

Exploration of some of the 7 concepts identified as constituting a “circular” HRM

Business case: GEMAK Trade (North Macedonia)

GEMAK Trade is a limited liability company from North Macedonia. GEMAK is a leader in the Macedonian market for import and distribution for 3 decades and is also a strategic partner with some of the best-selling global brands of alcoholic and non-alcoholic beverages, tobacco, coffee, food, and non-food products (chemicals). At the moment, GEMAK has 107 employees without the seasonal workers. It owns a 4 star PARK Hotel located in Skopje, N. Macedonia and a telecommunications subsidiary.

Interview: Sandra Arsovska, GEMAK Trade Human Resource Manager

Date of interview: 21 May 2020

Context

GEMAK Trade is one of the leading companies that works in trade with tobacco, alcohol, food products and chemicals. The company trades with a wide assortment of products - ranging from alcoholic and non-alcoholic beverages to detergents and liquid soaps. Among these are Imperial Tobacco, Diageo, alcohol as Maraska, Rubin, Yeni etc., Evian Water, and many more. GEMAK sells through 3 channels - key account, direct distribution, and HORECA.

The company for the past several years is recognised as one of the 5 most socially responsible companies at national level. The recognition comes as a result of GEMAK's innovative and socially driven activities for the community, but also from its creative approaches in management of the Human Resources.

Concept 2

Processes of understanding and responding to the needs of workers to optimize redeployment within the same company

GEMAK has a comprehensive approach when it comes to understanding and responding to the needs of its workers. There are procedures, but the approach is also part of GEMAK's people oriented culture.

One of GEMAK's values is its care for the employees. The care is structured and the employee is approached in a methodological way through formal evaluation process.

GEMAK performs formal evaluation twice a year in which employees' voices are heard and acknowledged. The first evaluation is by the end of the working year i.e.

December/January) and this one is more important. This process does not just include an evaluation from the superior, but it allows the employees to self-evaluate. “Why? Because the interview itself, for me, is more important than just filling in the form, because there is a conversation, a dialog.”, clarifies Arsovska. In that dialog, the supervisor doesn’t just state the expectations of the employee in which aspects he/she is good and should continue to work that way, but also gives feedback to what should be improved with the employee’s work. At this meeting the manager together with the employee, sets individual goals which are aligned with the sectoral goals. Managers also address employee weaknesses and discuss possible training to strengthen his/her competencies. These meetings also cover a discussion about employee career prospects, what are his/her professional aspirations for the new year and what can be achieved.

When somebody is being promoted, the person gets enough time to adjust and undertake the new position. First, it is very important for the company that the promoted employee is recognised as a good choice by the rest of the employees. It is important for the cohesiveness of the team that the promoted employee is recognised as deserving for the position and accepted as a leader in his/her department. Second, the company takes further care and provides adequate training for the employee focused on his new responsibilities, mainly in the area of management in order to mitigate the risks from poor performance and negative influence on the others. Third, the employee also receives mentorship “Once it is decided that yes, he/she will be promoted to that supervisory position, he/she is also given 1 month in which he/she is under the mentorship of another supervisor. It is necessary to go through that process under mentorship. In addition, if there is a need to supplement some skills, we also provide training. Whether they are external, some internal training... And when that employee is completely ready to take over the position of supervisor, only then a new contract is signed with him/her - that is the legal part”, reveals Arsovska.

Concept 3

Supporting the reintegration of a worker so he/she, following a period of leave (short/long term) can continue to be employed in his/her original function or in a new role within the same company

In general, GMAK is a medium enterprise, and does not have procedures which can describe a response to all situations. In this particular part GEMAK does not have a formal procedure which supports the reintegration of the employee in the workplace after a period of leave. However, some guidelines are followed and respected, mainly led by the HR department.

In general, there are two types of situations where the employee needs a period of leave. The most common one is maternity leave. When the legal leave period of 9 months ends, GEMAK HR team assesses whether the employee feels ready to come back. Her reintegration is approached slowly: “I usually have a welcome interview with the employees. In this interview, what interests me is whether the employee

is ready to return to work. It's one thing that we have a legal deadline that states that we must return to work after 9 months. But mental readiness, as a mother, is something that needs to be worked on at some point. So my conversation is about how ready she is to really get back to work." explains Arsovska.

While someone is on maternity leave (or sick leave), there is a replacement in the company. The employee on leave is not contacted while on maternity, unless it is important. Moreover, the company also works with the employee in terms of child-care, and provides her all necessary support and advice in order for her to be able to take care of the child and work on her reintegration in the company, at the same time. "The very arrival of an employee from maternity leave, apart from the fact that I am doing such an interview, the manager also talks to her and works on the adaptation with the team. The Manager informs her on possible new procedures in the workplace, new practices, new decisions... all this is shared with her in order for her to be informed when she starts working." clarifies Arsovska.

