

Effective recruitment and selection



Introduction

Asda is the UK's second largest supermarket. It was founded in 1949 under the name of Associated Dairies and Farm Group but shortened this to Asda in 1965. It is a retailer focused on selling food, clothing, electronics, toys, home furnishings and general merchandise. Asda also offers a range of additional services such as 'Asda Money' financial services.

In 1999 Asda became a subsidiary of Walmart, the largest supermarket chain in the world. This enabled Walmart to enter the UK market but also gave Asda access to the full range of expertise of the Walmart company. Walmart currently employs over 2 million colleagues worldwide in 27 countries. In the UK, Asda is one of the largest employers with over 175,000 colleagues working across its many formats. These include a variety of roles in its Superstores, Supermarkets, Home Office, Distribution, George and Asda Living. Asda continues to expand its operations in the UK and recently acquired a number of stores from Netto to increase the number of local Asda Supermarkets.

Asda wants to be a trusted employer. Its success as a leading retailer is dependent on its trained and engaged colleagues providing excellent customer service.

This case study demonstrates how Asda's recruitment and selection processes, teamed with effective leadership and its colleague engagement strategies, are helping the company to achieve its mission.

Asda's philosophy is that if your people enjoy working with you, your customers will enjoy shopping with you. Consequently it aims for all colleagues to be passionately engaged in supporting each other in a safe family environment of trust and respect. Asda has won numerous awards that recognise its commitment to its colleagues including The Sunday Times Top 100 Best Companies to Work For, The Times Top 100 Graduate Employers and Stonewall Top 100 Employers 2012.

Organisational culture

At the heart of Asda's success is its organisational culture which has been built over time. This defines how colleagues behave at Asda. It ranges from how colleagues treat customers and other external stakeholders to how they treat each other. Asda's culture of trust pervades all that happens within all elements of Asda's operations. Asda is a company with a conscience, dedicated to doing the right thing for its customers, colleagues and communities. Andy Clarke, President and CEO states:

'Building trust with each other is the most important step to winning the absolute trust of our customers.'

Asda's beliefs are behind every decision that every colleague within the company makes and help influence the organisation's culture. These are:

- to provide excellent service to our customers
- to show respect for the individual
- to strive for excellence
- to act with integrity.





In 2009 Asda ran a survey to discover what its customers thought about the company. From the results of this survey Asda created its 'customer pledges' outlining what customers should expect to experience from Asda. The success of these pledges led Asda to replicate this with 'colleague pledges'. These were covered in the annual colleague survey in 2013, 'Your Voice', which surveyed every colleague across the business in stores, Home Offices and Distribution. The four colleague pledges demonstrate what Asda is committed to providing for its workforce. These are:

- Fairness at work.
- Opportunity for all.
- Respect for each other.
- Pride in Asda.

Asda leaders are committed to bringing these pledges to life, recognising that it is the Tiny Noticeable Things (TNT) leaders do that make the biggest impression and engage colleagues. For example, leaders should always be polite and approachable, lend a hand on the shop floor and lead social and community events with colleagues. These are live examples of the pledges. These TNTs make colleagues feel more valued, more fulfilled, more supported and more motivated to deliver the customer pledges.

An audit of management at Asda indicated the following positive behaviours:

- Fairness brought to life by leaders who are empathetic and recognise their colleagues.
- Opportunity for all promoted by leadership that encourages colleagues and is communicative.
- Respect for each other shown by leadership which is collaborative and listens to colleagues.
- Pride in Asda by inspirational and motivational leadership.

Awareness of these behaviours positively affects recruitment and selection by attracting the best candidates and developing the leaders of the future. These pledges strengthen the employer brand whilst creating an internal environment that promotes trust and supports career progression.

Asda is committed to employing the best candidate for all its vacancies. This means looking for applicants from the largest possible pool of talent, both internally and externally. Lead by the Executive Board, Asda's diversity and inclusion policy ensure there is no discrimination in terms of age, gender, ethnicity, sexual orientation or disability. Working with external partners such as Remploy and Stonewall, Asda positively encourages people from different backgrounds and cultures to apply. This commitment to inclusion wholeheartedly supports Asda's colleague pledges of fairness at work and opportunity for all. In addition, Asda actively promotes inclusion within communities through sponsoring Pride events across the UK such as Leeds Pride.

