,000–45,000 k

Team Leader   40,000–55,000 k

VI - FINDINGS

The data have been acquired from three different categories: Manager, Employee and Leaver. Findings have been divided by categories in order to get three different perspectives on the organisation.

FINDING FROM MANAGEMENT INTERVIEWS

Three managers have been interviewed. They have been in the company for several years and they have been witnesses of the company's growth and change. Therefore, they were able to provide the researcher with a clear and complete picture of the organisation and with the elements necessary to understand PC status and dynamics. The management doesn't seem to be really aware of the concept of Psychological Contract but it fully understands the elements that contribute to its creation and development and the impact that they have on the employee's turnover. Managers have a dual approach towards the turnover because it is seen both as a problem and as a natural event. All the managers agree to identify the root of the TO with the salary that is lower than the average on the job market and one of them highlights the inefficacy of the compensation package with the new generation (specifically talking about pension contribution and health insurance). The head of the office underlines that this is caused by the restriction on the budget that afflicted the company since 2012 and there is nothing that can really be done. Curiously, an attitude of resignation towards the TO seems to emerge from the interviews. The role of the HR Advisor is seen as the starting point for a career in HR and it is normal if employees leave the company after getting experience and skills. Also, managers are perceived as links between the organisation and the employee and therefore, they have a strong impact on people retention. The recruitment process, although clearly set up and organised, is affected by the restriction on the budget and by the competitive job market. Some discrepancies seem to emerge in the criteria applied in the candidates selection. The management agrees that the main criteria are the attitude to learn and a strong passion for HR; experience in human resource is considered as secondary. Meanwhile, two managers clearly state that the recruitment strategy is centred on getting on board young employees and neo-graduates

while a third manager doesn't mention these criteria and doesn't retain age as an important filter. Candidates don't often have a clear idea of the job that they have applied for, but it is the duty of the interviewers to explain the activities that are to be carry out and characteristics of the organisation. The interviewees mutually agree in recognising the training process as totally informal. The training is strictly connected with the daily activities and it is locally set in every team and employees can identify their own improvement areas and ask to be trained in specific activities. There are only a few courses set on a corporate level and the employees have access to an online platform called Lynda. Training is delivered by the more experienced employees and it potentially includes all the workforce. Informal mentoring and coaching are in place in the organisation and there is a constant flow of information exchange within the teams. The management aims to have a workforce that is customer oriented, engaged and high-skilled. There was a formal training and an induction program in place, but when the responsible left the company a few years ago, it has been put aside. When interviewed about the performance evaluation, managers where very aligned in explaining the structure and the functionalities. The process is clearly structured and the performance is evaluated through an objective measurement of objectives and productivity and it is related to increase in pay and bonus calculation. Employees are invited to a monthly meeting with their own line manager in order to analyse the performance constantly and to exchange feedbacks. One manager highlights how important it is for the employee to go prepared to the performance review because it is the change to stand out. Honesty in giving feedback seems to be a focal point for the managers. Managers assert that they are well trained in order to face the performance reviews but one of them states that someone can be good or not so good in this as a natural attitude. The skill gap is individuated by managers and employees, but it is not formally structured. One manager also claims that a better screening should be done during the interview in order to get on board skills that are missing in the Shared Service and that cannot be easily developed. Overall, the compensation package is considered quite good by the management. However, it presents a few issues that the organisation is aiming to face and improve. Benchmarking is defined as 'tricky' by a manager for two reasons: first

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of all, it is benchmarked centrally by the corporate that is set in UK and it is compared to the UK industry where the cost of living is more inferior than in Dublin. Secondly, HRSS is between the Human Resource Area and Customer Service. Therefore, there are not so many organisations to compare to. The other companies, set in Dublin, are offering very good salaries. Flexible benefits (bonus, pension scheme, health insurance, etc.) are considered very good by the management but the managers think that they are not very attractive for the millennials that they are currently hiring. Unanimously, the organisational culture is recognised by the managers as friendly, young, dynamic and relaxing; also, they identify the concept of 'one team' as fundamental and shared across the organisation. STAR SSC created its own organisational cultures and values because it is far from the UK headquarter. The management firmly believe that trust and fairness are applied across the business and that the perception of unfairness is caused by some difficult choices imposed by the tight budget. The managers are aware that some people don't feel treated fairly but they are unsure if it is only a perception or a reality; also, they recognise themselves as responsible and deliver fairness and trust across the organisation. The managers seem to disagree with the communication. For two of them, it is an area to improve and for one of them, it is an area that doesn't need improvement because they are naturally limited by the different roles in the organisation. Employer branding is defined as heart-breaking by an interview. STAR SSC is seen as a different company and doesn't have the same perks and sense of belonging that the main company in UK has. The leadership team is trying to highlight this issue with the board members in UK because it clearly affects the SSC's performance.The participants identify few areas that should be improved. Engagement and people retention are the main concerns and the company is using the Reflect Program (climate analysis) to understand the weaknesses in the relationship between the employees and the organisation; the output is an action plan that the teams have to work on. One of the participants believes that by perfecting and standardising processes and documents, the negative effect of the turnover would be mitigated. One participant would improve the communication in order to improve the relationship between employees. The friendly organisational culture is probably seen as the main strength of the organisation.

FINDINGS FROM EMPLOYEES

Seven employees have been interviewed; four of them have a length of service between one and four years while three of them have a length of service between six months and one year. The different length of service helps to understand the different perceptions existing in the workforce. All the employees contributed to identify the elements of the Psychological Contract, but only two were consciously aware to be under a psychological contract between themselves and the organisation. The interviewees held the position of HR Advisor in different areas of Human Resource. Unanimously, the employee noticed that many colleagues left the business in the past three years and they agreed to identify the cause which was the salary that is perceived as low as compared to the current job market. Three interviewees also mentioned that there are few chances to progress because the organisational structure is very flat and the only possibility to progress is to move to the headquarters in UK. When questioned about the intention to stay in the company, the employees replied that they have planned to stay for one or two years more in the company. Curiously, the three new joiners agreed on staying for a maximum of one year in the company. Their aim is to be cross trained in the different area and then move to a different job. Only one person mentioned the bad relationship between colleagues as the secondary reason to leave. The recruitment process has been described as efficiently structured and as a positive experience. In particular, the idea of a peer interview (an informal and colloquial interview with three current employees) has been considered very important in order to make the interviewee feel comfortable and relaxed. The only bad experience is attributable to an interview that the candidate had with two team leaders at the same time and it has been described as confusing and overwhelming. For part of the interviewees, the implicit and explicit terms of the employment were not sufficiently clear. There is no clear induction program in place and it seems to be demanded of the team leaders' discretion about how to structure and organise it. Overall, the employees had a good training experience; they evaluated it as useful and crucial for the day-to-day activities. There is a set-up process on the training, but it can be defined as completely discretional. The employee identifies with his or her own line manager in the area that he or she wants to improve, and consequently, a

training is organised. The all training process is on-the-job and it is set-up in the same way across the teams. Managers have a fundamental role in delivering and organising training and the responsibility of it is shared with the direct reports. Even if there is no mentor or coach, all the advisors and managers are approachable and ready to share their knowledge. Also, all the policies and processes are archived online in an intranet page is accessible by everyone. It has been mentioned that a barrier can exist between different teams and it can affect the diffusion of knowledge; furthermore, the employee has identified the cause as a not very fluid communication flow. All the interviewees also agree about considering the training received spendable in the job market. Performance evaluation is clearly structured for the employees. They discuss their objectives with their own line manager during the 1-2-1 and they get a review two times per year. Different opinions arose from the interviews about the measurement of the performance; for someone, the process seemed to be more discretional and for someone else, it seemed to be more objective. The measurements diverged in across the different teams. One of the critical issues is the productivity; the different cases don't have a specific weight based on the difficulty which can generate a feeling of unfairness. The feedbacks received from the LMs during the performance review are not always very clear, especially in reference to how to reach a higher standard of performance. Those who had experienced different teams asserted that it depends on the line manager. A discrepancy between experienced advisors and new advisors emerged when they were questioned about salary; the firsts considered the salary very low and even 'terrible', the seconds considered it good enough and one of them assumed that his salary will increase with experience and length of service. It is evident that all the interviewees are completely satisfied with the flexible benefits. Meanwhile, the experienced employees cited health insurance and pension contribution as remarkable benefits while the new joiners cited the chance to buy holidays, to work from home and to take an hour off during the week as main benefits. Overall, the work-life balance is considered excellent in the company, which emerges in all the interviews. There is a recurrent word used in the interviews when it comes to talking about the company culture, which is 'friendly'. It seems to be the very distinctive mark of the organisation. Also, it has been defined as

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relaxed, easy-going and young. Three interviewees mentioned that sometimes it can appear as a bit 'clicky' because there are different groups in the organisation, but, generally speaking, it is described as a very open culture. Fairness seems to be generally applied across the organisation. But few concerns arose from the interviews, especially about applications for new roles; it has been alluded that it is important to know the 'right people' in the organisation. Communication flow is described as fluid and clear but it could be improved especially in relation to the timing. None of the employees recognised themselves in the brand because there is an unbridgeable difference between the company set in UK and the HR Shared Service set in Dublin. Those who visited the headquarters in UK could see how the culture is different and how the brand reflects it; UK employees are very proud to work for the company and they recognise themselves in the brand. The situation is also improving as STAR HR SSC has been involved in a few initiatives like concerts and conferences and it has been appreciated by the interviewees. Interviewed on strengths and weaknesses in the relationship between the organisation and the employee, six employees preferred to talk about strengths and weaknesses of the organisation, about what is good and what is not good for them. Only two interviewees highlighted how the organisation and the leaders are open to receive feedbacks from the employees. Overall, the main issue that arises is the low salary, which also emerges among the new joiners in the last question. Employees don't really feel appreciated for the job that they do. Also, the lack of career opportunities within the company is a big concern. Benefits and work-life balance are considered as strengths.

FINDING FROM LEAVER

One former employee has been interviewed in order to have an objective point of view on the organisation and also on the elements of the psychological contract. He was a senior employee and he worked as an advisor.

The interviewee noticed the high turnover at the time he was in the company and he addressed it to different causes. The main issue was about the 'low value job' because every administrative had a lot of pressure and few gratifications while the secondary

issue was about the non-competitive salary. He has a good memory of the recruitment process even if the terms of the employment were partially clear. The training has been evaluated as positive and the responsibilities were shared between the manager and the employee. It has been underlined that the manager was not very well trained in giving constructive feedback, so it was complicated to identify the improvement areas. Also, the interviewee considered the training received not really spendable outside the company because it was not related to general HR knowledge but it was very specific and related to the UK context. Talking about performance evaluation, he again raised his disappointment about the exchange of feedback with the LM, defining it as not effective. The former employee evaluated the benefits as very good, especially the work-life balance, comparing it with the new job reality. Also, he mentioned that the younger generation cannot really appreciate benefits such as health insurance and pension contribution. The interviewee described the organisation culture positively, defining it as friendly and young. But he also highlighted that this could lead to a 'childish' environment, especially nowadays because of hiring neo-graduates from the college. He pointed out how the organisational culture has not been imposed by the organisation but has been created by the employees during the time. Talking about fairness and trust, the former employee addressed their accountability to the management that was not always adequate for this responsibility. There was no sense of belongingness to the brand, which was demotivating. This is something that he considered when changing his job. The interviewee highlighted that the organisation was trying to improve the relationship with the employees, which has been done through the reflect program, but she suspected the management had strong limitations dictated by the headquarter. He also stated that nothing could have kept him in the company because a real HR experience could have been found only in other companies where the HR is less administrative.

VII - DISCUSSION

Researchers agree in considering the Psychological Contract as the main way to understand the reciprocal expectations between the organisation and the employees and it is crucial in order to decrease the turnover rate (Rousseau, 1995; McFarlane Shore & Tetrick, 1994; Liden et al., 2000; CIPD, 2014). Despite this, STAR HR Shared Service doesn't seem to be aware of the concept and the importance of the Psychological Contract. As suggested by Guest (2004), this type of research can help the organisation to identify and analyse the elements of the PC, to find the breaches and to reinforce the PC. From the findings, it emerges that the management has a dual approach towards the turnover because it is seen both as problem and as a natural event; but considering a survey conducted by Deloitte (2015) the turnover rate in the Global Shared Service industry is confirmed at 8.3%, significantly below the turnover rate of STAR HR SSC. Ongori (2007) underlined that HR practices such as recruitment, induction, training, performance evaluation, organisational culture, compensation and benefits can strongly impact the turnover rate. Rousseau (2001) identified them as fundamental elements of the Psychological Contract. In the next paragraphs, the findings will be analysed and discussed locating them in the literature reviews and meeting the objective and sub-objectives outlined by the researcher. The recruitment process has been well structured by the company and the foundations of the Psychological Contract are laid down during the interview of the candidate (Rousseau, 1995). Tomlinson and Carnes (2015) stated that the candidate perceives the interviewer as personification of the company. Therefore, the idea to organise two interviews, one formal with the recruiter and one informal with three future colleagues, seems to be valid because it provides a complete and realistic picture of the company through different points of view. Candidates create and develop expectations towards the company in this first phase (Harn & Thornton III, 1985). It has been reported that sometimes the implicit and explicit terms of the employment were not very clear, which could damage the psychological contract because the mutual expectations don't result in reality (Rousseau & McLean Parks, 1993). Conrad and Warwick (2002) stated that many companies have an induction

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program in place because it reduces turnover and improves engagement and commitment; in STAR HR Shared Service, the induction is not part of a clear process but it is more demanded of the team leaders, which could be enhanced. McKinney (2012) suggested that the early stage recruitment material (handbook, brochure, terms of employment, etc.) should be used by the companies because it reassures the employee about the respect of his rights, enhancing the perception of job security and increasing the organisational attraction. The recruitment strategy has been set on hiring, despite some discrepancies that emerged in the interview, young people and neo-graduates. Curiously, the three new graduates hired by the company have asserted that their plan is to stay in the company for one year and Luscombe (2013) confirmed that one year can be considered as a 'long time' by them. One of the most important expectation that employees have towards the company is to be trained and to enhance their own skills and capabilities. If the company doesn't fulfil these expectations, the Psychological Contract could suffer a breach (Robinson & Rousseau, 1994). STAR HR Shared Service has set up a training program completely based on on-the-job sessions and employees appreciate this approach that aims to improve very specific skills. The organisation of the training is demanded of the team leaders and the skill gap is identified with the employees who can directly affect their own development. Also, informal coaching and mentoring programs are set up in a different team. These characteristics are typical of a Learning Organisation (Senge, 2006). This is fundamental for a company that has a high turnover such as STAR SSC because, even if the employees leave the company, the tacit knowledge remains spread across the teams. These words are confirmed by Armstrong and Anis (2008) that suggest creating a training plan focused on coaching, mentoring and on the job training to create a learning organisation. The development of an effective training plan is an important way to reduce the turnover (Forrier & Sels, 2003), especially among Gen Y employees because they want to be constantly trained and challenged (Luscombe et al., 2013). Performance evaluation is one of the most important elements of the Psychological Contract because it is considered by the employee as evidence of fairness and trust

(Rousseau, 1995). As recommended by Hitt (2002), the organisation structured the performance evaluation structure in three steps:

1. Organization sets individual and collective objectives and standards
2. Management measures the performance through objective measurement
3. Employee receives feedback and evaluation for his or her own performances

The findings confirm two warnings related to the second and third steps. Employees have doubt about the objectivity of the measurements and about the clarity of LM's feedbacks. From the interviews, it arises that the evaluation is sometime too discretional and a perception of unfairness can generate stress and mistrust, affecting engagement and commitment negatively (Abdulkadir et al., 2012). Employees complained that they have sometimes left the performance review meeting with a sense of confusion and without knowing how to achieve better results; this can result in a breach of the PC (Rousseau, 2001) because fluent communication and clear feedback are considered vital for an effective performance review (Hitt et al., 2002). Again, Hitt sets the rule that STAR SSC's management should follow in this process: The managers should accurately check the objective and goal, review positive and negative events, discuss them with employees and set new standards and objectives; it is fundamental that the employee leaves the meeting with a sense of satisfaction and positivity (Hitt et al., 2002). The exchange of feedback seems to be a crucial issue in order to retain Gen Y employees (Luscombe et al., 2013) and this point arises clearly from the interviews. Bhattacharyya (2015) suggested to accurately benchmark the job market in order to guarantee attractive salaries to the employees and to base the variable part on a fair system of performance evaluation. It has been found in the interviews with the managers that the company benchmarking is not completely aligned with the Irish market, which could cause the perception among the employees to get a low salary. Interestingly, a document published by Sigmar Recruitment (2017) identifies the salary ranges for the following roles in Dublin:

HR Graduate 23–30k (1–2 years)

HR Administrator 25–30k (1–2 years), 30–38k (3–5 years)

HR Generalist/Advisor 30–40k (1–2 years), 38–45k (3–5 years)

For the experienced employees, the salary is effectively below the average. But for the new employees, it is within the salary range. Also, a general concern related to the KPIs utilisation to measure the performance arises from the interviews. As stated by Rousseau and Robinson, salary remains the main concern of the workforce because it is considered as the main way to value the employee's work. The organisation developed a very good compensation package, mixing variable part and flexible benefits. The positive impact on the employee retention is confirmed by different researches (Shields, 2016; Judge & Ferris, 1993; Carbery & Cross, 2013) that underline the growing interest of the employees toward alternative forms of reward. The work-life balance is appreciated by all the interviewees and it has been seen as the main benefit of the compensation package, confirming the current focus on their own wellbeing, identified by Carberry and Cross (2013). New workforce and experienced workforce evaluates differently the benefits included in the compensation package; the first has shown interest in flexible working (hour off, holiday bought and sell), while the second has shown more interest in the health insurance and pension scheme. As suggested by Giancola (2008), the compensation package should be more customisable in order to completely satisfy the different generations of workers. STAR SSC has consolidated a friendly and dynamic culture during the years and Flaming (2005) confirmed that those characteristics positively affect people retention and consequently reinforce the Psychological contract (Levinson, 1994). Guest (2004) considered fairness and trust as key elements of the psychological contract because they affect the employee's experience at 360°. Therefore, the concerns related to the 'clicky' culture and to the perception of unfairness are worthy of consideration. An inclusive culture, that promotes equality and trust, is fundamental in a work environment (Tillott et al., 2013). The communication flow between the organisation and the employee has been delegated to the management that has the key to reinforce mutual trust (Berens, 2007) and managers expect that the employees feel free to express doubts and concerns. Cascio (2014) underlined the

importance of a constant exchange of feedbacks as it enhances an organisational culture based on trust and fairness. It has been underlined that STAR SSC's culture has been shaped by the same employees during the years, which has a positive effect on the engagement as underlined by Dwivedi (2013) who suggested to tailor the organisational culture based on the employees' personality. Considering that the recruitment strategy is centred on hiring graduates, the company should consider that Gen Y is attracted by the companies that stand out for fairness, impartiality, trust, charity and social responsibility (Luscombe et al., 2013). Interviewees don't identify themselves in the brand and none of them feels a sense of belonging. The main consequence is a disaffection towards the company and a breach in the Psychological Contract (Backhaus & Tikoo, 2004). The brand should reflect reality (Edwards, 2009). Therefore, there is a clear discrepancy between UK and Ireland, where the brand is not on the market anymore. A strong employer brand allows a company to offer a lower salary (Ritson, 2002), which could be a way to improve the turnover rate. The ex-employee underlined her excitement and happiness in going to work for a company rated as best place to work, which proves how the EB can positively reinforce the Psychological Contract. A few interviewees visited the UK Headquarter and they were enthusiastic about brand and values; they became drivers of the brand as stated by Edward (2009).