Apart from maternity leave, employees also can request a leave due to other reasons, which are not always shared with the company. Sandra simply stated: "We really respect if the employee doesn't want to share. That's his/her right. Especially when it comes to such private, sensitive problems where everyone has the right to decide how they would like to act."

Concept 4

The mentorship of a worker who is considering leaving the company (e.g. due to retirement, or the completion of a project) to apply their skill-set in a different role within the company (e.g. proactive use of skill set prior to retirement, or re-orient skill set to a new project)

GEMAK has a formal mentorship process. In general, the company always provides tutors for the junior employees, with whom they work on constructing weekly and monthly work plans. After that, it is merely following them. "The mentor is required to make a monthly work plan with the trainee. In addition to the monthly plan which covers the most important things that should be agreed - that are agreed - that need to be transferred to the trainee, he also makes a weekly action plan where on a daily basis he determines which work skills will be transferred or what tasks will be passed on to the trainee, and how he will manage the transfer", clarifies Arsovska. After the initial training, the employee is tested on their newly acquired knowledge, to observe whether the mentoring program has been successfully implemented or not. So in addition to having traceability of this whole program through records, control is also performed from that sector's manager. As an additional incentive and motivation for the mentor, GEMAK provides 20-30% of the trainee's salary as a reward after a successful mentoring program. The last keeps the position and the role attractive for the employees in the company and supports knowledge sharing among employees.

Concept 5

Categorizing the skill set of workers with a view to planning and implementation of worker-centered strategies that optimize the categorized skills sets within a company ecosystem

In general, GEMAK still does not have a centralised skills bank for its employees. There are no formal processes in this regard, although skills and competencies required for the position are assessed mainly through the formal evaluation process and developed further through formal and informal training and mentorship. This could be a result of the fact that GEMAK has a very low turnover of employees and in general they find their position within the company easy and early in their employment. However, GEMAK's subsidiary, the Park hotel has a high turnover and the hotel management takes seriously the talent acquisition process

“Our new employment is only the part where we need to open a new job or replace an employee who is on maternity leave, sick leave for a longer period of time, if there is no one to replace him/her.” After giving an example of a current situation they were facing regarding employing a new person at their hotel, she added: “GEMAK is quite stable and we do not have many new jobs nor do we have to look for and chase talents from outside. HR's approach is to see how to get the most out of the existing employees, and how, from them, to develop talents. Attracting talents from the outside ... that's more part of what we do at the hotel.”

Concept 6

The prioritization of human centered optimization over contractual obligation

In general, GEMAK does not have many temporary projects and contractual time limited employment. This could be a reflection of GEMAK's people oriented organisational culture. GEMAK's employees are not staying on contracts long, and they are all employed on indefinite time. Projects as part of marketing or the IT section of the company have a constant recurring presence, but Arsovska emphasized that they do not consider these as projects. Every project takes a certain amount of time, and when that project is completed, according to the contract, the person who is working on the project is paid. In general, GEMAK approaches projects with contractual obligations on an annual basis providing more security and flexibility for the employee. Moreover, only employees that want to work as contractors, work as contractors with GEMAK.

Being a wholesaler company, working in the distribution sector, this period has been a challenge for GEMAK. Normally, 70-80% of GEMAK's employees are sales agents. However, they managed to adapt to the new change that was brought to us, whether that be by making a phone call, sending e-mails etc. Nonetheless, although artificial intelligence can allow us to make orders without any human interaction, the feeling in that situation is not the same. “Still, it's different with the relationship you can make with the head of the marketing and how and what will that relationship be...

because that relationship means a lot. Because you can get a bigger range on the shelf, you can get more space, you can tell him tomorrow "Please take more from me this month so I can cover something." So it's not a simple sales. These are human relations. These are long-term relationships that are nurtured for some things, some reasons. Will it be more representation in the shop, taking more goods, introducing a new product in that shop, taking a larger quantity etc. A machine can't do all that, but people can," said Sandra.

Concept 7

Supporting the transition of a worker into the external job market where a worker is no longer meeting the requirements of their current contractual obligations

GEMAK is fully supportive of its employees when they are leaving the company. In general GEMAK's turnover is very low, and these situations are very rare. If an employee leaves GEMAK - even when the reason is not important, the HR department always does an exit interview. The purpose of the exit interview is twofold. First, it provides an opportunity for the company to learn about itself and its processes and improve. Second it provides an opportunity to approach the employee with care and attention and to offer help, advice and recommendations to find a different job, job they like at the marketplace. GEMAK also provides the employee with adequate recommendations.

When GEMAK is faced with the need to close a department or terminate a position, a more common approach is to relocate the employee to its subsidiaries, the hotel or the telecommunications provider. If the employee would like to continue to work for GEMAK, but simply does not feel satisfied with the position he held, GEMAK so far has been very flexible in identifying positions and roles within its departments and subsidiaries for the employee, even providing training and reskilling opportunities for the new position.