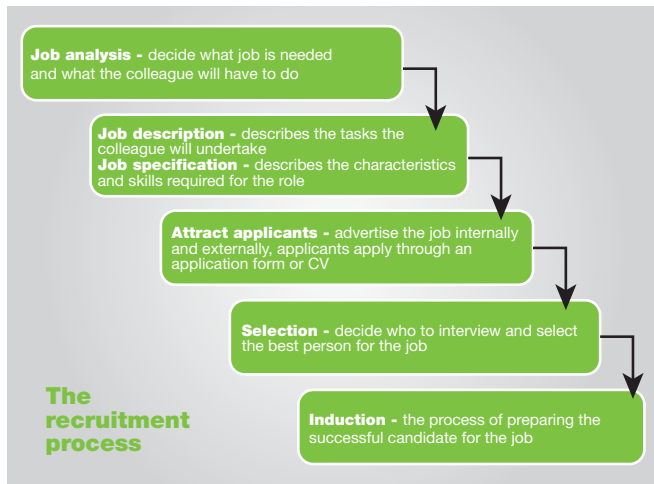
Human Resource Management (HRM)

HRM is one of the four key functions of any organisation, the others being finance, operations and marketing. HRM involves consideration of:

- workforce planning
- recruitment and selection
- training
- appraisal
- motivation and employee recognition.

At the heart of HRM is the need for effective workforce planning. This involves conducting audits to establish the organisation's workforce requirements both now and in the future. This information allows the HR department to plan to ensure they recruit appropriate numbers of workers with the required skills. The diagram illustrates an overview of the main stages involved in recruitment and selection.





Asda is a growing company operating in highly competitive markets. The main reason for recruitment at Asda is due to expansion of the business and colleague turnover. Colleague turnover occurs for a variety of reasons, for example, retirement of existing colleagues and internal promotion which create gaps. As part of Asda's HRM it seeks to retain as many colleagues as possible and aims to fill 70% of its leadership team vacancies through internal promotion. Last year it exceeded this target with over 80% of its vacancies being filled internally. A benefit of promoting from within is that existing colleagues already share Asda's beliefs.

Asda's comprehensive HR strategies engage colleagues and support the organisational culture. This includes Asda's 'Best Welcome' induction programme, 'Star programme' to recognise excellent customer service, as well as Asda Academy's framework for training and development and its 'Colleague Steps' for career progression. Asda offers its colleagues a wide range of opportunities for career development. This includes supporting and investing in its colleagues to gain qualifications that will enable them to become the next generation of leaders at Asda. For example Asda offers:

- the industry's first 3-year BA Honours degree in retail and distribution
- George retail foundation degree
- an accredited apprenticeship scheme (3000 apprenticeships in 2012).

Asda's family environment and focus on colleague engagement means that the company has high levels of colleague loyalty and retention. The Big Asda Anniversary event recognises colleagues with long services from 25-45 years. The last event saw 1749 colleagues celebrating milestone anniversaries with the company. Asda's commitment to its colleagues has resulted in the company's labour turnover decreasing in recent years.

Recruitment

Asda promotes career opportunities on its dedicated careers website. When recruiting, it aims to attract and retain talented colleagues with the best fit for the job. Part of the attraction comes from offering competitive salaries and benefits such as its Sharesave scheme and colleague discounts. In 2013 Asda's Sharesave scheme had record payouts where 19,040 colleagues shared £61.7 million.

Asda's online recruitment process has improved the speed and efficiency of recruitment, making applications easier for candidates and selection faster for management. Asda advertised 27,000 jobs last year and its dedicated careers site handled over 1.5 million applications. Asda also uses social media channels such as LinkedIn, as well as recruitment firms such as Remploy, to access the widest range of potential recruits when advertising job vacancies.

