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Talent management in the technological sector in Portugal

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Master's in Human Resource Management and Organizational
Consulting

Supervisor:
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November, 2022

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Department of Human Resource and Organizational Behavior

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Acknowledgements

Thank you to my parents and my brother.

Thank you to my family and friends for all the support and encouragement.

And, at last, thank you to all of the companies that made themselves available to participate.

Abstract

This research aims to understand what the human resource practices being utilized in the technological sector in Portugal are. Aiming to get a better understanding regarding how companies in this sector attract and recruit the best talent, develop their skills and how they maintain these types of employees working with them. All of these research guiding topics leading to the following focus question: do companies in the technological sector in Portugal have a defined Employee Value Proposition and do they use it for their benefit?

To understand this, three interviews were conducted with human resource professionals from companies with different sizes and based in different areas of the technological sector present in Portugal – Company A, Warpcom and Huawei, which are companies from the telecommunications, service providers, and information and communications technology provider ranging from small and medium enterprises, multinational companies and one of the top 10 companies in the portuguese market.

Even though the companies considered have very different characteristics, there are common human resources practices among them. However, an important factor for all employers in this sector in the future should be to companies invest in the development and differentiation of their Employee Value Proposition and to divulge it among their candidates and employees. Besides that, it is also clear the impact that globalisation has on this sector and the difficulty it imposes to employers.

Keywords: Employee Value Proposition, Technology, Attraction, Development, Retention

JEL Classification: M15 IT Management; O15 Human Resources

Resumo

Esta investigação visa compreender quais são as melhores práticas de recursos humanos que estão a ser utilizadas no setor tecnológico em Portugal. Com o objetivo de compreender melhor como é que as empresas deste setor atraem e recrutam os melhores talentos, desenvolvem as suas competências e como retêm este tipo de colaboradores. Todos estes tópicos orientadores da investigação conduzem à seguinte questão: as empresas do setor tecnológico em Portugal têm uma Proposta de Valor definida e utilizam-na para seu benefício?

Para compreender isso, foram realizadas três entrevistas com profissionais de recursos humanos de empresas de diferentes dimensões e situadas em diferentes áreas do setor tecnológico em Portugal – Empresa A, Warpcom e Huawei, que são empresas dos setores de telecomunicações, prestadores de serviços e fornecedores de tecnologias da informação e comunicação que variam desde pequenas e médias empresas, empresas multinacionais e uma das empresas do top 10 no mercado português.

Embora as empresas consideradas tenham características muito diferentes, há práticas de recursos humanos comuns entre as mesmas. No entanto, um fator importante para todas as chefias deste setor, no futuro, deverá ser o de investirem no desenvolvimento e diferenciação da sua Proposta de Valor e divulgá-la junto dos seus candidatos e colaboradores. Além disso, também fica claro o impacto que a globalização tem neste setor e a dificuldade que impõe aos empregadores.

Palavras-chave: Proposta de Valor, Tecnologia, Atração, Desenvolvimento, Retenção

Classificação JEL: M15 IT Management; O15 Human Resources

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Introduction

Digital transformation is known as the “*continuous process of climbing the scale of digital maturity and other technologies along with the organizational practices to create a digital culture*” (Ivančić *et al.*, 2019, p.36), which translates in more profit for the companies that are able to go through with this change. However, Boneva (2018) has reached the conclusion that out of the 75% of businesses that aim to be digital or go through some form of technological transformation, only 30% will be successful with this change. Although there are several reasons why this change happens, the primary one is related to the organization’s culture and its perspective on change. Besides that, employers need to be aware of the resources that they need in order to carry out digital transformation in their organization (Boneva, 2018).

This is why talent management is such a crucial aspect in an organization because it “*is the response of enterprises to the challenges of the contemporary economy as the identification and retention of the appropriate time and at the appropriate place*”, as defined by Stuss (2020, p.198). Talent attraction and training are the strategies that will have the biggest impact on an organization that is trying to have any organizational change.

