

Case Study: Rileys sports club and bar: Managing people without an HR department (UK, 2019)

Abstract

This case study explores the perspective of a part-time training manager in a long-established SME and members' only sports bar where there is no formal HR Manager. The focus is on customer service training for bar staff. The case explains that the role is extended to enhance the recruitment and selection of new staff. This case discusses the importance of providing more than just basic HR benefits and the benefits of leveraging the organisation's brand to support new staff recruitment.

Introduction and background

Rileys, one of the oldest sports bars in the UK, was established in 1878. Entrepreneur Edward John Riley founded this member's only sports bar to turn his passion for cricket, tennis and billiards into his lifetime's work. It was acquired by Weight brothers in 2014. With its 23 branches all across the UK, this sports club provides a common place for people in the UK to come together with friends or family and enjoy their free time. Along with providing lots of indoor gaming options such as dart, pool and snooker tables etc., this place also provides bar facility and food at all the clubs. To bring life to this place, the club has also been equipped with big HD screens and HD projectors, which is used to show all the sports action on Sky sports and BT sports. Being a members' only club has enabled them to maintain safe and family friendly environment to its members along with extended opening hours and services. For this case study, the training manager is our source of information which we collected through semi-structured interviews and questionnaire. The training manager is a graduate in Business and Management studies and CIPD qualified.

HRM in Rileys

The part-time training manager takes an overview on the overall HR activities being performed in the organisation. The manager observes that there is no dedicated HR department in the organisation. No HR professionals are hired to perform specific HR activities. All the HR activities are performed by the unqualified admin staff. Main HR activities are handled by supervisor/manager rather than by the trained HR professionals. Administrative workers handle other peripheral activities such as HR administration, fulfilling legal requirements, HRIS (human resource information system) etc. There are few HR activities such as creating HR strategy, looking after employee well-being, career management and employer branding are not considered important and are not given any special attention. Even health and safety of the employees is considered only to comply with legal requirements. There is no support available to employees to maintain their work-life balance. This makes HR in this organisation more administrative rather than strategic.

Although recruitment and selection are considered to be very important in the organisation, least importance is given to creating an employer brand. Other important activity is monitoring the performance of the current employees; however, it is strange to notice that career management is not given any special attention. Few other HR activities that are considered important are fulfilling legal requirement of HR activities, induction of the new employee, employee reward/remuneration management, performance evaluation (not performance management), training and development, maintaining personnel information system, employee satisfaction and engagement, and termination process.

Least important activities are HR planning, job creation and analysis, employee well-being and career management. Human resource information system (HRIS) is used only to maintain employee records, payroll processing and training and development. This is a reflection that HR is considered a just an operations activity in this organisation. The strategic focus is missing which is due to the lack of awareness by the management / owner that strategic HR could be add value to the organisation and bring competitive advantage. Since strategic focus on HR is missing, there are no specific KPIs for the HR personnel (administrators handling HR activities in this case), however the turnover rate of the employees is monitored to assess the effectiveness of the HR activities being performed in the organisation.

Talent management at Rileys

To keep the current customer happy and attract new ones, the owner wants to ensure good quality customer services in its bar and club area. This resulted in hiring a part-time training manager to train newly hired bar and customer services staff on good customer services skill. Training also focused on former staff to keep them updated on new skills and trends. Sometimes, based on the needs, the training is outsourced to get some experts trainers for specific skills. However, the absence of HR specialist in the organisation has impacted the current non-streamlined HR processes. This results in ineffective HR practices and eventually the outcome of these practices.

After spending few months in the organisation, the manager finds out the reason behind the ineffective HR. The management had a lack of interest in investing any money to hire specialised HR professionals. Moreover, outsourcing HR experts for any issues was also not decided by the management. It was on the sole discretion of the owner to approve for any such expenses. Many times, it just seemed impossible to get these approvals. Hence, inefficient admin staff ended up taking care of HR activities/ operations duties. This results in the lack of career management / talent management activities in the organisation. Although company pays attention / invests in to training and development of the employees, but it is random and based on the requirement of the role / organisation. Strategic approach to career management / performance management is missing. Satisfaction of the employees is not on the priority list of the employer.

Various training and development methods are used based on the need of the employees. Training needs are assessed through informal ways such as interaction with the employees and observation while at work. This results in evaluating employees' performance to either

impart training or rewarding them with bonus etc. Some training is also conducted to train the employees on new technology or equipment/product introduced. Various training methods are used such as traditional training, workshops, on-the-job instruction, e-learning, outdoor training etc. The management seems to give considerable importance to training. It can be mentioned on the basis that measures are taken to evaluate the effectiveness of the training. Training effectiveness is evaluated through various methods such as collecting feedback from employees, feedback from the line managers, practical test of the acquired skills/knowledge and test of job performance immediately after training. However, other methods such as measuring ROI is ignored, which again indicates towards the absence of strategic HRM. Lack of systematic performance evaluation process is another indication to it.

