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þý Succession: The Case of PHC

þý Franchised Restaurants Public

Salamiotou, Evangelia

Business Administration Programm, School of Economic Sciences and Business, Neapolis
University Pafos

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MBA DISSERTATION

Career Planning and Management Succession: The Case of
“PHC Franchised Restaurants Public Ltd” Company

EVANGELIA SALAMIOTOU

Supervisor: Kyriakos E. Georgiou

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Dedicated with love and gratitude to my parents
Ioannis Salamiotis and Maria Michael-Salamiotou

Abstract

In today's knowledge based global economy, human capital is recognized as a key driver of success in all types of organizations. **Career planning** is a lifelong process. A career development plan is beneficial for both employers and employees. It allows employers to recruit, train and develop the best available employees. This process enables employees to feel like that they are progressing professionally and are treated fairly by the company based on their talents. This research focuses in one specific company located in Cyprus and the aim is to study whether the in-house career planning strategy of *PHC Franchised Restaurants Public Ltd* is appropriate and whether it enables the development of the management talent within the company.

The literature review covered a wide area and an extensive list of different books and articles. The traditional means by which employees have pursued a career path is an inappropriate and inadequate model. Instead, education, family and career planning should be carded on together as part of one's life, until one reaches the limits of aspiration, potential, energy and ability—if indeed there are such limits. The implicit question to be considered is, "Can careers be planned?" The answer is YES. Moreover, the researcher had to contact the company and ask for permission so to be able to write this research and have as much help as she could have.

The present study is a case study research, using a *Quantitative Methodology* and a survey instrument to collect data. The sample for the questionnaire was **30 employees** from different shops-brands of PHC located in Paphos. This is in the limits of the statistical theory but in reality it includes the majority of the employees in Pafos.

The research demonstrated that, contrary to expectations, the employees of PHC are not as satisfied from their jobs and careers. Although they feel that their jobs are safe and that the working environment is friendly, they also feel there are few opportunities for career development. Almost all employees find themselves stuck in the same position for years. One significant finding is that the Company is treading the different brands differently with different ideas and plans. The main problem that came out of this is that there is discrimination among the different brands orchestrated from the Head Quarters.

The researcher came out with few ideas-actions which will serve like tool so to overcome the most important barrier of this task and the employees of PHC be satisfied again with their work. The challenge for PHC Company is an effort to succeed not only in career planning and succession management, but as an organisation in our turbulent environment is to **change its culture**. The chapter is concluded with suggestions for further and an overview of the recommendations and benefits to be gained.

Acknowledgments

The development of this dissertation was a long and challenging journey that has given me the opportunity to discover a new person in me. Through this wonderful journey, important people have inspired and supported me giving me the strength to persevere and complete this difficult task.

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My greatest thanks to my friends too who silently took over my daily responsibilities to enable and support this uphill road journey of mine and who believed in my capabilities and supported me all the way through to completion.

Moreover, special thanks to my colleagues who contributed with their valuable knowledge and experience to the accomplishment of this dissertation with great respect. All of them were so candid, articulate and generous with their time. I hope you can glean some useful information on succession planning from this paper.

Finally, thanks to my company, PHC Franchised Restaurants Public Ltd , for supporting my career goals and providing me the opportunity to achieve my MBA

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Chapter 1: Introduction

1.1 Introduction

In today's knowledge based global economy, human capital is recognized as a key driver of success in all types of organizations. Most management experts have accepted that all organizational assets, other than people, such as, cash, buildings and equipment, are passive resources that require human application to produce value (Fitz-enz, 2009).

In this age of increasing competition among organizations for the limited resources available organizations reached higher consciousness that talented human resources are valuable resources and if they can be managed strategically, they will be associated with maximum return on investment. It is obvious that getting benefits from talented human resources requires proper management and this is one of the major challenges for organizations. (Vajiheh S., Zahra E., 2016)

Consequently, an organization's competitive advantage and success are largely determined by the quality of its workforce. Successful organizations realize the significance of training and development initiatives and make continuous efforts to upgrade the knowledge and skills of their workers. (Karim Azhar, 2011). Organization leaders' awareness of the fact that the talents and abilities of the personnel are key factors for achieving the success in business helps the maintenance of their high-potential personnel. Organizational culture has a major role in the attraction and maintenance of key talents. So, establishment and development of organizational culture to provide the suitable position for talent management creation and implementation are necessary to have effective talent management.

The organizations move through individuals and their talents have a main role in success of their organizations. So, the talent management is considered as an important part of management (Michaels, Handfield-Jones, & Axelrod, 2001). The talent management is the process, which looks to the future in addition to present and identifies the required people for present and future and tries to grow them and systematically remove the gaps between the current human resource in organization and required talents for leadership to answer to the future challenges (Wellins, Smith, & Rogers, 2006).

PHC Franchised Restaurants Public Ltd is the largest company of Franchised Restaurants & Cafes in Cyprus, representing top brands such as Pizza Hut, KFC, Taco Bell, Wagamama, Caffè Nero, Derlicious, Yogen Früz as well as local Restaurants & Cafes like Hobo Cafe & Sitio and catering service, Catercom.

PHC Group, with over 1800 employees, is a leader in the restaurant and catering industry in Cyprus and Greece. The CEO of the company, Lysandros Ioannou was awarded the ‘‘Johnnie Walker Man of the Year Award 2013’’ for the category of Business Man/Business of the Year.

The key to the company’s success so far, according to Mr. Ioannou, is to put a strong focus on developing a distinct and winning culture. That was the first thing he installed in the business, and it is something that still rings true today. ‘‘It was initially my professional priority and I am very proud to look around at the kind of people we have with us all this time later,’’ Lysandros says. ‘‘Particularly the people who have grown out of their roles as team members in the kitchen, doing deliveries, or on the floor as waiters, and moved into more senior positions. We supported them through university and they took on management jobs, so now they run a big part of the business and are proud leaders of their own teams. I think building that is what has made me very, very happy’’ (2017, The CEO Magazine).

Apart from the need to cover normal human resource growth needs, this large group and the brands included have been faced with talent-attack of their existing high-potential individuals. Having NO competitors in the food industry PHC HO was never interested on career planning and succession. Potential managers and existing ones faced the lack of training in the organization and that was the main reason why they choose to leave. PHC has been faced with a talent attack without knowing how to deal with this situation. After 25 years of being in the industry, Career Planning and Succession Management has become the most important issue for PHC, trying to find ways to keep their talents in the company.

1.2 Aims and Targets of the Dissertation:

This dissertation aims to investigate and answer the following questions:

1. Whether PHC Group can identify the employees that show promise and initiate programs to provide the skills and knowledge for them to lead.
2. Whether PHC Group, has established effective programs, to predict tomorrow's needs in terms of human resources (managers).
3. Whether PHC Group can provide a successful career for the employees that are interested for the leadership positions.

1.3 Structure of the Dissertation

In **Chapter 1: Introduction**, a short briefing of the relative literature as well as the aim of present dissertation, *“to critically examine whether PHC Ltd company, had established effective programs, to predict tomorrow's needs in terms of human resources (managers), by identifying the employees that show promise and initiate programs to provide the requisite knowledge and skills for them to lead”* is presented. Thereafter, the structure of this dissertation is also analysed in this chapter.

Chapter 2: Literature Review, deals with various subjects related to career planning and succession. The career concept, the old and new psychological contract, the old and new approach to succession planning, the reasons for having career planning and succession, as well as its related importance to be the business strategy and the need for senior management involvement are presented in this chapter. Practical ways of how succession planning works and the need for talent management, talent pools, leadership competencies, and means of developing executive capability are also emphasised. Chapter 2 concludes the research objectives of this dissertation by focusing on the four clusters of the available literature: (a) The Overall Process; (b) Talent Identification and Review; (c) Feedback and Development; and (d) Measurement

Chapter 3: PHC's Context. Following a short profile of PHC Franchised Restaurants Public Ltd and details on industry history and developments, the researcher explains and analyse PHC's competitors & customers, organizational structure, management style, climate and culture, and decision making policy. The recently established succession policy of the PHC is also mentioned thereon whilst emphasis is given in the challenge of current financial crisis environment in tracing qualified successors that will lead the organization to the new post-crisis era.

In **Chapter 4: Research Questions and Methodology**, following a thorough analysis of the aim, the researcher ends up to the research questions corresponding to each research objective. The research strategy followed is then explained, quoting that a qualitative strategy has been primarily selected to enable researcher elicit and report on the opinions and views of people responsible in career planning and succession at PHC company. A detailed analysis of the methods of data collection and analysis, the way data has been collected and how it has been triangulated are mentioned thereon. Questionnaires' design & validity, as well as the means for recording & analysing data are explained in detail. In conclusion, confidentiality and ethical issues, limitations of the research, and the time scale followed for achieving this dissertation are also presented.

Chapter 5: Research Findings, reveals the research findings of this project as triangulated from various primary and secondary data sources. The chapter is divided into four main sections being the four research objectives with their corresponding findings on each of the research questions. With regards to “the overall process” main findings lie on lack of managerial skills amongst existing management team, lack of rotation, lack of culture & communication and lack of effective assessment procedures. In “talent identification and review”, the responsibility seems to lie solely on line managers who are lacking the appropriate skills. Appraisal process's lack of reliability, as well as non-identification of leadership competencies that will best reflect PHC's mission, vision and values has been also found here. With regards to “feedback and development”, although PHC is trying to develop its managers and executives through various actions, the lack of identification of required competencies restricts its ability to identify and effectively close the gap. Despite literatures' finding that silo thinking is the main barrier, for PHC, culture is the number one barrier. Finally, with regards to “measurement”, since this is a recently established policy, no measurement criteria have so far been set.

In **Chapter 6: Conclusions and Recommendations**, conclusions are drawn from the previous chapters and actions are recommended, corresponding to each of the four research objectives, explaining in detail the benefit to be arise for each recommended action. All recommended actions will serve as a tool of overcoming the most important barrier of this task. The challenge for PHC, in its effort to succeed not only in career planning and succession, but as an organisation in our turbulent environment is to **change its culture**. The chapter is concluded with suggestions for further research including culture and communication and appraisal process, and an overview of the recommendations and benefits to be gained on a self-explanatory and easy to understand table.

Chapter 2: Literature Review

2.1 Introduction

In nowadays, organizations fully recognize that it is required the best talents to succeed in the world of complex economy and persist in business environment. Parallel to the understanding of the importance of the recruitment, development, and maintenance of talents, the organizations have realized that the talents are the critical resources that need management for getting the best results (Tajuddin & Maali, 2008).

It is world-known that organizations nowadays focused on growth and the quality of the service provided. Effective people planning and development is a fundamental part of best practice organizations culture and practice. The assessment and development of people is one of the most important responsibilities of each manager and a systematic career planning and development system therefore ensures that the organization makes the most effective use of its most valuable resource – its people. (eBook Collection (EBSCOhost), 2012)

It is generally accepted among personnel professionals that an individual's greatest awareness of the need for career planning and self-assessment emerges after entry into the world of work. The traditional means by which employees have pursued a career path is an inappropriate and inadequate model. Instead, education, family and career planning should be carded on together as part of one's life, until one reaches the limits of aspiration, potential, energy and ability—if indeed there are such limits. The implicit question to be considered is, "Can careers be planned?" The answer is YES.

2.2 Career and the Psychological Contract

When determining a career path, most people typically face an immense challenge (Zunker, 2012). One way to conceptualize a **career**, from the individual's perspective, is to consider it as a long-term planned work history which represents the dynamic interplay between three activities: work, relationships and self-development. Work is the primary concern but it is impossible over time to separate personal from professional life. (Derr, 1986).

In 1951, Ginzberg, Ginsburg, Axelrad and Herma set forth radically new, psychologically based theory of career development. They posited that career development is a lifelong

development process and they suggested that career choices characterize by compromise and once made, are for the most part irreversible.

Focused on employed individuals, empirical surveys have shown the important role played by future career perspectives regarding the individual-work-organization relationship. Following this line, expectations/perceptions of career future come about as antecedents of organizational commitment (Chay & Aryee, 1999; Prince, 2003), engagement at work (Prince, 2003), work performance (Zacher, Heusner, Schmitz, Zwierzanska, & Frese, 2010) and turnover intention and turnover (Chay & Aryee, 1999; G. Chen, Ployhart, Cooper-Thomas, Anderson, & Bliese, 2011; Stroh & Reilly, 1997). If expectations and perceptions of future in career play relevant role in the link between professionals and their job and organization, it is worth investigating which elements influence this connection. Amazingly, investigations adopting expectations and perceptions of future in **career** as dependent variable are relatively scarce, and antecedents remain elusive. (Vasconcellos & Carvalho, 2016)

Apparently, in order to improve relationship with customers tied to the performance and the goal of the organization, individual beliefs about the terms and conditions of bilateral interactions are significant. In literature on organizational behavior, this belief is determined as a **mental or psychological contract** (Lee et al., 2011). Argyris (1960) first applied the term “*psychological contract*”, followed by Levinson et al. (1962), Schein (1965-1980), and Rousseau (1989-1995). Argyris (1960) used the structure of the psychological contract to describe the relationship between the employee and the organization as well as the interaction on any other parties. He defined the contract as an unwritten and subjective understanding between two sides with respect to the mutual norms. Rousseau (2009) emphasized on high-quality informal relationship and on the reflection of sensitivity of human management thinkers, especially McGregor (1960).

Psychological contract fulfillment is “the extent to which one party to the contract deems the other has met its obligations” (Lee, Liu, Rousseau, Hui, & Chen, 2011, p. 204).

The *old, relational contract* contained an expectation for lifetime employment, with the motivating factor being the opportunity for advancement while the organization would take care of people’s careers. The *new, transactional contract* transfers the career development responsibility to the individual with some of the responsibility being shared by the employer. (Cohen, 2002)

| | Employee offers | Employer offers |
|---|--------------------------------------|---------------------------------------|
| Table 19.1 The old psychological contract | Loyalty | Security |
| | Commitment | Future career |
| | Adequate performance | To look after the employee |
| | Employee offers | Employer offers |
| Table 19.2 The new psychological contract | Continuous learning | Employability |
| | Keep pace with change | Tools and environment to achieve this |
| | Commitment to organisational success | Opportunities for assessment |
| | Manage their own career | Opportunities for development |
| | High productivity | Care |
| | | |

Source: Based on R.H. Waterman, J.A. Waterman and B.A. Collard (1994) 'Toward a career-resilient workforce', *Harvard Business Review*, July–August.