Previously, HR focused on talent programs to guarantee that the organization had high potential and talented employees. Due to this, companies invested, mainly, in the training of employees and making sure that these were engaged (Martínez-Morán *et al.*, 2021). Nowadays, there is a high demand for companies to answer to the digital transformation challenge and the Covid-19 pandemic has made an even bigger burden on organizations to fasten this process. This shows how it is not only important that HR professionals are focused on attraction but also on the retention of the employees.

According to Martínez Morán *et al.* (2021, p. 14), Spanish companies are already focusing too much on recruiting rather than developing the existing talent because it is reported that they have “*a bias that focuses on talent acquisition more than talent retention*”. However, this poses the question: are portuguese companies in the technology sector doing the same?

In 2017, Portugal was in the 10th position of the top 10 countries with the biggest growth of employees in the technology sector, as mentioned in the Atomico State of European Tech Report. When compared with the previous year, there was a growth of 2.6% in the technological sector, which shows that this variance was three times higher than the average European growth across all sectors of economy (Diário de Notícias, 2017). This leads to the central questions of this research: with such high increases of employees every year, how are companies in the technology sector able to manage their talent?

Organizations are realizing that not only attracting the best candidates is a difficult task but also retaining the talent in the company composes a challenge to the organizations. However, people value different things in an employer due to their different generations, skills and knowledge and the

technology sector has also been reported to be a special case. This led to the following research points:

- a) How do companies in the technological sector in Portugal attract and acquire candidates?
- b) How do these types of enterprises develop the existing talent?
- c) How do companies in the technological sector in Portugal retain the talent?

And, these three points contribute to main research topic: the Employee Value Proposition definition and importance on the portuguese Human Resources strategies. At the end of this investigation, it will be possible to understand what the best HR management practices in the technological sector in Portugal are, what are the gaps in these organizations in terms of talent strategy and what can be improved in the future.

To move forward with this investigation, there are several concepts that need to be understood, such as: talent management, talent attraction and acquisition strategies, talent development strategies, talent retention strategies, composition of the technology sector in Portugal and, at last, talent management in the technology sector in Portugal. Due to the importance of this topics, Chapter 1 – Literature Review is dedicated to the analysis and comparison of several articles about it.

During the Chapter 2 – Methodology, it is developed how the data will be collected with the objective of answering the target goals of this study, explaining who composes the target population and the kind of questions that will guide the interviews.

Chapter 3 – Analysis and Discussion of the results is focused on the analysis and comparison of the answers given by the HR professionals interviewed and, at last, Chapter 4 – Conclusion, includes some considerations that companies in this sector in Portugal should take into consideration moving forward, namely, the importance of investing in the EVP.

Chapter 1. Literature Review

1.1. Talent Management

HR Management is a crucial topic in organizations. Due to these depending more and more on the skills and knowledge of the employees, they are now part of the competitive advantage (Lišková *et al.*, 2013). There are several aspects that have led to the necessity of the presence of strategic HR management such as: increasing global mobility, expanding workforce diversity and the technological advances. *“To leverage strategic human capital, organizations must effectively acquire or develop, then deploy employees to best apply their knowledge, skills and abilities to tasks and processes in line with a firm’s strategic needs and changing environmental conditions”* (Whysall *et al.*, 2019, p.118).

Therefore, it is so important to define and monitor the key indicators of performance, since efficiency, effectiveness, productivity, profitability, and income rate are issues present in every organization. The enterprises in the technology sector understand this more than the others, since they constantly need to guarantee the presence of the more recent and interesting skills.

A very common way to evaluate the employees’ performance is through competencies and it should be a continuous process, by allowing the employees to develop themselves according to the organizational objectives and goals. Competencies can be described as the knowledge, skills, attitudes, and characteristics that organizations demand that employees have, in order to be able to perform their job in the best way possible. However, there are three conditions that allow for a competent and an outstanding performance, which are the following: the employee has to have the skills and knowledge needed to do the job, he/she is motivated, and the environment enables his/her good performance (Lišková *et al.*, 2013).

Competency-based performance defines the activities and knowledge necessary for each job function (Anvari *et al.*, 2016). This will facilitate the recruitment and selection process since the HR professionals now know what is expected of an individual in a certain position and it can also help the organization understand what skills still need to be developed.

