

EXECUTIVE SUMMARY

Cargills (Ceylon) PLC, operates mainly in the food business with a portfolio of 21 subsidiaries which are into retail, manufacturing and restaurant services. The shared service departments provide human resource management, marketing, finance, procurement, internal audit, risk management, IT etc. services for the manufacturing, retail and restaurant segments. Shared service employee turnover of Cargills (Ceylon) PLC has increased substantially over the past few years. This project aimed at managing the turnover among shared service employees at Cargills (Ceylon) PLC. It is important for Cargills (Ceylon) PLC to manage the high turnover rate among shared service employees to contribute to the rapidly expanding operations of the organization and to survive in the highly competitive environment.

High group wide staff turnover, inefficiencies in shared service operations impacting operations of the three main operating segments, high emphasis on manual or legacy systems and absence of standard operating procedures could be considered as key problems faced by Cargills (Ceylon) PLC. High turnover among shared service employees at Cargills (Ceylon) PLC could be attributed to reward management, systems and processes and talent management aspects. A critical revisit to HRM practices is vital to overcome the high turnover phenomenon through frequent and fair performance appraisals as well as higher training, development and career progression opportunities. Employee turnover intentions can be minimized through avoiding operational disruptions that arise due to ineffective organizational systems and process ambiguity.

An extensive review of literature was carried out for areas such as employee turnover, reward management, systems and processes and talent management in order to develop a comprehensive theoretical background for high shared service employee turnover. Further, a comprehensive review of literature was also carried out for the solutions proposed such as multi-source performance appraisals, performance appraiser guidelines, developing standard operating procedures, balanced scorecard approach for employee goal setting and mentoring programmes. Techniques such as 360-degree performance appraisal, the balanced scorecard, task analysis, process mapping, training needs analysis, personal development plan and blended learning were utilized to derive solutions.

Solutions such as a multi-source annual performance appraisal system, a comprehensive performance appraisal form, an electronic performance appraisal platform and performance appraiser guidelines under reward management have been proposed. A SOP writing exercise, a common template to document standard operating procedures and clear guidelines to develop/update standard operating procedures for all shared service related processes have been proposed under systems and processes. Further, a balanced scorecard approach for employee goal setting and a mentoring programme have been proposed under talent management. The roles and responsibilities in carrying out the project, costs incurred and benefits that can be experienced through the project and the outputs and outcomes of the project were clearly identified.

In the process of managing high turnover at Cargills (Ceylon) PLC, effective annual performance appraisals, comprehensive goal setting, mentoring programmes for employee development and minimizing process ambiguity through comprehensive standard operating procedures will be vital in the short run. The improvements are expected to be introduced within a timeline of 6 months. All the solutions demonstrate high level of commitment and effort by internal employees and minimal cost implications for Cargills (Ceylon) PLC. The goal setting exercise with a balanced score card approach requires to be implemented initially to be effective for the 2021/22 performance cycle. The electronic multi-source performance appraisal, the mentoring programme and SOP writing exercise should be implemented subsequently.