As one of the UK's largest employers Asda offers a wide scope of opportunities. From students seeking work experience to apprenticeship and graduate training in a variety of areas. Living Asda's colleague pledges means that everyone is treated fairly and given the opportunity to progress their career. Regardless of what point of entry a candidate chooses, Asda has the same goal for recruitment, to recruit colleagues who share the same beliefs and outlook as the company. What makes Asda stand out is its ability to offer a wide variety of roles due to its many business formats. These range from roles in Asda's Superstores and Supermarkets, such as Shift Leaders and Department Managers to logistics roles within Distribution. In addition, Asda offers roles within its Asda Living, George and Home Office including key functions such as supply chain, marketing and HR. The Walmart family provides Asda colleagues with global careers possibilities.

Ellen Rogan began her career as a Checkout Operator and from there has undertaken roles as Customer Service Manager, People Manager, Asda Living Store Manager, Supermarket Store Manager and most recently into her current General Store Manager. Ellen states:



'For me, moving around very different roles – service, people and trading – has really helped in what I'm doing now because I've seen the business from so many angles.'

'One of the first things I learned at Asda is that you're in control of your own development and should never be afraid to take on a role that you feel could be too big for you.'

Selection

Applications are registered through Asda's online recruitment system, Asda's HR team then shortlist appropriate candidates for interview or an assessment centre. Two documents are vital here: a job description and a personal specification. A job description indicates what the job entails, specifying what tasks will be undertaken by the appointed colleague. The personal specification outlines the essential and desirable personal qualities and skills required for the role. These inform applicants and help managers select the candidates that best match the requirements for the position. The assessment centre known as either 'Asda Reality' or 'Asda Magic' provides an opportunity for candidates to demonstrate their strengths which align to Asda's culture, beliefs and way of working. When recruiting internally, an appraisal is used to help inform the selection process. An appraisal is where a colleague discusses their performance, skills and development opportunities with their manager.

Once selected, the final part of the recruitment process involves providing appropriate training. At Asda, each new colleague is put into a specific training plan designed for their role. This is based around the company's 'Colleague Steps' process which has three key stages – 'Step In, Step On, Step Up'. This training varies from attending training workshops to taking formal qualifications relevant to their role.

'Step In' is a four week induction programme that all new colleagues undertake. This culminates in the award of an accreditation certificate and a performance review to allow colleagues to move into the 'Step On' stage after six months of service. This stage includes coaching, a City and Guilds retail apprenticeship and further responsibilities such as first aid training, moving to a new department and becoming a training buddy. Next in career development at Asda is 'Step Up'. Again, following a positive performance review, colleagues can seek career progression. Experienced colleagues, through progression, are able to build upon their knowledge to deliver excellent customer service within a variety of roles.

Gareth Woods is currently the Supermarket Store Manager at Pwllhell in Wales. He progressed quickly, starting as a graduate trainee in 2004 before becoming a Department Manager in 2005 and then a Night Store Manager in 2006. He states:

Helen Milford has seen great progression since joining Asda as a part-time General Store Manager in Lincoln. Working her way up to Director of Customer Services at the Leeds Home Office, she has subsequently been promoted to Regional Director for the whole of the North of England. The experience of a range of roles helped prepare Helen for this senior position. She states:

'My role in customer service was probably the most significant in my development. It really helped me focus on what customers want, on longer-term planning and on working with innovative ideas. I also had the opportunity to work with the Walmart global business to share best practice.'

Conclusion

Asda's success relies on its effective and engaged teams of colleagues. Through Asda leaders 'living' the colleague pledges, the company can ensure that it recruits the right person for the job across all formats and levels of seniority. Asda focuses on recruiting colleagues that share its beliefs and will help the company to continue to grow and deliver excellent customer service. By providing structured training and development programmes, supported by it being such a large organisation, Asda is able to maintain its position as a leading employer with an excellent reputation in the wide range of markets it serves.

Colleagues, because of this support and wide range of opportunities, remain loyal to Asda, with many celebrating long levels of service with the company.

1. Explain the difference between a job description and a personal specification. (2 marks)
2. Describe two benefits to Asda of using online technology when recruiting new colleagues. (4 marks)
3. Analyse the pros and cons to Asda of aiming to recruit 70% of its leaders internally. (6 marks)
4. Evaluate the extent to which a commitment to training and development is effective in helping Asda's colleague retention. (8 marks)