VIII - CONCLUSION AND RECOMMENDATIONS

The exceptional and rapid growth of the Irish economy is creating a crescent concern about the shortage of skills and qualified personnel. As a result of this trend, the job market is becoming very tight and companies are struggling to hire talents and retain employees. On top of this, STAR HR SSC is operating in a peculiar sector where the boundaries between Human Resource and Customer Service are blurring and it is providing with the HR Services a company located in UK and completely disconnected from the Irish context. Competitive advantage can be achieved through a complete understanding of the PC and through a reinforcement of its elements. The organisation doesn't seem to be aware of the concept of PC, but, going through specific questions, the interviewees have been able to outline the elements that characterise the PC and also to identify its status and possible breaches. The employees showed clear opinions about the high turnover and although they are not completely conscious of being under the effect of PC, they have helped to outline the weaknesses of policies and processes in the organisation that menace the positive relationship between them and the company. Limpid differences in particular areas have emerged between senior advisors and junior advisors, investigating the elements of the PC. As expected, the main breach in the PC is caused by the inadequacy of the salary that is low as compared to the job market. This concern has been pointed out, especially by the senior advisors, because the salary range for the graduates is perfectly in line with the current market. Therefore, the breach is clearly attenuated among the new joiners. The organisation is wisely focusing the recruitment strategy on hiring graduates because a good salary can be offered but it seems to end in itself. Hiring Gen Y implicates consequences in the organisation of which the company should be aware because they impact the people retention and therefore, the Psychological Contract. It has to be considered a warning that all the junior advisors revealed that they don't see them in the company for more than one year. As confirmed by the literature, an ineffective strategy on employer brand can lead to a breach in the PC. The employees and the organisation proved to be very sensitive about this topic as they didn't feel like they belonged to the brand and they had the perception

to be a separate entity from UK. There are clear difficulties when it comes to intervening into the strategy, given the distance from the headquarters and the absence of the product in the Irish market. The organisation has put in place a precise HR strategy with clear and defined processes that are overall appreciated by the employee. The strategy doesn't consider the differences among the workforces and it should be tailored based on the employees' characteristics, personalities and backgrounds, as suggested by the literature. Communication, trust and fairness have been confirmed as the foundation for a healthy relationship between the organisation and the workforce. In describing the processes, it often emerged as a deficit in the communication flow that affects the perception of trust and fairness. Communication is vital in the recruitment process when the primordial form of PC has created because it gives a real picture of a company and its expectation. Also, it has shown as fundamental in processes like training and performance evaluation, where an honest exchange of feedbacks can help the employees to develop themselves professionally and personally and help the company to grow and improve processes and policies. The organisation is relying on the 'Reflect Program' (climate analysis) in order to reinforce the relationship with the employees and understanding the reason of the turnover. Management is conscious that improvement needs to be done about communication flow but a clear strategy didn't arise from the interviews.

RECOMMENDATIONS

STAR SSC cannot compete on the salary ground with the other companies in the market. Therefore, it should reinforce and consolidate HR processes and policies in order to attract and retain employees. Before implementing any strategy, the company should analyse the workforce that has been employed during the last three years collecting objective data such as age, education, work experience, gender and nationality. The perception of the psychological contract is affected by the background of the employee and therefore, it is important to understand what characteristics had the people who left and what characteristics have the people that still stay in the company. The HR Strategy should be shaped based on the employee's nature. If it is true that

graduates may accept a lower salary, it is also true that their retention could be very challenging for the company. I would recommend a recruitment strategy not only focused on hiring graduates, but also based on the result of the data collection. The company should also provide the new employees with early stage recruitment material (handbook, brochure, terms of employment etc.) because it reassures the employee about the respect of his rights and informs him about policies and processes. The recruitment strategy with formal and informal interviews should be kept because it gives a full and clear picture of the company to the candidates. I would also suggest to introduce an official induction program that would be uniform and not only managed directly by the team leaders. This approach should reduce the distance between the organisation and the employee, enhancing communication and trust. The individual training should be structured on precise and reliable mapping of personal and technical skills, in order to individuate and fill the gap. Currently, it is totally delegated to the manager and the employee without any objective measurement. The new method would perfectionate a training method that is too dependent on personal perceptions and the ability to exchange feedbacks. Also, it would satisfy the constant desire of the new generations to be trained and developed in their own skills. Coherently, with the budget restrictions, delivering external course would be beneficial for the company and the workforce. The informal training, currently in place, guarantees that the tacit and explicit knowledge is not going to be lost. The performance evaluation system should be based on measurement and metrics that are shared and accepted by the employees. Therefore, I would involve them in their definitions; employees could help the organisation to identify objectives and measurements that are mutually and fairly accepted. A training, focused on feedback exchange and communication, should be organised by the company in order to guarantee an effective performance review. If on one hand, the compensation package cannot be improved for the budget restrictions, on the other hand, it can be rendered more flexible. I would recommend a survey among the young and experienced workforce in order to understand what would be attractive for them. I wouldn't suggest intervening in the organisational culture as it has been described as friendly and positive. But I would recommend enhancing the perception of

trust and fairness. Organising feedback sessions could help to create a trusted environment and I would recommend to clearly state the criteria when an internal position is advertised and to clearly state the reasons that bring the management to choose one candidate over another. The Shared Service Centre should always be involved in the UK initiatives, but due to the distance from the headquarter and the absence of the brand on the Irish territory, it would be very complicated. I would suggest improving the organisational culture in order to develop a sense of belongingness that is decontextualized from the employer brand. This would only sooth the problem with the employer brand and for this reason I would recommend to the management to discuss with the UK board about the issue. Overall, it is my opinion that STAR SSC can decisively decrease the turnover operating on the Psychological Contract; a clear communication flow and a general sense of trust and fairness would help to improve all the HR processes and improve the people retention through engagement and commitment to the company.

IMPLEMENTATION

Most of the recommendations can be carried out without heavily impacting the budget and they are suitable for a small organisation like STAR HR SSC. The priority is to analyse the context and the company history during to last years in order to render the recommendations more effective and pertinent. The implementation should be planned on a long-term basis and constantly monitored in the direction of understanding the effectiveness of the changes and in contemplation of eventual variations in the processes.

LIMITATIONS

As mentioned in the methodology chapter, the main limitation is related to generalisation because it has been limited to an HR SSC located in Ireland and with HQ located in UK. The second limitation is related to the lack of objective factors (such as age, sex, education etc.) as they are elements that concretely affect the mutual expectation between the organisation and the employee. The third limitation could be

the unconscious influence that the researcher could have on the research as part of the organisation.

FUTURE RESEARCH

The Psychological Contract has been deeply investigated in different working areas and sectors. But there are no researches related to the HR Shared Service context. Given the growing numbers of HR SSC, it would be worthy to further investigate the PC in order to improve the employee retentions that seem to be an impacting issue for many centres.

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Interview Consent Form

The purpose of the research is to explore whether the small service-sector businesses in China can gain and sustain competitive advantage through building learning organization. Participants will be involved in the research solely on a voluntary basis by taking part in online interviews which will be recorded and transcribed for analysis purpose. The interview will last approximately 30 minutes. Full anonymity is guaranteed. Participants are entitled to withdraw comments wholly or partially during the interview.

By signing the consent form, participants fully understand the research purpose and give permission to be voluntarily involved in the research on an anonymous basis. Participants are aware of the participation will not be compensated.

Signature: Date:

APPENDIX II – INTERVIEW TRANSCRIPT

I INTERVIEW

Interviewer: Can you describe to me your role and responsibilities within the company?

Manager: I'm joint head of the center with one other person. My role is to oversee the running of the center, to oversee the management of the people that work here as well just to make sure that the team leaders are doing what they're supposed to be doing. I manage the finance manager as well my role there would be to ensure that we adhere to strict budgets, that we constantly look at continuous improvement at cost savings and that we ensure that we follow all the legal requirements for statutory reporting and all the legal requirements that are needed to run a business.

Interviewer: Do you think that your role changed during these last years?

Manager 1: Significantly yes. When I joined the company I joined on the leadership team reporting in to the head of, and I was responsible solely for the finance function and as the role developed and evolved I took on one service team, having never managed a service team before, and now obviously that I am responsible for half of the service teams in the center and also some of the more managerial, strategic decisions. Also I would have never reported directly to a director before until the last three years. Now I report into the Board of Directors within the center, which I sit on the board meetings and then I report into the boards in the UK.

Interviewer: Thank You. How would you define an HR shared service?

Manager 1: HR shared service needs to do a lot of processes spanning over a lot of areas and needs to do them well, it works very well once you've planned everything and scoped everything, I, in my experience having dealt with other HR service centers, it's not a one size fit all. We're in our sixth year here so we fine-tuned it there but you do need to really see what your customer requires and match that up with what skills and what work force have you got in the center, what capabilities you have in the center, whether it be headcount restrictions, budget restrictions or other. A good HR center is very effective because it drives consistency and it takes the governance away say from local managers so if you or I were managers we could be doing things completely different, it takes away that and drives more consistency.

Interviewer: Question number two, are you aware of the concept of psychological contract?

Manager 1: Very lightly.

Interviewer: In employment, psychological contract refers to 'the system of beliefs that an individual and his or her employer holds regarding the terms of their exchange

agreement. The unwritten understandings and informal obligations between an employer and its employees, regarding their mutual expectations of how each will perform their respective roles. Violation of psychological contract arises when the employee or organisation is unable to keep their mutual obligations and, consequently, it can lead to negative repercussions for the two sides.

Manager 1: Yes, that's fine.

Interviewer: Okay, question number three, lately the HR shared service suffered a very high turnover rate, why do you think this has occurred?

Manager 1: I think there's a few factors here, one of them would be, I suppose the more positive side of turnover which is that people have moved on to bigger jobs, they've probably, given the scope of services that we do in the center, and the way we're set up, they reached what they felt was their potential within the center if they didn't want to become a people manager or they didn't want to strive to be on the leadership team. I think that side of it is a positive, it's annoying you're losing a lot of good people that you've trained they've got a lot of knowledge and it's an upheave for the team as far as I would be concerned I like seeing my teams progress and I like developing my team so that would be good turnover. The other side of it was twofold, some part of it is part of the restrictions we would have had put on us back in 2012 where we had really strict budget restrictions put on us and the decision at the time was quite reactive and it was like "let's get in graduates on lower salaries and we'll train them". One of the things that I am a big believer of in people management is you can train any skill possible, you can't train work ethic and you can't train attitude. I would have been on board on that side and absolutely if I have somebody who just has a great attitude, can pick things up and wants to learn I will happily work with them to teach them anything I can, but in doing that, the other side that wasn't looked at was that we didn't do any kind of succession planning. We didn't say okay we're going to get this person in, in 2012 with no experience on a very low salary, however, we're going to develop them and we're going to increment their salary to reflect the experience that they are gaining. That was never built into place, it was not built into any for our budgets so as a result of that when people -- I don't think people moving is all about salary, but I think as a result of that, people reached their limit they'd gotten all the experience that they needed to go to another HR generalist role or specialize in a certain area where they could get a different salary. Another part of that in that we've struggled with and we're still trying to address is, training people managers. A poor manager can make or break an employees' relationship with a company. I don't think we're there yet, we still need to be a bit more proactive and a bit stricter perhaps with some of our people managers but I do think that had something to do with it. And speaking to people as well, consistency you're going to hear this word a lot. Consistency has a huge amount to do with it so one manager is doing one thing another manager is doing another, you're looking at your colleagues, it

might be perceived that your colleagues have an easier time than you and that causes some disruption in the teams.

Interviewer: That's perfect. Question number four, could you describe the current recruitment strategy?

Manager 1: Yes.

Interviewer: If there is someone also responsible for it and if you are considering like background, it can be age, education, everything.

Manager 1: Yes. Basically, all the recruitment for the center should be done through HR, I say should because we've had a couple of times where another manager would go and try to their own recruitment, but basically it all should be done through HR. The setup is we would advertise, also we have the family and friends -- refer a friend and we will put it on jobs boards, again, budget comes back to we have restrictions because we don't have unlimited money for recruitment so we would struggle when it comes to jobs boards because there's a lot of very competitive jobs up there. When the applications come in, HR will screen all the CV's, they will then pick out the ones they think are appropriate based on-- we don't consider age whatsoever because most people there wouldn't be age on your CV anyway so we will be based on skills, past skills, if you're studying, things like that. They would then conduct a phone interview to just ask you very few simple questions. One of the things we do consider and why we have quite a multi-cultured center, we do need to take into consideration that people do need to have some proficiency in English to work here, so that would be one of the things that would be quickly identified in a phone interview. If the guys then think this person is suitable and the salary we're offering is within this persons range they will invite them to interview. At this stage of the interview, it will be, depending on the role, it will always be at least two people will interview you and for a manager role it would be myself and HR or Declan and HR or myself and Declan, depending on the role. If it is for a team member it will be the team leader and possibly HR. Then we would also do some peer interviews we would get a couple of potential peers to meet that person. Definitely from my point of view in the interview, as I said, age or circumstances wouldn't come into it for me, it would be basically your attitude if you can demonstrate your past experience or you can demonstrate that you're studying and that you have a passion for HR/Customer Services. That would be what I consider.

Interviewer: Do you think that the potential candidates are aware of the true nature of the role when they start to work here?

Manager 1: Yes and no, for instance we were interviewing for quite a senior role last week and we had three candidates and one has clearly done her homework, she really understood the role, she understood the setup of the center and she had asked HR a lot of questions before she came in, other people didn't. I find it interesting now that I am

seeing it in HR because say, for instance, we call onboarding or what we call lifecycle. They're very subjective, they're very different in other companies so people may not necessarily always understand the role that they're coming into.

Interviewer: Question Number Five. What kind of employee training programs are in place?

Manager 1: At the moment we have very limited on-site training. We do have the Linda Program that we have where we're harnessing the relationship with the R&D team in the UK. Then what we do from HR point of view in conjunction with the managers is we will ask them what training they feel their employees could benefit from? For instance, we've got more coming up we've done it last year where we did Looking After Yourself so basically, you guys are dealing with a lot of difficult calls. A lot of difficult circumstances and while we were focusing a lot of our training on the best for the customer what's for the customer and get everything right for the customer. We introduced last year training in the How You Mind Yourself. If you get a really tough caller but you're happy. You're comfortable when you hang off from that call to know that you've done the best you could for that person. That you're not taking it on board. Then we do some team building training and a lot of the personality testing and things like that. We would do that through the R&D team.

Interviewer: What are the expected outcomes?

Manager 1: You want a happy, engaged workforce. As a manager, I like to think that the people sitting out there know that they are proficient to do the job. They're comfortable with their own skills. They know that they have support if they don't feel comfortable. That they can speak up, they don't need to hide it. As a manager I like to operate a team that's very -- I know we are in a shared office but figuratively an open door policy. I like anybody in my team not just my team but anybody in my team to know that if I'm at my desk I'm there. They can talk to me, they can stop me at the kettle. I'm always on mobile I don't like people to think that they feel isolated. I don't like to think that if they don't want to do something they can say it.

Interviewer: Thank you. Question Number Six. What are the tools used to monitor and announce the employee performance?

Manager 1: We would drive one of the big important things is one-to-ones you should have a regular one-to-one at least once a month. This should be a very much a two-way conversation. You should get some very honest feedback from your manager there. There should be some quality refused things like that. Because when it comes to mid-year and end of your performance this is what it's driven off. Say for instance with my teams with my team leaders I would have a feel for their teams. I would know who's struggling, who's not in what areas then we can because that would come into their one-to-ones with me.

When we have our one-to-ones yes we talk about them, yes we talk about the business. But we would actually go through the people on the team. Have you any concerns? Is there any issues things like that. The one-to-ones will be quite important because these do drive the basis of your mid and end of your performance. Then we have obviously success factors your performance. That should be filled in I get the impression sometimes that people do that as a last minute job but it's actually very important because that's your opportunity to speak up for yourself so you should put time into it. Managers need to take the time to review it and to carefully put in what they're doing. Then when it gets to collaboration to Declan and I we then go through a person-by-person with our team leaders, their rating. As I said this is where the one-to-ones become important because if I think a team leader has been either or fairly harsh or soft I can challenge it then if they've been harsh I can say, "Would you have told me in the last six months that this person was fantastic at doing this, this and this? Why is that not reflected in collaboration"? Likewise, if I think they've been too soft.

Interviewer: Do you think that the managers are trained to deal with the four months review? To give feedback--?

Manager 1: Yes some managers are great at it and some are not. It's become very obvious with some of the things that I come and say to myself or Declan. We have done in the past and we are doing it again where we provide our managers with having difficult conversations. Because I think basically especially when it comes to performance it's very easy to tell people how great they are. It's not so easy to tell them when they're not doing well. I also think that needs to be packaged very carefully because you need to look at why is this person not doing well? If it's attitude that's them. But if it's training or it's just that they feel a little bit uncomfortable or they feel a bit out of their depth that's on us. That's on us as managers to correct that. Yes, I think some are very good at it, all our managers here have been through if they're having difficult conversations calls at least once but it's one of those things that naturally you're either good at it or you're not.

