



A Study on Challenges of Managing Workforce at Posti Group OYJ

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ABSTRACT:

The aim of this research was to analyze the challenges of managing workforce and its minimizing techniques according to current changing trends in delivery department of Posti Group Oyj. The research was taken forward in co-ordination with supervisors where the qualitative method of research "Interview" was used to analyze the outcomes of questionnaire. The interview was conducted with three different supervisors. Communication and cultural challenge were mostly focused by them. Only relevant and applicable issues are selected by researcher for the empirical study analysis. As a result only realistic and applicable suggestions were made for further implementation. The theoretical part was based on wide range of literature by different authors as Cascio, Dessler, Decenzo and Robbins, Peter Reilly and Tony Williams, Bogardus, and more. It begins with introduction and followed by defining HRM including its role in organizations from beginning to end. During the theoretical phase, the challenges are elaborated and highlighted as the main issue. The empirical part was based on Posti Group Oyj and related information and data are taken from the company's website. Lastly, on the basis of supervisor's response the author was able to sum up the main agenda like communication, culture, and language as main challenges and came up with some solutions as rerouting, improving local language skills, interaction, and e-mail instead of call. Few recommendations that were mentioned by author which was considered as useful leads by managers for further implementation.

Keywords: Challenges, Current Trends, HRM, Motivation, Training, Recommendation, Solution

I. INTRODUCTION

Nowadays, managing workforce in efficient way and generating optimum performance from them at their level best has become very tough. In this tough context, there are several barriers and their solutions to proceed ahead. For example motivation is the tool that is very useful for leaders of any company to combat the failures by accelerating with excellent outcome and profitability. Therefore, it is very important to get familiar with challenging factors to plan ahead.

The purpose of this research is to highlight the level of current challenges to manage the employees in Posti Group Oyj and explore the strategies in order to improve the future strategies in work environment. This research report will allow drawing a clear path with the help of theoretical and research based data in order to maximize the employee's output by minimizing the work challenges.

II. OBJECTIVE

1. To study the factors that affect management of workforce.
2. To study signs that may indicate that certain things are affecting management.
3. To study the impact of management on employee performance.
 - Are the employees of Posti their work well? If not, why?
 - What are the current challenges in managing employees?
 - Are there any cultural challenges while dealing with employees?
 - What are the factors used to minimize those challenges?

III. BACKGROUND

The issues of HR Management are emerging very rapidly at present. Many organizations are investing a lot for research to get better techniques of motivation as it is handled more critically than previous years. Earlier, managers assumed that the monetary reward was enough to motivate employees to excel but now the time has changed where money incentives are no longer the only factor of motivation. The other elements like better work environment, secure job, safety, career development, cultural behavior, and more that should be considered carefully to manage the motivation level.

IV. RATIONALE OF THE PROPOSED STUDY

An attempt in this research study will be made to do a study on management of workforce

V. RESEARCH METHODOLOGY

Research is an academic activity undertaken by researchers who are not at all familiar with managerial culture and the nature of the problems faced by business managers (Ghauri & Gronhaug 2010, 10)). Research is organized for several reasons related to business world, scientific world and many more. And there are different methods of research which varies according to the field of study.

After the researcher completes the stage of observing and recording of what is seen without any prejudice, there are two ways of establishing what is true or false and to draw conclusions: induction and deduction. Induction is based on empirical evidence, while deduction is based on logic (Ghauri & Gronhaug 2010, 14). Before choosing any methods it is important to carry out general approach of developing task which will be supportive in further process. Generally research methods are divided into quantitative research and qualitative research.

Quantitative and Qualitative research

Quantitative research is more about collecting numerical data to explain a particular finding based on mathematical methods. It focuses on measurements and amounts as more and less, larger and smaller, similar or different and so on. Quantitative research uses numbers and statistical methods. Careful sampling and strategies and experimental design are aspects of quantitative methods aimed to produce generalizable results (R. Murray 2003, 2). Telephone survey, correlation study, experiment, and quantitative content analysis are some examples of quantitative research.

Qualitative research method involves a researcher describing kinds of characteristics of people and events without comparing events in terms of measurements or amounts (R. Murray 2003, Qualitative re- search uses variety of empirical materials, case studies, personal experiences, Interview, and life story including problematic moments. Chronicle, explanatory biography, ethnography and liberal-feminist study are some examples of qualitative research.

VI. DATA ANALYSIS

EMPERICAL STUDY (POSTI GROUP OYJ)

Posti Group Oyj, is one of the biggest Finnish state owned company serving more than 200,000 customers with a long history of 400 years. The Head office is located in Helsinki with several branches in different countries, mainly focused in European region.