The definition of talent management normally includes all of the aspects mentioned previously. However, the term “talent” has only started to become popular during the last two decades and because of it, there is not a standardized definition (Ansar & Baloch, 2018).

According to Cappelli and Keller (2014), there is usually a common understanding by the researchers when it comes to talent management, defining it as: the process of how organizations are able to anticipate and meet their needs regarding its strategic jobs. Due to this, the definition of talent management that will be used as reference for this research is by Gallardo-Gallardo *et al.* (2020), which says that it *“can be described as the activities and processes that involve the systematic attraction, identification, development, engagement, retention, and deployment of those*

talents which are of particular value to an organization to create strategic sustainable success” (p. 457).

Dalal and Akdere (2018) discussed the contrast of considering an inclusive versus an exclusive approach to talent. The first one, inclusive, would signify that the entire workforce is considered potential talent. Recently, this approach was the focus to respond to egalitarian concepts in the 1960s and 1970s and also to the creation of workplace regulations, which demanded that all employees are treated equally (Cappeli & Keller, 2014). In contrast, the exclusive approach defines that only a portion of the employees are seen as talented. Besides that, it is based in the strategy of resource optimization, which defends that organizations should make greater investments in the individuals or jobs that are more strategic to the business (Cappelli & Keller, 2014).

As reinforced by Ansar and Baloch (2018), Lewis and Heckman compiled in 2006 the three different perspectives regarding talent management. The first one defends that talent management is a way to rebrand the term HR Management, with the objective of improving the practices utilized. Second, there is the perspective that this concept is a mechanism for organizations to have prepared “talent pools”, in order to always guarantee the sustainability of the organization while having a regular supply of able workers. At last, there is a division between exclusive and inclusive approach, as mentioned previously. On the one hand, the exclusive approach defends that not all employees should be seen as “talented” individuals and that organizations need to have only the best performers while gradually eliminating the employees that do not meet the desired performance standards. On the other hand, the inclusive approach believes that all employees are talented and that organizations need to encourage and give them the opportunity to become better professionals.

The success of organizations, nowadays, depends on their resources, specifically, the HR, which is often referred to as talent. Even though there still is not a consensus regarding the definition of talent, the reference for this study is: a “*combination of a sharp strategic mind, leadership ability, emotional maturity, communications skills, and the ability to attract and inspire other talented people, entrepreneurial instincts, fundamental skills and the ability to deliver results*” (Ansar & Baloch, 2018, p.177). Following that, employees are essential because of their knowledge and skills, and there are seen as a key for the organization’s sustainability and adaptability. However, it is necessary to take measures regarding the attraction and retention of talented employees due to the volatility of the labour market, namely, because of the current phenomenon that is the high mobility of knowledge workers (Gourova *et al.*, 2017).

Attracting and retaining employees is being proven to be an issue for organizations since high-skilled workers are always looking for the next challenge, which will translate in an opportunity to learn and develop their career. In addition, there are also a lack of HR in the technological sector and the Covid-19 pandemic has come to aggravate it. It is reported that several countries such as United States of America, United Kingdom and the Netherlands are taking advantage of the fact that portuguese employees receive lower salaries and are very qualified (Peralta, 2021). But what kind of impact does it have in the companies in Portugal that are a part of this sector?

All organizations are constantly living in a dynamic and uncertain environment, which is known as the VUCA context. This is the acronym used to refer to the volatility, uncertainty, complexity and ambiguity felt in the corporate world. Volatility stands for the rapid changes that are constantly happening in organizations, which show how unstable and unpredictable that these can be. Then, uncertainty reinforces what the previous component defines since there is not any predictability regarding possible issues or events happening in the organization. The third component, complexity, which has only been aggravated with the globalization (Nandram & Bindlish, 2017). At last, ambiguity justified by the different views present in an organization. The open labour markets and the possibility of moving employees across different jobs and areas within the organization have shown the importance of having a defined talent pool, which is defined by Cappelli and Keller (2014, p. 309) as *“the high-performing incumbents in strategic jobs and those individuals identified as having the potential to occupy strategic jobs in the future”*.