Interviewer: Thank you. Question Number Seven. How would you evaluate the compensation package in the company?

Manager 1: I think the overall package is quite good but I think the struggle we have is that the age of the center. We've got a lot of millennials, we've got a lot of young people coming fresh in from college. Whether we're being right or wrong that's a personal opinion they don't care about pension. They don't care about travel insurance or healthcare. They care about what's going into the bank at the end of the month. I think our salaries are a challenge our baseline salaries I think are a challenge. Especially given the area that we work in we've got these big companies coming in here who are offering really high salaries. It will be one of my bugbears I suppose is when I'm arguing this with our managers on our board they always come back the overall package is great and

they don't seem to appreciate that millennials don't care about pensions. That's 20 years down the line and healthcare is still probably mom and dad's problem. They don't care about these things so I think it's a struggle.

Interviewer: How the salaries is benchmarked? HR Shared Services or customer service?

Manager 1: This is a real bugbear of mine because there's not enough HR shared services to centers to -- especially this when we're quite unique in what we do. There's not enough HR shared services centers to a solely basis on our HR shared service center. It is more or less a mixture of both HR and customer services. It gets really tricky when it comes into the specialists because they have a planning role. What's a planning role or IT can go from 20 grand to 100 grand it's very difficult to get the measure there. It's quite frustrating for us as well because as a manager because the UK insists on using a UK company and where say in the culture that we work in, telephonic [unintelligible 00:17:08] is the head office. But we've also got centers in Leeds, Preston Brook. We've got a lot of home workers so you could have somebody living in the back of Scotland. Way lower mortgages, way lower cost of living but they're actually on a London salary because the head office is London. Our directors don't take that into consideration and don't appreciate that when it comes to benchmarking the centers. That the center is in the heart of Dublin most people live in Dublin, the cost of living is very expensive. I find that to be a real challenge in that I wouldn't always be satisfied with the level of benchmarking that we get back.

Interviewer: Do you think there is any benefit that stands out in this company?

Manager 1: Yes I think we are a very progressive company. I think we encourage employee engagement. We encourage employee involvement. I find especially with a lot of the people that I have managed that if you come in here and you want to work and you want to learn you will be given every single opportunity you want. We encourage everybody I think we are quite progressive. I do think we have a limited shelf life just because of the nature of the role that we do and the fact that we do reporting to another headoffice that's not here. I think we're quite a progressive company to work for.

Interviewer: Question Number Eight. How would you describe the company culture?

Manager 1: I think it's quite friendly, it's quite casual I think most people get on I'm hoping most people are happy working here. That they feel that they're part of the team, they don't feel isolated or they don't feel intimidated. Sometimes I actually as a manager and some of the things that come back to me I'm a little bit concerned that sometimes perhaps we're too casual. In that people get a bit of a shock down if we do pull them into line or-- I don't expect people to be burning the midnight oil. I don't expect people to be working all hours but there will be circumstances where this is actually urgent, this is important and you need to stop what you're doing. Not every team appreciates

that and I think sometimes perhaps if they go into another business they will be in for quite a shock. When it comes to their I suppose the ones that we put on work/life balance, it wouldn't be as high in other companies.

Interviewer: Thank you. Talking about fairness and trust how do you think they are perceived by the employees?

Manager 1: This is interesting because obviously, we get this out of reflecting, we get it out of all the managers. I think there's definitely some employees who feel that they're not treated as fairly as their colleagues. I don't know -- I suppose the frustration there is that a perception? Is it a management thing? That they are manager they feel like they are not getting the same treatment. Or is it a bigger issue, is it a more widespread issue? Certainly, within my teams I feel that people feel they're being treated fairly and there's consistency across the group. When I have spoken to people in other teams who feel they are not. I think it all comes back down to people management so it's how do I manage my team leader, how does Declan manage his team leaders, and in turn how do they manage theirs? I find I'm quite tough on my team leaders. I expect a lot from them and I treat them with the utmost respect. I'd never be shouting at my team leaders. I've never been mean to my team leaders. I do have a high expectation when it comes to the level of work output that I expect from them, but we've got a very open relationship. I expect them to have the same respect for their teams. I do think there's a difference.

Interviewer: I'll ask two things about culture and if you think that there's a clear communication flow from the organization to the employee and vice versa from the employee to the organization? If transparency is evident in all our processes?

Manager 1: Again this is one of the examples where it comes to different managers. I have a weekly call with my manager. There's three of us on the team that report to my manager. There's myself, Declan, and Tracy in the UK. We've a weekly call with her and she would give us an overall of what goes on in business. Just kind of the high hitters whatever is a need to know for that week. There will be some things there that she'll tell that are confidential that we can't share. Tracy will give her a run down on what's going on with HR or with service delivery and Declan and I will give her what's going on with the business. Immediately after that call I will send my direct reports in an email with everything that I can share. There could even be things we need to know but obviously, the wider business doesn't know and I would tell them that. I have seen it done when my team leaders are having team leader meetings with the whole center. There's a bit of annoyance because the rest of the team leaders won't have had the same update and they won't know what's going on. I think the same way going back. I like to think that the line of communication from the bottom up are open, but then I will hear things contrary to that. There's a lot going on with people having a moment or whatever and instead of just coming to us and talking to us. That's the bit that I find quite frustrating because your perception can be wrong so I could say something to you today

that you could pick up slightly incorrect. or I could have told you slightly incorrectly, you're going to go say it to somebody else. They are going to pick it a different way and then by the time it gets back, it's completely wrong. I find that frustrating that if people actually came directly to us that wouldn't happen.

Interviewer: Thank you. Question number nine. Do you think that the employees can recognize themselves in the brand?

Manager 1: Yes and no, and this is why I suppose that's weird because we work for STAR but we don't. If you speak to people in the UK or you go to the UK they are all about the brand the brand the brand. They give amazing family and friends discounts, they have devices, they can go to any store with their ID and get a discount. We don't have that. I think we struggle here to identify ourselves to the STAR brand because of that reason. yet I think then if you think then we have a separate brand where we're this call center. Where people ring possibly at the most vulnerable times of their lives. They get excellent service. I think our employees pride themselves on the service that we deliver. Getting it right the first time and putting the customer first. I find that's interesting that say, "This year STAR their mission is mobile led customer first, " and they're all about the customer. That's nothing new to us because we've been all about the customer for six years, just we have a slightly different customer. I'm trying to work up my teams in the term of the customer as in the person standing in STAR store wanting to buy a phone. We are actually impacting them, because if you've got a store employee who've been on hold for 25 minutes because they didn't get paid yesterday, their mortgage has bounced the bank account, and they are really unhappy. That customer is not going to get a good service because even that person is trying their best they are still distracted or peeved by what has gone on. Whereas if they know they can ring us up. If they had an issue it's been resolved. The customer gets a happy front facing person.

Interviewer: Question number 10. This is the last one. Overall, what do you think are strengths and weaknesses in the relationship between employee and organization, and how would this relationship be improved?

Manager 1: I think historically there's always been an off and on situation with the UK. Obviously, they've got relationships in the UK. They're used to people dropping by their desk. They're used to getting what they want. Then comes along the center making few follow-up process and procedures. I think the relationship in the last three years has improved greatly. It's not the same relationship that we have, but I do still find some things frustrating like say, for instance, PAs refusing to follow the process. Just they know they can...I have an old PA who'll contact me all the time, so we're all guilty of it. They know they'll contact and I'll have them pushed up the list. I think as well opinion, so I finally say your business partner just because it's their friend who whatever. They feel should be top of the list when say for instance **[unintelligible 00:25:46]** you guys have 300 SORs. You're answering in a fairly allocation way and I think that bit has been

difficult. One of my concern in the UK, is the word escalation has lost all meaning for me. Because just because you get the answer you don't want doesn't mean it's the wrong answer. I would find that whole, every time you guys or contact a case tell somebody something that they don't want to hear. It could land as an escalation on my desk. I find that quite frustrating. I think that's me educating my manager and the director who's responsible for this center. That when they are at the desk and then somebody pops over saying, "I need this done," they don't agree. They send them to the right channels.

Interviewer: Do you think there's any areas that you would like to improve? It can be employee engagement, work satisfaction, job security, work-life balance?

Manager 1: I think work-life balance we're great. Job security is out of my control in that I can make the center as competitive as it needs to be. Perform as well as it needs to be, but that's the only promise I can give, that I can control. I would always like to improve employees engagement because I think if I have 53 people out there who are really really happy. I have two who aren't, I think the two who need to be addressed. I think we're probably a little too lenient in some ways in that. Employees need to remember this is a two-way contract, it's two-way street and it needs to be, give and take. It can't always be about us. I will always like to improve job satisfaction and employee engagement. I think it's something that you should be considered every day. I think actually for managers if it's something you consider every day it soon becomes natural. You don't realize you're doing it but you're doing it. Because I don't think that employee engagement should be a concern. That's my one big struggle with Reflect and it's the point I try to drive home here and that we shouldn't look on employee engagement once a year. It should be every single day of the week. If I see our employee comes in, you should be able to tell. When I see one of my team coming in and they are unusually quite. They don't look particularly well I will always ask them, "Is everything okay? Is there anything we can do?"

Interviewer: Very last, I swear. If you think that you have the tools to reach your goals?

Manager 1: No. From a personal point of view in my role since we've reported into the UK, there's been a lot of changes. There's been a lot of decisions that are made without having the knowledge of what it is to run the center. I find that quite frustrating. I find sometimes decisions are made quite reactively then. I suppose my frustration is somebody at the UK were to be my manager Kate or whoever were to make a decision that hugely impact our teams, but then they go off on their business. The decision has been made, it's our team's problem and we try to get our team through. I find that really frustrating. It's one of the things I try to concentrate on as a manager is I don't bring negativity into my teams. No matter what's going on with me personally in work, my team shouldn't be aware of that. It shouldn't be like I get an answer off of Sarah that I don't like and suddenly my team because I'm like an anti-Christ on my desk. I've gotten

that and I feel frustrated that I don't feel I have the tools to make the centre as great as I wanted to make for our employees and our customers.

Interviewer: thank you

II INTERVIEW

Interviewer: Okay, first question is, can you describe me your role and your responsibilities in the company?

Manager 2: Yes. I'm an HR Generalist. I look after HR for 60 people in the company. That includes recruitment and case management, all the generalist activity, making sure that we're good employment for agents. The general HR things I look after payroll as well.

Interviewer: Do you think that your role has changed during the period that you have been here?

Manager 2: Yes it's changed because of more focused engagement. When I would have started the engaging they already sit within HR, sat within the teams was kind of HR taking ownership.

Interviewer: And how would you define an HR shared service?

Manager 2: It's transactional services, to support business and to support business partners and senior HR managers so they can concentrate on strategic HR.

Interviewer: Second question. Are you aware about the concept of psychological contract?

Manager 2: I have an idea yes.

Interviewer: Would you describe it in general way?

Manager 2: No.

Interviewer: In employment, psychological contract refers to 'the system of beliefs that an individual and his or her employer holds regarding the terms of their exchange agreement. The unwritten understandings and informal obligations between an employer and its employees, regarding their mutual expectations of how each will perform their respective roles. Violation of psychological contract arises when the employee or organisation is unable to keep their mutual obligations and, consequently, it can lead to negative repercussions for the two sides.

Interviewer: HR shared service has suffered a very high turnover rate lately. Why do you think this has occurred?

Manager 2: I think it's because the market has picked up. I do think that shared service has-- You have a lifespan in shared service. Say you come in see what area HR you want to focus on and then you kind of move into a niche area. One thing I would say about the HR shared service you see everything that goes on. Some people might feel they've been sidelined to one area. That they wanted to kind of get a broader area. They might want to get out a generalist group or else some people say, "I love employer relations so I want to move up to senior employment relations." But I do think that people are leaving because the market has really picked up. A lot of people that are leaving aren't leaving to go to HR shared services, they're leaving to progress their career.

Interviewer: Have you implemented any strategy in order to improve the employee relation?

Manager 2: Yes, we've brought in-- so we always had the employment engagement survey called Reflect, so it's about reflecting their time in the shared service. Whereas when we used to get the results, they were looked at and kind of fluffed over. Like, "Are we able to improve?" there was nowhere-- never an action plan. Last year we brought in an action plan for them, a Reflect champ team. We would always make sure that we're seeing what people want. That's really good and added that we've brought in career paths which is allowing people and the things that came from the Reflect survey was that people wanted to develop this career path that we've introduced has really improved.

Interviewer: Fourth question, could you describe the current recruitment strategy?

Manager 2: Current agreement strategy?

Interviewer: Yes.

Manager 2: What we do at the moment is we take a lot of graduates in. We look to support the local college and look to support people who want to get into HR, as opposed to people who've been in HR. We realized that we wouldn't necessarily have a very high salary to bring people in with experience, we bring the young people in and promise them experience. That's our recruitment strategy, "Come in and we'll support you."

Interviewer: Do you think that the potential candidates are aware of the true nature of the role that they are applying for?

Manager 2: Probably I'd say six out of 10 have a good understanding but you have to kind of explain what shared services is to most of them. And where they fit in within that shared service and where they fit in with the wider business. Not everybody does. Some people do get us. I think the younger the graduates population are kind of understanding that because they understand our model. It is a lot easier to say we're transactional, we look after certain services for the whole group.

Interviewer: Okay. Is there any induction program in place?

Manager 2: Yes.

Interviewer: Okay. Question five, what kind of employee training program are in place?

Manager 2: That's very much team specific. When they come in they will be given a company induction. They'll understand the business strategy, the HR strategy, and then they're shown around the buildings to understand what the building is. On the teams they'll be training on the different systems and they'll be trained on one area of the business that becomes training. If it's case management think you'll be trained on previous cases or you sit down and shadow people.

Interviewer: Okay. What are the expected outcomes?

Manager 2: That we develop people. That people have the full understanding of what they're meant to do, so yes. Some people can come in and do their job.

Interviewer: Okay. What are the rules that are used to deliver the training?

Manager 2: Some's in classroom and then the rest will be on the job. We obviously have a learning system as well that we use. We encourage that to be used constantly.

Interviewer: Okay. Are you familiar with the concept of learning organization?

Manager 2: No.

Interviewer: Do we have mentoring or coaching program in place?

Manager 2: Yes.

Interviewer: Question six. What are the rules that are used to monitor and announce the employee and performance?

Manager 2: To enhance employment and performance is we give them objectives. And they need to make sure that they are reaching their objectives and their objectives are aligned to what they are actually doing. We'll measure them twice a year so half way through the year, and then at the end of the year. But throughout the year we just don't do it every six months. We make sure that managers are having monthly one to ones to have been there for them to make sure that they are developing.

Interviewer: How the skill gap is identified and how is filled?

Manager 2: That comes up twice a year. Because what we realized during calibrations-- calibrations is when all of us human needs and senior management will sit in a room they go through. Employees perform and then we say,"Well why has this person that

rating they made this mistake and that mistake." That's where we're saying, "Okay we need to upscale them." So, it's not going great but it's improving.

Interviewer: Okay thank you. Question seven, How would you evaluate the compensation package in the company?

Manager 2: I think salary could be better. It is in line with what the industry is offering but our benefits are very good.

Interviewer: Have you thought to compensate this gap with more benefits or--

Manager 2: We've tried so we've introduced pay scales. That we have like it was a couple of years like, "Okay how much can you bring this or how cheap can you bring this person in for?" whereas now we're like, "Oh, talking about this role this is this is what they can come in-between." They say, "Take it or leave it." Pretty much. We have improved benefits, how it goes.

Interviewer: Do you think that there is any benefit that stands out in this company or--

Manager 2: I think the 10% performance bonus is really good. Now our company's offering performance bonus. And then with flexible benefits that I think a lot of people forget about. So flexible benefits is 5% of your salary plus €910. You can pretty much take it as cash or you can buy stuff out. I do think that flex pool is-- they've gotten a bit lighter. Because you have to add to your salary and it's a good chunk.

Interviewer: Question number eight. How would you describe the company culture?

Manager 2: It's good, it's young, dynamic, eager, people want to learn, laid back chilled out. But we want the work done.

Interviewer: Do you think there is any distinctive mark is like that is shared by the employee, they bring this mark or--

Manager 2: On one team.

Interviewer: Talking about fairness and trust, how do you think they are perceived by the employee?

Manager 2: I think it could be a lot better. I think a lot of people think that the company don't treat them fair. If you look at it from a far perspective there are things that have been brought in and changes that have been brought in have been held the good of the business. While we are in HR, we have to be business people first. We need to look at the business.

Interviewer: Okay. How would you consider the communication flow, if it's clear and if the transparencies evident among the process that we have?

Manager 2: I think we need to be more clear. As a company, our communication needs to be better. So I think we need to have open communication. And I think various different teams need to start working better together in being open with each other and supporting each other. I think it's gotten better but there's a lot more work to do.

Interviewer: Okay. And do you use any tools to monitor employee engagement and intention quit?

Manager 2: Not intentions quit. We did the bi-annual survey. One of the questions in there was, "How long do you plan in staying in the company?" And there's a couple of options in there. While we do do that, that's done twice a year. We do take the information from it but it's not a weekly thing. It could be something like a **[unintelligible 00:11:38]** job allows us, go for an interview or eyes behind the scene in among jobs, study or whatever. But it's not something that we have an agenda every month.

Interviewer: Okay. Question number nine. Can the employees recognize themself [sic] in our brand?

Manager 2: It's quite difficult because where we are, we're not branded in Ireland. And I think if we were to be set up today without STAR in Ireland I think it'd be a lot different than because we used to have STAR. And I think that's what the problem is.

Interviewer: Okay. And do you think that is something that can be improved or--

Manager 2: It'd be difficult but I think people need to buy into the brand and then they'll buy into the company and buy into the culture then.

Interviewer: Okay. And last question. Number ten. Overall what do you think our strengths and weakness in the relationship between employee and the organization? And how could this relationship be improved?

Manager 2: There's a few improvements that need to be. One is communication. I think once you know something-- obviously, there are just certain things that can't be shared but I think once you can share just make sure that's shared in the department the proper way. Then I think that will improve. But I think both the organization and the employee need to improve their relationship. I think the organization needs to trust employees a little bit more and I think employees need to trust the organization a little bit.

Interviewer: Do you think do you have the tools to reach these goals?