It is public Liability Company 100% owned by Finnish State and not traded company. Generally, it is known for postal services and logistic. Now it became as a leading growth company in Europe and it has expanded its operation in 10 different European countries and Russia.

In 1638, Governor-General Per Brahe established postal service in Finland while it was named 'national postal company'. After having a well R&D, better investment as well as continuous improvement in customer satisfaction, company has reached to new point so that it has succeed to provide its services in different countries.

Gradually it has started its home delivery of letters and newspapers in 1858 then transport of air mail abroad is launched in 1923 and the first route was between Helsinki and Tallinn.

Currently there are around 23,289 (2014) employees working around the world but more than 75% of worker is inside the Finland. It has a many service centers in 12 different countries which are directed by the head office, Helsinki, Finland. It is known to be multinational company with having many employees, having sales transaction in millions of Euros. According the report of 2014, company had a net sales Euro 1,858.7 million.

Currently operation of Posti has been divided into four different group which includes;

1. Postal Services.
2. Parcel and Logistics Service
3. Itella Russia
4. Opus Capita

In terms of responsibility, Posti makes sure that consumer goods and commodities are available in time, improving operational safety of each individual worker so that it provides safety program during a year. One of the missions is to provide premium mail services to everyone across the country in Finland. It has been managing its operations responsibly, develop employees' competencies, and offer career opportunities. Besides this it is focusing on improvement on electronic services.

Similarly, Posti is now very concerned about climate change for reducing emission. It mainly focuses on projects that are directly related to the operations. As the vehicles represent 80% of the total carbon- dioxide emission in the company so in addition to its goal is to increase the share of

alternative vehicles to 40% of the delivery vehicles by 2020. Likewise, waste management, energy saving program has been organized. And follow the International standard laws and legislation regarding these issues.

The countries where Posti operates are Finland, Russia, Sweden, Norway, Denmark, Estonia, Latvia, Lithuania, Poland, and Germany.

Services

Posti has wide range of services globally. It serves customers in Finland, and in Russia and Baltic countries. It is the leader in warehousing in Russia and Posti in Finland with having full coverage in this region. It has network all over the Finland where more than 90 percent of businesses can be reached overnight. More than 320,000 businesses and 5.3 million people are covered by its delivery network every day. It has been possible to provide services through the transport and freight services, warehousing services, mail and marketing and ecommerce and financial accounting as well.

Transport and Freight

Transport and freight is one of the most important service provided by Posti Oyj. It serves customers in Finland, Russia, and Baltic countries with partnership with Itella in logistics. The service network in Finland ranges from most southern point of country all the way to Lapland in the north and approx. 90 percent of business is reachable overnight. The company provides full range of services and solutions to fit every step of the logistics process needed just-in-time or integration, traceability, and customization. Road freight, Air and sea freight, Rail freight, Customs and forwarding, Itella smart ship, and Parcel services are some major areas covered by transport and freight services.

Air and sea freight service in Posti serve customers by delivering the logistics on time and safely depending either is needed fast by air freight or the low cost of sea freight. Posti and its partner Itella offers air and sea freight service through 400 sincerely selected agencies covering entire globe. Posti also serve customers with rail freight services as where the road ends, rail continues.

Customs and forwarding is another service provided by Posti under transportation group. It follows the most common method which is called electronic clearance and also offers duty-free warehousing in Russia and Finland. Posti is legally licensed as an electronic customs clearance operator and also certified as Authorized Economic Operator (AEO). This service mainly includes AREX-summary declaration, ELEX-electronic export declaration, ITU-electronic import declaration, NCTS-electronic customs transit, and INTRASTAT-foreign trade statistics.

And lastly Posti also offers the most extensive parcel delivery network in Finland with high quality service. The company is able to provide both domestic and international parcel services with several delivery options in fast, reliable and 100% eco-friendly way.

Warehousing services

Well managed warehousing services reduce costs and help to improve efficient supply chain. Posti and their warehouse are designed in the way to make easy and efficient professional services for all industries. There are 25 warehouses in Denmark, Sweden, and Norway for the customer's logistics needs in Nordic countries. Overall warehousing services includes supplementary services (pre-sales preparation and after sales service), supply chain outsourcing and Russian expertise.

Mail and marketing services

Posti provides companies and organizations with delivery services for letters, direct mail, newspapers, and magazines in Finland and worldwide though the partners which enables companies to reach their customers efficiently. Direct marketing services, Letter services, Publications and customer services are the main criteria of mail and marketing services.