In conclusion, technology has only come to aggravate the fast-paced development and the unpredictability felt in organizations. Sharma and Singh (2020) refer that having a sustainable competitive advantage fits the best with the VUCA context since it will translate in successful recruitment and retention practices and the organizations will also demonstrate economic growth.

1.2. Talent Attraction and Acquisition Strategies

According to the attraction-selection-attrition (ASA) model, different organizations are able to attract, select and retain different types of people (Monteiro *et al.*, 2020). Employer branding and EVP are two aspects that facilitate the ability of the organizations to position itself in the market, impacting all HR functions.

Employer branding is defined as the employees and candidates' perception of the organization, which aims to attract the most appropriate and talented workers, while increasing the loyalty, commitment, and engagement of the current employees (Ahmad *et al.*, 2019). According to Gourova *et al.* (2017), there are several patterns used to attract talent. First of all, employees are the organizations' ambassadors because what they share of their experience and perception of the organization can influence potential candidates. Then, it is important to find the people that fit the best with the organization, because, otherwise, it could destroy the internal environment. At last, the organization should meet the expectations of the employees to make sure that they have the best experience possible. All of the aspects mentioned can impact people's perception and, consequentially, the organizational reputation.

However, C-level executives have not always understood the important of employer branding since it is a relatively new concept but as Adams (2022) noted employers have understood that it constitutes an important strategy to attract and retain top talent. The Covid-19 pandemic has been a catalyst for this change of thinking since it has highlighted how much employee value having a purpose, team cohesion and a positive employee experience. The Great Resignation has only come

to reinforce the need that organizations have to differentiate themselves from competitors, which also contributes to the development of employer branding.

However, this raises two different questions: What is the Great Resignation and has it reached Portugal? For now, there is only answer for the first one. As defined by Cook (2021), the Great Resignation is the nickname given to the phenomenon perceived in the United States of America as of July of 2021 since 4 millions of Americans quit their job in that month, which lead to 10.9 millions open jobs at the end of July. The highest resignation rate is of employees between 30 and 45 years old, which had an average increase of over 20% between 2020 and 2021. Although it is usually higher for younger employees, it has decreased for employees within the range of 20 to 25 years. Cook (2021) suggests that this change in the paradigm happened because of the higher demand of mid-career employees. Remote working has limited the possibility of training entry-level employees and it is also possible that many of these employees delayed their resignation due to the uncertainty caused by the pandemic. This phenomenon was reported mainly in the health care and tech sector, which increased by 3.6% and 4.5%, respectively, when compared with the previous year. Cook (2021) stated that the resignation rates were higher for the employees that were put in a higher level of stress due to the pandemic, having an increase in the workload and burnout.

Additionally, Adams (2022) identifies 3 components that can help organizations establish an employer brand. First, reputation weights greatly for candidates when making an application or when joining an organization due to the impact it might have on their reputation and how they are perceived. There are “three Cs” that can help evaluate the reputation of an organization – career catalyst, culture and citizenship. In addition, employees need to see organizations as a possibility of growing professionally, while identifying with the organizational values and having a sense of purpose. By understanding what composes an “ideal candidate”, it will also facilitate the understanding of motivations and incentives for future candidates.

The second component is the EVP. It has defined the benefits, tangible and non-tangible, of joining a specific organization (Pandita & Ray, 2018). Some of the aspects that can influence the amount time that employees will stay in the organization are: *“friendly and pleasant working environment, team work and collaboration, efficient leadership, timely recognition and merit-based rewarding, knowledge enhancement and career development opportunities, etc.”* (Gourova et al., 2017, p.2). In addition, the benefits offered to the employees should be proportional to the expectations set by the employers, which will guarantee that the value proposition is fair. *“Employers can demand hard work, long hours, innovation, and top performance if that’s what it takes to progress toward organizational goals. But they must adequately reward employees who meet those demands in a way that aligns with employees’ personal and professional goals”* (Adams, 2022). With this component surges the following question: do companies in the technology sector in Portugal have a defined EVP and do they use it for their benefit?