Manager 2: Yes, there's always going to be some sort of strange relationship though. But I think we can improve. I think that it improves communication through-- which was even a couple of informal settings like informal nights and stuff like that or informal afternoons or breakfast or whatever. I think that could improve because then you'd have seen your leaderships with priorities. The organization and employees priorities is the

organization but not as involved. I think you could probably improve that relationship a little bit better.

Interviewer: Thank you

III INTERVIEW

Interviewer: Okay, question number one, can you describe me your role and your responsibilities within the company? Also your line of service, how your role changed in the last years?

Manager 3: Current role is a team lead. Previously, I worked on contact HR, then I moved to knowledge team. We were looking after knowledge base. What else?

Interviewer: Can you describe me your daily routine?

Manager 3: Daily routine, Okay. The team lead. Definitely doing quality reviews, doing one-to-ones, looking at the productivity of the team, then making sure- helping the team if they get difficult queries, managing the roster, trying to make sure that everybody has the equal workload, looking after new starters, leavers and employee. Managing basically team.

Interviewer: Question number two, are you aware about the psychological contract?

Manager 3: Not really.

Interviewer: In employment, psychological contract refers to 'the system of beliefs that an individual and his or her employer holds regarding the terms of their exchange agreement. The unwritten understandings and informal obligations between an employer and its employees, regarding their mutual expectations of how each will perform their respective roles. Violation of psychological contract arises when the employee or organisation is unable to keep their mutual obligations and, consequently, it can lead to negative repercussions for the two sides.

Manager 3: Okay.

Interviewer: Question number three, these HR shared service has suffered a very high turn over rate. What do you think about it, if you identified the root of this problem, if there is any strategy in order to improve employee retention?

Manager 3: The main cause, what we think is definitely salary. Advisors do not get paid as much. Then also we realized that before you were not happy in your job, you actually had to look for a job. Nowadays, because of LinkedIn, you get approach. It's very easy to change a job. Definitely salary is what other guys, they forget to be of quite good benefits. However, other benefits are more suitable for all the generation. Our employee workforce changed. We have much younger generation. They really just want money, they don't care really about pension or flexible benefits, healthcare, capital or

anything like that, they really are mostly about money. This is something that we cannot change at the moment. It's definitely the salary and the benefits are not suited for our workforce.

Interviewer: But do you see it as a problem? or is something that you think is embedded in our company?

Manager 3: This is the problem. It's something that I just have to work with to be honest. We definitely didn't have such a high turn over because before salaries were different but then our business changed. We had to make changes to our pay structure, then the problem started. It's something that I just need to get used to, to understand that people might stay only one year in our company.

Interviewer: Okay, question number four. Could you describe the current recruitment strategy?

Manager 3: We try everything as far as I know. It's done by my HR. I do not advertise directly. I tell them I need somebody and all that. I think that use indeed, but then they of course try to promote on LinkedIn, also guys from my HR, they go to colleges as well. If there are any graduates whether would be interested in working for us. That's most of CVs that the usual staff LinkedIn. I don't know if we really try to take people from other companies as other companies do. We really more advertise but be promote on Facebook as well we have and on LinkedIn.

Interviewer: Are you considering background factors like age, education, previous work experience?

Manager 3: When we are hiring somebody?

Interviewer: Yes, if you are filtering in some way. What are the filters that you apply in the research.

Manager 3: At the moment we have not much choice because the salary is not the best. The filters are definitely attitude. I want somebody that is keen on learning. Sometimes we don't even look for experience in HR because what is really important in our shared services center is good customer service. For us even people from customer service are actually good match because they understand going extra mile for employees, but of course that at the same time, definitely we prefer if somebody is really interested in HR. It's ideal if somebody had previous experience in customer service, but so far they haven't had luck to get into HR, but let's say they did some kind of HR course and they really want to get in, they prove it on the interview that they are interested. Win for us. Attitude but interest in HR as well.

Interviewer: Okay, do you think that the potential candidates are aware of the true nature of the role that they are applying for?

Manager 3: I think so, because we asked to explain, my HR understand very well what kind of people we are looking for. They are part of the center, they were advisors as well. This is always explained as far as I know, because first they do phone call screening, where they explain jobs to them, then we have face to face. That's where they shortlist candidates. Then when we have candidates, we definitely explain the flow. How it is organized. We explain that there are different teams, we even explain that you can't really have much promotion. All you can do is move between teams. That's how you can gain experience. We are definitely clear because the worst is we definitely don't agree with that to promise somebody that I don't know what and it's not reality.

Interviewer: Okay, question number five is, what kind of employee training programs are in place?

Manager 3: We are trying to fix induction because we lost a person who used to be our L and D. He used to look after absolutely everything. We lost that due to redundancies bit in STAR HR SSC. Induction was bit falling behind. Apparently the last induction was quite good. Teams meet different teams, but also my HR explained to them different policies. Then we have, well you have new starters. They start with simple processes then slowly my team members cross train them. we have this processes which they can follow.

Interviewer: Is the training set at corporate level or just at local level?

Manager 3: Of course, I forgot to say, we have corporate training as well but it's different, these are mandatory trainings which are very important because we work in HR. It's data security, we have the disability, we have set of trainings that are mandatory and must be done. Last year we had few good trainings that were organized by UK L and D, that was good. We'll see what's coming this year because again there were a few structural changes in L and D team in the UK as well. We are a little bit behind with other trainings. Something that employees would be interested in rather than mandatory training.

Interviewer: Are you familiar with the concept of learning organization? What do you think about implicit and explicit knowledge, if it's a concept that you are aware?

Manager 3: Not really.

Interviewer: Okay, do we have mentoring and coaching programs in place?

Manager 3: We try to do it. Before it was that people that are looking after people, now it's more that we encourage new staff just to talk to whoever. It's that talk to the whole team, but we have that somebody is training them on one process, they keep asking them about that process, they are there for them. Once they move away from these processes and they need to start processing variety of different easier processes, then they shouldn't be really scared to go to anybody. Everybody should be everybody's mentor.

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Interviewer: Question number six, what are the tools used to monitor and announce the employee performance?

Manager 3: We have performances done as we have ticketing system. From that ticketing system we pull reports that show us productivity of employees, then we look at randomly. Each month we pick five service cases where we check the quality. Of course then any feedback given from UK stakeholders or from employees or within the HR SSC that shows you about the performance as well. Then-one-to ones, but it's also what employees are interested in, what they want to learn that is counting as well, pro-activity of employees to get involved in more things.

Interviewer: Do you think that the managers are trained to deal with performance review and to deal with the employee?

Manager 3: We do test, all of us who are here at the moment, we did have training, team lead training. We have even performance training with a trainer. That would be interesting if we had a new team lead, that would be interesting because there is nobody to train them really. This was definitely before done. All the team leads that are currently did receive training.

Interviewer: How do skill gap is identified, how it is filled?

Manager 3: The skills of employees.

Interviewer: The skill gap, yes.

Manager 3: The skill gap?

Interviewer: Yes.

Manager 3: Do we have what skill gap? Because we are really- I don't know if I can answer this because I know for example, the good example is L and D but that's not my team. I know they struggled with excel. That basically decision was that whoever is coming to their team must have great knowledge of excel. It starts straight away with interviewing. You need to know what you're looking for because then it's too late. We don't have real specialist skills here, that's the problem. If somebody was getting into Kay's team, they are either from the SSC because they already know policies very well or somebody external who already has very good experience with employee relations. Definitely if you are hiring you first have a look across the SSC, do we have anybody who is interested, you look at their performance, yes, their skills as well because let's say if somebody is in boarding but they struggle with excel, they couldn't really go to L and D. Even that life cycle as it's quite important.

Interviewer: The performance evaluation is related to any compensation program or to any career path?

Manager 3: Performance is related to pay increase and bonus calculation as well, it depends what amount you get. Definitely it affects your pay increase and bonus.

Interviewer: Question number seven, how would you evaluate the compensation package in the company?

Manager 3: At the moment what we do is, our HR, I hope I am getting this right. As far as I know, my HR used to do this on their own. We were benchmarking what was happening in Ireland with other salaries and benefits as well, not just salaries. But now, as we are part of the UK, I think it's more now UK rewards team that are benchmarking us and deciding on salaries. Yes we are benchmarked.

Interviewer: Is there any benefit that stands out in the company? Like distinctive mark or something that is really good.

Manager 3: STAR in my opinion, what I like really when you get the feeling-- well, there are two examples, when you go to offices in STAR, they are definitely- it's very relaxed, very informal, they are very nice people, it's definitely nice environment or nice company to work for. The same applies for the HR SSC. It's definitely nice atmosphere, people talk, help each other and everything. From this point of view we are quite special because you don't have this in every company. As I said, we have good benefits. Not many companies offer this but it doesn't suit every employee we have in here.

Interviewer: Question number eight, how would you describe the company culture? If there is any distinctive mark, if you think this mark is shared by the employee. If our values are shared among them.

Manager 3: As we are quite far from UK, we always have to do our own culture. From that point of view it's struggle because then you go to STAR offices that is everywhere, new promotions, they are very much aware what's happening and everything. We are distant. Our culture needs to be-- We are trying to create STAR culture as well so there is a feeling that we work for STAR. However, it's not easy. We have STAR/STAR HR SSC culture. STAR HR SSC culture is being friendly, helpful, have great knowledge, be specialist, be good in HR.

Interviewer: Talking about fairness and trust, how do you think they are perceived by the employees? Also what do you think about the communication flow, if it's clear between the organization and the employee, if transparency is evident in all our processes, could be our performance reviews, salary, everything.

Manager 3: Fairness and trust, we do have struggles mostly. First of all I think fairness and trust, we try to be fair as much as we can within the SSC, I am saying now, of course many times as our leadership team always say, "We have a business to run and we are on tight budget." I would say not even us but many times our leadership team, they need to make decisions that are not perceived as really fair because we have budget

restriction, that's that. Trust, we struggle with that as sometimes we are behind in communicating. I would like to see more open communication and not to be scared too much to say even negative news or even if you have no news, just say you have no news. Because I think then everybody starts talking, gossiping, then it creates insecure environment but we definitely improved quite a lot because this always is feedback from employees, that they feel like leadership team do not communicate correctly. Then of course it depends also on each team lead, how we communicate. Sometimes it's a question that we forget or something like that.

Interviewer: What do you think is the role of the manager in delivering the company culture?

Manager 3: Well, it's very important of course. Sometimes its even flashing. If leadership team are trying to implement certain culture, team lead and manager are not promoting it and are doing their own stuff, then it absolutely fails. Of course then you have another situation that team lead is trying their best to achieve certain culture but then the leadership team are not doing it. It's nice when all are agreed and it flows nicely from top to the bottom.

Interviewer: Do you use any tools to monitor re-engagement intention to quit.

Interviewer: We do. It's a Reflect Survey. We have a Reflect champion at the moment. We're hoping that even if there is no Reflect survey, employees know that they can go and talk to Reflect champions and say, "I'm not happy with this," so they can feed it to us. Yes. We have open door but they don't necessarily use it to raise their issues because they can approach me and any of the team leads any time to say do they have a problem but it doesn't necessarily happen.

Interviewer: Question number nine, can the employee recognize themselves in the company brand if you're doing the design an added value and how you think can be announced?

Interviewer: This one is I think the most heartbreaking thing about the HR SSC because when we were part of STAR Ireland, you could see that people were proud. Everybody knew STAR. They could proudly say I work for STAR. Everybody goes like, "Really," and everything. If now they say I work for STAR, people already know that there is no STAR in Ireland. It sounds really strange. As I said we don't have much brand in Kiev so people don't feel like they're working for STAR. Hopefully we're getting the branding really soon because it's really nice.

Every time we go to STAR it connects us more with company, when we go to UK and we meet other colleagues. You definitely suddenly go like, "Yes, I work for STAR" We just need to keep doing this that we travel a lot to UK, we get our branding, we get

updates about how the company is getting on. At the moment it's somewhere, it's not in the best place.

Interviewer: Question number 10 is, overall, how do you think that our strengths and weaknesses in the relationship between employee and organization, how good is relationship being improved?

Interviewer: Well, I wonder. I definitely wish we could motivate people more with more rewards, salary, also giving them more opportunities how to learn, promotions or something like that but we do not have this option. We really rely more on creating good working environment, friendly environment, environment where people can go and don't feel depressed or anything like that. I think definitely that all of us are quite-- I've been repeating this all the time, friendly, but I think it definitely helps. We have really nice atmosphere here.

Interviewer: What do you think will be the next challenge for the company and if you think that you have the tools to reach these goals?

Interviewer: The challenges, yes? What challenges?

Interviewer: Future challenges that you have. If you feel that you have the tools to reach these goals?

Interviewer: Our biggest challenges of course is staff retention and the knowledge is going. That means we cannot really rely on people to stay here, to keep the knowledge. That's why we need to make sure that our all other processes and documents are up to date so we don't need to rely on people passing the knowledge because it doesn't necessarily happen anymore. We have few people that been here for a while, they absolutely remember everything. The problem is if they go then the company has a big problem. We need to look at the technical side of this, be really disciplined and very procedural how we maintain and organize our knowledge.

Interviewer: Thank you.

IV INTERVIEW

Interviewer: Question number one.

Employee 1: Okay.

Interviewer: Can you describe your role and your responsibilities within the company, like your length of service, if your role changed during the years?

Employee 1: Okay. Yes. I am currently on the contact team. I started on the resource and recruitment team, almost two years ago. Next month, it's going to be two years. I made it to the contact HR team in January this year, and it's just the general HR

questions. We're the first point of contact, and for all HR queries, and then we pass them right to different teams if need be, or answer them then and there.

Interviewer: Okay. Can you describe our daily routine?

Employee 1: Yes. I come in at half eight, and all day run a phone line. The phone line starts at nine until five. Our priority is answering calls, and when we're not answering calls, we are all dealing with the shared inbox, stuff where all the HR queries come in, and emails. And also, after we've taken a call, we type out the whole conversation, just in case the employee wants to come back and clarify any kind of advice we've given them. Between emails and calls we're busy all day.

Interviewer: Okay. Question number two. Are you aware of the concept of psychological contract?

Employee 1: No.

Interviewer: In employment, psychological contract refers to 'the system of beliefs that an individual and his or her employer holds regarding the terms of their exchange agreement. The unwritten understandings and informal obligations between an employer and its employees, regarding their mutual expectations of how each will perform their respective roles. Violation of psychological contract arises when the employee or organisation is unable to keep their mutual obligations and, consequently, it can lead to negative repercussions for the two sides. This research will go through the elements of psychological contract to identify the breach, if there is a breach.

Employee 1: Okay. Yes. Cool.

Interviewer: Question number three. Quite a number of employees have left the business during the past years. It's something that you noticed?

Employee 1: Yes. Definitely.

Interviewer: And what do you think about it? If you see any specific cause?

Employee 1: I suppose, since I'm on the reflect team, which is like employee engagement, we deal with this a lot, about the turnover, and the reasons, causes, everything like that. I think, from my point of view, it's the salary. The salary is too low, and that's why people are leaving. Also, there's not a lot of career development here, so it's-- What's the word when you go across, instead of up and down? I can't remember what's it called. You move across the team instead of moving--

Interviewer: Flat?

Employee 1: Yes. Flat structure, that's the one, instead of moving up. I think when people get, roughly, around, maybe, a year or two year mark here, they want to go to

another company to go up to be maybe a team lead, because there's not a lot of progression here. And, yes, I think that's the main reasons.

Interviewer: How long have you planned to stay in the company?

Employee 1: I'm two years next month, so, I would say, the max I'll stay is another year. That could change if, maybe, a team lead position came up. But if it stays the way it is now, and salaries don't increase a lot, I think it will be time to move on.

Interviewer: Okay. Question number four. Could you describe your experience as applicant in the recruitment process?

Employee 1: Yes, so just what experience I have kind of thing?

Interviewer: Yes.

Employee 1: Yes, I'd have, because I was on recruitment, before HR contact. I'd have a lot of recruitment experience in terms of filtering out candidates, what HR SSC is looking for, what we're not looking for. And then, obviously, when I moved to contact, I have a lot of experience in HR. I don't have my degree in HR, or anything, so I've learned a lot about UK policies and processes, which I didn't know. Other kind of skills I have now, of being able to talk to people on the phone all day, being more of a people person, and being more tolerant.

Interviewer: Okay. And how was your experience as candidate, like, when you applied for the company?

Employee 1: Coming here?

Interviewer: Yes.

Employee 1: It was a good experience. I had somebody that I knew in the company that referred me as a friend. It was a good experience. It was a little bit slow. I think it was about three weeks to get through all the forms and everything like that. But, yes, compared to other jobs, it was quite a positive.

Interviewer: Okay. And the time served your employment, explicit time and implicit time were clear when you start, or if you had a clear picture of the company, what you were going to do?

Employee 1: No. I don't think there was. Just because I was going into a role in resourcing. My job, when I started, was resource and support. There was no clear job description. It was a bit of everything. Depending on what your team needed each week, you would do, so I think that was a tricky part, because when everyone tried to explain the job to me, there was so many factors, and that wasn't very clear. And, especially, if I didn't know somebody in the company that had referred me, I don't think I would have taken it, because I didn't really know what I was getting myself in for.

Interviewer: Okay. Question number five. How has the training been organized for you?

Employee 1: It's 50-50. It's been quite good. When I first started, I had an induction. Well, I had an induction three months after I started. But I had that. And we had a good few training days, the head guy came in, and did special training, and full day trainings. I think, we could have gotten a little bit more system training, because, coming from a job where I didn't really work with computers or anything like that, that we use an awful lot of systems, and a lot of clunky, complicated systems, there could have been a little bit more training on that. But, overall, it wasn't too bad.

Interviewer: Okay. And how do skill that is identified for you? I mean, how do they evaluate that you have to improve certain skills or--

Employee 1: I think it was just throughout me working here. I noticed them myself. And, especially, on resourcing, I had a good team lead that pointed it out, that maybe I need training in Excel, or different stuff that came up every week, where I was expected to send trackers, when I had never used these kind of software or anything. But once I identified that we have a Linda training course, I went on there and did it myself.