Traditional letters are suitable for all contacts, marketing purposes, communication, and invoicing. Posti offers variety of services related to letters and all letters, publications, direct mails and parcels are delivered in an eco-friendly way without any extra fee in Finland. Posti also have international letter services categorized as economy letter, priority letter, and valuable items

E-commerce services

Posti and its affiliate Itella are dynamic international logistics & fulfillment organizations with market focus and presence in the Nordics, Russia, and Baltics with long history and experience that enables to maintain a unique position in Logistics & ecommerce fulfillment services including parcel delivery, warehousing-contract logistics, sorting & distribution centers, information and marketing services. They offer both Cross Border and Onshore logistics and ecommerce fulfillment service models which enable a future seamless growth-path to the new Internationals.

Financial Accounting

The service of financial accounting is related to OpusCapita that sets the new standards through a customized combination of individual products and solutions which can even include complete outsourcing. The service area covered are purchase to pay process, order to cash process, finance & accounting out-sourcing, document processing outsourcing and supply chain finance.

SWOT Analysis

Every existing organization has some pros and cons where Posti Oyj is not the exception. The general SWOT analysis of the company is listed below in TABLE 1;

TABLE 1: SWOT Analysis

Strength	Weakness
<ul style="list-style-type: none"> ➤ Long history in the market ➤ High market share ➤ Well committed staffs ➤ Readiness to adapt the changes ➤ Friendly working environment ➤ Winner of green office label ➤ service in 10 countries ➤ Affiliated with Itella 	<ul style="list-style-type: none"> ➤ Lack of motivation ➤ Lack of employees facility ➤ Uncertainty ➤ Multicultral staff ➤ Vehicle management
Opportunity	Threats
<ul style="list-style-type: none"> ➤ Government support ➤ Large market share ➤ Manpower management(less hrm) ➤ Make it mu ➤ Multicultural workplace ➤ Fuel utilization (price is down nowadays) 	<ul style="list-style-type: none"> ➤ External competetion ➤ Technological advancement ➤ Changing trends of customers ➤ Expensive labour market ➤ Losing customers

Corporate Responsibility is considered as one of the vital area where the employee can play his or her role in developing and implementing responsible practices. According to the Corporate Responsibility report of 2014, four key areas of Corporate Responsibility have been highlighted by Posti:

1. Social Responsibility
2. Financial Responsibility
3. People Responsibility
4. Environmental Responsibility

The year 2014 there was huge changes in operational activities by introducing new methods. Posti is a huge employer having thousands of employees from diverse backgrounds and are encouraged to engage in development of workplace safety issues and environmental considerations.

As the mail and newspapers delivery is known as critical task especially in winters, the company highly emphasized in developing ways and methods to reduce occupational accidents and enhancement of occupational safety.

VII: CONCLUSION

In order to achieve the expected return, the company should have well maintained HR system which allows controlling and motivating the employees from beginning to end. As the role of HR defines the process from staffing to retirement including the benefits needs to be provided through whole journey should be improved according to changing trends of time.

Contemporarily the organizations are changing into multicultural zone with various diversity under same roof which has knocked the door of HR managers as challenging factors. Therefore, the managers should be well prepared beforehand to improve the employee's development by identifying the real needs and its solution. After the analysis of responses, few ideas like meeting sometimes, thanking for better performance, asking if any support needed and so on were recommended which is currently applied and it has improved the present employee's relation compared to past.

VIII. RECOMMENDATION

After having a clear vision of theory and analysis of interviews, there are some recommendation points which could be used to reduce the current challenges and improve the work situations in cost effective way. Contemporarily the demand for printed papers are not same as it used to be and the delivery areas could be re organized to save time and cost. The size of car needed to be changed which are very big nowadays and produces high emissions.

Posti should launch some interaction programs for employees which could be fruitful to get cultural observation to managers in practical than in theory. An opportunity for career development and pro- motions could help in motivating as no one like stay in same level of task throughout the whole life. At least for now, they could promote the best employees with some gift hampers in order to motivate others to act in best way as we humans never want to give something until there is possibility to get.

Posti should try to change the car type in for general delivery as nowadays there are big transporters van which produces more emissions and consumes more fuel. Changing the big cars into smaller one saves cost and reduces accidents as the delivery work is mostly done during night and one should drive in very small streets and corners to get the letter boxes. More ahead, they could also provide some language learning tools for foreign employees through their website which could combat the communication issue in long run.

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