Recruitment & selection at Rileys

The management is happy with the training manager's performance. The part time manager is now given additional responsibility of recruiting people. The manager is really thrilled and excited to take up on this new role. To gain deeper understanding of management views on the HR system as a whole, the manager tried to understand the importance of HRM activities in the organisation. The manager also wanted to understand the recruitment and selection procedure in the organisation and decided to do a research on the processes. The findings were that all the recruitment and selection activities were majorly handled by the direct superior of the potential employee. Task such as job creation and analysis, recruitment planning i.e. pre-recruitment, recruitment such as shortlisting interviewing are the responsibility of the head of the relevant department in consultation with the immediate manager of the potential employee.

After the suitable candidate has joined the organisation, it is the direct supervisor who completes the post recruitment task such as induction of the employee. Later in the employment stage other HR activities such as employee's performance evaluation, remuneration and reward management, training and development, deciding and monitoring KPIs are also carried out by the immediate supervisor/manager. Even the termination of the employee is responsibility of the supervisor/manager. There is no dedicated career webpage of the organisation for applicants and recruitment. The company uses several other options such as internet job portals, personnel agencies, temporary agency (to employ temporary staff for peak business period), employment agency (job-centre), executive search (head hunting) etc.

The other recruitment methods such as use of social media / networks (presently very popular), campus recruitment, internal recruitment, references from current employees etc has not been explored by the organisation. The company usually relies on interview/ panel interviews for senior positions such as managers, executives, technical and administrative staff. For junior / manual roles it is a combination of interviews and skills test. Psychometric test and assessment centres which are very popular these days are not used in this organisation.

References

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Equal opportunity employer

The organisation is passionate about fairness, equality and inclusion and has put efforts to reduce gender pay gap. There are 45% female and 55% male employees in the organisation. As per a report published by the organisation in 2017, there were 15% female employees were awarded bonus for their performance whereas there were only 8% male employees got rewarded. This indicates there is no gender discrimination and rewards are purely performance based. The survey suggests that there are more men and less women in the upper quartiles of the pay. As we move towards lower pay quartiles, there are more women and less men. However, this pattern does not indicate that there is pay discrimination based on the gender.

The employer is confident of paying equally for equivalent jobs across all parts of their business. However, there is an awareness that 100% gender equality is not achieved yet and organisation is working towards achieving this by 2020 (with 10% tolerance). Apart from working towards achieving gender pay equality, the organisation is less aware towards other issues which would bring the title of equal opportunity employer. There are no steps taken towards supporting disabled people or people with health conditions. This is only done to comply with legal requirements. No extra steps are taken to support such people. Similarly, there is no support extended towards disadvantaged people in the labour market. However, there is an awareness to ensure equal opportunities provided to people of all race, gender,

religion, sexual orientation etc. Management is also supportive in difficult life situations of employees by providing them easy loans, extra holidays etc.

Challenges faced as an SME

Like other SMEs, this organisation is also not safe from the challenges that are faced by the SMEs. The main challenges pointed out are mainly related to recruitment and retention. Main issue related to recruitment is the lack of new employees i.e. attracting the right candidate to the current vacant position. The organisation has been unable to attract fresh graduates to work for them. At the same time, the currently active working population is aging. This has created an imbalance in attracting new candidates in this organisation. There are few other facts surrounding this issue which add to the gravity of the situation such as key other greater demand by the employees such as pay increase & other benefits, inability to provide competitive wages in comparison to large companies etc.

Inefficiency of the company building HR expertise in the organisation, building employer brand, lack of investment to improve HRM, not using current / updated technologies in the recruitment process, are few burning issues which are being completely ignored by the owner/ management. However, these issues can be handled, and their consequences can be minimised if management / owner shows interest and deliberately puts efforts towards improving the situation.

Current recruitment scenario

There are few open vacancies in the organisation currently. The training manager is involved in filling out these vacancies. The job posting has been done in their own traditional way. The training manager is given a target of four weeks to fulfil the vacant positions. Since their approach is traditional, not much efforts have been taken towards job – analysis and creating a professional job-description. It has been almost two weeks, but the manager has not yet received any promising resume for the position. There is no choice, but to shortlist from the ones that are received. The training manager has been trying to find out what is wrong with the whole scenario.

The manager is even more surprised to know from the existing employees that they are happy in their workplace and were not planning to look for other job anytime soon. Upon further investigation, the manager understands that even the current employees had not heard very fondly about this place as an employer. They just happen to land in this job through their regular job search. They also mentioned that they would definitely recommend this organisation as a workplace to their friends/ knowns. The manager is trying hard to figure out what is the core issue. Even though the current employees seem to be happy, yet it is difficult to attract new candidates / potential employees to the work for them.

Possible solutions

The training manager had a thought over the entire issue. It appears to the manager that the organisation has a good corporate brand, which is evident from the number of their

customers. Also, they have been very loyal to the club for years and seem to be very happy with the place. The manager was wondering if there is a way to capitalize on the corporate brand and create an attractive employer brand. Is that possible? If yes, what could be the first few steps and the whole process thereafter? Is this only the issue of employer brand or the organisation needs to pay attention to performance management / career management of the current employees? Are there any other ways to attract potential employees to the organisation?