Figure 1, The Old versus New psychological contract, cited in Torrington et al, (2005:409)

The key in managing the contract from both sides is to be sure that any time both the employer and the individual are receiving, equitable benefit from the relationship. (Cohen,2002) Although career management is primarily seemed as the individual’s responsibility, organizations can and should support this. Successful career management is dependent on resolving these differences. (Torrington et al,2005)

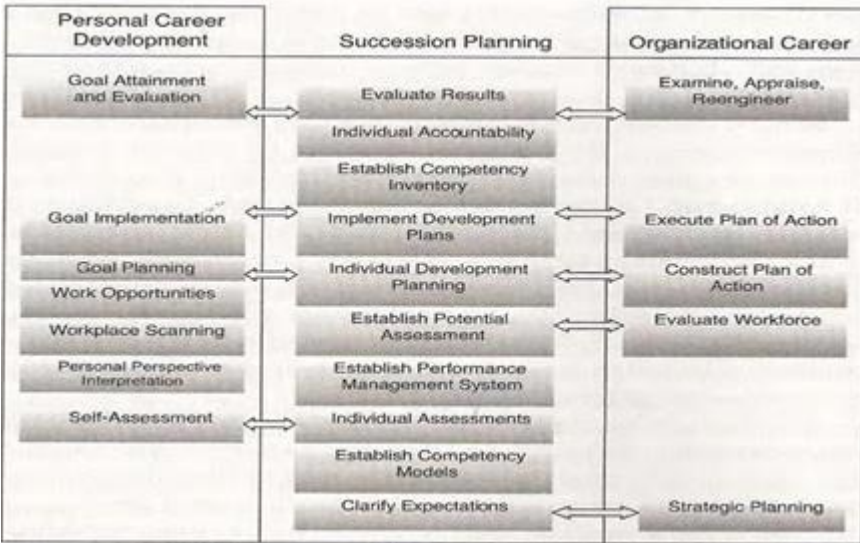


Figure 2, Career development and succession planning: An intergraded model
Source: Knight, S.C. (2004), cited in Rothwell (2005:50)

2.3 Career Planning and Succession

The image of a career is a way of regulation of life and professional activity of the personality through goal setting, motive formation, sense formation, stimulation and mobilization. The image of the career performs the functions of emotional reinforcement and planning career development. (IJCRSEE, 2016). When determining a career path, most people typically face an immense challenge (Zunker, 2012).

As Hall and Mirvis (1995) pointed out, there has been a shift over the decades in the nature of the career choices and thus the models used to study them. In the 1970s, the focus shifted to specific jobs and to factors that affected job choices and success (Hall, 1976; Schein, 1978; Wanous, 1992). The 1980s were a decade in which the focus moved to the individual in the organization as a system. In an era in which organizations were being fundamentally restructured, downsized, and delayed, there was interest in processes such as career plateauing, career stages, and organizational career ladders and timetables (Hall and Associates, 1986).

Succession planning has been defined as: A means of identifying critical management positions, starting at the levels of project manager and supervisor and extending up to the highest position in the organization. Succession planning also describes management positions to provide maximum flexibility in lateral management moves and to ensure that as individuals achieve greater seniority, their management skills will broaden and become more generalized in relation to total organizational objectives rather than to purely departmental objectives. Succession planning should not stand alone. It should be paired with succession management, which assumes that a more dynamic business environment in the capacity building of talent should occur in real time. (Rothwell, 2016)

2.3.1 Why Career Planning and Succession?

Organizations must plan for talent to assume key leadership or backup positions on a temporary or permanent basis. *Succession planning* has been defined as a means of identifying critical management positions, starting at the levels of project manager and supervisor and extending up to the highest position in the organization. (Mattone, J. ,2013)

Succession planning should not stand alone. It should be paired with succession management, which assumes that a more dynamic business environment in the capacity building of talent should occur in real time.

It recognizes the ramifications of the new employment contract, whereby corporations no longer (implicitly) assure anyone continued employment, even if he or she is doing a good job.

Succession management focuses on continuing, daily efforts to build talent and may include the manager's role in coaching, giving feedback, and otherwise helping individuals realize their potential.

Both succession planning and succession management emphasize the importance of developing internal talent to meet current or future talent needs of the organization. (Mattone, J. ,2013)

2.3.2 The need to identify and develop potential leaders

In today's challenging economy, leaders at all levels are facing enormous challenges when it comes to achieving and sustaining breakthrough operating results. Globalization, economic change, more stringent regulation, and tougher governance make realizing shareholder value increasingly difficult.

But, there is another challenge: identifying and developing high-potential and emerging leaders is (and will continue to be) one of the top business issues facing CEOs, as 40 to 70 percent of all current executives in most organizations will become eligible for retirement in the next five years.

When the number of key positions becomes greater than the number of "ready now" candidates available, offering accelerated development, grows even more critical as a means for attracting and retaining talent. Organizations that fail to offer such opportunities will lose talent, as quality people gravitate to organizations that offer such opportunities. (Rothwell, W. J., 2016)



Figure 3, JMP's Succession Management Map. Source: Rothwell, W. J. (2016: p. 3). *Effective Succession Planning: Ensuring Leadership Continuity and Building Talent from Within.*

The JMP Succession Management Map is a model that can help guide succession planning and management, and indeed, it has been a guiding framework for several organizations. The inner core of the model depicts the “macro” succession-management processes: identifying the vision and values of a succession planning and management system, determining the scope of that system, and creating the policies that support succession management. The outer core of the model depicts the specific micro succession-management steps and processes that result from the macro processes of the inner core. (Rothwell, W. J., 2016)

2.4 How do we make succession planning working?

The succession of top management team (TMT) members is a vital topic in organizational management because it plays a significant role in enterprise transformation and business innovation, and can help an enterprise to maintain its cultural heritage (Kaehr, 2012)

Many scholars believe that succession can improve an enterprise's operating performance (Kanter, Stein, & Jick, 2003). On the one hand, former managers are held responsible for failing

to meet enterprise objectives; on the other hand, the board of directors hopes to enact change to create transformation (Cao & Zhang, 2012).

One way to think about this distinction is that succession management provides a structure within which development, assessment of progress and fit, and determination of next moves against strategy and bench strength all take place. This assessment and planning process is called the talent review, and it is, in its way, as important as development. Development is still a core process, but now action learning and cross-functional assignments are accepted as common methodologies and there is an expectation that various job assignments will be targeted and result in specific learning. (Berke, D., & Center for Creative, L., 2005).

2.4.1 Talent management

Talent management involves recognizing various approaches that provide a complex to create a coherent whole. It is a tool for developing and implementing some coordinated activities that organizations need them to attain and maintain the talented human resources (Armstrong, 2006).

Lewis and Hackman (2006) introduced the three basic streams of talent management in the field of human resource management:

In the first stream, talent management is defined as a complex of the human resource tasks like recruitment, selection, education, and development. From this point of view, these types of tasks noted that the talent management may be beyond the daily word or human resource euphemism. Moreover, they imply that the talent management is a systematic method for implementing the tasks of human resource management, accurate performing, and using the advanced tools like internet and related software with the aim of implementing at all levels and parts of the organization.

The second stream of talent management based on Lewis and Hackman's model focuses on predicting or modeling the human resource processes in the organization based on factors such as skills for the future workforce, supply and demand, and erosion of the labor. From this perspective, the talent management is synonymous with human resource or workforce planning.

The third stream emphasized on evaluating talented people in terms of their performance and potential. People with high potential are noticeable during the use of workforce in the organization and the organization tries more to attract them (Guy & Doris, 2009).

Generally, talent management is considered as a cautious attitude for using the elite's talent and competence to fulfill the basic needs and general or partial aims of organization.

2.4.2 Goals of Talent Management

Generally, the main goals of talent management include realizing the development posts and management capability gaps, maintaining of key technicians, recognizing the risky managerial empty positions, describing the strategic program of organization through listing its needs, capabilities, and human skills, defining and determining the existing situation of organization in terms of its capabilities, skills, and finding its lacks and needs.

There are also some secondary talent management goals such as measurement and continued control of existing capabilities and its distance from optimal capabilities and skills through strategies and educational programs, recognizing, developing, and keeping the high potential personnel, reinforcing the stakeholders and understanding the consumers, reducing the costs of external workforce, and challenges dealing with the managerial development path (Sayyadi, Mohammadi, & Nikpour, 2011).

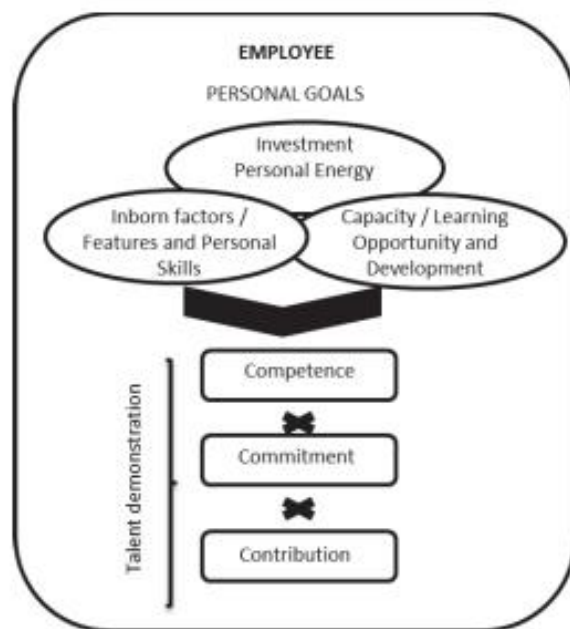


Figure 4, The identification of targeted Internal Talent. Ivo Dias, Maria José Sousa and Carla Caracol, 2016. Source: *Proceedings of the European Conference on Intellectual Capital.*, p70-78. 9p.

2.4.3 Talent Pools

To face Talent as a force for excellence, potentiating more proficient performances, this should be operationally and the management practices must emphasize the importance of the specific context in which they operate (Biswas-Diener et al. 2011; Thunnissen et al. 2013)

The individual Talent needs an appropriate context to be optimized and, in this context, managers are crucial because they lead the organizational learning processes, identifying and allocation resources to the *Talent pool*. They should discover “hidden Talent”, helping them to realize it for the team benefit, encouraging creative problem solving and decision making (Oltra and Vivas-López 2013), being supported by the HRM.

The great challenge addressed to TM is to hold the right Talent in the right place at the right time, with the skills and motivation necessary in all levels and at all organizational locations (Guthridge et al. 2008). Its success can be measure through the reactions of employees to their own talented status, or not, depending on their perception about the process, if they think that it was carried out fairly, or not (Bjorkman et al. 2013).

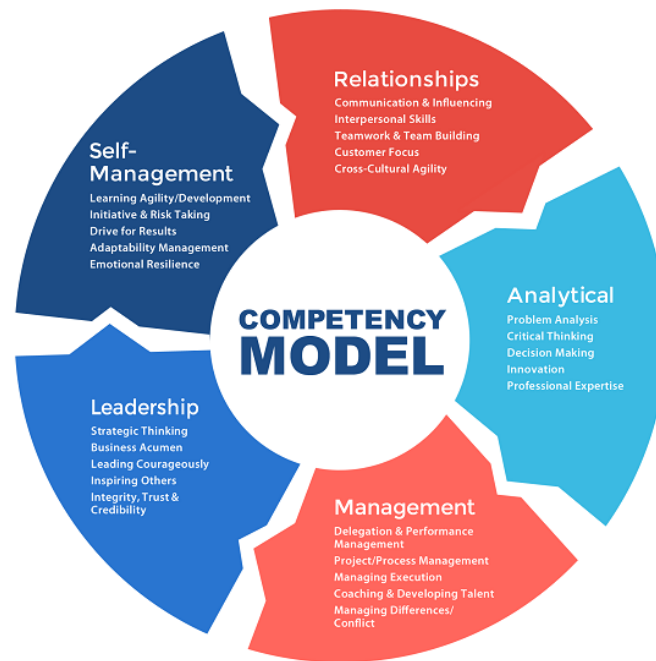
This implies that it is important to consider the long-term implications of internal Talent identification, thinking in more creative Talent solutions (Beechler and Woodward 2009) that capitalize diversity (Greer and Virick 2008) in a proficiency and objective way, optimizing the Business Talent Fit, between individual goals of the employees and the organizational strategic goals.

2.4.4 What does your future leader look like

In recent years, there has been an explosion in interest in leadership styles (Bass & Riggio, 2006). Leadership styles refer to sets of behaviors that leaders employ to influence the behaviours of subordinates (Antonakis, Cianciolo, & Sternberg, 2004; Bass & Riggio, 2006).

Rapid changes in business, technology, political and social factors have called for the development of effective leadership skills and competencies. Consequently, leadership development programs have become an increasing priority for business and government, and

even social organizations. Highly successful organizations focus on creating a comprehensive set of assessment and leadership development practices that support a wide range of talents across the organization (Groves, 2007; Casimir, 2001). To develop global leaders, HRD professionals need to know what knowledge, skills, and attitudes are essential for leaders in global organizations. If research could identify the important global leadership competencies, corporations might be able to shorten the long period of time for developing global leaders (McCall and Hollenbeck 2002).



The HR function could utilize the competencies to recruit and reward qualified global leaders while gaining credibility to influence their organization (Muratbekova-Touron 2009). Thus, identifying global leadership competency models should be an urgent priority for companies so that they can reconcile with and survive the changing global environment. Developing such a competency model requires study of both individual competencies that comprise global leadership and a systemic framework on which the competency model can be built (Morrison 2000). However, the nascent field of global leadership suffers from several limitations. On the other hand, by identifying the level of competency that is more easily learned, levels of competency contribute to determining whether selection or development is best suited for staffing a global leadership position (Caligiuri 2006). However, there is no research that corroborates with both levels and dimensions of global leadership competency.

2.5 Barriers to effective career planning and succession

The impostor phenomenon (IP) is the main barrier to career planning and succession. It is defined as an internal experience of intellectual and professional incapability despite objective evidence to the contrary (Clance and Imes, 1978). People who suffer from this phenomenon believe that their success is due to some kind of luck or error, and they live in constant fear of being unmasked as unintelligent or less capable (Clance, 1985; Harvey and Katz, 1986; Jöstl et al., 2012). The impostor feelings are also thought to have an impairing effect on the career development process (de Vries, 2005; Vergauwe et al., 2015)

In addition to fearing failure, impostors fear losing their connection to other people, as might happen with work colleagues when their success is noticed. For instance, as long as someone stays at a current career level he or she does not have to fear the loss of affection from colleagues that might occur if the one is promoted over them. The underlying fear stems from the belief that being successful will result in dislike and resentment by others and thereby loss of affection and approval (Horney, 1936). To handle the fear of loss of affection, impostors try to deny their success (Clance and O'Toole, 1988) or may even handicap themselves (Ross et al., 2001).

2.6 Best practices to career planning and succession

Considering the “Janus Performance Management System”, to be able to engage in successful career planning in a fair and systematic way for the entire enterprise, there is several key aspirations or objectives are important to aim for. Although such objectives may be developed at an individual level by each organization, in broad terms, they should contain or reflect the following general objectives: First, to ensure that regular and systematic thought is given to optimizing the efficiency of a managers subordinate organization, achieving high standards of performance and developing their people to meet present and future needs of the enterprise. Second, to improve the quantity and quality of information about individuals within the ‘talent pool’ available to more senior management levels. Third, to develop for each sizeable business or department, an integrated people or human resource plan, covering organization, performance and potential assessment, career planning, succession, recruitment and training. Fourth on the line,

to build a complete and integrated database of information on the organization's people assets that can be drawn upon with confidence to make transfer, development or promotional decisions wherever necessary. Finally, to help managers develop plans for their organizations, using a common language and format, to facilitate review and consolidation and the process, fostering line ownership and commitment to their plans.