At last, Adams (2022) suggests that employee experience is the final aspects that will help consolidating the reputation of an organization as an employer. In this thematic, it is clear the

necessity of investing in the Employee Experience since more than 40% of employees worldwide considered leaving their jobs last year, as reported by IDC. It also analysed Employee Experience management strategies worldwide in 2021 and Cox (2022) discovered that 85% of the respondents viewed that by investing in the employee experience and employee engagement, will lead to a better level of customer experience, customer satisfaction and revenues for their organization. Both Adams (2022) and Cox (2022) agree that when there are defined expectations that employees are able to achieve and when these are rewarded accordingly, there is more likely to exist a positive employer-employee relationship. To complement this, organizations are investing in an alumni network since previous employees can give testimonials regarding their experience at the organization, while also being a source of candidate referrals and increasing the organization's ability to attract top talent (Adams, 2022).

With the objective of attracting the best talent in 2022, Mahony (2022) has also added that there is a need to invest in a culture of belonging, flexibility, and growth, which has become an important aspect during the last years due to the diversity of people present in the organizations and also because many employers have offered the possibility of remote or hybrid working. Employees have the necessity of identifying with the EVP, which means that it needs to be authentically human – show who the organization and what it defends, whether it is social causes, diversity, inclusion or sustainability.

As mentioned previously, employer branding plays an important role when it comes to having the best talent on an organization. Wolf *et al.* (2014) have reported that the use of social media has been an emerging strategy across all areas of HR Management. Both “top-bottom” and “bottom-up” strategies” are used but these are used with different objectives and have different impacts. “Top-bottom” is used mainly for external public, focusing on attraction and alumni engagement while “bottom-up” appears to be used mainly for internal communication and collaboration. Even though it seems that social media is not used consistently across the different areas of HR, it appears that *“some social media platforms were consistently utilized for mainly attraction and selection activities and alumni engagement”* (Wolf *et al.*, 2014, p. 6).

1.3. Talent Development Strategies

In the current age, organizations have a need for the so-called knowledge worker, which has been characterized as someone who possesses the knowledge, skills and abilities that are valued by the market and that has a quick learning ability, while having some expertise in the information and communication technologies (Nascimento, 2015). The Fourth Industrial Revolution has come to expose this organizational need since they will need to develop their workforce taking in consideration the competencies that are required for the sector of industry that they are integrated in (Karacay, 2018). Additionally, to be the most effective organization, employers have to provide the necessary means to guarantee that workers can do their job in the best way possible.

The most important and used way to invest in the employees is: professional training, which is described by Nascimento (2015) as the essential pillar that connects HR policies, strategies and business objectives of any company, with the objective of contributing to the satisfaction of the needs of individuals and the organization and to the development of both.

Besides reinforcing the learning and development of the employees, training can be beneficial for organizations since it contributes to the creation of more competitive organizations, that are prepared to learn continuously and are more flexible when responding to present and emerging needs. These types of organizations are known as learning organizations (Ferreira *et al.*, 2015).

Additionally, organizations need to assess the employees' performance and potential with the objective of developing their resources and identifying the internal talent pool. By evaluating performance, employers will have a better understanding of who are their current high performers while evaluating potential, allows for an analysis of which are the individuals capable of fulfilling strategic positions in the organizations (Cappeli & Keller, 2014).

There are other strategies used to invest in the organizations besides the traditional training. One of them is career lattice, which is a theory that defends that there are multiple paths for employees in the organization in addition to the traditional job ladder. This allows for the employees to move vertical and horizontally across the organization. The existence of internal job boards facilitates this process since current employees can apply for new jobs within the organization and this is a practice being used by more than 95% of organizations (Cappeli & Keller, 2014). Is internal mobility a practice being used by technological organizations in Portugal or do they maintain the focus on the traditional career path?

The importance of mobility also stands out for multinational enterprises. These types of organizations need prepare the future global leaders, which translates in identifying potential employees that could fulfill these roles and are able to work successfully with people from different cultures and backgrounds. However, it is also necessary to offer similar international job opportunities for those who have interest in developing an international career (Cappeli & Keller, 2014).

Additionally, onboarding is also a phase of the integration of a new employee that should not be left out, especially with the new possibility of remote and hybrid work. Therefore, as suggested by Sibisi and Kappers (2022), it is necessary to have a structured program and the average duration is of 90 days, since it was reported that employees need around 12 months to reach their full performance when starting a new position.