Interviewer: Okay. Do you think that the knowledge is spread across the company in HR? Can be everything, like our policies, HR practices or--

Employee 1: Yes. I think, a lot of the time, because we have my Telefonica, I think that's so good that everyone can access our knowledge base, and go on to all our process, policies, and everything like that. I just think that some of the teams are, maybe, understaffed a little bit, so they don't have the time to look at the knowledge base. When I was on resourcing, for example, I only knew about resourcing. It's only now, that I'm on contact, I have to know about the rest of the company. I think, more people got more time to look at my Telefonica and everything. I think, generally, there's a lot of knowledge spread across, and the fact that we have such an open plan office so we could up and go to other teams, that we're all spreading the knowledge constantly.

Interviewer: Okay. Question number six. How has your performance been evaluated?

Employee 1: We have our mid year review, and we have our end year review. Basically, we have objectives, and we have to put in how we're meeting those objectives in May, I think, and November. Then, our team leads go in, and our managers go in, and say, how they think we are performing, and then you go into a room with them, and they tell you. And you get a rating, like good performer, underperformer, developing, all of that kind of thing. It is quite a good system, because at least you know where you're at, and where you need to go. Especially, at mid year, you get to know where you need to go for the end year.

Interviewer: Okay. So do you receive clear feedback from your manager in order to understand how you have to improve, and how to reach your objectives?

Employee 1: Yes. 100%.

Interviewer: Do you think that this system is applied fairly across the different teams?

Employee 1: I think this-- Yes, the system is there for all the teams. There might be an issue coming from reflect, again, that some team leads don't use it as much as other team leads. In terms of fairness, I think, some managers are just better at giving feedback than other ones are. But that's going to happen anywhere.

Interviewer: Question number seven. How would you evaluate the compensation package offered by the company?

Employee 1: Yes, I think it's really, really good. I know I complained about salary a few minutes ago, but, when we look at our flexible benefits, like our dental, and health care. Even just the way we're working. [coughs] Excuse me. We're so casual. We can dress casual, we can work from home one day week after probation. I think, generally, managers are really good in terms of doctor's appointments, and just being really flexible. I think, it is a really cool place to work in terms of that. The salary may be a bit low, but there are other things that make up for that.

Interviewer: Question number eight. How would you describe the company culture? If there is any distinctive mark, or if this distinctive mark is shared across the company.

Employee 1: Sorry, was it the company's action?

Interviewer: The company culture.

Employee 1: Okay. I don't know, do we have one?

Interviewer: Talking about fairness and trust, how do you think they are received by the employees?

Employee 1: I think it's a-- would that be in terms of equality and everything here? Yes, I think it's a really fair company. Again, as well, it's about certain managers being certain ways. I think that some managers might not be as fair as other ones. I've kind of witnessed that throughout moving teams. Again, I'm a flat. I think there could be some, maybe try to make all team leads to be a bit more-- what's the word? Not be personal about people. I think, I don't know what the word is, but, basically, to treat people like employees, instead of, I think, some managers have popularity, kind of. They like certain people, they don't like certain people. I think that could be changed.

Interviewer: Do you think there is a clear communication flow between the organization and the employees?

Employee 1: Is this within the whole of organisation, or just in?

Interviewer: I would say, in the shared service, and also from the corporate to our HR.

Employee 1: Yes, I think communication is pretty good. It can be a little bit slow sometimes, a little bit last minute. I think, within, kind of, the shared service here in EPSC communication is very strong, but, obviously, we have our senior leadership here. They get their information from both them. I think that can be a little bit last minute. When we're receiving it its very last minute, but that's not got to do with shared services. That's got to do with both.

Interviewer: Do you think that transparency is evident in all lower processes?

Employee 1: Yes, that's a bit of a tricky one. They all kind of work together. I think there's still room for improvement in terms of a lot our processes, I still think they're very chunky and complicated. I think we've gotten a lot better in certain terms of CEO ideas, to squash them down.

Interviewer: Question number nine. Do you recognize yourself in our brand?

Employee 1: No, because it's just OT was not in Ireland.

Interviewer: Yes.

Employee 1: -it's a really tricky one because when you do go over to the UK from here, you get kind of sucked into the whole STAR family, and it's brilliant. I've been to the conference and a few things in the UK. Just because the brand isn't actually in Ireland, it's very hard to get involved in the brand.

Interviewer: Question number ten. Overall, what do you think are strengths and weaknesses in the relationship between employee and the organization, and how could it be improved, if it has to be improved?

Employee 1: Strengths would be the fact that it's an open shared service, so we can move from team to team, and get as much knowledge and experience as possible. Another strength would be, what I talked about earlier, the flexibility, the dress code, the flexible benefits. There's an awful lot of incentives to get us in here. Weaknesses, on my point would, again, be the salary, because, I think, we work very hard. It's kind of frustrating when you do see what the UK people are on, compared to us. There's a huge gap in salary. A weakness, and I know this is what your whole thing is about. A huge weakness here is the turnover. I think, because you get to know people, and the different people on the different teams get so much knowledge, and then they leave.

You're constantly training people in. It's just losing knowledge through the gaps, constantly. I think, if the salary was increased, different stuff, more career development, which, I know, there has been a career development plan brought in. If that would

improve, I think the turnover would improve. It would stop people leaving, because I know from myself, I started two years ago, and, I'd say, 90% of my good friends are gone. Now we've made a new 90% of those people, but it's kind of disheartening, as soon as I see everyone going, You get that kind of sense of, "Oh should I be going? What am I doing here?"

Interviewer: Okay, thank you.

V INTERVIEW

Interviewer: Question number one, can you describe your role and your responsibilities within the company? Also things like length of service, if your role changed during the years? What is your daily routine?

Employee 2: So, I'm with the company around a year and a half now. I started off on the Contacts team. I was there for eight months, then I moved to the Portal team. I look after the HR internet and the knowledge base also the plasmas where I do updates for the office. Then the knowledge base system for the office as well with desktop processors. Any new content that needs to go on our intranet needs to come through me and I have to approve it. I set up surveys. I create news items. I do monthly reports and statistics for the amount of hits each page on the intranet gets. I also look after the CSI survey. That's the survey that goes out with each service request. Then I have to upload the verbatim comments on the knowledge base and update the plasmas where our percentage is scoring that month. Yes.

Interviewer: Okay, question number two, are you aware of the concept of psychological contract?

Employee 2: Yes.

Interviewer: How would you describe it?

Employee 2: It's if you're in a company and your manager is inside your one-to-one say, well, the employee that you're going to have a promotion and are training you for that. Then something might happen then they might not tell you that, but it's not written on paper. But it's something that it's expected that it's going to happen in the company.

Interviewer: Okay, question number three, quite a number of employees have left the business in the past three years.

Employee 2: Yes.

Interviewer: Is something that you noticed or do you think about it? Do you see any specific cause?

Employee 2: Yes, STAR HR SSC as a company don't retain the people because they don't pay the standard rates for what we do. I think they see this as-- it's merely like a

graduate program. They just take graduates then train them up and then the graduates go on for higher paying salary. They say that they're trying to change that now, but I'm not sure.

Interviewer: Okay, how long have you planned to stay in the company?

Employee 2: I really don't know.

Interviewer: It's fine. You think it's more about salary, money.

Employee 2: Salary, yes and also that there's nowhere to grow here. Unless you move to the UK. You can go to a team lead but there's what? Four teammates. The chances of that happening, you'd have to be here for a long time and terrible money.

Interviewer: Okay, question number four, could you describe your experience as applicant in the recruitment process?

Employee 2: When I applied for the job?

Interviewer: Yes.

Employee 2: Okay, I was working in Lidl at the time. I heard about the job through Sarah, my friend. I sent her the CV, she passed it on to my HR then I got an interview. Then we had the peer interview first, which I had never done before, which I think is a good idea. It puts you at ease before your official interview. Then Sean and Fiona interviewed me. I had a good experience because my interview was at ten o'clock in the morning. Then they rang me at 12 to tell me that I had the job.

Interviewer: Okay, were the terms of your employment clear, explicit term or implicit terms? If it was clear, what were the expectation that they had?

Employee 2: Yes, it was really clear. Sean sent me over the contracts and few other things-- the occupational health thing and things like that. Then I was speaking to Fiona before I started. She rang me just to let me know the dress code, things like that, to tell me how long I'll be training for, when I'd be expected to take a phone call. I have to say it was really good. I had a good experience anyway.

Interviewer: Okay, did you receive any induction program when you were coming?

Employee 2: I didn't have an induction. I had a training plan for four weeks that Fiona put together, but I never had an official induction.

Interviewer: Okay, question number five is, how has the training been organized for you? If there has been a gap analysis or how the skill gap has been identified?

Employee 2: Say the last part again.

Interviewer: How the training has been organized for you.

Employee 2: Right, I did a course in NCI, the Employee Relations course. I wanted to do that. I approached my HR, asked them and they gave me half the money towards that, then I had to pay the other half. In terms of training, there is a lot of training. Well, last year there was a lot of training, it was mandatory. Some of it was useless, some of it wasn't. The training when I was coming from Contacts to the Portal, didn't really happen. It was just trial and error. That's onto that. They need to improve on it. It's just, obviously we're so busy that-- especially because it was just me and Lucia on the team. She couldn't stop everything to try and train me. That was a bad experience.

Interviewer: Do you think that the training that you received is expandable also outside the company? If it's general knowledge? I don't know, a technical skill or HR skill?

Employee 2: Yes, some of the trainings are really good. We did a training for public speaking. I'm terrible at public speaking, I found that really useful. That's something I can use in every part of me life and it's not just for HR or my job, yes.

Interviewer: Did you have any mentor or coach during your time in the company. I don't know, may be training on the job?

Employee 2: Well, Fiona was really good at the starting. She put together a whole schedule of four weeks. I had different sections, going to different people. That was really good. Then I meet with Lucia, I can ask her anything she know. She's the same with me, we just work well together. If there's something strange or something comes up for her she'll let me know. It's training like that but I wouldn't say we had an official mentor.

Interviewer: Okay, question number six is, how has your performance been evaluated, maybe in your actual team or in the previous team?

Employee 2: Well, we obviously have regular one-to-ones. On Fiona's team we had quality reviews. She'd listen to it. It was three phone calls a month, then she'd score us. Then there was three emails as well, she'd go through. Well, Lucia, she used to do quality reviews for FAQs and general career. It wasn't really working out so we decided to share that we wouldn't do that but she would pick our projects for them, working on the grievance pages at the moment. When that's done she will go through all of that. She has different criteria like spelling, grammar, then simplicity. Then she will write that for me and we'll go through it in the one-to-one. That's how my performance. But I'm different to most teams, so I wouldn't have a productivity. I have no idea how much working I'm going to get. But, you know, a week is a week.

Interviewer: Do you receive clear feedbacks from your manager in order to understand what you have to improve, all you have to reach, you can reach your objectives?

Employee 2: No, not really. For instance, one of my objectives last year was to work quickly and efficiently. I got in meets for it. I said, "How come I got meets? I think I

should have got exceeds because I do everything really quickly." She was like, "Oh, let me talk to someone about it." Then she came back and said, "Oh, well, we decided that you could never in your job exceed that. We won't put it on next year." I was like, "So, I could have never got an outstanding perform relate to what I was doing." Things like that. It's really annoying.

Interviewer: Do you think that the performance evaluation is applied fairly across the other teams?

Employee 2: No, I think, for some teams it's much harder to get a higher rating than other teams. Things that the graduate team and things like that, stuff they do might stand out more than say something on the life cycle team when they're doing really well but it's just day-to-day things. The graduate team might be running programs and get lots of praises from people. People on life cycle wouldn't be dealing with the higher people. I think it's rated unfairly. They would say someone working on a big project again lots of praises and automatically they'll be a high performer when somebody is working hard and consistently all year, gone above and beyond and they're still only getting good performer.

Interviewer: Question number seven is, how would you evaluate the compensation package offered by the company?

Employee 2: Salary is terrible. It doesn't compare, when you think of-- I would have started off on 22,000. Somebody that has moved to Vodafone in the same contacts team and they're starting off at 36,000. The difference there is just-- they get benefits as well. It's not as if your benefits bring you up. I think the flexible benefits is really good. They don't have to do that, the company. The health insurance, the dental plan, things like that. Pension's good as well, anything you put in, they'll double it. To be honest I wouldn't know much about share plans, I've never really looked into them.

Interviewer: What do you think about the work-life balance here, would you consider it as a benefit?

Employee 2: Yes, I think there is a really good culture here. We know how to have a laugh with each other, we socialize outside work, Christmas, Easter, we try and have fun games and things like that. I just think it makes people happier. That's why the main reason people stay here for longer even though their salary is not the best, the fun we have. It's not a dread to come to work. Not for me anyway.

Interviewer: The question number eight is related to the company culture. How would you describe it if there is any distinctive mark, if you think this is perceived by all the employees?

Employee 2: I think it's very young, relaxed culture. It's easy-going if you get your work done, everybody's happy which is good. There's nobody coming down to scream and

shout at you. The managers are your friends really. They're approachable, you can talk to them. It's a relaxed atmosphere. They give us a lot of responsibility to manage our own day and everything is reflected in the work time because people are happier to do it that way.

Interviewer: Talking about fairness and trust, how do you think they're perceived by the employee? If you consider there is a clear communication flow between the organization and the employee? If there is transparency that is evident in our processes, could be training, performance evaluation, salary, everything.

Employee 2: No, it's not clear at all. Reflects last year, we asked for pay scale and they gave us a career paths that's not anything to do with salary. There's a lot hidden from us, we don't know things until the last minute. There's a lot of favoritism as well. If two people are going for something in the office, you usually know who's going to get it which is not fair.

Interviewer: Question number nine is, do you recognize yourself in the brand of this company?

Employee 2: No, it is getting better now. When I first started, we were totally not par to the UK. In recent months, they are trying to engage us more. For instance, concerts and things like that. I don't feel like I work for STAR. I still feel separate to the actual company.

Interviewer: Do you think that is something that could be improved and it's something that would retain you in the company?

Employee 2: Yes, clear pay scale, just more competitive salary, maybe more opportunities to first comers and things like that in the UK. What else?

Interviewer: No, question number 10. Overall, what do you think are strength and weaknesses in the relationship between the employee and the organization, how would this improved? Also if there is any area that could be improved, can be early career, work satisfaction, job security. Everything you think that is good and everything you think can be improved.

Employee 2: I think it's good that we have the vision and values every month, that other people's colleagues nominate them. I think that creates a good relationship for people. What else is good? It's good that they do allow things around mental health and things like that. They will be really open with employees and they're approachable. A lot of companies wouldn't listen, as you know, they wouldn't think as it really illness and things like that. They're good like that. That's all.

Interviewer: Thank you

VI INTERVIEW

Interviewer: Question number one. Can you describe your role and your responsibilities within the company?

Employee 3: Yes, my role in the business is to help support managers, if they're experiencing any difficulties managing their own employees. Specifically, my role would be help managers on their conduct attendance or performance policies. Then we kind of just guide them through it, if the managers end up anywhere to a strange situation. It's just basically helping managers manage the teams. Part to that, then we'd also run projects within the business and as well to keep those specific things under control. We also do training programs for managers as well to help upscale them on those areas.

Interviewer: Are you aware [sic] the concept of psychological conduct?

Employee 3: I am, indeed.

Interviewer: Okay. How would you describe it?

Employee 3: I would describe it as psychological, obviously, so what's in your head. It's not on what's written down, it's about your relationship that you have with your employer, not necessarily that one person but the brand itself. I think a lot of this has to do with your day-to-day actions. Whether you're happy going to work, whether you enjoy the business that you're working with. Thus that you have an understanding of the business that you're in and the environments that you're working with.

Interviewer: The question number three is, quite a number of employee [sic] have left the business during the past three years, is [sic] something that you noticed? What do you think about it, and if you see any specific cause?

Employee 3: Obviously, I've been in the business four years. Four years in September. It is quite difficult for me because I've seen a lot of friends leave. I'd personally think that a lot of the reason is around pay, which I'm sure anybody that you've spoken to-- It's that same reason. That's really my undertaking of it.

Interviewer: If you want to say, how long do you plan to stay in the company or do you plan your next move?

Employee 3: To be honest with you, I would like to be out here in the next year. I don't know if that's going to happen. I would love to be out here, let's say, in the end of the year. And mainly because, again, it's the situation with the pay. I'm not getting into a time where I'm trying to save for mortgage. I just find it really difficult to do that.

Interviewer: Question number four is, could you describe me your experience as applicant in the recruitment process? If the terms of your employment were clear? If the expectation from you were [sic] clear when you started?

Employee 3: If you go back to four years ago, I had a really good experience within Telefonica. Everything was clear. I didn't have any understanding of what the contract was or different pieces of it. I was just happy enough to get a job, so I don't really question anything, to be honest [chuckles]. All my experience at the interview was very positive. I really liked the manager that I worked with at the time.

As time has gone on, I've gone to internal recruitment processes in here, and most of the time they have been a good experience. If I didn't get a role, I learned under reason why, and it's sort of that I didn't worked [sic] on, gone forward. It's been a good experience with me. I have had bad experiences as well where people might have gotten stuff all over you. More because of who they are or who're they friends with, which is something that I have a huge issue with in here as well.

Interviewer: Question number five. How was the training been organized for you, if there is analysis of your gap skills or always organize, how your gap is identified?

Employee 3: To be honest with you, I think a lot of my skills now-- I've been very lucky in the managers that I have had here. I've had really good one-to-ones. David kind of able to pinpoint areas that I needed to grow in. After that, I'd always have kind of known that I'd be weaker in certain areas. It's something I did, try work on myself.

Sometimes when somebody finds error for you, it's a little bit more okay what they notice, so I need to do this. It doesn't happen as much anymore with my manager now. I suppose it's just a way of managing. As I said, "I'd something of that." I've always wanted to self-learn. If I know that I made a mistake somewhere, it's like, "How can I improve that? What's there to help me do that?"

Interviewer: Cool. Do you think that the training that you received is spendable also outside the company for you future career?

Employee 3: I think so. I've really learned a lot working here. I've learned a lot about HR. I've learned about working with people. I've learned a lot about how to work with managers, how to work with difficult people, and I do think that's skill. I think that's probably one of the rea-- That's the main reason why I'm here because I have learned so much. If I wasn't learning as much as I have, I wouldn't still be here. That's like, come in a role that I'm constantly learning. It's probably what definitely-- What's happened here

Interviewer: Do you think that the knowledge is well-spread across the company?