2.7 Conclusions

The changing macro environment emphasizes that we are in an era of “do-it-yourself career management” where individuals are being challenged to play a greater role in constructing their own career development, an era where “Careers are now forged, not foretold” (Watts, 1996c, p. 46). Similarly, Savickas et al. (2009) have more recently used the term ‘life designing’ to describe the process of individuals constructing their careers.

Younger workers are encouraged to act as free agents, developing personal enterprises and marketing personal skills. Individuals increasingly need to focus on employability rather than job security, and learn the skills which will assist them in taking responsibility for the direction and evolution of their own careers. What needs to be created as secure is the individual, and the individual's knowledge and skill currency, not the job. Career development is now viewed as multi-directional multi-levelled.

At the same time, succession planning should not stand alone. It should be paired with succession management, which assumes that a more dynamic business environment in the capacity building of talent should occur in real time. Both succession planning and succession management emphasize the importance of developing internal talent to meet current or future talent needs of the organization.

The need to extend the definition of SP&M beyond the management ranks is becoming more important as organizations try to build high-performance and high-engagement work environments in which decision making is decentralized, leadership is diffused throughout an empowered workforce, proprietary technical knowledge accumulated from many years of experience in one corporate culture is key to doing business, and personal relationships critical to work are passed on from departing workers to their successors. (Rothwell, W. J, 2016).

*In this respect the research examines the **PHC's** career planning and succession policy from a more general perspective focusing on the four clusters of the available literature:*

- ✚ The Overall Process
- ✚ Talent Identification and Review
- ✚ Feedback and Development
- ✚ Measurement

It seems that there is space for further research on this topic to arrive at a more standardized approach to correct and collaborate the broad range of areas of study. It is a big challenge to find the way to link together different fields of study on succession planning and make a practical process for the real business world.

Chapter 3: PHC Ltd Context

3.1 Introduction

This section aims to understand and express the context of the organization under research. The catering industry in Cyprus has evolved considerably over the past three decades.

Up to the 1960s and 1970s agriculture formed the backbone of the Cypriot Economy. Since then domestic events and evolving expectations have altered the structure of the island's economy. One of the biggest impacts resulted from the Turkish invasion and subsequent occupation and partition of the island in 1974 which led to the loss of 46 per cent of its crop production area. Eventually, through heavy investment in land improvement and irrigation systems, the island succeeded in bringing up production levels to reach pre-1947 levels. Now, heavily weighted service industries, including tourism and financial services, the economy no longer depends on agriculture to sustain the population. The market is open, the competition is strong and anyone can enter.

3.2 Industry history and developments

When PHC Restaurants was formed in the early 90s CEO Lysandros Ioannou observed that there was no real tradition of culinary arts in the country. He explains this was due to three reasons:

1. The prevalence and customary act of cooking at home.
2. Historically most people could not afford to eat out at a café or a restaurant on a regular basis.
3. The constraints placed on the importation of raw materials prior to Cyprus's association with the European Union which occurred in 2004.

“The restaurant, catering, and culinary arts offerings in the Cyprus market were very, very basic,” Lysandros explains. “The first stepping stone for us at PHC Restaurants was to come in with an organized brand like Pizza Hut which had experienced great success in its home country and abroad. This was the very first food chain-style restaurant to enter the country. It opened a host of new opportunities, allowing other brands to follow suit. For example, McDonald's came

in five years later and we have now brought in Taco Bell, KFC, Burger King, Caffè Nero, and Catercom, just to name a few.” (From Lysandros’s interview at CEO magazine).

The first turning point for the industry in Cyprus was when Pizza Hut came into the country in **1991**. It was kind of a case of *execution-driven strategy* and having the right idea at the right time. At the end came out that it was a brilliant idea because that was the first international brand to be launched in Cyprus. It heralded a completely new era in the restaurant business. From that time, it was very clear that the motto for PHC Restaurants would be to lead the way in this food revolution.

Following on from that, the business started to introduce more firsts to the Cypriot community. The *key to the company’s success* so far has been to put a strong focus on developing a distinct and winning culture. That was the first thing he installed in the business, and it is something that still rings true today.

Particularly the people who have grown out of their roles as team members in the kitchen, doing deliveries, or on the floor as waiters, and moved into more senior positions are supported by the company and through meetings and studies become “strong” enough to take over on management jobs, and become proud leaders.

3.3 Competitors & customers

PHC Restaurants has undoubtedly worked hard to establish its solid position in the Cypriot dining scene; however, despite its proven record of accomplishment, there have been several challenges it has had to face along the way:

- Try to build critical mass in a relatively small market in the early days. With a population of just under 1 million people, Cyprus was not an easy place to tap into, but Lysandros explains that this was overcome by “pushing expansion to the limit”. The business now operates 37 Pizza Hut franchises.
- Effectively navigate the complexities that came with operating so many different brands in unison.
- Working to build a professional and high-performance team in an environment that was culturally and geographically not the center of business development
- presented its hurdles.

3.4 Challenges

PHC today is at the point where all the best companies in the country are involved.

There are grand plans for its future with a vision to open **100 restaurants by 2020**.

The aim, according to the CEO, is to become the best company overall, or one of the best companies overall, in Europe.

Lysandros Ioannou personally have been repeatedly recognised in Cyprus and abroad : 2015 with the KEBE (Cyprus Chamber of Commerce and Industry) ‘‘Business Leader Award’’ (Tourism and Hospitality), 2015 and 2014 with the ‘‘Wagamama’’ Time out Reader’s Choice Award, 2013 as ‘‘Business Man of the Year’’ from the Johnny Walker Man of the year Awards, 2012 with the Award ‘‘Manager of the year’’ from the ‘‘In Business Magazine’’ and in 2011 with the Yum ‘‘Chairman’s Award’’ as best Pizza Hut Franchise.

3.5 Conclusions

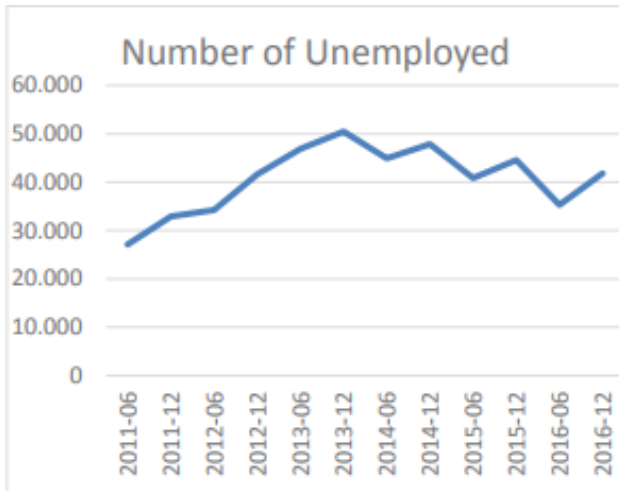
2012 to 2015 were difficult years due to Cyprus’s economic situation. It was emerging from a dramatic recession and things were tough. The environment was stabilized and Lysandros was very optimistic about what next few years have in store for the business. ‘‘Once you reach a certain level of maturity in a business you will inevitably plateau, or slow down. We do not believe that will be the case with PHC Restaurants. The growth will come from continuously investing in and growing our base brands, which include Pizza Hut, KFC, and the other brands that we have been running for years now. Then on top of that we foresee that the biggest growth will come from our new brands like Wagamama, Caffè Nero, and Burger King, which we launched a few years back. They are already very strong and successful and there is great room for expansion’’, Lysandros Ioannou said in an interview in 2016.

| BURGER KING - no delivery | | | | | | |
|----------------------------------|-------------|------------|-------------|------------|-----------------------------|-----------------------------|
| PERIOD | 2016 sales | 2016 trans | 2017 sales | 2017 trans | 2016 VS 2017 TOTAL SALES | 2016 VS 2017 TOTAL TRANS |
| 1.01-31.08 | €484,334.00 | 78854 | €533,763.00 | 86455 | 10.21% | 9.64% |
| | 6.14 | | 6.17 | | | |
| KFC PAPHOS MALL | | | | | | |
| PERIOD | 2016 sales | 2016 trans | 2017 sales | 2017 trans | 2016 VS 2017 TOTAL SALES | 2016 VS 2017 TOTAL TRANS |
| 1.01-31.08 | €387,341.00 | 55678 | €456,851.00 | 64375 | 17.95% | 15.62% |
| | 6.96 | | 7.10 | | | |
| DERLICIOUS PAPHOS MALL | | | | | | |
| PERIOD | 2016 sales | 2016 trans | 2017 sales | 2017 trans | 2016 VS 2017 TOTAL SALES | 2016 VS 2017 TOTAL TRANS |
| 1.01-31.08 | €422,685.00 | 51934 | €438,045.00 | 51242 | 3.63% | -1.33% |
| | 8.14 | | 8.55 | | | |
| TACO BELL | | | | | | |
| PERIOD | 2016 sales | 2016 trans | 2017 sales | 2017 trans | 2016 VS 2017 TOTAL SALES | 2016 VS 2017 TOTAL TRANS |
| 1.01-31.08 | €213,596.00 | 34864 | €281,684.00 | 43814 | 31.88% | 25.67% |
| | 6.13 | | 6.43 | | | |

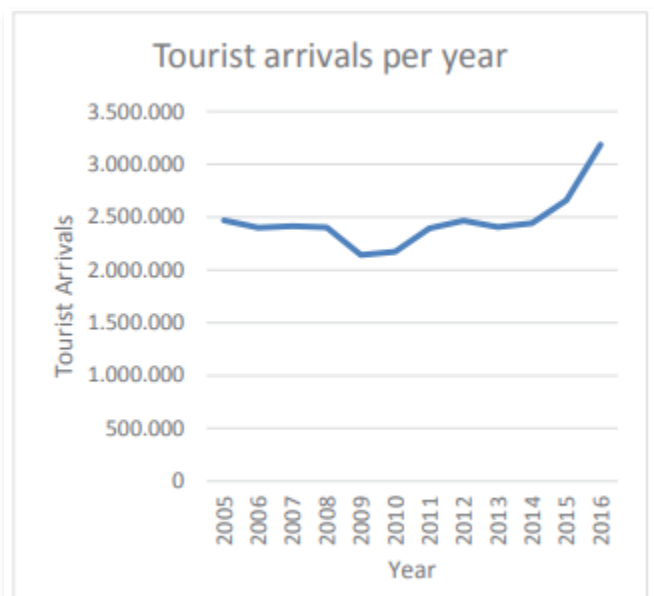
Figure 5, Official Results for four brands in Paphos for 2016-2017

On the table we can see the sales results for different brands of PHC Company located in Paphos. There is a clear increase in sales and transactions for the brands of PHC, and this is due to the substantial growth of the tourist sector over the last five years, with tourists reaching 3.2 million in 2016. Cyprus' tourism industry has been honoured with numerous prestigious awards. Tourism growth is one of the main factors which affect the good results of the restaurants and hotels all over the island.

Cyprus' economy is heavily reliant on the services sector and more specifically on the tourism industry. The tourism market is one of the largest economic sectors in Cyprus which affects all the services provided including accommodation hotels and restaurants.



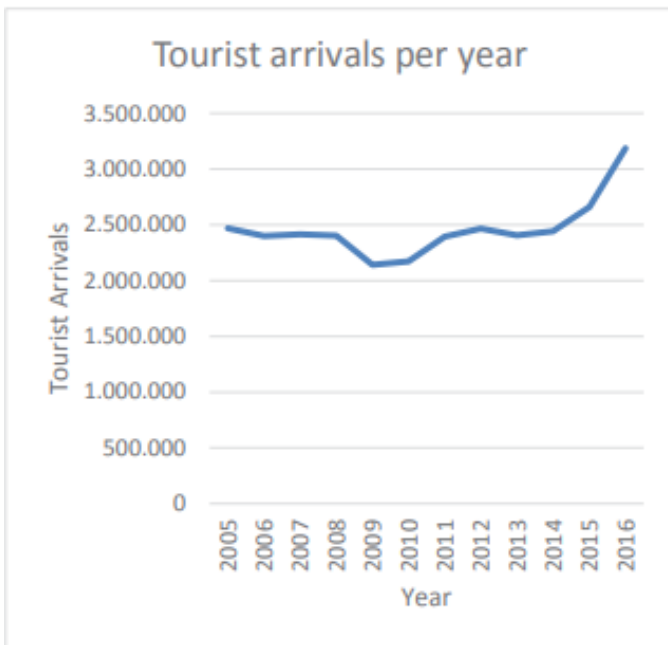
- According to data from the Statistical Service of the Republic of Cyprus (CYSTAT), the number of registered unemployed in Cyprus increased to 41.852 persons in December compared to 40.646 in the previous month. In comparison with December 2105, a decrease of 2.698 persons or 6,1% was recorded which was mainly observed in the sectors of construction, manufacturing, transportation, trade, public administration and to newcomers in the labour market.



- 2016 is considered as a record year, as it is the most successful year ever recorded, with tourist arrivals in Cyprus amounting to 3.186.531. In 2016 there has been an increase of 19,8% compared to 2015 when tourist arrivals amounted to 2.659.405. It is worth noting that the increase in tourist arrivals in 2016 compared to 2015 was seen in all months of the year. July recorded the highest arrivals in this specific period (482.132) with a 14% increase from July 2015. Interestingly, the biggest percentage change in arrivals in this period between 2016 and 2015 was evident in March (29%).



- According to CySTAT, tourism revenue has increased steadily year-on-year since 2013. In 2015, revenue from tourism reached €2,1 bn, compared to €2,0 bn in 2014, recording an increase of 1,43%. For the period, January – November 2016, revenue from tourism is estimated at €2,3 bn compared to €2,1 bn in the corresponding months of 2015, representing an increase of 12,3%. The increase in revenue in equivalent periods remain higher in 2016 compared to 2015, and this may be attributed to an increase in arrivals by 19,8% (for the period January-December 2016)



- It is worth noting that the increase in tourist arrivals in 2016 compared to 2015 was seen in all months of the year. July recorded the highest arrivals in this specific period (482.132) with a 14% increase from July 2015. Interestingly, the biggest percentage change in arrivals in this period between 2016 and 2015 was evident in March (29%).