1.4. Talent Retention Strategies

Following what was mentioned previously, talent retention can be described as the systematic efforts made by organization with the objective of giving their employees a better working environment and conditions so that these stay for a long period of time (Monteiro *et al.*, 2020). With the constant

change in the job market and also the presence of different generations, people will value different things, which means that companies need to review systematically their retention and attraction strategies so that they can be as attractive as possible (Monteiro *et al.*, 2020).

Monteiro *et al.* (2020) mention that retention can be influenced by physical, mental and social factors. Some of these factors are also the same ones that influence talent attraction. The ones that stand out are: *“remuneration and rewards; career progression; the working environment; organizational culture; training; safety and hygiene at work; exchange of opinions; and communication”* (p.4). However, Gourova *et al.* (2017) consider that there are other strategies that could be used in order to maintain employees in the organization – a fair division of the workload, constant opportunities of development and learning, performance recognition and employee satisfaction.

At last, the Manpower Group, a specialized recruitment agency, has said that what attracts candidates is also what helps retain them. Usually, there are five main necessities that are non-negotiable for all employees, namely: compensation, a defined and personalized career progression, a challenging job that allows them to grow as professionals, flexibility in terms of time and workplace and, at last, having a purpose since employees want to be proud of the organization that they work for. Cappelli and Keller (2014) identify two additional strategies that can be used to retain employees that integrate their talent pool. The first one is related to changes in the employment contracts. It is illegal to restrict the possibility of the employees leaving. *“It is, however, legal to require that they pay back training and education investments if they leave before a certain date, It is also legal to require noncompete agreements that prevent employees who leave from working from competitors for a fixed period of time”* (p. 317). Another strategy is associated with giving the employees the possibility of changing their job function, roles and tasks so that they can maintain their interest and motivation.

In order to make decisions, Cook (2021) defends that employers should use data to be able to understand how many people are leaving, why they are leaving and what could have been done to avoid it. This author also indicates three strategies that organizations should follow to improve employee retention: quantify the problem, identify the root causes and, at last, develop retention programs. First of all, organizations need to have metrics with the objective of evaluating the turnover rate and compare voluntary and involuntary resignations, which will help understanding what the issues in terms of retention are. After that, employers will need to conduct a detailed analysis of why the employees are leaving. Cook (2021) suggests analysing metrics related to compensation, promotions, pay increases, performance and training to better understand trends and investment opportunities in the organization. Finally, the organizations can now prepare programs that address the issues identified during the analysis that might help attract top talent, reduce turnover costs and engage their workforce.

Kapphahn (2017) reports that employee turnover is more accentuated for workers under the age of 25. The Q3 Workforce Vitality Report from the ADP Research Institute concludes that the yearly turnover rate for employees under 25 increased in 2.6% between the third trimester of 2015 and 2016. Five reasons are used to explain why the employee turnover rate is so high for these types of workers. The first of regarding the lack of engagement from the millennial generation since, according to Gallup, 29% of millennials are engaged at work and 60% admit to being open to a new job opportunity. Additionally, Kapphahn (2017) reports that workers under 25 years old not only have the highest turnover but also have the highest wage growth, which is why wages increased by 2.3% from 2014 to 2016 for these employees. In contrast, the ones who do not switch jobs have only a wage growth of 0.3% in the same time frame. Younger workers are also more likely to work in jobs that require low skills, pay low wages and no space for promotions, which usually happens when they are recent college graduates and starting their first jobs. The Bureau of Labor Statistics have reported that younger workers represent 20% of the workforce. However, they correspond to half of the minimum wage earners. At last, younger generations search for a purpose and they value organizations that have a meaningful impact on society.