Employee 3: In HR? No, I don't think it is. I think we're probably the most knowledgeable and I don't think that we're appreciated for the knowledge that we have. Often, I'm sure you have noticed yourself, if you're dealing with somebody else within the HR team, that you'll have to find a lot of push back on stuff, on the process, or on the policies, like, "You guys made the policy, you are the policy owner and you want me to change it because of this one person?" I don't think that's fair. Sometimes you have to explain, break things down. A lot of HR people within STAR, and then you seem like the bad guy when you're not bad, just doing your job and following that process. That day have gotten place.

Interviewer: Question number six. How was your performance being evaluated? If it's a subject you've analyzed, monitored or it's more discretional?

Employee 3: It's more discretional I think at the moment. Again, because I have had so many different managers here, it's been very different. Like Shenae, it would have been very discretional as well, and wouldn't really have regular one-to-ones. But you would have more catch-ups, like five or 10 minutes a week, rather than the one hour a month or whatever, and just go on to when you had the problem. When I was working on digital, I was really monitored. We had really regular one-to-ones. There were 12 one to ones. We had a lot of prep we had to do for the one-to-ones. There was a lot of stuff taken away from that as well. With Fiona-- Fiona was kind of on border. She was so dependent on what was happening at the time, what I was paying with you, what I was [unintelligible 00:07:30], withstand areas in business, while was coming up, there was more what to do. With Luis, it is very more case by case. There's a lot of learning, if you have a tricky case, and particularly around the conduct. But then if you're managing an attendance or performance, it's very much by the book, and that's something really strange pops of the book. As he said, "With case, it's just something to be learned, something different that's happening. It's kind of just shout and out, see if has anybody ever dealt with something like that before that.'"m lucky that we have Alana who's worked in different businesses. She gets us outside view of what's about. She has a lot of in employment law, so she's given you the background as well, which is good.

Interviewer: Do you receive clear feedbacks from your manager in order to understand how to improve your way of working and reach your objectives in working one-to-one? If you think this fairly apply across the different things?

Employee 3: No, I don't think it's applied fairly. At the moment, I'm not getting regular feedback or feedback that I can use because I find whether it'd be good or bad. Once it's good feedback, once it's constructive, I will learn from it. Well, I hope, I try to learn from it anyway, obviously, something that hadn't [unintelligible 00:08:54], but at the moment I don't probably think that I'm getting as much as I would like.

I just said, I learned from the feedback that I receive and how I handle cases. On my team and on other teams, if that management appears to that person, we don't receive, I'm just saying. Again, a lot of managers still here that I'm managed by and they know how well they manage. It's definitely not even and fair across the whole spectrum.

Interviewer: Thank you. Question number seven. How would you evaluate the compensation or package offered by the company? It means, not just the fix part or the salary, but all things, so everything.

Employee 3: Everything. I do find some aspects that are really good. I love the facts that we can buy holidays. I use my dental. I have dental. I have pension scheme. I do use our loads and I do think that they are really good. I do know people who have left us, and they haven't had that type of benefits. But again, I don't know, if somebody asked me would you rather the cash then [chuckles] I would probably take the cash. Do you know? I don't know yet. I think it's one of the big downfalls in here [unintelligible 00:10:10] and it's why there is so many good people and it's not-- It's the use of knowledge, so much knowledge being lost in the business, and so much experience, some different areas. Yes, it's not that good. But benefits, like the bonuses or flexible benefits are really good, when it comes to that time of the year. And the flexible benefits I think are great as well.

Interviewer: Okay.

Employee 3: The main one for me would be salary.

Interviewer: What do you think about the work-life balances, like benefit? Would you consider it as a benefit here?

Employee 3: Yes, I do. I enjoy the work-life balance here. I love the fact that we can work from home. I love the type of flexible work and that we can offer-- I think that most of the managers and anybody I've ever worked with, if you're on the late, it's not a big deal, you're a couple of minutes late, you can make up the time. I just think that's probably a little bit more people get in than the others, which can be hired, being on the team that aren't as flexible like. Well, I do appreciate it, work-life balance here and that you do great place that work team are amazed. I know that we're really trying to share to take, kind of create it more, and social aspect to work as well, so that's not just trying to do stuff more fun, like the party and then the adventure, something like that. I think we have done a great job as well this year. Then Dann plus Nicola Dann they'll just add to the health and well-being stuff, just kind of add and helped out in that kind of aspect of things.

Interviewer: Thank you. Question number eight is, how would you describe the company culture? If there is any distinctive mark? And if you think it's perceived among the employees?

Employee 3: To company what, sorry?

Interviewer: Culture.

Employee 3: I don't know. I do-- I have seen a change in the culture and I kind of-- When you're talking to people now, I think the new people it's fine. I think people who are as [sic] here as long as me, starting to get frustrated. I'm probably, people like you're here one now as well-- It can be frustrating and I do think it depends on the time of the year, and what team you're on. I don't think the culture is the way that it used to be, it's not as strong as it used to be.But I think that's down to the people that are leaving as well because a lot of time culture is about the people and if good people are leaving, they're going to leave us with that piece of it. I definitely think it's all that needs to be worked on. Hopefully, over this year for the culture and for-- My memory of Telefonica, will always be a great culture. Mainly, as I said, it's the people that I've met while I work here, it's the people that I'm still friends with, who have gone. Hopefully, these are the people that still to come to join us and leave us as well, as usual.

Interviewer: Okay. Talking about fairness and trust. How do you think they are perceived by the employees? If there's a clear communication flow? If the transparency is evidently now on lower processes?

Employee 3: I don't know. I think, if you're looking at the roles that we do, I think it is very-- The process is very clear with what you need to do. I think that we advise and I advise managers, and you do your best on what your managers and employees have said, the way things should work. I don't think it's shown, like I don't think that our managers are doing that. It's something that we're advising, so that can be a little bit disheartened. And then through the fairness, I don't think they communicate well with people at times.I don't think that a lot of the decisions that they make are fair to some people, when there's stuff that comes up. I'd say I'm very mixed on that at the moment. I can't go to stages, as I said we [unintelligible 00:14:04] I moved this place, it's great. Then, at the times I'm like, "[unintelligible 00:14:08]?" It's very clear that there's either depending on who you know, who you have on each way. There is kind of specialties-- Just like people are allowed to do certain things that other people aren't.

Interviewer: Okay. And--

Employee 3: I just have a 15 minute break, taking half an hour and 15, when I [sic] seen that [unintelligible 00:14:26] FYI, I was like, "Are they for real?" I wanted to curse them [chuckles]. I don't take a morning break. I go down for five minutes and have a steak, all right? I come back up, I have my breakfast at my desk. I do a lot at my desk and then there's people taking an hour, an hour and a half for lunches and that really annoyed me, for example [laughs].

Interviewer: Okay. Question number nine. If you recognize yourself in the company brand, if you think, it's a value?

Employee 3: I don't think so on ireland anymore. Because nobody knows who Te-- I've had somebody I worked for STAR. I always have to say, "STAR." And then you have this, "I thought they were gone a day." I'm like, "No, they're actually still in the UK or UK business." They're like, "I get too confused." And something like [laughs], "No, no, not really in Ireland." But I do like if I go away. If you're in the UK or on holidays or-- I went to gym and it was all nice, like when you're talking to people. They obviously know who you are, so that's good. I'm saying as well, whenever you're talking to people, when you're in town, when you're talking to peo-- You're chatting away-- Yes, they know you too. It is a good feeling that I do. I think as well, anybody who has worked for-- Because I've met couple of people, when I was away particularly in this year, who worked for-- They worked in the security. In security or IT in the UK and they loved STAR. They really got-- And then they had complete different outlet, what you probably ask if somebody in here, Janel and my team again that got back to do with culture. Probably sometimes in different departments, a little bit more fair or it's just different culture in different departments. But, generally, yes. I wish people knew the brands as well, as we embedded in other places.

Interviewer: Okay, last question number ten. Would do you think are the strengths and weaknesses in the relationship between employee and organization? How could it be improved?

Employee 3: I think the strengths that we have is that-- We have got very young office, I think that could be a strength. Because we're developing people to move on or to move over within the area. You're starting from scratch. It can also be a weakness as well. I think everybody-- Most people have giant dusts, they're really good workers that is good, which is really good. Another strength, I think it's the people, it's themselves that we do hire. I think that we do hire really nice people, hard-working people, trustworthy people.The weaknesses. I think is-- Again, like salary, it all goes down to money for me. I don't think we are being appreciated for the work that we do. Even the facts around. We have team members who are based in the UK, so I know exactly what they do. I know that they could claim expenses there whatever they want, they work overtime, they can claim overtime. Yes, I know they have the car, they have everything that they need. We just don't get that same sort of routine. I know it's probably not right but you can see their salary, you know what they're on, you know what you're on, you're probably working hard or a little bit more than they do. If they handle bigger cases, but work load, day-to-day work load, is all by you, I don't think it's appreciated on their side.

Employee 3: Thank You

VII INTERVIEW

Interviewer: Question number one: Can you describe your role and your responsibility within the company?

Employee 4: So my role at the moment is Case Management Advisor. Basically, it's an employee relations role. I am looking after employees managing the CAP policy, which is basically conducts, attendance and performance. I contact the line managers and provide support and advise on conducts, attendance and performance issues, make sure that the managers are managing the absence of employees, particularly long term absence and also employees that are in the probationary period, and also managing conduct cases. They are not so many at the moment, mainly attendance and performance, but maybe once I get more experience I'll be looking after more conduct cases.

Interviewer: Okay. generally speaking, could you tell me your length of service and if your role changed during your time here in the company?

Employee 4: Yes, so I've been here 15 months now. I started in the life cycle team for one year, which is mainly back office, HR administration role. I was in there for one year and then I'm now on a secondment in the case management team.

Interviewer: Okay. Question number two: Are you aware of the concept of psychological contract?

Employee 4: No.

Interviewer: In employment, psychological contract refers to 'the system of beliefs that an individual and his or her employer holds regarding the terms of their exchange agreement. The unwritten understandings and informal obligations between an employer and its employees, regarding their mutual expectations of how each will perform their respective roles. Violation of psychological contract arises when the employee or organisation is unable to keep their mutual obligations and, consequently, it can lead to negative repercussions for the two sides.

Employee 4: All right

Interviewer: Yes. All the question are somehow related to the psychological contract.

Employee 4: All right, okay.

Interviewer: Question number three: Quite a number of employees have left the business during the past years. It's something that you noticed and what do you think about it?

Employee 4: Yes. I think there's a lot of people left over the past year. I think some other reasons as people think that the grass greener. They might be offered a salary,

which is maybe 10,000 more than what we get here. They might not have had other opportunity. They might not have worked anywhere else before so they need to get more experience elsewhere. I can understand that. I think some people are also-- they left the business because they just didn't get on with other people. I know a couple of people that I could mention. One that was here for quite a long time, I know that she wasn't really getting on with other people. Then I know of someone else that wasn't fitting in with his family life. It was too much for him. He didn't really have much in common with other people. He's a little bit older as well so, yes.

Interviewer: Okay. How long have you planning? What is your plan in the company? How long have you--

Employee 4: I think I will stay where I am right now because I am getting a lot of good experience in employee relations, which is really hard to get. It's really hard to get into that anywhere else, really. It takes a long time to get into a position where I am now so I'm really fortunate. I'm probably looking at a couple of years where I am before I look any further. And if I was to leave here, it would be purely for salary.

Interviewer: Okay. Question number four: Could you describe your experience as applicant in the recruitment process?

Employee 4: I applied for the role and then I applied for Indeed. Then I was contacted by somebody in Indeed asking what my salary expectations were. There I told them what they were. Then they came back to me and they offered me an interview. They said it wouldn't be as the salary wasn't as high as what I expected but they said that they could offer me other incentives on top of that. I went for the interview. I had a face to face interview and then I had a peer interview with a few other people. And then-- Sorry, I had a telephone interview as well. I had a telephone interview, and then I had the face to face, and then I had a peer interview. All went really well. I was really happy. The following day I got a call saying that I got the job.

Interviewer: Okay. Do you think that the terms of your job were clear when you did the interview? Explicit term, also implicit term. If they gave you a clear picture of what you were doing, interview of where you were going to go?

Employee 4: Not really. I feel like I have just constantly tried to-- I have been on the job since I've been here. I have constantly been trying to find out everything for myself and by just trial and error and just reading through everything. I don't feel like I had a lot of support and a lot of training. I feel like I just kind of trained myself, really. [laughs]

Interviewer: Okay. Did you receive any induction program or I don't know?

Employee 4: Yes. I did have an induction program but I've been here about three months. Usually induction programs are supposed to be in the first month.

Interviewer: Okay. Question number five: How has the training been organized for you? And if there is a gap analysis, how the skill gap have been identified? Is there space?

Employee 4: At the moment, I didn't really have a proper training plan because I changed teams. In the beginning, I had a training just very like classroom training. Then just get on with it and do it kind of thing. When I moved teams there was a lot of people absent. I just had a bit of on-the-job training, listening to calls and such. There wasn't any structure to it or anything like that. Now, I am pretty much just doing the role. After six weeks, I'm just doing the role and just going with the flow and then reading everything. You know, I seem to be getting on okay. Again, it's just a matter of on-the-job training and then I'm just getting on with it and just doing it. There's not really structured training at all. That not that I have seen. I haven't seen any.

Interviewer: Okay. Do you think that the training that you received is spendable also outside this company? There is something that always something that is spendable just here?

Employee 4: For me, now where I am, yes. Like employee relations and, yes, you can use that anywhere. But on the other team, in the life cycle team, it's more systems so not everywhere has the same systems. You can't really apply it as to everywhere because they have different systems. You get a little bit of knowledge from life cycle in different areas of HR but not in great depth. But you do get a lot of experiences. As an admin person I know how to use different-- like Microsoft and admin techniques to make things quicker. I improve my skills a lot in that way with computer skills by starting on life cycle.

Interviewer: Okay. Do you think that the knowledge is spread across the company? Like the HR knowledge. I mean everything we do, also policies, procedure.

Employee 4: I think their teams are very separate. Their teams don't integrate because they are all separate functions. You have recruitment and case and life cycle, and they are all very separate. I don't think that they mix very much or communicate very well. Just for example, when I moved to the case team, I'm looking after the probations now, and I used to work on life cycle. They told me certain things that they assumed that life cycle were aware of but they weren't aware of. It's not something I was ever aware of. Yet, they were saying life cycle shouldn't be doing this, they know that. I was like they don't know because I wasn't doing it when I was there. It's just things like communication problems and policy and things like that. It's all the teams are separate. They have their own policies that they look after but they don't necessarily look at all other policies in other teams.

Interviewer: Okay. Question number six: Always your performance been evaluated?

Employee 4: It's not really being evaluated right now because I've changed teams. It's really hard to monitor performance because there's no measures on our team. It's hard to measure. I'm just given advice on conduct,attendance and performance cases because you could be doing 20 cases that are for attendance, or if someone could be doing five cases that are for conducts, which are much more complex. It doesn't really compare and it's very hard to measure in terms of performance. How would we been given them? Anyway, they can't be measured and I don't really know. I haven't heard any feedback yet either, so I don't know.

Interviewer: Okay. Do you think that the performance measurement is fairly applied across the team? If there is a clear career path, if you have any concern about it?

Employee 4: I don't really have anything in place to measure performance on case but I did on life cycle. When on life cycle, I don't think it was fair. I think it wasn't fair because it was measured on productivity. As I said before, it's hard to compare with others when you might have more complex cases to another person who has a lot more cases, which are much simpler processes. No, it's not fair. Also, other people have more workload than others. They might be senior. They might have been here a long time. They have much more workload but they don't really do. Their productivity won't be as high but they're actually working very hard but they're doing more complicated things. No, it's not fair, no.

Interviewer: Okay. Question number seven: How will you evaluate the compensation package that is offered by the company?

Employee 4: I'd say I'm very happy with the flexible benefits package that we get. I have the dental care plan and then I took cash back. I was really happy with that. Especially because obviously, it's so expensive to go to the dentist so it really helps. Then the bonus is great. That makes a big difference. Obviously, your salary is okay for someone starting out. But when you look at the market, and you look at the bigger picture then all other companies where people are doing the same role and they're probably receiving five to 10,000 more a year for the same role. Also, I have to say that the holidays are really good. They are that really good. And flexible working is brilliant. They're able to work from home. That two other things are really keep me where I am.

Interviewer: Question number eight is how would you describe the company culture? If it has, I don't know, any distinctive mark and if these cultures is shared them only in place?

Employee 4: Yes, I'd say the culture is very, mostly young people coming out of college. Some teams are a bit more diverse where they have people from different nationalities and different age groups. I think those teams you can tell that they all gone and there's a good atmosphere. On those teams are from different cultures, these guys are more diverse. Generally, I'd say there's more young people and then there's the side

where it's people that have been here a long time. They are quite close, maybe a bit clicky. They will spend a lot of time together away from other people. They don't mix so well with new people.

Interviewer: Okay. Talking about fairness and trust, how do you think that is perceived by the employee? Also, if there is a clear communication flow and if there is transparence like transparency in every process that you have?

Employee 4: Yes, I think it's fair. I don't have any issues there. I think the process is transparent.

Interviewer: Okay. Do you think that you can directly or indirectly affect the organizational strategy if you have influence in or not?

Employee 4: Probably not, no.

Interviewer: Okay. Do you recognize yourself in the brand or this company?

Employee 4: Yes, I think I'm part of the brands.

Interviewer: Do you think that it's an added value to your job? Do you think that you feel part of this company or the brand?

Employee 4: No, not really, no. It's just my job. I just do it and I have to go on with it. I don't really think about it in that way. I just think about it as I'm just doing my job, you know.

Interviewer: Okay. Question number 10: Overall, what do you think are strengths and weakness in the relationship between employee and the organization, and how could it be improved? Can be about everyday areas so career, work satisfaction, job security, work-life balance, everything.

Employee 4: The strengths of the company, I would say, is the culture and the atmosphere. It's quite a relaxed atmosphere at work. Also, the flexible working is brilliant. Being able to have a work-life balance, working from home one day a week. It's a Godsend to me because I have children. The holiday entitlement is brilliant. Obviously, it's 26 days plus your four days in which you can purchase through flexible benefits so that's great. I also have dental cover, which is great. There's lots of opportunities just down to the job. There's lots of opportunities to move around the company. There's so many opportunities and all you have to do is say yes, I want to do that and there you go. You can get the experience you can put on your CV. It's a good place to get HR experience because there's all different teams. You have recruitment. You know you could move to the case management team. You can move to learning and development. You can move to life cycle. You can move around so much and then just gain a HR generalist experience. If you do want to be a HR generalist then you have that there. Then you can move on to get HR generalist role somewhere else.