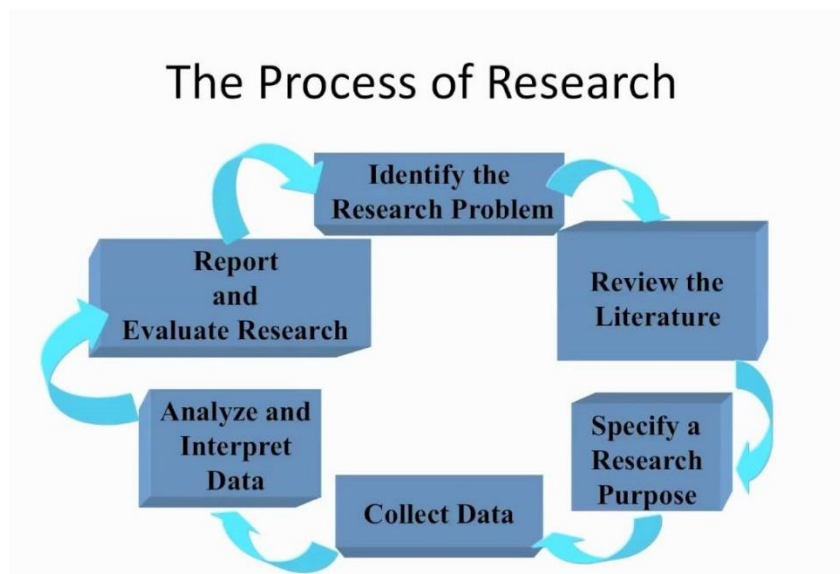
Chapter 4: Research Questions and Methodology

4.1 Introduction

This chapter presents a detailed presentation and discussion of the research questions and the methodology of the study, including full description of the data collection method which has been followed for this study. Research as a subject is taught at different levels. Research is a scholarly, scientific, and systematic investigation to establish facts or principles, or to collect information on a subject to be presented in a detailed and accurate manner. Research is driven by a question or problem that guides the process for seeking information with a clear goal in mind. (Habib, Maryam & Pathik, 2014)

Evidence-based practice (EBP) is the delivery of services based upon research evidence about their effectiveness. The research process is similar with the way for undertaking a journey. There are two more decisions to make while you drive: The first is to decide what do you want to find out about, in other words, what research questions you want to find answers to. Having decided upon your research questions or problems, then you need to decide the way to find their answers. The main way to find answers for your research questions constitutes a *research methodology*. Along the way for your destination you will find different posts and so for your research there are practical steps through which you must pass in your research journey to find the answers to your questions. The sequence of these steps is not fixed and with experience you can change it. At each

operational step in the research process you are required to choose from a multiplicity of methods, procedures and models of research methodology which will help you best achieve your research objectives. This is where your knowledge base of research methodology plays a crucial role.



4.2 Research Questions

After a long process and in-depth overview of relative literature the aim of this dissertation has been identified and the researcher had arrived at the research objectives for examination, within PHC's context. The table below shows the research questions which is the link between the aim with the objectives.

| AIM OF THESIS | RESEARCH OBJECTIVES | RESEARCH QUESTIONS |
|--|--|--|
| <p><i>The aim of this dissertation is to critically examine whether PHC Franchised Restaurants Ltd:</i></p> <ul style="list-style-type: none"> • <i>had established effective programs, to predict tomorrow's needs in terms of human resources (managers),</i> • <i>by identifying the employees that show promise, and</i> • <i>initiate programs to provide the requisite knowledge and skills for them to lead.</i> | <p>The Overall Process</p> | <p>Does PHC established programmers to make clear the future needs in in terms of Human Resource Leaders?</p> |
| | | <p>Does Business Strategy relate to the Human Resource Strategy?</p> |
| | | <p>Does the existing Succession Management System works for the employees in order to have a Career Planning in the future?</p> |
| | | <p>Is there any possibility for self-development in this organization?</p> |
| | <p>Talent Identification and Review</p> | <p>Did PHC defined the leadership qualities necessary for its future leaders/managers?</p> |
| | | <p>What are the means to attract, identify and develop a High-potential employee at PHC?</p> |
| | | <p>Has PHC identified its High-potential employees? How is developing the future for those employees?</p> |
| | <p>Feedback and Development</p> | <p>How is PHC planning to make stronger the competencies of its high-potential managers?</p> |
| | | <p>What are the means for developing executives' capabilities?</p> |
| | | <p>What are the barriers to effective talent management at PHC?</p> |
| | <p>Measurement</p> | <p>Did PHC established measures to evaluate the impact on existing Succession Planning System?</p> |
| | | <p>Are there any ways for rewarding today's talented employees?</p> |

4.3 Research Strategy

Research strategy is a methodology that helps the researcher to investigate the research issue. According to Saunders (2003), research strategy is a general plan that helps researcher in answering the research questions in a systematic way. Research methodology is the science that describes principles of methods (Baskerville, 1991) and allows studying the way research should be developed, involving all the elements required, allowing descriptions, explaining and predicting a phenomenon, process or effects (Rajasekar et al., 2013). It includes system methods, procedures, techniques, rules, postulates, principles, tools and know-how needed to be engaged in the process of scientific knowledge (Sursock, 2010). According to Babbie (2009), research methodology includes research, interviews, surveys and other research techniques, and could include both present and historical information.

Researchers usually deal with several problems and apply research methods to get the best possible answers for their questions. They may use a single study or a combination of two designs. The researcher should decide about the types and combinations of research forms that best serve the goals of the study:

4.4 Methods of data collection and analysis

Qualitative Research: According to Saunders (2009), Qualitative data refers to all non-numerical data or data that have not been quantified and can be a product of all research strategies. Qualitative analysis is useful for studying limited number of cases in depth with the data based on the participants. The researcher can identify the setting factors related to the interest of his study in combination with the method of “grounded theory” which gives an explanatory theory about the phenomenon (Marshall and Rossman, 2006).

On the other hand, qualitative studies are taking into account lived experiences with a deeper understanding of the phenomenon of recruitment and selection since they are often structured to collect the data during an extended period of time. Easterby-Smith (1997) insists on the most crucial method of qualitative data research the interview process. The method of interviewing the person allows the interviewee to ask further questions about the subject and moreover provides him the opportunity to clarify unexpected answers. Saunders (2009), highlighted that there is no

standardized procedure to analyze such data although there are three main types of processes: firstly, to summarizing the meanings of the data, secondly to categorizing or grouping the meanings and last to structuring or ordering the meanings of using narrative.

Quantitative Research: Quantitative Research relies on the collection of Quantitative numerical data (Johnson and Christensen, 2010) approaching the confirmatory scientific method which focuses on a hypothesis testing and theory testing. Based on the analysis of Johnson and Onwuegbuzie (2004), primary quantitative research has the following strengths.

Firstly, data collection is relatively quick with the data analysis to be relatively less time consuming due the use of statistical software programs. Quantitative analysis is useful for studying large numbers of people with the research results to be relatively independent from the researcher. Secondly Robson, (2002) summarizes by arguing that quantitative analysis is “a field where it is not at all difficult to carry out an analysis which is simply wrong, or inappropriate for your purposes. And the negative side of readily available analysis software is that it becomes that much easier to generate elegantly presented rubbish”.

Moreover, Creswell (2003) stressed the importance of primary quantitative research as it is the data that has been collected by a researcher for the purpose of a study. Quantitative research will improve the validity of the research instruments and the provision of the numerical dimension. Furthermore, quantitative analysis can simplify human efforts experience making the analysis of the findings easier. According to Easterby et al., (1997) there are four main ways of collecting quantitative data information: questionnaires, tests, observations and interviews.

Saunders (2009) recommended that quantitative analysis should consider: the type of data depending on a scale measurement, the format in which the data will be inputted into the analysis software, the impact of the data that is coding on the subsequent analysis and can be divided into different data types, and the methods that are intended to be used in order to check the data for errors.





For this dissertation, the researcher thought to be more efficient to use a Quantitative Methodology through a survey with closed and open ended questions.

| | Qualitative Research | Quantitative Research |
|----------------|----------------------------|--|
| Purpose | Descriptive and conclusive | Exploratory and no conclusive evidence |
| Sample Size | Small samples | Large samples |
| Question Type | Broad range of questioning | Structured questions |
| Interpretation | Subjective interpretation | Statistical analysis |




Figure 6, Overview of qualitative and quantitative research.

Data collection:

- The *arithmetic mean* illustrates the average point for each statement in the questionnaire. It is a straightforward calculation, where specific figures can be added together and then divided. The mean is not necessarily the same as the middle value, the median. The *median* is described as the number separating the higher half of the population from the lower, it is the middle value of the range, it is the value that divides the data set into two equal sets. It is important when the spread of the answers are wide. Therefore, for the purpose of analyzing our quantitative data the following assumptions have been made(Walter, 2007:8.9):

- Mean > 4  Most respondents agree with the statement
- Mean < 2  possible disagreement with the statement
- Mean = Median  symmetric answers
- Mean > or < Median  extreme points (outliers)

- **Standard Deviation:** is a simple measure or dispersion of a population, a data set, or a probability distribution. It indicates how much variation which within the data set, about the central or typical value occurs (Walter, 2007:8.9). It measures the extent to which respondents varied in their responses.

- Standard Deviation > 1.20  greater variation in responses, we have a less representative mean
- Standard Deviation < 0.70  less variation in responses, scores are clustered close to the mean, we have a more representative mean
- Standard Deviation **near** 0.95  typical variation

- A 5 - point Likert scale has been used as follows:
 - **1:** Strongly Disagree
 - **2:** Somewhat Disagree
 - **3:** Neither Agree/Neither Disagree
 - **4:** Somewhat Agree
 - **5:** Strongly Agree

4.5 Research Hypothesis

For the purpose of this dissertation, two hypotheses were tested:

H1: Whether the company of PHC develops a career plan for its employees.

H2: Whether the existing management team of the company is successful.

4.6 Necessity of Research

At this part of the research, the researcher specifies the necessity of this research. In other words, the research carried out on the subject, has localized the relative bibliographic references which examine whether there is career planning or successful management for the case of PHC company.

The researcher believes that through this research, it would be possible to identify whether the employees of PHC are satisfied enough in order to continue working in this company and develop their career and future and whether there is a need to take any necessary measures to improve the management of this company if it is not successful enough.

4.7 Significance of Research

The researcher believes that the realization of this research is very important considering that PHC is the *No. 1* company in food/café market in Cyprus and most of the best companies in the world are involved in PHC as franchise. It is extremely important to meet the personnel employed in the different brands who can offer the best possible services to customers.

The importance of research stems from the fact that the role of managers and supervisors in PHC company is becoming increasingly complicated and difficult as they must handle a diversified staff, such as the staff from different countries. They face an intense competition due to the franchise and everything should be according to the standards of the “mother” company. Furthermore, PHC has to face the long-term career of its employees and whether is possible under the existing working conditions of the company.

Also, this research is important for the Human Resource department of PHC company in order to evaluate the existing situation as regards motivating staff and implement specific policies. In conclusion, considering changing conditions observed in Cyprus due to the existence of large number of restaurants and cafés, it is important to record the current situation to identify the personnel motivation factors with all the positive consequences for all the employees of PHC Company.

4.8 Process of Research

The research was carried out using a survey questionnaire which was administered to the employees from different brands of PHC company which located in Paphos to specify career planning and management succession of PHC Company. The sample selected for the survey was **30 employees.**

Along with the questionnaire the researcher considered it useful to distribute a cover letter to the participants of the research giving explanations of the rationale of the research and to answer any questions they may have. To be more specific, the cover letter included information about the study topic of research, purpose and select the sample, issues relating to the confidentiality of the information collected and information about the participants had the concession not to participate in this research. The cover letter with the questionnaire attached in the Appendix I.

Chapter 5: Results – Data Analysis

5.1 Introduction

The purpose of this chapter is to describe the results of the research based on the analysis of data collected from the respondents of this research. The researcher had arrived at the research objectives for examination, within PHC's context in order to examine whether PHC Franchised Restaurants Ltd:

- *had established effective programs, to predict tomorrow's needs in terms of human resources (managers),*
- *identify the employees that show promise, and*
- *initiate programs to provide the requisite knowledge and skills for them to lead.*

For the specific research a questionnaire was given to the employees of PHC and it was separated in two sections:

1. *Self-Evaluation*
2. *Performance of Management System in PHC Company*

The respondents were asked to answer different kind of questions, circling a number on a five-point scale:

1 = Strongly Disagree, 2 = Somewhat Disagree, 3 = Neither Disagree / Neither Agree, 3 = Somewhat Agree and 5 = Strongly Agree

5.2 Descriptive analysis

Part A: To what degree do you think each of the following statements applies in your case:

In this part, the respondents were asked to answer to what degree they think each of the following statements apply in their case, circling a number on a five-point scale:

1 = Strongly Disagree, **2** = Somewhat Disagree, **3** = Neither Disagree / Neither Agree, **4** = Somewhat Agree and **5** = Strongly Agree

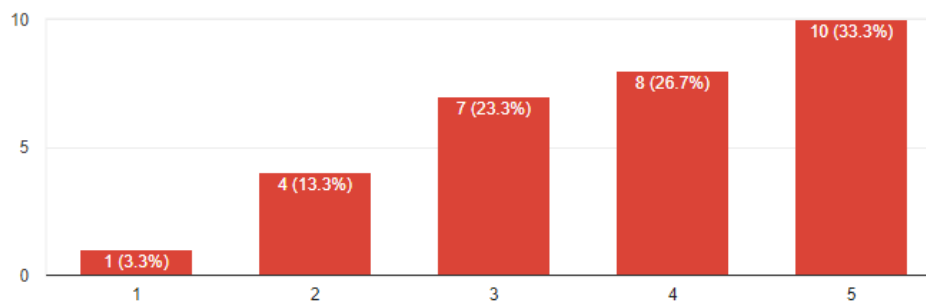
The results of the questionnaire are the following:

Section A: Self-Evaluation

On the first question related to *“the security of the work”*, 16.6% of the respondents stated ‘strongly disagree’ to ‘somewhat agree’. The percentage of 23.3% stated neither disagree/neither agree and the rest 60.0% of the respondents stated ‘agree’ to ‘very agree’. The result, as it emerges, is that employees of PHC feel safe in their working environment and there are not security issues in the organization.

1. The work you do provides you security

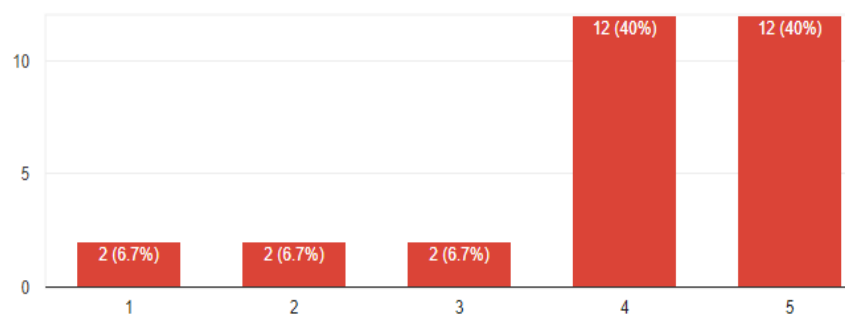
30 responses



The 80.0% of the respondents stated that they agree to very agree that *“the environment of their work is satisfactory.”* Small percentage like 6.7% stated neither disagree/neither agree but the majority of the respondents stated that they are satisfied from their working environment. This indicates that the company cares about the good conditions of their working environment and the same time take all the necessary measures in order to satisfy their employees.

