

Welcome! We are excited to have you as our new VP of HR. As you know, we have never really had an HR person before, but I'm sure you'll fit right in. It's your first day at Initech, an Alabama-based manufacturer of trophies and awards with 110 employees. We have a lot of work to do, so let's get you kicked off with a few briefings with key executives to start your first day.

Meeting 1: Sally, VP of Sales

Issue: Retention

Sally: I'm so glad you are finally here! We are having lots of trouble with keeping our sales staff around and I have been waiting for someone to help me with that. Over the past year about half of our salesforce has turned over and it is starting to affect the bottom line. Nobody seems to know what's going on because we have so many new folks on the team. I don't really do anything in the way of team meetings--if I have to dig to get my information about the company's performance and goals, then my staff should as well. Pulling up by the bootstraps and all that, you know? My more experienced folks are starting to get frustrated because I don't have time to spend coaching them or rating their performance since the newbies demand all my time. I'm really stuck and don't know what to do. Can you help?

Meeting 2: Octavius, VP of Operations

Issue: Recruiting

Hey, I'm glad you are here. We have some recruiting issues that I'm hoping you can help with. In the interview it sounded like you really knew your stuff. The majority of our hiring is for basic level workers with few skills, so I don't think it would cost that much if we were trying to recruit them by ourselves. We just got so used to picking up the phone and calling the staffing agency whenever we needed someone new and never really thought about how much it cost. The main thing is that it was fast and easy. When I ran the numbers recently I was very surprised. We are spending about \$40,000 a year using recruiting firms and staffing agencies to find our employees. I hope you can help because we are about to hit our busy season.

Decision Time

So, it's the end of day one. You look at your desk and you have two big tasks ahead of you, but you need to prioritize the one that will be of most benefit to the company. What project are you going to spend your time on for the next few weeks--sales staff retention or revamping the recruiting strategy?

Group 1: Retention

Discussion Questions

1. Why did you choose retention instead of recruiting? If the CEO asks, how would you explain that this is more important to the business operations?
2. What questions would you ask Sally to dig deeper into the underlying issues for her staff turnover? What red flags do you see?
3. What suggestions might you have for Sally that would help with improving retention of her staff? Would those suggestions differ based on the tenure of the individual?

Group 2: Recruiting

Discussion Questions

1. Why did you choose recruiting instead of retention? If the CEO asks, how would you explain that this is more important to the business operations?
2. What questions would you ask Octavius to understand more about the current situation and process as far as recruiting/selection? What red flags do you see?
3. What short term suggestions would you make to begin the transition to in-house recruiting? What longer term suggestions would you have to make this a more permanent structure?