I'd say the weaknesses of the job is probably lack of resources. There's not much resources put into the company hence poor salaries and lack of equipment. Equipment is not the best of its capability. Plus other ways leads to people leaving. Then also, I don't feel there's much structure, as in training wise. I know I didn't have a proper training when I start here. It's all on-the-job training. What else? I think that's it. Is that okay?

Interviewer: Okay. Yes, that's perfect. Thank You.

VIII INTERVIEW

Interviewer: First question: Can you describe your role and your responsibilities within the company? Also, something like, what is your length of service; if your role changed during these months?

Employee 5: Well, I've been with the company for about seven months. I started on life cycle, and I'm still on life cycle. Life cycle is a HR adviser. I look after employees that have to deal with, say, maternity or referring friends. I also pick up other cases that's related to sick pay. If someone is absent, I can upload absences as well.

Interviewer: Can you describe your daily routine?

Employee 5: Yes. Well, I start at half eight in the morning. The first thing I do I would go through my emails from the previous day and try reply to as much as I can. Then we work off a ticketing system on SAP where other emails come into a shared outbox. I work from there with different cases with different queries from employees. Then I would go on and do any reporting that I need to do. If I need to download any reports, I would then do that. Just in and out of my own email all day.

Interviewer: Question number two: Are you aware of the concept of psychological contract?

Employee 5: No.

Interviewer: In employment, psychological contract refers to 'the system of beliefs that an individual and his or her employer holds regarding the terms of their exchange agreement. The unwritten understandings and informal obligations between an employer and its employees, regarding their mutual expectations of how each will perform their respective roles. Violation of psychological contract arises when the employee or organisation is unable to keep their mutual obligations and, consequently, it can lead to negative repercussions for the two sides.

Interviewer: Question number three: Quite a number of employee have left the business during the past years. Is something that you noticed since you started?

Employee 5: Yes.

Interviewer: Can you tell me what do you think about it and if you see any specific cause? Also, how longer you plan to stay here in the company?

Employee 5: Are you asking me why do I think they left?

Interviewer: Yes.

Employee 5: I think they left probably money issues, as in the company doesn't pay enough money. I also think that the type of HR that it is, it's quite back office. I think maybe a lot of people that want to get into HR would rather be actually dealing with the employee face to face than email and all that stuff. That's why a lot of people just get the experience of HR here, more like the policies and everything, and then go on and try to get some type of job that's face to face with employees. That's what I think anyway. I probably plan on just staying here for the year because that's what I want to do, is actually be face to face with people rather than the back office.

Interviewer: Could you describe your experience as applicant in the recruitment process?

Employee 5: Say that again. Sorry.

Interviewer: If you could describe your experience as applicant in the recruitment process.

Employee 5: When I was an applicant?

Interviewer: Yes.

Employee 5: When I was applying for the job?

Interviewer: Yes.

Employee 5: Well, Shannon referred me, so my CV was directly handed to the person that was recruiting at the time. In that sense, they got on to me straight away and set up an interview which went very quickly. The process was really smooth. When I then went for the interview, the interview went well. Then they informed me two or three days later that I got the job as well. It went well.

Interviewer: When you do the interview, the terms of the contract or your job, your activities, were enough clear for you?

Employee 5: Well, they sent me out the contract and told me to read it and sign it and send it back to them. They didn't really give me a time limit either, so they probably wanted me to read it myself, in my own time. With regards to actually someone going through the contract with me, no. No one did. It was just like, off to yourself to read it.

Interviewer: What were the expectations that you had toward the company? What do you think the expectation that the company has toward you?

Employee 5: Well, in the interview, they did say that there will be a lot of training which they have kept their promise, as in there is a lot of training. They do support you in the training. The expectation from them, yes, it went well. In that sense, they kept their promise on like I was trained. I'm getting trained. I still am getting trained. It's always constant training going on which I do like because the more training I do, the better I suppose. I was expecting it to be a lot like on the job training, and it is. Yes, the expectation was good.

Interviewer: The question number five is related on the training. How do training has been organized for you? If it's like there was gap analysis of your skills. Or do you think that you received a training that is spendable also outside in other companies, everything?

Employee 5: Yes. The training that we've been given, you could definitely bring it with you to a different company. They train you on skills as well. I got to do an Excel course, and I got to do that within the company. It wasn't that I just do it on my own time. I actually was given time within my day to do it. That was pretty good.

Interviewer: That's fine. Do you think that the knowledge is spread across the company? I mean everyone is trained. The knowledge is there, so everyone can access to the knowledge.

Employee 5: Yes. Because of the knowledge base that we have on our internet, you can pretty much type in whatever you need and it'll come up, and everybody has access to that. I also think a lot of people are very friendly when it comes to their knowledge. If you ever need to know something, a lot of people are willing to actually sit down and talk it through with you. Within the company, everybody is up to date with everything. Everyone has a chance to actually know all the knowledge. It's really up to them to get on the knowledge base and have a look themselves and ask more questions and stuff.

Interviewer: Question number six is how has your performance been evaluated during this time?

Employee 5: Well, we have one-to-ones with our manager every month. The manager goes through your whole work day and what you've been doing and how do you feel about such and such of cases that you taken on. And that way, the manager and the employee can actually work out what the employee wants out of their job and stuff like that. The performance in that sense is measured. Then also, we work off the-- What's it called? The process is being count-- like how many cases you doing and stuff.

Interviewer: The productivity?

Employee 5: Productivity, yes. The manager goes through that as well.

Interviewer: Do you think that is objectively analyzed and monitored or is more discretional? Also, if you receive clear feedback from your manager, if you think that is fairly applied across the team? What do you think about this process that we have?

Employee 5: I do, and I don't. I'm in two minds about the whole productivity thing. I think majority of the time for me with maternity, I'm not picking up cases on maternity every single day. I'm actually dealing with employees within email and phones, so that's not really recorded. Therefore, my productivity could be lower than someone else's, but I've done the same level or the same measure of jobs that other people have done on the team. But also, it does show if someone is lacking in the team, so in that sense, it is good thing to have. I don't think it's 100% accurate. I don't think it's that much fair on people that have more difficult cases or something. Feedback from the manager, yes definitely. I think in the one-to-ones they tell you how it is. They tell you what you should improve on and stuff like that. Also, with the new starters as well with the quality reviews every week, that's pretty good as well I thought.

Interviewer: Question number seven: How would you evaluate the compensation package offered by the company?

Employee 5: I don't know what the competition package is.

Interviewer: It means salary. The fixed part that usually is the salary. Also the flexible part that can be the performance bonus or everything can be considered like benefit can be working from home or the hour off during the week, if there is a flexible time so that maybe you can get in at nine and maybe work 30 minutes more, this kind of stuff.

Employee 5: I actually don't know how the salary works, to be honest. I think if you were guarantee your salary was going up with the more experience you have, fair enough. That would be something that would be good. They have loads of benefits within the company as you said, working from home, hour off. I think, as well, if you made an agreement with the manager if you had kids or something, you could probably definitely work around whatever time suites you. It's good enough, yes.

Interviewer: What do you think about the work life balance in this company or if you would consider it as a benefit maybe?

Employee 5: Yes. I don't think it's a stressful job, so in that sense-- You have loads of support, so if you're unsure of something, there is always someone to help you. It's not like you're going home with baggage, I suppose. You're not going home upset about something. The job's good for work life, I suppose. Then they have so much activities going on that happens inside work and outside work so with a great place to work team. That's pretty good as well.

Interviewer: Question number eight is how would you describe the company culture?

Employee 5: I think it's good. There's a lot of diversity within the company which I really enjoy. Everyone is in the same age gap as well which can be pretty good as well. I think with the team that they have now, with the good place to work that's really helping. A lot of people be a lot happier in work because we have fun days, and it's actually nice to come in to work and not just sit behind a computer all day. We can actually have fun and mess around the office. The culture I think is really good.

Interviewer: Talking about fairness and trust, how do you think they are perceived by the employee and by you also? If you think there is fairness and trust in all our processes, and also if there is a clear communication flow between can be leadership team, manager, employee, functional specialist?

Employee 5: Yes, I think it's clear enough. Anything that our manager or functional specialist gets told something, it's always sent to an email through our team as well. I think we are always kept up to date about things. Especially with the FYI that goes around Friday which is very-- I think it's a good read because the leadership team does tell you different things that goes on or who's coming to-- even the little things that are people from the UK are coming in. That's nice to know who the people that are walking around the office. It's a good heads up.

Interviewer: Question number nine is do you recognize yourself in the company brand?

Employee 5: No. I think the fact that it's an UK company doesn't really relate to us. Only the last couple of months they've connected our office with the UK offices with regards to entering competitions and stuff like that. I believe beforehand, we weren't allowed to do that. Now, I wouldn't think the brand is related to me because it's a UK brand. I can't use any of the facilities of it, so I just work and go home kind of thing.

Interviewer: Do you think that it could be an added value to your job?

Employee 5: If I was part of the brand?

Interviewer: Yes.

Employee 5: Yes, big time. For example, if you worked for Three because we have Three in Ireland, the company Three, you'd be more willing to use their phone network or even buying the phones off them. I think having more of an idea of what the company does and more knowledge about who people are, you probably get to meet a lot more people that are in the leadership teams like the CEOs. Whereas because our company they're all live in the UK, it's not going to be so often where you meet all the people. It's only going to be certain times.

Interviewer: The question number 10 is, overall, what do you think are strengths and weakness in the relationship between employee and the organisation? Also, how could it be improved?

Employee 5: [silence]

Interviewer: It can be like in every area: career, work satisfaction, job security, work life balance.

Employee 5: Job security is one I think is a weakness. I don't know whether STAR HR SSC will be always there. I think maybe one day they'll move again. Maybe they'll move the whole community to the UK because then at least they can work together in one area. I also think having a career here isn't something that I can see happening because I don't think there is any room to move up. It's just room to get more knowledge and more experience but not to move up in the career path as employee manager, that way. That's a weakness. Strength, as you said, the work place balance-- between home and here, I think it's good. It's not stressful. People have a lot of support for you here. It's a nice atmosphere within the office as well, so that's good strength. What else?

Interviewer: It's okay.

IX INTERVIEW

Interviewer: Okay, first question. Can you describe your role and your responsibilities within the company? Also, something like, your length of service, if your role changed during the time that you've been here.

Employee 6: Well I work on On Boarding I write up contracts, check offers, write up contracts, send them out. Then I will, once I get a contract back, I'll also be doing reference checks, criminal record checks, low H checks so making sure their health is okay, hire them. I create the EIN, send the EIN to the manager and to the employee. That's kind of everything.

Interviewer: Are you aware the concept of psychological contract?

Employee 6: No.

Interviewer: In employment, psychological contract refers to 'the system of beliefs that an individual and his or her employer holds regarding the terms of their exchange agreement. The unwritten understandings and informal obligations between an employer and its employees, regarding their mutual expectations of how each will perform their respective roles. Violation of psychological contract arises when the employee or organisation is unable to keep their mutual obligations and, consequently, it can lead to negative repercussions for the two sides.

Employee 6: I'm still on probation so.

Interviewer: Yes that's it, so basically in this research. I will go through all the elements of the psychological contract like anything relating to training, recruitment, organisation of culture. Question number three, quite a number of employees have left the business,

during like the last time, and is something that you noticed? What do you think about it?

Employee 6: Yeah I noticed it, since I started there's been like two more new people on my team. It's more just about I think recognition and salary as well is a big thing, because not just the basic level. It's not fair, everybody is on different salaries, so there's no level. I think that was the biggest one that reason why people said to me that we're leaving was the money.

Interviewer: How long have you planned to stay in the company? If you have this plan.

Employee 6: A year, depending on how much experience I get in the year. I plan on cross-training, I pass probation in early July so I plan on, hopefully, moving to inter-cross training to get more experience and then leave.

Interviewer: Question number four is could you describe your experience as applicant in the recruitment process?

Employee 6: Before I started?

Interviewer: Yes like how it worked for you, the process that you followed. How did you apply? How was the process of interview?

Employee 6: I applied through Indeed,. It's a job website, then got a phone interview the next day. I got called for a face-to-face interview, the following Tuesday when I had a day off from my old job. Then had the face-to-face interview. I got a call 20 minutes later saying that I had the job. [laughs] I wasn't even home yet, I was literally just like almost home, and then I got a phone call to get the job. I picked two weeks from that date to start.

Interviewer: Were the terms of your employment clear? If they gave you like a clear picture of the company and about what you are doing, what you are going to do?

Employee 6: Before I started?

Interviewer: Yes like during the recruitment.

Employee 6: No, when I applied, I applied for just HR adviser job. When I went into the interview I had two people interviewing me, and they were interviewing me both for their teams. I was a bit overwhelmed in the interview, they were asking me which one I'd rather be at, I just said, "I don't mind". [laughs] Because I didn't, I've never worked in HR before here so I'm only out of college. I didn't have experience. I just said I'll work in any team, then they chose what team I was on, but before I started I had no idea.

Interviewer: How well was your first month here and if you had any induction program or something like that?

Employee 6: Yes my first month, I was shadowing someone that was leaving. I was taking over her job. I shadowed for I think a week or two, that's all she had left. I did a Gems journey, so that went around every team to tell me what every team did. I just shadowed and trained of everybody learned and then I started to do my own cases within two weeks, three weeks and then had to take over.

Interviewer: How has the training been organised for you? Like how to decide what is clear you have to improve?

Employee 6: A bit of it was messy because I got trained to do something wrong of someone, so someone trained me to do a process, they trained me the wrong way to do it so on my first call to review was low because I was putting in the wrong information but that's what I was trained to put, once that was picked up then the rest of the training was grand. I'm a quick learner so it was easy.

Interviewer: Do you think that the training that you're receiving is spendable so outside the company or if just for you? I mean if work is valid for HR like in general?

Employee 6: It's good, yes well probably, the systems because I'm able to use a lot of systems that a lot of companies will use, so I say in that way I could take it with me.

Interviewer: Do you have a mentor or a coach, during your time here? Do you have any coach or mentor or somebody who's following you constantly.

Employee 6: Like my team leader?

Interviewer: Like even someone who's your point of contact?

Employee 6: Yes well I'd always run something by my function specialist, so I had a query about anything because I'm still only six months here, so still learning.

Interviewer: Do you think that the knowledge is spread across the company, and if it's accessible easily for you?

Employee 6: For my team only?

Interviewer: Generally speaking.

Employee 6: Yes well we have our internet, we have a knowledge base that we can go on and see everybody's process without having to go to someone. But then you can also go to teams and if you have a query about anything, everybody's willing to help. So yes probably.

Interviewer: Question number six, how has your performance been evaluated? Like how is monitored for you?

Employee 6: For what?

Interviewer: what do they do to evaluate your performance?

Employee 6: So who **[unintelligible 00:08:51]?**

Interviewer: No, how, like if there is a system?

Employee 6: By like quality review?

Interviewer: Yes like quality, so like productivity or quality review.

Employee 6: Yes we have quality reviews on individual stats of like, we have two day SLA's send out a contract and then two day SLA to create a EIN, so we're measured on that and has to be over 80%, can't be under. Well if it's under you have to speed up.

Interviewer: Do you receive clear feedback from your manager in order to understand how to improve your way of working and reach your objectives?

Employee 6: Yes. We have one-to-one's every month so they go through how I'm performing and to my quality reviews and if I have a question for them, or if I'm not able to meet a target I'll say a reason for it. Normally it's just low staff, like no staff.

Interviewer: Question number seven, how do you evaluate the compensation package offered by the company. It can be monetary and nonmonetary so also flexible benefit or are you entitled?

Employee 6: I'm not entitled to that, the flexible benefit yet so I haven't received that yet. But I have the health insurance so I opted to that but other than that I haven't got flexible benefits until the end of the year.

Interviewer: What do you think about the work life balance here? Is it something that you would consider as a benefit?

Employee 6: Yes because you can work from home then you get off an hour early of your choice a week so yes I think it's good.

Interviewer: Question eight is how would you describe the company culture?

Employee 6: I don't know. It's very groupy [sic] when you first start. Do you mean people working here or?

Interviewer: Is it a friendly environment or can be you feel that there is trust or fairness, trust in the company. It can be really maybe there is flexible?

Employee 6: Yes, it is flexible. What was the question again, the culture? People are friendly, when you first start everybody is friendly, they welcome you into their groups or you'd never sit on your own or you'd always have someone to go to if you have any questions or anything, whether it's on your team or no.

Interviewer: Do you think that there is clear communication flow from between the company and the employee?

Employee 6: Yes, because we got **[unintelligible 00:12:00]** always come to you if you have inquiries or if they need to tell you anything that's happened.

Interviewer: Do you think that transparency is evident in all the processes?

Employee 6: The trust?

Interviewer: The transparency?

Employee 6: Yes.

Interviewer: Do you recognize yourself in the company brand?

Employee 6: No, probably not. What do you mean? Sorry.

Interviewer: No it's fine it's just if you recognize yourself in STR or with the values that we have or --

Employee 6: Yes, [crosstalk] the work so yes I would. I have to be in values of your working here so yes.

Interviewer: Last one, question number 10. Overall what do you think are the strengths and weaknesses in the relationship between the employee and the organization and if you think that they can be improved?

Employee 6: The strength is that the teams are close so you can always approach your team. There's a function specialist rather than your team leaders so if you do have a question but you don't want to go to someone higher you can always go to someone lower and they can answer. Weakness, you can't really cross train until you're here six months so if you're not enjoying your team you're stuck in that team which that could make you hate your job.

Interviewer: If you see that there is any area that can be improved like?

Employee 6: I think salary is all just with me, that could be improved and that would keep retention from being very bad.

Interviewer: Okay.

X INTERVIEW

Interviewer: Question number one, can you describe your role and your responsibilities within the company?

Employee 7: I have been here eight months. I deal with leavers in the company and I deal with contract variation, changing employees' contract hours, salaries, etcetera.

Interviewer: Okay, are you aware of the concept of a psychological contract?

Employee 7: Of what?

Interviewer: Psychological contract**.** If you are aware of the concept, psychological contract.

Employee 7: No.