2. Your work environment is satisfactory

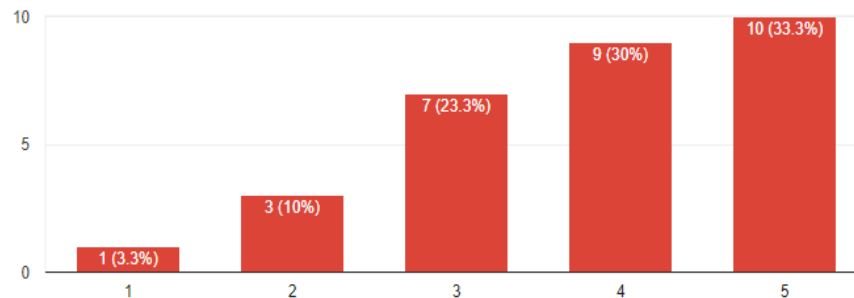
30 responses



Third question was about *“the possibility to use their skills regarding their work”*, 13.3% stated strongly disagree/somewhat disagree and the 23.3% stated neither disagree/neither agree. The 63.3% of the respondents stated that they can use their skills during their work. This finding indicates that management team is open minded and allow to the employees to use their skills during the work procedure so to be more productive.

3. The work you do provides you the possibility to use your skills

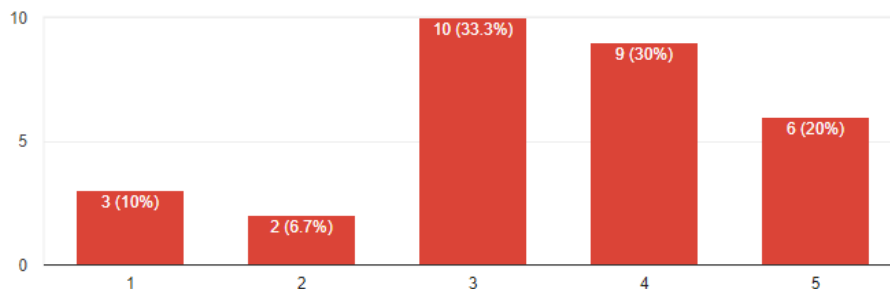
30 responses



For the following question, the 63.3% of the respondents stated that they neither disagree and somewhat agree if *“there is appreciation-respect for their work.”* 16.7% of the respondents stated strongly disagree/somewhat disagree and the rest 33.3% stated neither disagree/neither agree. This indicates that the employees do not feel appreciation and is possible to affect their work. Employees need employers who respect and appreciate the work that they provide.

4. There is appreciation-respect for the work that you do

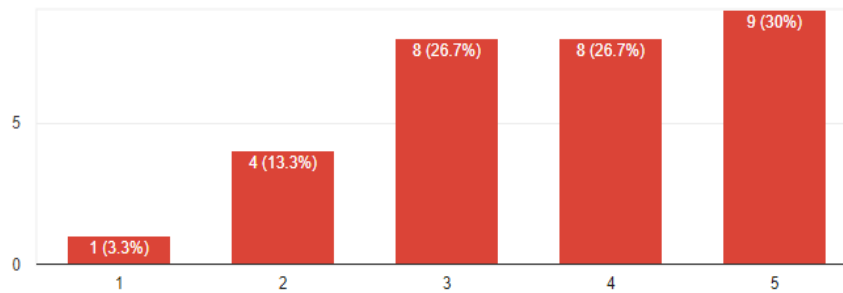
30 responses



More than **50.0%** of the respondents neither disagree and somewhat agree for the question ***“if their job, provides them with opportunities to advance”***. **30%** stated strongly agree and the rest **16.6%** stated disagreement if there are opportunities to advance between the company. The percentage of the respondents do not show clear agreement on the case of advance and this indicates that employees of PHC do not make plans for a long-term career in this company.

5. My job, provides me with opportunities to advance

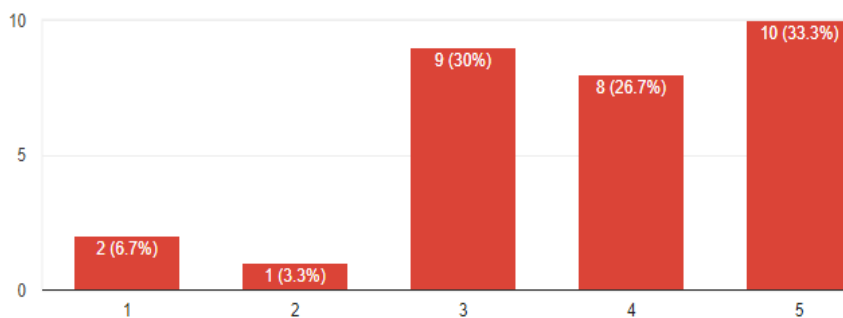
30 responses



The **60.0%** of the respondents agree that ***“they have clear goals assigned to them”***. **30.0%** of the respondents stated neither disagree/neither agree and the rest **10.0%** of the respondents stated disagreement for the specific question. Most the respondents admit that they have clear goals assigned to them and this is very important for the employees and their managers who are specific on what is needed to be done in order to achieve their goals and targets of the working periods.

6. I have clear goals assigned to me

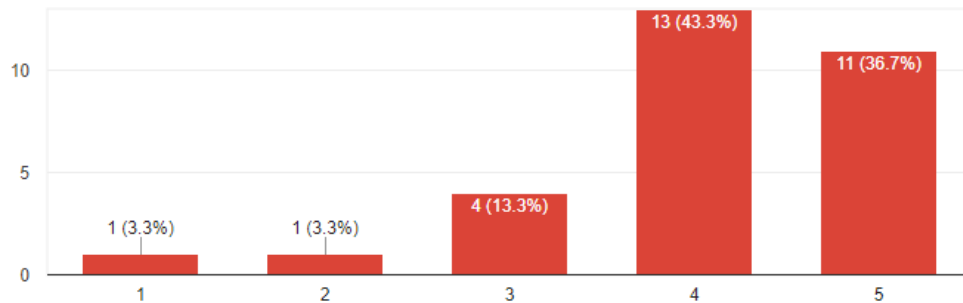
30 responses



The opinions of the respondents relating to the reward were interesting. The **80%** of the respondents stated that they agree and they expect to **“get awarded if they achieve their target”**. **6.6%** of the respondents they disagree that they need to get awarded if they achieve their targets. The rest **13.3%** neither disagree/neither agree. In other words, managers of PHC expect to get awarded if they manage to handle all the difficult conditions, the stress of the job and the barriers that may appear during their work.

7. If I achieve my targets I'm expecting reward

30 responses



The next four questions (8, 9, 10 and 11) were about the relationship with the head management. The **53.4%** of the respondents stated that they agree that “their manager encourages them to participate in training programs”. The HR department of PHC company is responsible for the training programs and everyone should be participating in this courses in order to be able to manage different situations that might appeared during the working time. These courses are very helpful for the employees and according to the result of the statement above, managers of PHC encourage the restaurant managers to participate the training programs.

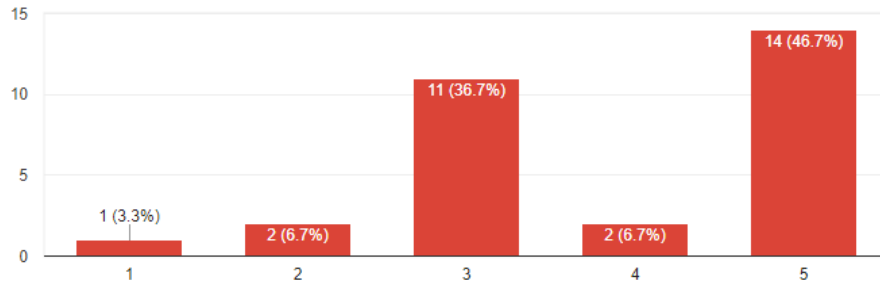
The results relating to the statement whether “the manager informs about the level of performance” indicated that this is valid since **53.3%** of the respondents believe that their head guide provides them feedback but the same time an improvement is needed in order to increase the feedback to the employees.

Next statement was about “whether the head manager shows interest for the development of his/her employees” and **53.3%** of the respondents agree that their manager shows interest for their advancement/development. Moreover, **70%** agree that “their manager provides appropriate coaching and supervision” during the working time. The head managers show interest for their employees and they coach them so to have the very best results and the same time the employees

are loyal to their managers and they trust them in different ways. But, head management should pay more attention on their employee's development so to promote them in better positions. This is a point that needs further improvement.

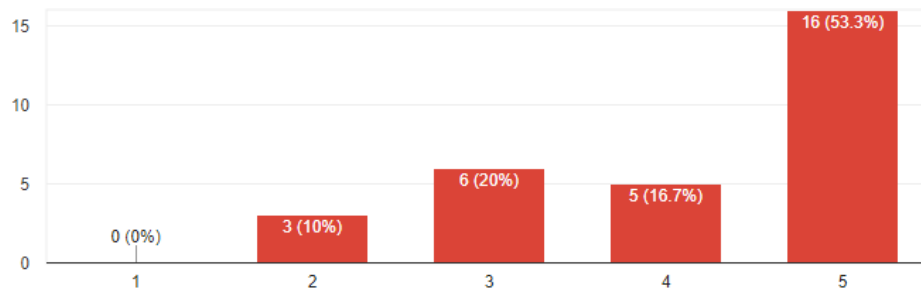
8. My Manager/Supervisor, encourages me to participate in training programs.

30 responses



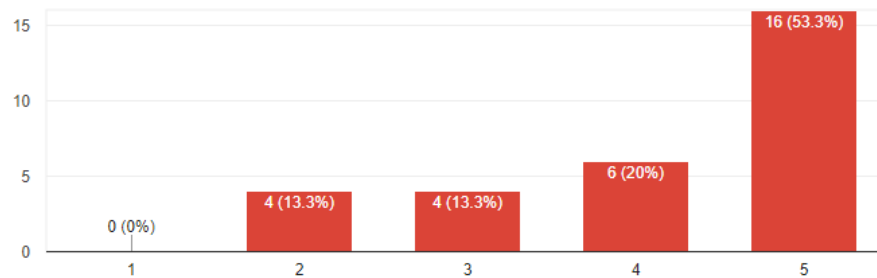
9. My Manager/Supervisor, informs me about the level of my performance at work.

30 responses



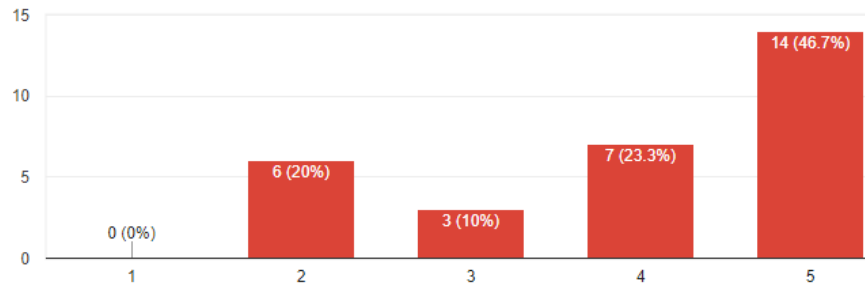
10. My Manager/Supervisor, shows interest for the advancement/development of his/her employees.

30 responses



11. My Manager/Supervisor provides me with the appropriate coaching and supervision

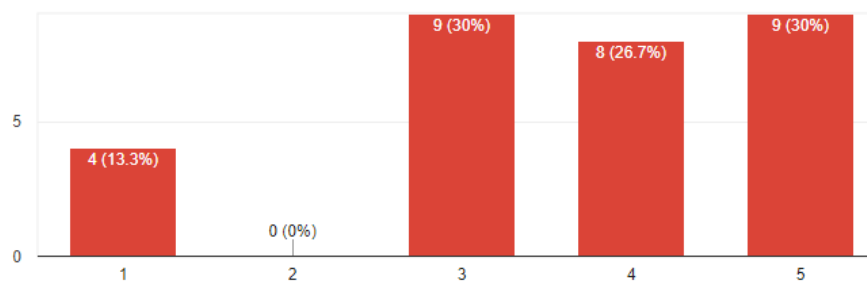
30 responses



The **56.7%** of the respondents agree that *“the appraisal meeting is useful and they help them to understand the areas that need improvement”*. **30.0%** neither disagree/neither agree for this statement and the rest **13.3%** strongly disagree. The percentage of the agreement is not very high and maybe the appraisal meetings are not very helpful for the employees in order to find the areas that need improvement. HR department is responsible to find new ways better ways that will make the employees to understand better the areas that need improvement that they need work on during their training programs and courses.

12. Appraisal meeting is useful and helps me understand my areas for improvement.

30 responses



Part B: To what degree do you think each of the following statements applies in your case:

In this part, the respondents were asked to answer to what degree they think each of the following statements apply in their case, circling a number on a five-point scale:

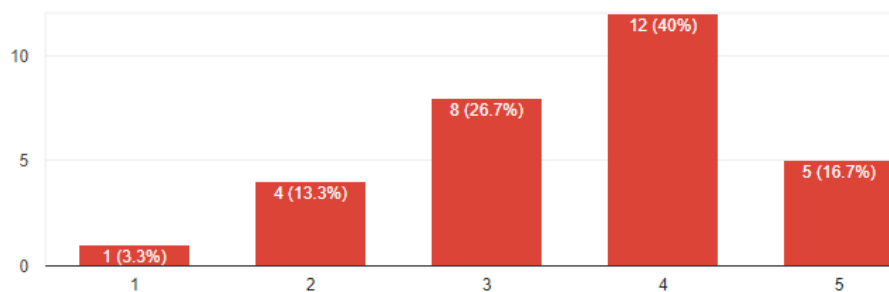
1 =Strongly Disagree, **2** =Somewhat Disagree, **3** = Neither Disagree / Neither Agree, **4** = Somewhat Agree and **5** = Strongly Agree

Section B: Performance of Management System in PHC Company

First question of the second part of the questionnaire was about PHC company and whether ***“PHC Company invests in training and development”***. **16.6%** of the respondents stated disagreement on this statement and the **26.7%** of the respondents neither disagree/neither agree. The rest **56.7%** of the respondents agree that PHC company invests in training programs and employee’s development. The percentage though shows that this area needs further improvement and that PHC company needs to invest more on the training programs and courses while this programs are very helpful for the employees in order to be able to “grow up” in the company,

1. PHC Company invests in training and development.

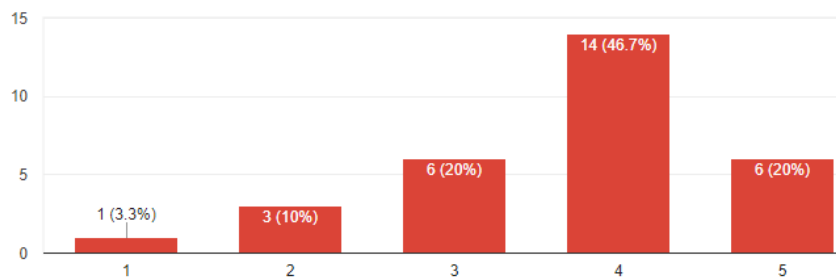
30 responses



“Training programs, offered to the employees, are of high level of quality”. 13.3% of the respondents disagree that the training programs provided to them are of high level of quality and the percentage of 20% do not have opinion for this statement. The 66.7% of the respondents agree for this statement and this shows the quality of the courses provided to the employees from the HR department of the PHC company. Employees are satisfied from the training but still it’s an area which need improvement.