Since it is not possible to retain every employee, organizations need to invest in the offboarding process. It usually is composed by the following phases: exit interview, definition of delivering their current assignments and tasks and presentation of the postemployment benefits and resources (Dauchner & Makarius, 2021). Organizations in the management consulting industry are reported to be the ones that invest in offboarding the most since former employees can become their future clients. There are several additional strategies that have been reported besides the common exit interviews, such as: assisting in the transition of exiting the organization, giving them the necessary tool to help employees having a successful career after they leave and, at last, setting up an alumni program because these can become customers, clients, return to the organization or, even, ambassadors. What are the phases that constituted the offboarding process in the technological industry in Portugal?

Dauchner and Makarius (2021) have defined what the best practices are during the exit process. Besides the legal obligations that need to be complied, the way that employees are treated while they are leaving is very telling regarding the values and culture of the organization. Although it might seem controversial, there authors defend that the offboarding programs should start when employees are hired. This idea surges from the fact that, nowadays, it is unlikely that all staff stays until retirement, which is why employers should make the best of their resources to help employees build their career whether it happens inside or outside the organization. Besides what was mentioned previously, another best practice would be to recognize the employee's contribution and success while they were in the organization, which can be done, for example, through a party or a public acknowledgement. When managing an exit, it is advised to pay severance to employees when there is a layoff since there is a sense of security while these employees are not able to find a new job.

Although alumni programs are usually identified as universities' common practice, its importance has been growing among organizations. It is ordinary to use social media, websites specific for alumni, company newsletters, professional development initiatives, social and leisure events and discounts (Dauchner & Makarius, 2021).

1.5. Characterization of the Technological Sector of Portugal

According to the International Trade Administration (2021), the Information and Communications Technology Sector in Portugal represents close to 10% of the portuguese Gross Domestic Product (GDP), which means that the finished goods and services made in Portugal yearly are worth almost 20 Billions US\$. The organizations in this sector are both the traditional ICT providers and the innovative start-ups, employing more than 80.000 people, who are mainly young and highly qualified.

In the European Union Digital Economy and Society Index of 2020, Portugal was ranked 19th out of the 28 EU Member States and is ranked 32nd among 158 countries in the Readiness for Frontier Technologies Index. Portugal stands out when it comes to welcoming innovation and enabling technological development through investing in infrastructures, human capital and technology.

By hosting WebSummit in the last few years, Portugal has become a reference in the European start-up scene and seen as a great location for technology entrepreneurship. Besides that, its attractiveness is also because of the fact that it is an appealing country to live in, its social stability and human resources. This last factor has made Portugal an incredibly interesting country due to the availability and quality of talent, just as proved on Table 1. In addition, an AICEP report (2021) refers that *“portuguese universities have made a huge contribution to the technological positioning of Portugal and are thus also key players in attracting these operations.”*

Table 1 - Portugal's position according to knowledge and skills

Language Skills	Management Education	University Education	Graduates in Science	Skilled Labour
#7	#12	#14	#15	#23

Source: IMD Talent Report, 2020, 63 countries

In the telecommunications sector, the major operators in this sector are Vodafone Portugal, NOS and Altice Portugal and these clearly stand out among the rest, as seen during the 5G spectrum auction. And, Portugal is now an interesting country for many multinational organizations, since Google, Volkswagen, Mercedes-Benz and Amazon have all opened new offices in Lisbon (PCGuia, 2021).

Besides that, Portugal has only starting to invest in their start-up system very recently but it has proven to result in fast-paced and rapidly growing companies, already representing over 1% of the national GDP. This change in the paradigm of the portuguese market was greatly influenced by the

vision of Digital Portugal, that shows how investing in technology is a priority for the portuguese government (PCGuia, 2021), with investors both portuguese as well as international while having intervention from the public sector.

Due to this, 7.264 companies were created in Lisbon, between 2018 and 2021, and 743 of those are in the sector of high-end technology. Portugal already has 5 companies in the European Unicorn List, which are companies that are worth 1 Billion US\$ and are not listed on the stock exchange (Iberdrola, n.d.) – Farfotech, Outsystems, Talkdesk, Feedzai, Anchorage Digital, Sword Health and Remote. However, as defended by Martins (2022), nowadays, it is necessary to do more than investing in the creation of start-ups in Portugal since only 1 of 7 the portuguese Unicorns are still established in Portugal, Feedzai. Moving forward, similarly to what already exists in Germany and Spain, the portuguese government will have to investment in public policies that support and allow for the growth of these enterprises in Portugal.

