



## **Intellectual Output 1**

### **TASK 1.2: Identification of problems, finding solutions**

#### **A5.3 Edition of a National report and conclusions about Focus group**



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# RESULTS OF THE FOCUS GROUP

**Date: 8<sup>th</sup> of April**

**Project Partner: Coworking PLUS**

**Total number of participants: 7**

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## INTRODUCTION

HR Management could be identified as one of the most crucial growth forces in every company. For many micro, small and medium companies, having a separate HR department is not sustainable, thus the business owner/s and/or manager/s must play the role as an HR manager as well. Having the right skills to identify, train, communicate and retain staff requires professional expertise and skills within HR management. In addition, managers need to be aware of unconscious biases that may occur during selection process and after - at the workplace.

Businesses strive because of their strategy to recognize and retain the talents they need to reach their short- and long-term objectives. “FETRA: Fellow travelers. Soft Skills for Human Resources Management in SMEs” project has the mission to equip and train business owners and managers with the necessary skills and provide them with support and guidelines for spotting and keeping talented and highly motivated staff within their company.

The Focus Group session of FETRA project was conducted on 8<sup>th</sup> of April at Coworking PLUS’s premises and participants from different companies such as web-design, coding, and business services sectors, took active part during the discussion and issues that their companies have faced as start-ups and the focus was on HR management for young entrepreneurs. All participants reflected on the motion that HR management is crucial for their growth and the force is their colleagues. Furthermore, the focus group agreed that proper HR Management strategy and expertise is essential for their companies, because HR could be

turned into investment or a cost, if not applied with the necessary level of professional expertise.

## 1. ANALYSIS AND CONCLUSIONS

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The Focus Group session presented FETRA project and its objectives, guiding the session and the attention of the participants to the main part of the session, where the following questions for reaching FETRA's Focus Group have been addressed and discussed in detail:

### **1. In your experience, how does the correct staff selection and the management of these human resources influence the success of an SME?**

#### **Answers:**

Correct staff selection has a huge impact on the success of the company. Human Resources can steer your business; however, it can steal your intelligence, ideas, or it can be a very bad investment and perform very poorly and do a lot of damage. All negative aspects of poor HR selection and management can be also positives for a company if proper expertise and professional methods are applied.

### **2. What are the costs for an SME of poor staff selection and management?**

#### **Answers:**

If staff is not motivated by the company's management and conditions, if they do not feel that there is opportunity to grow professionally and do not have a future in the company employees will perform poorly and the quality of their work will be very low. In this, case employees possessing professional skills and ambition with

such perception of their working place would like to move on and may be find a better working place. At the same time many employees would feel the security of their job and although their bad perception of their work condition they would prefer to stay, which is also a downside for the company because of poor performance and low quality of work of unsatisfied and unhappy employees. Companies want people who can do always better in order the company to grow and make its employees happy.

One of the participants suggested the book by Jack Welch, “Winning”, where the author suggest that successful companies should fire 10% of their low performing employees at the end of each year.

### **3. In your experience, do you think there is a relationship between work climate and staff selection and management? How does it influence?**

#### **Answers:**

A participant shared a recent experience by comparing the mind set of employees. The current employees in his company have very entrepreneurial mind, so they can take action. Where the previous staff member/s where having the mind set that they are employees, and they should be given assignments. In this relation a company that gives assignments, employees with such a mindset would have been good but in a work climate of a start-up and innovation company such employees are not that great.

Another discussed aspect was that may be these employees are as good as the other but there are two different ways of managing them. If the right way of HR management has been applied they probably would have delivered very good results. However, the pro-active employees require less managing.

The important is to set the expectations from the beginning. And communicating the work pace is crucial from the start to meet the expectation of the employee and employer. All participants agreed that there is a direct link between staff selection and management of HR.

- 4. It is common practice for small and micro enterprises to make a subjective staff selection from among family members and acquaintances. What is your opinion about this way of selecting employees, and what effects it can have on the company? How do you think this situation can be improved?**

**Answers:**

People will always prefer someone that they already know. They know what this person is capable of and trust plays a large role on making such a decision. Business owners may know the person and his/hers personality which is also a factor. In this case it is not that bad. Having someone you already know provides a security and peace of mind in terms of communication. Of course, it is a positive if you know that the person is skilled and will help the company grow.

However, it might turn as a bad decision when business owners hire someone just because they are their relatives or acquaintances. Some of the participants agreed that normally you should not involve family, friends, and business. A business owner at the session shared that his strategy is not to become friends to his employees. It is not that he does not like them, but his impression is that, if managers become too close, employees become hard to manage. There should be some line. It is not impossible an organization to have completely flat line of management, but managers should be aware of tension growing from personal relation that could influence the work environment and the company in general.

- 5. Do Managers make a good definition of the necessary skills when they offer a new position in their companies?**

**Answers:**

It is a problem for managers to make a good definition of the necessary skills when they offer a new position in their companies because in most of the cases the position is not in their expertise. Managers are listing many of the well-know requirements for this position, but they personally are not aware of those skills, personal characteristics and overall talent recognition within this profession. Thus, HR expert needs clear specific skills that managers need to build on.

**6. Do you think staff selection process is an investment or it is a cost?**

**Answers:**

As discussed in the previous questions – it could be both. All managers strive to find the perfect candidate to be a good investment, however in many cases it is a cost.

**7. In your experience, does Managers in SMEs have knowledge and skills for managing HR? You as business owners and entrepreneurs did you have the knowledge to manage your HR?**

**Answers:**

Simple answer – NO. Of course, basic skills such as talking to people, being nice but recognizing talents and staff retention strategies – no. The participants answered that they have never felt experts in this field.

**8. Does SMEs know how to retain the talent in their organizations? Do they know what they can offer to their most valuable workers? Do they know how to motivated these workers?**

**Answers:**

Some managers would probably know how to retain the best staff members but in many cases economic situation might make the manager or business owner to prefer a cheaper worker who in a long run is not the best investment.

**9. Are Managers in SMEs familiar with the concept of Soft Skills? Do they understand it and know how to apply in their companies? Are they conscious about the need of these skills?**

**Answers:**

Managers might be familiar with general soft skills but the necessary soft skills for HR selection and management needs additional training and preparation

specifically focusing on SMEs. Start-uppers and entrepreneurs, especially within the tech industry might be very successful business owners but due to lack of social skills for example, poor HR selection and management their business might suffer. Additionally, managers with poor staff performance could feel overwhelmed with work and might suffer burnouts.

**10.** Please indicate 12 of the following soft skills that, according to your experience, the person in charge of personnel selection and human resources management should have:

The Focus Group selected the following 12 Essential HR Skills:

• Communication	• Emotional Intelligence
• Decision Making	• Team and Talent Management
• Feedback	• Pressure tolerance
• Social Skills	• Motivation
• Leadership	• Organizational Skills
• Commitment	• Empathy
Other: Multitasking and Negotiation	

### 3. GENERAL CONCLUSIONS

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Possessing and training SMEs and micro business owners and managers to be successful HR Managers is essential for every company. Being an HR professional means possessing a certain set of skills. These skills focus on how well the executive leadership of a company will receive a return on investment for the quality of the entire workforce. Possessing and applying all HR management skills from the selection to retention and management stages, requires a focus on the HR as a force for growth of each company.

All participants, during the focus group workshop expressed great interest to follow-up on the tools and HR management courses that FETRA project will develop. Coworking PLUS is eager to support all companies, who need guidelines and training within HR Management in order to contribute to their development and prosperity, especially during during COVID-19 economic and employment crisis.