2. Training programs, offered to the employees are of high level of quality

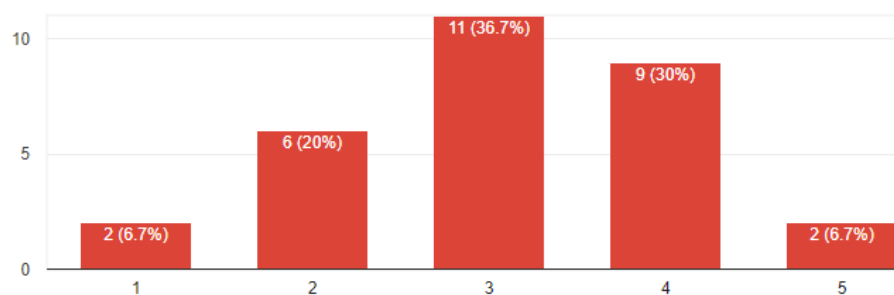
30 responses



The 36.7% of the respondents neither disagree/neither agree that “their time in regards to daily duties allow them to participate in training programs”. The same time the 30% of the respondents somewhat agree for this statement. This comes to a result that the employees of PHC they do not have extra time during their daily duties in order to be able to participate in helpful training programs. The head management should find ways to minimize the daily duties of the restaurant managers in order to be able to follow the appropriate training which is good for both company and themselves.

3. My time in regards to daily duties allows me to participate in training programs.

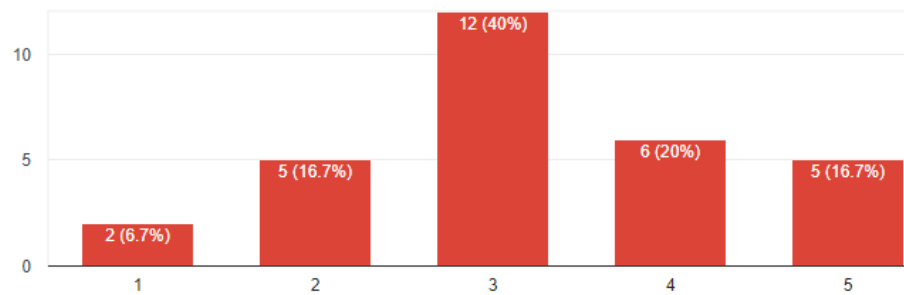
30 responses



The opinions of the respondents relating to the promotion criteria were very interesting. Only the percentage of **36.7%** of the respondents agree that *the “promotion Criteria, in general terms are satisfactory”*. **23,4%** of the respondents show disagreement that the promotion criteria are satisfactory. Most of the respondents neither disagree/neither agree with the percentage of **40.0%**. The results show a small “doubt” on the ways that the promotions are given to the employees and for sure this is an area that needs improvement in PHC company. Maybe the criteria are not fair or maybe they do not have certain criteria as they should have.

4. Promotion Criteria, in general terms are satisfactory

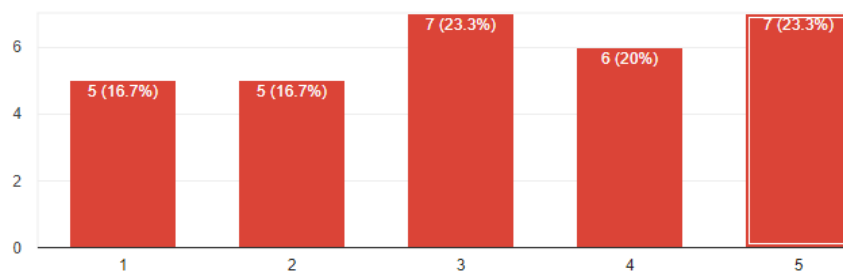
30 responses



Next question was about *“whether PHC Company, cares about the employees' long term career.”* **43.3%** of the respondents agree on this statement and this is a very low percentage for this huge company. **23.3%** neither disagree/neither agree and the rest **33.4%** stated disagreement. The result shows that employees of PHC believe that their head management do not really think to keep them in the company and they are only “using” them for a short term instead for a long term. PHC should pay more attention on the employees and make them feel more safe for their long-term career in the company. This is a serious area for improvement.

5. As an organization, PHC Company, cares about the employees' long term career

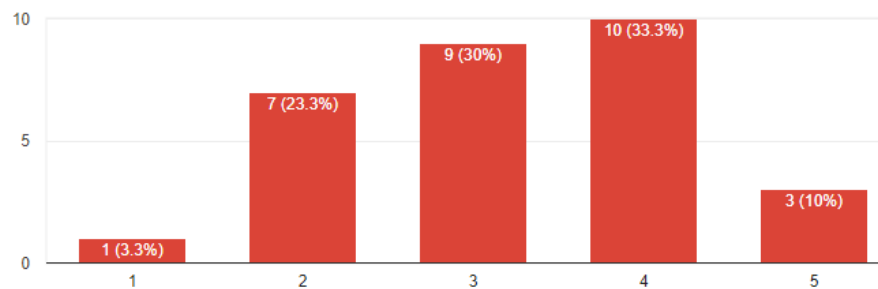
30 responses



On the next question the **43.3%** of the respondents agree for the statement that **“PHC Group of Companies creates teams with respect to group dynamics to achieve its targets.”** **30.0%** of the respondents neither disagree/neither agree for this statement. The result of the agreement is not high enough and this comes to the result that employees are not satisfy from the way that PHC choose to create teams in order to achieve the targets. They must re-build the teams according the group dynamics in order to make them more productive and finally be able to achieve the targets given to them.

6. PHC Group of Companies creates teams with respect to group dynamics to achieve its targets.

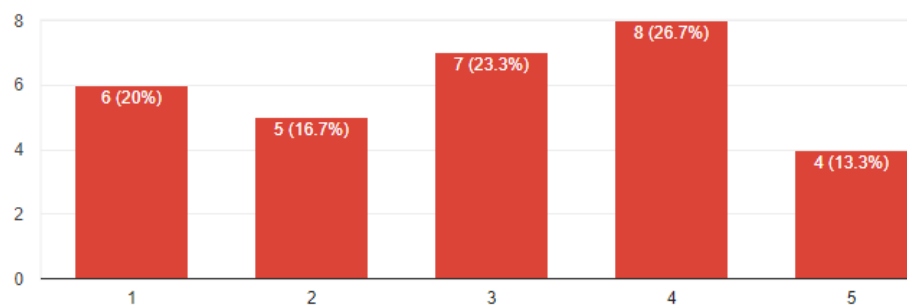
30 responses



The respondents were asked to answer the following question: **“At PHC Human Resources policies are followed?”** An interesting result came out through this question since **23.3%** of the respondents answer neither disagree / neither agree and **26.7%** answer somewhat agree. This comes to a result that employees of PHC don’t believe that the appropriate policies of HR are followed correctly and this affects them in different ways like to show no trust to the company and make them feel disappointed on things that affect their productivity and self-development. Each company must have specific HR policies and being followed correctly so to keep the employees satisfy with no complaints.

7. At PHC Human Resources policies are followed?

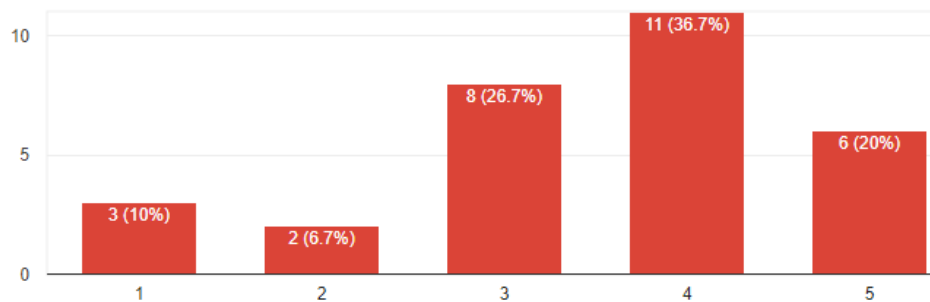
30 responses



Last question of the questionnaire was whether the employees believe that **“that PHC is an employer that provides career opportunities.”** **16.7%** of the respondents disagree on this statement and **26.7%** of the respondents neither disagree/neither agree. **56.7%** of the respondents agree that PHC Company is an employer that provides career opportunities for its employees. The result is not very high and this concludes that there is no career opportunity in PHC company and PHC is an employer only for a short-term employment. It is one of the biggest organizations in Cyprus in the food market, and the same time an organization which doesn't provide career opportunities. I think the HO of the company should take under consideration these results and invest more on their employees because at the end of the day **the employees are the company.**

8. I consider that PHC is an employer that provides career opportunities.

30 responses



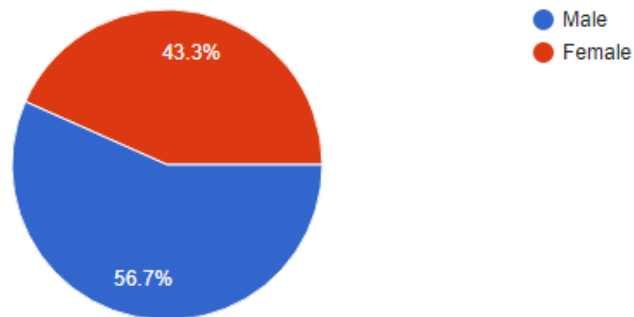
Part C: Demographics

In this part of the questionnaire, the respondents were asked to write their demographic information relating to the gender, age, community of residence, education level, job title, and years in the organization.

The chart pie below presents the demographic information for gender which given from the respondents of this research. Out of 30 respondents who participated in the research **13 (43.3%)** were females and **17 (56.7%)** were males

Gender

30 responses

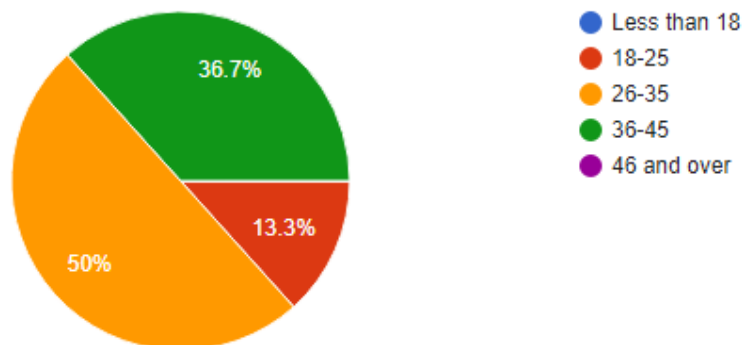


The chart pie below shows the age criterion of the respondents:

11 (36.7%) were between 36-45 years old, **4 (13.33%)** were between 18-25 years old and **15 (50%)** were between 26-35 years old.

Age

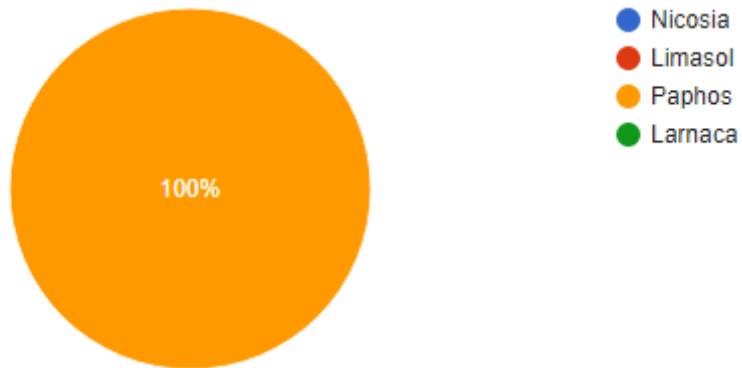
30 responses



The chart pie below shows the community of residence of the respondents which was strictly selected only from Paphos.

Community of residence

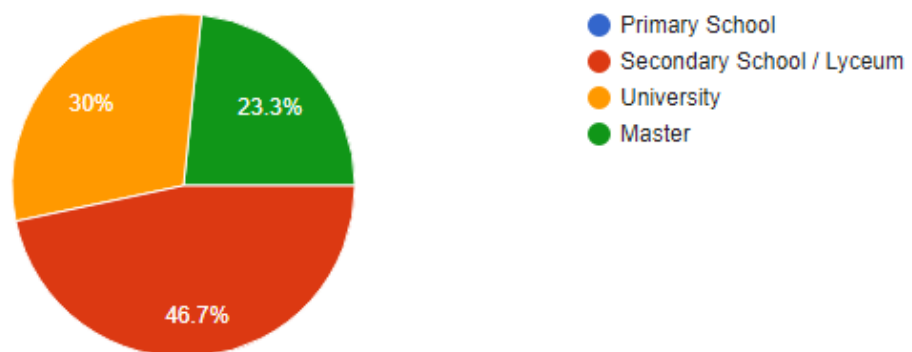
30 responses



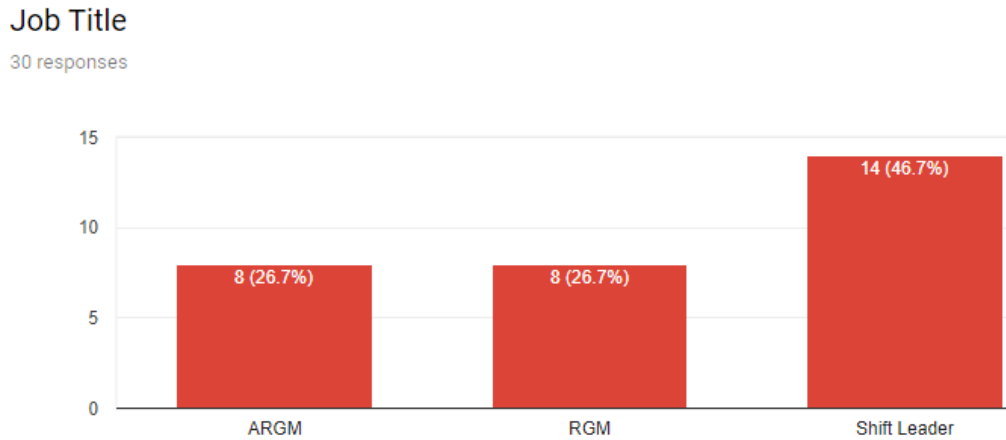
According to the education criterion, out of 30 respondents **14 (46.7%)** had received a high a secondary school certificate, **9 (30%)** had completed an undergraduate degree in the university and **7 (23.3%)** had completed a postgraduate degree (master). The cart pie below shows the results:

Education Level

30 responses



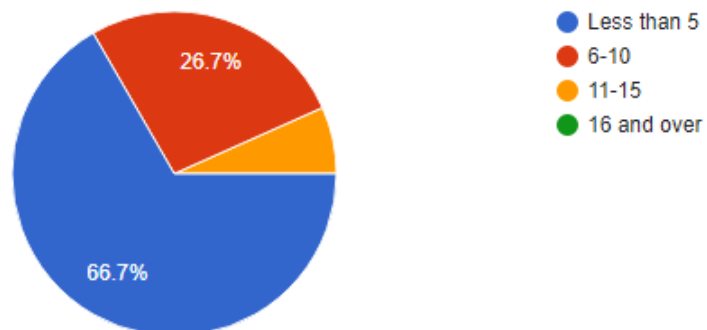
The chart pie below presents the demographic information for job title which was divided in: **RGM** (Restaurant General Manager), **ARGM** (Assistant General Manger) and **Shift Leader** Out of 30 respondents 8 (26.7%) were ARGM, 8 (26.6%) were RGM and 14 (46.7%) were Shift Leaders.