Interviewer: In employment, psychological contract refers to 'the system of beliefs that an individual and his or her employer holds regarding the terms of their exchange agreement. The unwritten understandings and informal obligations between an employer and its employees, regarding their mutual expectations of how each will perform their respective roles. Violation of psychological contract arises when the employee or organisation is unable to keep their mutual obligations and, consequently, it can lead to negative repercussions for the two sides.

Employee 7: Go on.

Interviewer: Question number three, quite a number of employees have left the business during this year and if it's something that you noticed, what do you think about it? If you see any specific cause?

Employee 7: Yes. There is a lot of people that leave here. I think it may have to do with the salary. The whole thing of moving up the company is kind of like, what's the word, like a vertical [unintelligible 00:02:27]?

Interviewer: Flat.

Employee 7: Flat. A hierarchy kind of thing, I think that is another reason people leave.

Interviewer: Do you have any plans about staying in the company, how long do you plan to stay here?

Employee 7: No. I did plan on staying a year and I'm nearly up. So I don't think I will stay much longer.

Interviewer: Could you describe your experiences applicant in the recruitment process?

Employee 7: It was good, I was called most weeks, only two or three weeks, the whole process, so was good.

Interviewer: What are the steps that they followed?

Employee 7: It was a phone interview. I filled in an application and then there was this phone interview and then it was a face to face interview, and then I had a second face to face interview from a different team and then they called to say that I had got it.

Interviewer: Do you think that the terms of your employment were clear when the interview likes explicit or implicit?

Employee 7: It wasn't really, like they didn't tell me anything but I saw it in the contract, it wasn't really verbally inclined. I saw it in the contract and I read it.

Interviewer: Did it describe the activities that you were going to do, what were your duties?

Employee 7: No. well, I came in and didn't actually know like what Cycle did. So no, I did not have a clue and they did not explain it.

Interviewer: Did you have a clear picture of the company?

Employee 7: No, I just had a vague on the side of HR responsibilities I did not really now like the depth of it.

Interviewer: Who was heading induction program for you when you started?

Employee 7: No one.

Interviewer: Okay. Question number five, how has the training been organized for you? If there is a specific gap analysis, how would this gap be identified? Like how do they know which areas you have to improve, how these areas are identified by your manager. More discretional or there is some you know--

Employee 7: Yes, they did look like they were training me. I got asked on what I want to go and do what I like, what I don't like and they were encouraging me around that, saying that was good.

Interviewer: Do you think that the training you received was impactful or--

Employee 7: Yes, definitely yes, I think it brings the knowledge to achieve.

Interviewer: What in terms of training will improve yourself professionally or to improve here in the company?

Employee 7: I'd like to build on and bring that kind of training and expertise with me. So yes, I hope for that.

Interviewer: Do you have a mentor or a coach during your time in the company?

Employee 7: Yes, the functional specialist.

Interviewer: About the training, do you think that the knowledge is spread around the company, if the knowledge is accessible, everyone can access to the training?

Employee 7: Yes. I think it is well now, I think it is higher to get trained in cross training, I think it's there to do. This may disqualify some people that seem busy or not.

Interviewer: Question number six, how has your performance been evaluated?

Employee 7: By productivity, I think and then if you get some feedback from employees and managers. I think productivity are main like what you do like if you have so much closed cases on one thing and then one other, kind of show us what you are doing

Interviewer: Do you think that the performance is objectively analyzed or is more discussional?

Employee 7: Like if it is discussed with the team?

Interviewer: No, with your managers, if it is something they can make sure or something that is more discretional say you manage a team but you are good or better performing another person-

Employee 7: It just gets disclosed to me.

Interviewer: -is more discretional.

Employee 7: It can get disclosed to all. I don't that if any of them was underperforming I would be proud of. And I'd go one to one.

Interviewer: Do you see clear feedback from your managers in order to understand how you improve your way of working and reach your objective. So what you have to do to reach high performance.

Employee 7: Not really, no.

Interviewer: Do you think that the performance evaluation is applied fairly across the different teams and also within the teams?

Employee 7: In the team, no. Say that again, what was the question?

Interviewer: If the performance evaluation is fair and is consistently applied in the same way to your colleagues, And also to the other teams?

Employee 7: No I think everyone has different processes that take longer and then, some people can do so much in a day. Whether you are working on one thing that might take a full week to do so I don't think it is evaluated fairly within the team. I don't really know across other teams.

Interviewer: Is there any current career path in place for you?

Employee 7: In the company, no.

Interviewer: Question number seven, how would you evaluate the compensation by gauge offered by the company? It means, also the fixed part of your salary and also the variable part of bonuses--

Employee 7: I think that it gets good**.** I think the bonus is quite a good incentive, but I think the salary is not quite good and the company variable is not quite good.

Interviewer: What do you think of the benefits that we have?

Employee 7: Like flexible benefits?

Interviewer: Working from home

Employee 7: I think it is very good, I think the company does it really well

Interviewer: Would you consider it as part of your compensation package?

Employee 7: Yes, I would

Interviewer: Do you think it can compensate like your salary?

Employee 7: I think rather the salary than the benefits.

Interviewer: Okay, what do you think about the work-life balance is it something you would consider as bad or something that's good in the company?

Employee 7: Yes. I think it's good. When you leave work, you're going to leave work. They're not really after checking emails or have calls, so that's good.

Interviewer: Question number eight. How would you describe the company culture?

Employee 7: Clicky, what's the word?

Interviewer: What do you mean?

Employee 7: They got one fix set of groups. I think kind of groupie.

Interviewer: Do you think that there is another distinctive mark?

Employee 7: What do you mean?

Interviewer: It can be, I don't know, friendly environment. It can be everything you can perceive, fairness and trust in the company, if it is promoted.

Employee 7: I think it's very friendly, I suppose. Well, it wouldn't be great culture, I don't think, if that's what you mean.

Interviewer: Talking about fairness and trust, how do you think they are perceived by the employee? If all our processes are fair and clear? I mean, if the fairness is applied for everyone in the same way?

Employee 7: I don't get it.

Interviewer: It's like there is clear communication, a trust within the organization and the employee. Or if the fairness is applied all over the processes--

Employee 7: Michael and the team?

Interviewer: Like across some company they try to share information.

Employee 7: Yes. [laughs]

Interviewer: That's fine. Question number nine is, do you recognize yourself in the brand?

Employee 7: No. Do you recognize yourself?

Interviewer: In the brand.

Employee 7: -in the brand? No. In a way, no.

Interviewer: Why?

Employee 7: It is not explainable. When we deal with the brand that's just like dead people. How would we know much about the brand?

Interviewer: It's likely to feel proud of working for this company or it's like these kind of things?

Employee 7: No.

Interviewer: Question number 10 is, overall what do you think are strengths and weaknesses in the relationship between employee and the organization?

Employee 7: Strengths and weaknesses?

Interviewer: Yes.

Employee 7: That's a hard one.

Interviewer: Take your time.

Employee 7: We and the organization. Let's say again, the weakness is the salary and then the whole flat structure. It's a weakness. Socially, I think it's kind of, as I said, clicky. Then the strengths, I think is very laid back, but not too laid back. Well, it's laid back in a way that's good.

Interviewer: You mean relaxing?

Employee 7: Not relaxing, not that laid back. It's just not as strict as in other -- you can wear casual clothes, something like that. Then kind of work around your working hours and stuff. The working from home.

Interviewer: Okay. About the weaknesses, do you think it's something that could be improved?

Employee 7: Yes.

Interviewer: How? How do you think it could be improved?

Employee 7: Raise the salary [laughs]. Yes. That's my main issue I suppose, the salary. Just higher that, that would be great.

Interviewer: Is there any area that you would see improve like career, work satisfaction, job security, work-life demands? No?

Employee 7: No.

Interviewer: Just deciding. Do you think that you're getting to express your potential here?

Employee 7: No.

Interviewer: Why?

Employee 7: I don't know [laughs].

Interviewer: Okay.

Employee 7: Are we done?

Interviewer: Yes, that's it.

XI INTERVIEW

Interviewer: Question number one. Can you describe me your role and your responsibilities when you worked in the company?

EX-Employee: I had a couple of roles. Originally I was an adviser on the Life Cycle team. It was an administrative role. I worked on effectively opening cases and closing them as quickly as I could. [laughs]. Meeting SLA's, answering employees' queries about their life within STAR. I worked on a fuck-load of contracts, which I hated. That was it.

EX-Employee: Then I was a supervisor. Well, then I was a functional specialist, so, I started to take over more stakeholder management, sadly, managing team activities, which was frustrating at times. Anyway, good [laughs].

Interviewer: Anyway. Question number two. Are you aware about the concept of a psychological contract?

EX-Employee: Yes.

Interviewer: How would you describe it?

EX-Employee: The contract that mentally an employee has with their employer, that -- It's unsaid, but you believe it to be an obligation to you as an employee.

Interviewer: Yes, okay. Question number three. As you did, many colleagues left the business in the last past years. Is something that you noticed, what you think about it? Do you see any specific cause?

EX-Employee: Yes. I think they had a huge turnover. It's probably still going on. I would say turnovers like 30%, or something, it's really high. I think it's usually to do with value of work, it's low value. The odd person might have a valuable job, like people on **case** might feel or for example they have value journalists might feel like they have value, but for the most part I feel like my supervisors don't have value for their job, it's very administrative and there's a lot of pressure upon them with very little -- Yes, "thank you" is said, but it's not felt properly, I think. Then, as well, obviously salary's an issue. The company is just not growing with the economy now. It's not the same level as -- Even small companies out there now are paying more than what STAR UK is paying for HR which is disconcerting. So, I'd say that the main causes are salary and value of work.

Interviewer: Okay.

EX-Employee: Am I loud enough? Okay.

Interviewer: Question number four. Could you describe your experience as applicant in the recruitment process, if, well- the steps that you followed?

EX-Employee: As an applicant in recruiting for them?

Interviewer: No, when you have been hired.

EX-Employee: For this, my current job now, now that I've left?

Interviewer: No, with your previous job.

EX-Employee: It was fine because I knew I would most likely get a job from them, because I worked for them previously, so, it was a quick process, it was one interview where I met with the manager, and one of the advisers on the team. They did treat it like a real interview, they went into all the regular -- What's the word? I'm blanking now. What's that word when they're trying to find out your skills in real life? What's that word? [laughs]. You'll think of it later on anyway, and you'll be able to paraphrase me. [laughs]. it was a fine interview. It was a 30-minute interview, and then I was told later I got the job, and I was working on Monday. It was quick.

Interviewer: Do you think that the terms of your employment were clear when you did interview? Also, were you pleased with the term and --

EX-Employee: During the interview?

Interviewer: Yes. If they gave you a clear picture of your job, and of the company?

EX-Employee: It was so long ago, to be honest, I don't fully recall. I would say like 50% clear.

Interviewer: Okay. Did you have any induction program?

EX-Employee: No, but because I worked there previously. But my first time I did.

Interviewer: Okay. Question number five. How has the training been organized for you?

EX-Employee: In the beginning it was good. It was really well scheduled. I thought the team wasn't under a lot of pressure at the time, so they could take their time in training me, but I'm sure other new hires had worse experiences than I did. But my own personal experience, it was fine.

Interviewer: Okay. Do you remember how the skill gap was identified if it was more discretional, or --

EX-Employee: The skill gap?

Interviewer: Yes.

EX-Employee: Between what?

Interviewer: I mean, what skill you need to your job. How these areas of improvement were identified?

EX-Employee: Working there? I would say I identified them myself, I worked on them myself. I feel like in my one-to-ones -- I think the team leads in the HR SSC aren't trained to actually be able to hold good one-to-ones. They're not actually able to give constructive feedback. It's either you're doing really well or you're doing really bad. There's no -- I don't know, just like you're a good performer, but there's still areas you can work in. They don't know how to have that kind of a conversation. Of course, I was just always told like, "You're doing a good job, you're doing well, you're doing --" There wasn't a thing for me to work on, which there was things for me to work on, and I was able to identify them, but my manager was never communicating that. I would say I identified the gaps, and I did my best to fill them myself.

Interviewer: Okay. Do you think that the training that you received was tangible also outside the company, or was just related to the job that you were doing?

EX-Employee: Just related to the job I was doing, really. Just because the training we got was so process-orientated. It was how things are doing in STAR, and that's it. It wasn't general knowledge of HR or policies, or -- No, I think a lot of it wasn't

transferable to another company, especially because we support the UK, and I know support Ireland, so those differences.

Interviewer: Okay. How was your performance evaluated?

EX-Employee: It was evaluated twice per year. There was a major review and an annual review. To be honest, I think -- Well we had one-to-ones every month, and again, like I said, with the one-to-ones I was always told I was doing a good job. Then, end of year, I would say the rating didn't correspond with the feedback I was being given. I think I was led to believe that I would get higher than I did. So, I would say it wasn't great.

Interviewer: Well, you anticipated my next question.

EX-Employee: Okay [laughs].

Interviewer: Question number seven is, how would evaluate the compensation package offered by the company? It means, not just the fixed part, also the variable part, and any included benefits area?

EX-Employee: I would say, for me, it was fine. I was certainly comfortable with it, I think the benefits are really good. I think, overall, for the company, if I was to step inside my own personal experience, I think it was too low, and the benefits that they offer, the employees that they have are too young to appreciate benefits, and they would rather have cash in hand, rather than an extra 5000 EUR put towards benefits. It just feels like it was a lost cause, so we just got rid of the benefits. Or employees could have the option to take benefits or the money.

Interviewer: Okay. What do you think about the work-life balance that you had there?

EX-Employee: Great. Now that I've left, great [laughs]. Finishing at 4:30 every day was phenomenal. Whereas, now, I get home at about, like, 7:00 every day. It was just -- Yes, work life balance was good there.

Interviewer: Okay. How would you describe the company culture?

EX-Employee: Good, young. I think I had a really lot of positive things, and really did have that family, close-knit feeling. But it was pushed a bit too far. It felt a bit childish, a bit school-like. Management were giving out as though they were like teachers or the principals giving out to students, and employees were behaving like students. So, it really was a bit like we were back in school at times. I only see it getting worse for now as long as they are hiring at the age they're hiring at, and they're only going to have what are they called, generation? Whatever that new generation is that they are like between 20 and 25, generation Y. As long as they are employing them only, they are screwed.

Interviewer: Do you think that there is any distinctive mark, like in their culture?

EX-Employee: Do they one distinctive thing about their culture? No, I don't think their culture is planned. I think it's formed over time. I think, years ago it was planned, and when they were part of STAR Ireland, it was a deliberate culture. I think, now that they are at their own small office, and it's run by, in fact, two people with a finance background. It's just taken its own life and the leaders…. They're just not trying to create a culture, they're letting the employees control what the culture is.

Interviewer: Talking about fairness and trust, how do you think they were perceived by the employees?

EX-Employee: Do employees feel like there's fairness and trust?

Interviewer: Yes, if you think it was applied in policies and processes, so, performance evaluation, promotion, salary, everything.

EX-Employee: I need to think about this. I feel like in the day-to-day job if I was to base it off as a team that I worked on, for the most part, I don't think trust was there. I feel like there is a lot of the whole not allowing employees to monitor own time and trusting them with that. I think that shows there's no trust. But then with things like performance review and stuff-- I suppose, I trusted my manager to do the right thing. I don't think she was able to fight my case well enough-- I don't know. I don't know what happens when managers get behind closed doors if one of them can shout louder than the other, does that mean the weaker one loses? I don't know.

Interviewer: No.

EX-Employee: I think it depends what manager you have, whether there's trust in the team or not.

Interviewer: Do you think the communication workflow was clear between the organization and employees?

EX-Employee: Again, probably with some things. I think management were once-- once management were allowed to be transparent, I guess, they were-- and they were very, very transparent once they were allowed, so, I guess you would say, yes.

Interviewer: Question number nine. Did you recognize yourself in the brand?

EX-Employee: No, I think the office is very far moved from the STAR UK brand. When I was given the opportunity to go to the conference, it was a couple of weeks before I was leaving. It was probably a better opportunity for someone else, but I would say when I went to that conference, I got sucked into the brand, and I got very excited, and I felt like I was behind it. And then you return to our office which has zero branding. It just feels like it could be in the middle of slow-- like we are working with David Brent, or something, in the office, it just wasn't like you're working for STAR.

Interviewer: There's something that you considered when you left the company?

EX-Employee: I suppose, I was excited to work for a really big brand that I am in now. I guess it did, I don't think I considered it, but I'd say weighs in the back of your mind, that you feel like you are working for a company that has no identity. It's a bit of a demotivation, demotivator. Consciously, it was part of us.

Interviewer: Question number ten. Overall, what do you think are strengths and weaknesses in the relationship between employee and organization?

EX-Employee: When we say organization, are we talking the HR SSC, are we talking STAR?

Interviewer: I would say the HR SSC

Interviewer: What are the strengths and weaknesses in the relationship between employee and organization?

EX-Employee: The strengths between the employees and the organization? Like, I think a lot of employees do-- like, I loved working for STAR HR SSC, I did really enjoy it. Maybe, one of the strengths is how relaxed it is, and how much employees can impact the culture. But just when you get to a certain point, that culture is not attractive anymore. For a young person, maybe, that's much more strengthened I find it.

Interviewer: Do you think that some improvement could be made and if yes, on which area?

EX-Employee: Between the relationship with the employee with the company?

Interviewer: Yes.

EX-Employee: I think, the employees doing a lot, like, they have the reflect program. They are trying to improve the kind of communication and relationship between employee and the company. I think the company has something in place, they just need to do more with reflect. I know, when I was working on reflect, it was very much-- I think we collected really great feedback from employees, but they only brought it to management. We were heard, but then-- I guess, there is a lot of politics in the background that we're not allowed to know about. As much as they hear us, their hands are tied on what they are allowed to do. Honestly, if the company had more budget to put towards its employees, it would be so much better off; and that would improve relationships between the employee and the company.

Interviewer: And, must comment this one. Could the company have done anything differently, which would have led you to stay in working there?

EX-Employee: No, because there is no role that exists in the company that was, like, a good next step. For me, I knew my next step was to get into a small HR team, where I

would gain real-life HR experience, and I'd be dealing face to face with employees with whatever it is. Whereas, in the HR SSC it's ever only going to be an administrative role. So, no. I was always going to be open to a new opportunity.

Interviewer: Okay. Thank you.