

Sourcing right talent in the services sector

CHALLENGES FACED All service businesses are not able to find skilled people especially at the entry level

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The service sector is vital to the economy, contributing 57 per cent to our GDP with annual growth higher than agriculture and manufacturing sectors. Industries in this category are IT and ITES, banking, insurance and financial services (BFSI), telecom, travel and tourism, hospitality etc. The interaction between customers and organisations is high and with fierce competition, service standards are a key factor in attracting and retaining business. However, experience of customers dealing with people in the service sector is not entirely satisfying.

A few recent examples illustrate this point. I walked into a multinational bank, to open an NRE account and discovered a lone representative holding fort, with a waiting time of two hours. A sales person of another aggressive bank trying to sell deposits, told me straight, 'It's my duty to inform you of our interest rates' and ended the call abruptly. A senior manager of the same bank confessed later, "we are unable to satisfy all customers."

In the retail industry, you reach a cash counter only to realise that the it has just closed. In a call centre, you invest a lot of time only to get lost in a vicious circle of menus and sub-menus. The worst and often irritating example in a call centre is to hear a closing dialogue, in a droning tone, "Is there anything else I can do for you?" after not even clarifying why a customer had called. Therefore,

issues of service in this sector hinge on the quality of people, throwing immense challenges to the human resource or HR department.

1. Internal factors:

a. Inadequate support from top management: Overall business directly depends on availability of trained people in sales, marketing and service. Sourcing people is not always a factor of efficiency of HR, but can be also due to market dynamics. However, top management might overlook this.

b. Friction with line function:

Though common, friction assumes a completely different dimension in the services sector as operating managers in sales and marketing, can easily and convincingly explain their failures as an outcome of a people related issues such as vacant positions, absenteeism, shortcoming in skill-sets, disciplinary issues etc. In such a situation, if HR isn't tactful, will lead to an embarrassing situation of taking the blame or a war of words.

c. Inadequate people skills:

Marketing in the services sector being a high pressure job, operating managers often fail to balance their people and task management skills. It is quite demanding to get work from junior marketing staff and individual leadership style does matter.

In some industries the sales managers observe the collar and cuff of the sales person's shirt as a method to assess the fieldwork done. We also discovered that they can get very abusive, when results of the day, did



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not match the morning commitments. All professionals would agree that more employees leave an organisation due a boss's ill-treatment, rather than issues of compensation. Therefore, HR should be alert and identify these issues.

d. Lack of understanding: HR should forcefully present their assessment of internal and external challenges and the strategies the organisation must pursue.

This requires a deep understanding of the service sector from an overall perspective and the ability to think ahead. More importantly, HR should have

exceptional communication skills to handle both aggressive marketing outbursts and the top management.

2. External factors:

a. Availability of people: Availability of people, especially at the entry level is an issue, for many BPOs, call centres and few other industries like media and publishing.

These positions require graduation, communication skills and grooming. Proliferation of MBA and professional institutions has resulted in a new challenge to find smart graduates.

b. Mismatch of skills: Even if

you fix the issue of availability, mismatch of skill sets is a serious issue and HR professionals together with operating managers, may end up compromising even though a vacant position is better than a wrong recruitment.

In an embarrassing case of an urgent recruitment, an organisation in Dubai recruited an Arab woman for a sales position. The woman spoke fluent Arab and manageable English, but the recruiters didn't realise she didn't know to fill order form in English.

c. Job attractiveness: Not all service industries are able to attract

people. Our youth have high and often unrealistic expectations in terms of work environment, working hours, canteen facilities, holidays and similar issues of trivial nature and are less focussed on building a career.

d. Competition: With competition being intense, taking trained people from competitors is a common practice.

You spend considerable time and effort in developing people only to find them, being poached. In view of these challenges, any laxity in HR can be detrimental. The following can be a strategic

guideline:

1. Get top management support: One good way is to ensure their involvement, by being very proactive. By involving top management, HR should influence to achieve a qualitative improvement. Some examples, where HR should play a proactive and influential role are product development and customer satisfaction, competitive effectiveness, employee feedback mechanism, campus recruitment and public relations.

2. True support: Avoid internal friction especially with marketing by demonstrating the true spirit of HR.

People management feedback, must be gathered very objectively and communicated to superiors in marketing. In an organisation, I am very familiar with, HR functionaries used 360 degree and informal feedback system, to target marketing people with ulterior motive and with a prejudiced top management, the organisation suffered.

3. Continuous training focus: The need for continuous training focus is important, especially for marketing and service staff mixing inside and outside faculty. Ideally, 'train the trainer' programmes to develop a pool of internal trainers.

4. Proactive recruitment: Proactively and continuously work irrespective of a vacancy or not. This should result in an active file of shortlisted candidates. Campus recruitment in graduate and postgraduate colleges, technical institutes etc

should be done annually.

5. A fair appraisal process: It is not enough to have a sound appraisal system but more important for HR to play an active role in ensuring a fair and objective process. Customer development, retention and feedback should be an integral component of the process. Increments and promotions should be fair and perceived so. In general, employee grievances are because someone else got more.

6. Building passionate team: The energy levels of sales staff dissipate by afternoon and they don't always carry on until end of the day. With high energy levels directly proportionate to business, the biggest challenge, is building such a team, day after day. As American businessman, JW Marriot Junior says, "Motivate them, train them, care about them and make winners out of them. We know that if we treat our employees correctly, they will treat the customers' right. And if customers are treated right, they'll come back". Though it's a marketing function, expertise of HR helps.

Customers have that innate tendency to look for improvements in service and slightest dissatisfaction can be upsetting. With competition getting hotter lethal combination is fatal.

An aggressive and proactive HR can help to create a highly motivated team, ready for change, in a harmonious work environment resulting in a satisfied customer base.

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