The results of the analysis of the years of employment to the organization indicated that out of 30 respondents **8 (26.7%)** had 6-10 years of employment in the organization, **2(6.7%)** had between 11-15 years and **20 (66.7%)** had less than 5 years of employment in the organization.

Years in Organization

30 responses



Part D: Open Ended Question

The participants were asked to express their opinions whether “PHC identifies high-potential employees? How does the Company work towards developing the future for those employees?”. On the answers below it is obvious that most of the employees do not consider that PHC identifies potential employees and maybe this is the main reason that most of the employees don't have career opportunities in this company. Take a look at the comments below:

PHC doesn't identify the high-potential employees and they do not develop any future for the employees. They only develop promises that they cannot keep.

The company is choosing employees based on context. If is "burning" we take action otherwise they do not take any actions at all.

I think they do not pay attention

Yes, the company identifies the high-potential employees and with the first opportunity they offer better position.

PHC identifies high-potential employees and they promote them when there is available position.

They don't pay attention on the employees they care only for short-term.

PHC doesn't identify high-potential employees.

There is no future in PHC.

I don't think so that they identify the high-potential employees.

I don't beleive that PHC identifies the good employees.

PHC does not identify anyone.

I think PHC identifies high-potential employees. A lot of employees can built their career in this company. In my opinion, the problem is that you need to spend years of hard-work in order develop the future. Nothing happens in short-term conditions,

PHC does not identify high potential employees. They choose the ones that accepted to stay and work for low salary including myself too. The true potential is in the 90% of people that they choose to LEAVE the company every year because there is no future for them in this organization.

I think PHC identifies potential employees but they do not develop any future for these employees.PHC gives you the opportunity to grow but not in the near future.You need to spend years in order to be promoted.

PHC identifies high-potential employees but they should spend more time and give more offers in order to develop these employees.

There isn't future for the potential employees because most of them they choose to leave the company,

PHC company try to improve the actions to keep the high-potential employees in the company for long-term. Still they don't really pay attention.

There is no future in PHC for anyone

If you work hard and you try to achieve your targets PHC is a good company to be. They will look at your potential and it is easy to grow in the company but the amount of responsibilities is too much, the expectations

No

No, i don't think that PHC identifies high-potential employees. The company doesn't really care if their employees will develop their future in this company.

The company identifies potential employees but they don't give opportunitiesfor them to "grow up" in the company.

The identify the good employees but needs too much time to pass in order to be able to start a career in PHC.

PHC has good understanding and can identify a good employee for promotion in order to give the opportunity for development. They arrange regular meetings and training in order to give them a high standard training. PHC stands next to any employee, ready to help in any situation and give information at any matter,

PHC identifies the potential managers but they don't give any motivation to the employees in order to "push" them to stay.

Yes, the company identifies high-potential employees and with the fiast opportunity offers them better position.

PHC Group provides everything needed for a high potential employee to develop.

Not really sure if the company pays attention on the employees.

Even if they identify the good employees none of them stays in the company because there is no appreciation.

PHC identifies the potential employees but there is discrimination between the brands. A bigger brand has more help and attention than a smaller one.

| Question | Average | St Dev. |
|---|---------|---------|
| <u>Self-evaluation:</u> | | |
| The work you do provides you security | 3,70 | 1,22 |
| Your work environment is satisfactory | 4,00 | 1,15 |
| The work you do provides you the possibility to use your skills | 3,80 | 1,11 |
| There is appreciation-respect for the work that you do | 1,17 | 1,17 |
| My job, provides me with opportunities to advance | 1,25 | 1,25 |
| I have clear goals assigned to me | 3,77 | 1,15 |
| If I achieve my targets I'm expecting reward | 4,00 | 0,97 |
| My Manager/Supervisor, encourages me to participate in training programs. | 3,93 | 1,18 |
| My Manager/Supervisor, informs me about the level of my performance at work. | 4,13 | 1,06 |
| My Manager/Supervisor, shows interest for the advancement/development of his/her employees. | 4,13 | 1,09 |
| My Manager/Supervisor provides me with the appropriate coaching and supervision | 3,97 | 1,17 |
| Appraisal meeting is useful and helps me understand my areas for improvement. | 3,60 | 1,28 |
| <u>Performance of Management System in PHC Company</u> | | |
| PHC Company invests in training and development. | 3,70 | 1,02 |
| Training programs, offered to the employees are of high level of quality | 3,70 | 1,00 |
| My time in regards to daily duties allows me to participate in training programs. | 3,17 | 1,07 |
| Promotion Criteria, in general terms are satisfactory | 3,23 | 1,12 |
| As an organization, PHC Company, cares about the employees' long term career | 3,17 | 1,39 |
| PHC Group of Companies creates teams with respect to group dynamics to achieve its targets. | 3,17 | 1,02 |
| At PHC Human Resources policies are followed? | 3,00 | 1,29 |
| I consider that PHC is an employer that provides career opportunities. | 3,50 | 1,18 |

Note: *The Standard Deviation* in most of the cases is more than 1.00 which indicates that that the individual responses, on average*, were a little over 1 point away from the mean. Meaning that, according to the results the employees of PHC are somewhat agree to totally agree that PHC is a good employer. The results from the questionnaire are not the expected ones. Employees seem to be satisfied from the company but there is always space for further development.

5.3 Conclusions

Based on the analysis of the results, the respondents of the research expressed that they **somewhat agree/somewhat disagree to strongly agree** according to the statements that were given to them.

Chapter 6: Conclusions and Recommendations

6.1 Introduction

In following chapter the researcher will make a reference to the purpose and objectives of this research, the evaluation of the research findings and the objectives which originally set in the survey.

Furthermore, the researcher will formulate new recommendations based on the research results. Finally, the researcher cites the limitations of this research and recommendations for conducting research in the future.

6.2 Purpose and Objectives

The purpose of this dissertation was to identify whether PHC Group can identify high-potential employees who will show promise to the company as well as to initiate programs which provide the skills and knowledge for them to lead and become good managers.

Also, this research in conjunction with the above objectives dealt with whether the company recognize the good members and the good managers currently working and how satisfy they are from their work in the company of PHC.

6.3 Conclusions

Based on the results presented in the previous chapter, the researcher found out the main conclusions, derived from the results of this research.

The researcher concluded that the managers working in the company of PHC Franchised Restaurants Public Ltd felt safe with their work and believe that the working environment was friendly since they could develop good working relationships. It is world know that, when a workplace is safe, employees feel more comfortable and confident when they are at work. Productivity goes higher, and profit margins follow suit. Absenteeism also drops down when employers take steps to implement an effective safety program. Additional to this, the employees

in this company had good relationships with their colleagues and they felt comfortable to share opinions and thoughts.

Moreover, as a conclusion we can make a reference on the education of the employees which was high enough and very useful for them to use their skills during their work. Besides this, the results of this research indicated that the employees of PHC undertake serious responsibilities in their work and therefore this indicated that the managers are not concentrated in the work.

Furthermore, the researcher in the conclusion find out that that the employees in PHC Company understood that their contribution to work is very important so to become more efficient. In the question relating to whether there is appreciation for the which is provided, the researcher concluded that the employees in PHC company work in a friendly work environment but there is not much appreciation and recognition as it should exist in this kind of jobs. This is maybe the main reason while the employees chose a short-term career in this company.

In the question relating to the relationship between the employees and the head management the picture is very clear. The employees could rely on their managers and they feel safe working with them but the same time there is no future for them in this company. Most of the employees were very satisfy from their manager but the only thing which goes wrong according to the results of the survey is that the head managers did not invest on their employees which is the main reason for not having career in PHC.

Based on the relevant results, the researcher concluded that PHC invest on training and development of the employees with high quality trainings but still is not enough. More training and more seminars should be done so to make sure that managers are ready to run a restaurant and ready to organize and coach staff members.

Additional conclusion is that PHC didn't built teams who can work effectively and efficiently so to achieve the monthly/yearly targets. Head managers should be able to diverse the teams in the way that everyone should be satisfy and the group dynamic should be in high quality. One more minus of the company which came out as a conclusion is that the employees of PHC did not believe that the company follows the Human Recourse policies and this is unfair for every employee. Human Recourse policy should be followed strictly from every company who respects its employees. So, in addition to this there was a last question on the questionnaire which was asking the employees to say their opinion about the PHC and if they believe that is an employer who provides career opportunities. The result was not the expected one so the researcher concluded that PHC is not an employer for a career job but an employer for a short-term work.

In the open question, the researcher can conclude that most of the answers were negative but some of them were very positive. The PHC Company is a very big company which represents

too many and very different from each other brands. Researcher's main conclusion is that the company invests more in some brands and less in some others. That is the reason why some of the employees believe that PHC is a good employer and the rest of them believe exactly the opposite. PHC does not use the same policy and strategy for each brand that is why there is discrimination between the brands. This is the main problem and the Head Office should take care of this soon.

6.4 Limitations-Suggestions

The survey was carried out among a limited number of respondents due to time and financial constraints. The researcher would have preferred to have access to more potential respondents and more time to gather a more meaningful dataset.

Another limiting factor is that the company owns too many shops but the researcher chose to collect information from the shops located in the town of Paphos due to time constraints again. For employees, the major concern is to retain their jobs. Head Office of the company should take measures to keep the good and potential employees. Changing strategies and policies over the years affect people in a negative way and influence their productivity in work.

The researcher suggests an increase on the dataset by participation of more employees working in the PHC Company so to increase the reliability of the results. The use of an additional mean of collecting information such as interview will be very useful for future research since it enables the researches to collect more significant information about factors that motivate in their work.

Further ways to improve employee engagement and performance:

- ***Communicate clear goals and expectations to your employees:*** *The majority of employees want to be a part of a compelling future, want to know what is most important at work and what excellence looks like. For **targets** to be meaningful and effective in motivating employees, they must be tied to **larger organizational ambitions**.*

- ***Share information and numbers:*** *Let them in on what is going on within the company as well as how their jobs contribute to the big picture. When you keep you employees informed they tend to feel a greater sense of worth. Keep communication hopeful and truthful – do not be afraid to share **bad news**, instead be more strategic about how you deliver it. **Improve performance through transparency** – By sharing numbers with employees, you can increase employees' sense of ownership.*

- **Encourage open communication:** You can get insight into what things are important to the employee by using surveys, suggestion boxes and team meetings. Be open-minded and encourage them to express their ideas and perspectives without criticism. This means putting into practice everything you have learned about effective listening. Address their concerns in the best way you can.
- **Actively promote organizational effectiveness, reputation, values and ethics:** Actively promote organizational effectiveness, reputation, values and ethics – Employees want to feel good about their leaders, where they work, the products they sell and the reputation of their company.
- **Culture:** Encourage employees to find a personal fit with the company culture.
- **Trust:** Employees need to trust each other as well as their leadership. Employees are constantly watching leadership to see how their decisions affect the strategic direction of the organization and if their behaviors reflect what they say.
- **Encourage innovation:** Engaged employees are innovative. They're always looking for a better way.
- **Create a strong team environment:** Strong employee engagement is dependent on how well employees get along, interact with each other and participate in a team environment.
- **Provide constant feedback on the positives:** When people know what they're doing well, they'll keep doing it – or, even better, do more of it. Providing someone with a little recognition on what they're doing well can go a long way toward boosting morale. This is not to say “ignore the weaknesses” – just don't make the weaknesses the only focus area of feedback. This doesn't mean you should not create accountability, it actually means the opposite – but, if all you do is criticize, people will learn how to hide their mistakes or shift blame.
- **Give immediate feedback:** Feedback is a two-way communication. It is the opportunity to share opinions and find solutions. Too many managers think should be the province of the annual personnel review. It's not. It should be a daily occurrence.

- ***Support employees in their work and growth:*** You can support employee growth by providing education and learning opportunities, cross training, coaching, and any other interactions that support employees' personal development.
- ***Collaborate and share on problem-solving:*** When employees get the idea that their manager or leader is the one who has to solve all the problems, it takes away from their sense of empowerment, and ultimately is likely to decrease engagement over time. Encourage team members to take responsibility, and work through problems or issues on their own, or collaboratively. It's not the manager's job to fix everyone else's problems.
- ***Celebrate both financial and non-financial achievements:*** Employees need to feel validated and that they are a valued part of the organization. Leadership needs to show how much they care for their employees and show recognition for efforts: **"If you want something to grow, pour champagne on it"**.

6.5 Feedback and Development

6.5.1 Conclusions on feedback and development

The researcher point out that current leadership team in PHC company is lacking on basic skills of leadership, and since competencies of leadership have not yet officially defined as well as the potential employees, one question is coming in mind: **How will PHC, define the size of the gap and plan for its subsequent closure?**

PHC has recognised the existing gap of leadership so the company is taking actions but not the desired ones which will assist in the development of the existing manager's capabilities such as:

- Continues restructuring
- Rotating managers
- Participation of managers into various broaden committees and meetings
- Training programmes on managerial skills, staff appraisal, communication skills etc.
- Daily exposure and some coaching

6.5.2 Suggestions for further research

With regards to PHC, a further research is recommended to the following fields:

- ❖ Corporate Governance and Board of Directors upgraded role.
- ❖ Culture and Communication
- ❖ Appraisal process and document
- ❖ Rotation

Furthermore, it should be beneficial to examine PHC Company in a three years' time for today on same subject to elicit any improvements to be done and suggest more detailed areas for further improvement.

6.6 Overview of Recommendations and Benefits to be Gained

The expected slow-down, should be an opportunity to shape-up and show that the organisation has a future prospect. The challenge for PHC is to change the culture through the various actions and mechanisms recommended on this thesis.

A manager should be well trained in all the sectors of the leadership in order to be able to approach any kind of employee specially when is accepted that employees are not robots but humans with differences between each other. A manager who can easily lead different kind of people is a successful manager

Additional to this, in order to increase the motivation and pleasure of employees a manager should create a strong linkage between the organization and the work. When an employee feel the above linkage, he/she is more likely to stay within the organization and feel pleasure.

Moreover, managers should focus on the use of the power of positive reinforcement so to be able to avoid negative behavior of the employees. Giving feedback positive/negative for the employee's performance with the appropriate way, sometimes helps better to being positive at work.

Furthermore, fairness is a very big issue. The employees are likely to compare each other so managers should treat them on a fair way. Compensation of employees will **be the same for the same production** both in and out of the organization, otherwise they will feel unhappy and not motivated.

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Appendices

Appendix A

Neapolis University
Pafos

Questionnaire on: “Career Planning and Management Succession: The Case of PHC Franchised Restaurants Public Ltd Company”

As part of completing my MBA Dissertation with Neapolis University in Paphos I have developed this questionnaire on « Career Planning and Management Succession: The Case of PHC Franchised Restaurants Public Ltd Company ». The supervisor of the work is Mr. Kyriakos E. Georgiou.

The purpose of this research is to investigate whether there is an opportunity for a career development in PHC Company and how successful is the management team taking into consideration the existing and trainee managers of the company.

The sample selection was made by the method of selective sampling and the reference population of this study includes employees from the different brands of the company which located in Paphos.

Note that the content of your responses will be fully considered as confidential and anonymous, so please **do not write your name or whatever on the questionnaire is likely to indicate your identity**. The survey results will be used solely for the purpose of this investigation.

Please note that your participation in this study is optional and you can reject participating at any given time. The completion of the questionnaire that follows is very important to be able to implement this research.

Thank you for your cooperation and help.

Evangelia Salamiotou

| | <i>Question</i> | <i>Answer</i> |
|----|---|---------------|
| | <p><u>Self-evaluation:</u></p> <p>To what degree do you think each of the following statements applies in your case:</p> <p>1 =Strongly Disagree, 2 =Somewhat Disagree, 3 = Neither Disagree / Neither Agree, 4 = Somewhat Agree and 5 = Strongly Agree</p> | |
| 1 | The work you do provides you security | 1 2 3 4 5 |
| 2 | Your work environment is satisfactory | 1 2 3 4 5 |
| 3 | The work you do provides you the possibility to use your skills | 1 2 3 4 5 |
| 4 | There is appreciation-respect for the work that you do | 1 2 3 4 5 |
| 5 | My job, provides me with opportunities to advance | 1 2 3 4 5 |
| 6 | I have clear goals assigned to me | 1 2 3 4 5 |
| 7 | If I achieve my targets I'm expecting reward | 1 2 3 4 5 |
| 8 | My Manager/Supervisor, encourages me to participate in training programs. | 1 2 3 4 5 |
| 9 | My Manager/Supervisor, informs me about the level of my performance at work. | 1 2 3 4 5 |
| 10 | My Manager/Supervisor, shows interest for the advancement/development of his/her employees. | 1 2 3 4 5 |
| 11 | My Manager/Supervisor provides me with the appropriate coaching and supervision | 1 2 3 4 5 |
| 12 | Appraisal meeting is useful and helps me understand my areas for improvement. | 1 2 3 4 5 |
| | <p><u>Performance of Management System in PHC Company</u></p> <p>To what degree is the management system successful:</p> <p>1 =Strongly Disagree, 2 =Somewhat Disagree, 3 = Neither Disagree / Neither Agree, 4 = Somewhat Agree and 5 = Strongly Agree</p> | |
| 13 | PHC Company invests in training and development. | 1 2 3 4 5 |
| 14 | Training programs, offered to the employees are of high level of quality | 1 2 3 4 5 |

| | | |
|----|---|-----------|
| 15 | My time in regards to daily duties allows me to participate in training programs. | 1 2 3 4 5 |
| 16 | Promotion Criteria, in general terms are satisfactory | 1 2 3 4 5 |
| 17 | As an organization, PHC Company, cares about the employees' long term career | 1 2 3 4 5 |
| 18 | PHC Group of Companies creates teams with respect to group dynamics to achieve its targets. | 1 2 3 4 5 |
| 19 | At PHC Human Resources policies are followed? | 1 2 3 4 5 |
| 20 | I consider that PHC is an employer that provides career opportunities. | 1 2 3 4 5 |

Demographics:

25. Gender 1. Male____, 2. Female ____
26. Age ____
27. Community of residence _____
28. Education level:
1. Primary School __ 2. Secondary School / Lyceum __ 3. University __
4. Master __
29. Job Title: _____
30. Years in Organization: _____

Open Ended Question:

31. Do you think that PHC identifies high-potential employees? How does the Company work towards developing the future for those employees?

Appendix B

| Question | n | Strongly Disagree | Somewhat Disagree | Neither Disagree/Neither Agree | Somewhat Agree | Strongly Agree |
|---|----|-------------------|-------------------|--------------------------------|----------------|----------------|
| Self-evaluation: | | | | | | |
| The work you do provides you security | 30 | 33% | 27% | 23% | 13% | 3% |
| Your work environment is satisfactory | 30 | 7% | 7% | 7% | 40% | 40% |
| The work you do provides you the possibility to use your skills | 30 | 3% | 10% | 23% | 30% | 33% |
| There is appreciation-respect for the work that you do | 30 | 10% | 7% | 33% | 30% | 20% |
| My job, provides me with opportunities to advance | 30 | 3% | 13% | 27% | 27% | 30% |
| I have clear goals assigned to me | 30 | 7% | 3% | 30% | 27% | 33% |
| If I achieve my targets I'm expecting reward | 30 | 3% | 3% | 13% | 43% | 37% |
| My Manager/Supervisor, encourages me to participate in training programs. | 30 | 3% | 7% | 37% | 7% | 47% |
| My Manager/Supervisor, informs me about the level of my performance at work. | 30 | 0% | 10% | 20% | 17% | 53% |
| My Manager/Supervisor, shows interest for the advancement/development of his/her employees. | 30 | 0% | 13% | 13% | 20% | 53% |
| My Manager/Supervisor provides me with the appropriate coaching and supervision | 30 | 0% | 20% | 10% | 23% | 47% |
| Appraisal meeting is useful and helps me understand my areas for improvement. | 30 | 13% | 0% | 30% | 27% | 30% |
| Performance of Management System in PHC Company | | | | | | |
| PHC Company invests in training and development. | 30 | 3% | 13% | 27% | 40% | 17% |
| Training programs, offered to the employees are of high level of quality | 30 | 3% | 10% | 20% | 47% | 20% |
| My time in regards to daily duties allows me to participate in training programs. | 30 | 7% | 20% | 37% | 30% | 7% |
| Promotion Criteria, in general terms are satisfactory | 30 | 7% | 17% | 40% | 20% | 17% |
| As an organization, PHC Company, cares about the employees' long term career | 30 | 17% | 17% | 23% | 20% | 23% |
| PHC Group of Companies creates teams with respect to group dynamics to achieve its targets. | 30 | 3% | 23% | 30% | 33% | 10% |
| At PHC Human Resources policies are followed? | 30 | 20% | 17% | 23% | 27% | 13% |
| I consider that PHC is an employer that provides career opportunities. | 30 | 10% | 7% | 27% | 37% | 20% |

Appendix C

Understanding Jobs and Career Paths as a Hierarchy of Positions



Figure 6, Source: Smilansky, (2006:146)

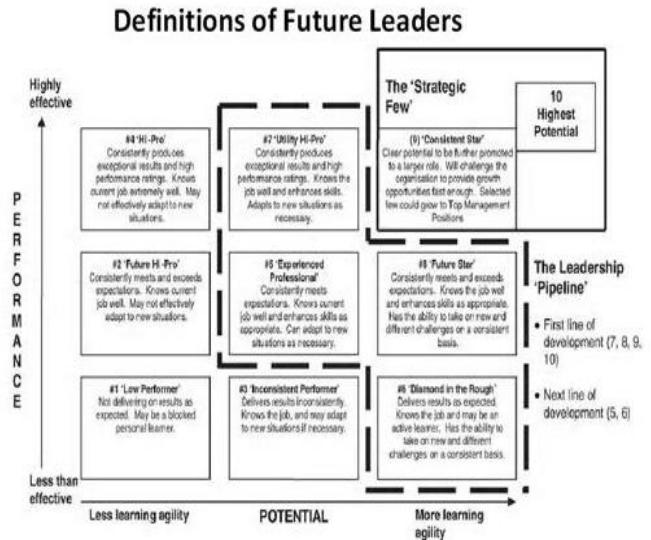


Figure 7, Source: Smilansky, (2006:146)

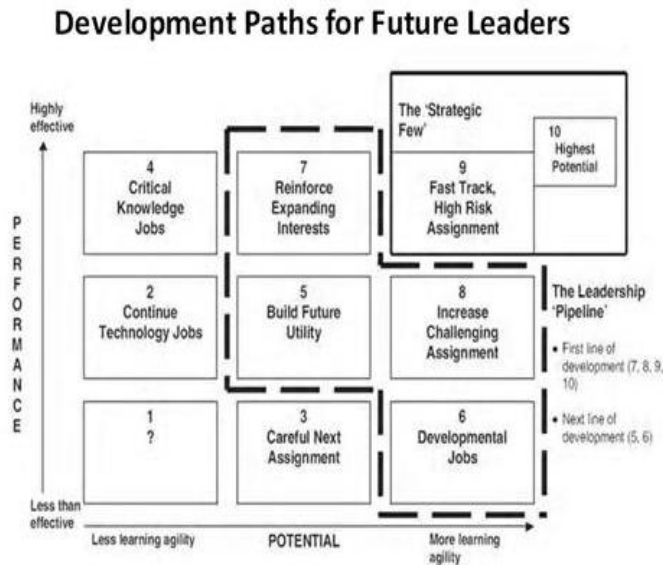


Figure 8, Source: Smilansky, (2006:146)

Appendix D

Four Generations at Work

| | Traditionalists 75 million born pre-1945; 10% of workforce | Baby Boomers 80 million born 1945-1964; 45% of workforce | Generation X 46 million born 1965-1980; 30% of workforce | Generation Y 76 million born post-1980; 15% of workforce |
|-------------------------|--|---|---|---|
| Formative Events | Great depression World war | Post-war prosperity Largest generation | Globalization Downsizing Technology boom | Prosperity/uncertainty Violence/terrorism Outsourcing/under-employment |
| Socialization | Scarcity/hardship Parent at home | Prosperous/safe Anything is possible Parent's focal point | Latchkey kids | Strong social pressure Structured life/live at home Nontraditional families Active role in family Fallout from work Nonstandard work Multiculturalism |
| Imprint Made | Greatest generation Dual incomes | Free generation Redefined norms Civil rights | Me generation Dot.com stars Free agency | We generation Wired/switch/populist Work at early age/worldly |
| Pattern | Stay with company | Loyal Workaholic Sink or swim | Live on edge Embrace change Devalue long hours Job hop Will find a way | Expect to make decisions Need to achieve/self-reliant Curious/energetic/question Distrust job security Dislike face time/menial job |
| Qualities | Loyal Self-sacrificing | Pro-growth/change Competitive Optimistic/confident Paid dues/climbed Want it all | Independent Individualistic Distrust companies Lack loyalty Entrepreneurial | Large size/diverse/loyal Skilled/energetic Polite/positive/leave none Socially conscious/hopeful Sophisticated/demanding |
| Value | Family Patriotism | Success/materially Free expression Reform Equity | Skill more than title Work-life balance | Heroism/patriot/virtue/duty Elderly/family/home/time Service/respect more than \$ Work to live; shared norms |
| Assets | Wisdom Experience Perseverance | Social skills | Technology skills Education Fast track to manage | Educated/experienced Sociable/technical/perform Work ethic/multitask |
| Lack | Technology skills | Technology skills | Social skills | Direction/focus/confidence Interpersonal/soft skills |
| Style | Top-down Directive Inform as needed Take charge Do what's right | Respect authority Network Micro-manage Proactive Work hard | Skeptical Reluctant to network Outcome-focused Achieve well/fast Bend rules as need | Get done/produce/negotiate Plunge right in/fast-paced Open and civic-minded Blend work and play Measure own success |
| Strategy For | Respect experience Share past lessons Reward staying Teach to assert Match learning style Use as teachers Rehire to coach/lead | Give important roles Value contributions Show respect Minimize conflict Sensitize feedback Be flexible Challenge to grow Have coach/facilitate | Recruit traditionally/ad Manage by coach Don't micro-manage Reduce rules/layers Allow innovation Update technology Feedback quickly Specify and help Credit for results Train just-in-time | Treat fairly/professionally Give meaningful/fun work Challenge intellectually Meet growth/personal goals Model expected behavior Manage inclusively/belong Provide importance/voice Have positive/open environ Don't over-promise/hype Assign projects/teams/tasks Allow freedom to try/access Focus by speed/target/win Train strategically/digitally Clarify big picture/timeline Specify roles/responsibilities Use to reverse mentor Streamline/target recruiting |

Figure 9, Source: Eisner (2005)

Appendix E

Best Practices in Succession Planning

| Component | Best Practice | Representative Source | Component | Best Practice | Representative Source |
|----------------------------------|--|--|-----------|--|---|
| Overall process | Translate business strategy into a talent strategy. This increases its relevance, as well as the chances that it will produce real benefits for the organization. | Corporate Leadership Council, 2003; Garman & Glawe, 2004; Rothwell, 2005 | | Early identification and development of leadership talent below the top level helps ensure an organization has a ready supply of leaders in the pipeline. | Bernthal & Wellins, 2006; Corporate Leadership Council, 2003; Cohn, Khurana, & Reeves, 2005 |
| | Secure active involvement and support from the top. Substantive involvement in succession planning from the top breeds commitment and buy-in, and models its importance for the rest the organization. | Garman & Glawe, 2004; Kessler, 2002; Sobol, Harkins, & Conley, 2007 | | Talent is reviewed across the organization—talent is not siloed. The most talented leaders are placed in the most critical business functions. Human resources are an organizational asset. They do not belong to one manager or one function. | |
| | Install a systematic and cyclical process of talent identification, review, and development. Good succession planning cannot be a one-time or periodic event. | Dowell, 2002; Rothwell, 2005 | | Formal criteria—usually a core set of leadership competencies—are used to evaluate successor candidates. Ratings against commonly understood and accepted criteria (e.g., competencies) tailored to the organization add considerable breadth and objectivity to the evaluation process. | |
| | Succession planning activities are coordinated with other HR and management systems and processes. HR is a critical partner. Succession planning becomes real and practical when it is the responsibility of line management. HR professionals are critical to developing the best design, the most effective tools, and the appropriate evaluative metrics. | Karaevli & Hall, 2003; Kessler, 2002; Rothwell, 2005 | | Define potential and the requirements for performance at the next level. Performance does not necessarily equate to potential. It is critical in succession planning that those judging talent be educated on what success at the next level really entails so they can evaluate accurately. | |
| | Design simplicity and flexibility into the succession planning system. Like all systems and processes, succession planning must be continuously improved. | Conger & Fulmer, 2003; Karaevli & Hall, 2003 | | Feedback and development | |
| Talent identification and review | Key departures are anticipated—succession planning is focused on the talent most critical to the business's future. Not all leadership positions are equally critical. Some functions and some positions within functions are more important than others. | Barner, 2006; Conger & Fulmer, 2003; Corporate Leadership Council, 2003 | | Diverse developmental experiences increase leadership readiness. When development is taken seriously, organizations minimize the risk of promoting someone who will fail in their new role. New or expanded job responsibilities or stretch assignments do the most to prepare individuals for future leadership roles; however, coaching, mentoring, and formal training are also useful. | Conger & Fulmer, 2003; Corporate Leadership Council, 2005; Garman & Glawe, 2004; Rothwell, 2005 |
| | Succession planning spans several levels and is not replacement planning. Succession at the top is necessary, but not sufficient for most organizations. | Bernthal & Wellins, 2006; Karaevli & Hall, 2003; Kessler, 2002 | | Measurement | Establish measures of succession planning effectiveness. Evaluate the impact of succession for the organization as well as on the individuals who are involved. |

(continued)

Source: Barnett & Davis (2008)