This change in the organization of the technological sector has led to a belief that portuguese company not only will the number of employees in this area grow, as reported by the European Union, it will increase by 33% going from 120.000 ICT portuguese professionals to 160.000. But, also, new HR policies will be adopted such as remote work, shorter work weeks and digital nomadism (Freire, 2021).

1.6. Talent Management in the Technological Sector in Portugal

As mentioned previously, the world is going through a “war for talent” and Portugal is not an exception to this situation. The Manpower Group reported that in 2019, 57% of employers had difficulty in closing job positions, which had increased in 22% in comparison to 2016. At the same, as mentioned previously, the number of IT professionals will be increased by 33% between 2020 and 2023 (Freire, 2021). KPMG reports that the lack of employees in ICT functions has already impacted the revenue of companies in Brazil (Forbes, 2022). Could this phenomenon happen also in Portugal?

Due to this, Portugal is feeling the pressure regarding talent attraction and an example of it is the country’s participation in the creation of a European fund dedicated to European start-ups and scales-up, with the objective of attracting technological talent (Lusa, 2022).

In other European countries, organizations are resorting to less traditional means to attract candidates. The German insurance company, Duestche Familienversicherung, is offering rewards to candidates who come to interviews, who pass to the second round of the recruitment process and to the ones who are selected and finish their trial time of six months. Even though Portugal has not reached this stage, a commonly used measure is the “Refer a Friend” programs. The journal Expresso (2022) reports that both Novabase and Adecco have implemented this program with the objective of finding candidates who are not available in the market, who work for other companies and that are not actively looking for a job. In this program, employees refer other professionals, and

they have the possibility of receiving a reward if the person they referred is hired and stays after the trial time.

There are several aspects that affect the attractiveness of organizations – training, salary and other benefits. The IMD World Talent Ranking compares 64 countries in terms of Investment and Development, Appeal and Readiness. In 2021, Portugal appears in the 26th position overall. When analysing each factor individually, the Investment and Development is the only alarming one. Portugal is in the 60th position, which shows that the main factor for the low competitiveness and attractiveness of the country continues to be the lack of commitment of companies in the training of employees (Ferreira, 2021). When compared with other European countries, Portugal still has a long journey ahead, especially since the top ten of this ranking is composed by only European countries, which is led by Switzerland, Sweden and Luxembourg.

At last, nowadays, employees value more than just the standard salary and the Covid-19 has come to show this. Due to this, Ferreira (2022) reports that even technology leaders aim to work remotely, representing 70% of the people in this sector. This change of the ways of working impacts retention, without an intervention of what is the tradition remuneration. Similarly, the CEO of Landing.Jobs, recruitment platform for technological employees, believes that people will start working according to time zones divided into America, Europe and Asia, as a way to allow for digital nomads and remote work (Freire, 2021). Additionally, the lack of professionals will result in an increase of the salaries in the technological sector, with a bigger emphasis on senior employees since they represent the biggest gap in the current job market. And, additionally, seems to be more interest in shorter work weeks and digital nomadism.

Chapter 2. Methodology

2.1. Methodology

The research aims to investigate a certain topic while analyzing different materials and sources with the objective of establishing facts and reaching new conclusions (Ragab *et al*, 2018). During this investigation, the goal is to understand how talent is managed in the technological sector in Portugal.

There two approaches to it – deductive and induction. The last one is the one that is used during this investigation, which is associated with increasing knowledge regarding the topic of research by analyzing patterns and relations in order to form a theory. In the topic analyzed, there is a need for an exploratory research, “*defined as a means to discover “what is happening” and “to seek new insights” without investigating reasons*” (Ragab *et al.*, 2018, p.6). Besides exploratory, there are also explanatory and descriptive research.

At last, there is a need to differentiate if this research will use a quantitative or a qualitative method. Lester *et al.* (2020) define qualitative research as a way to understand a phenomenon, while answering the established problem, getting insights from that specific area of business and also tackling issues related to the problem in question. This is what this study aims to do regarding talent management, specifically, to understand how companies in the technological sector in Portugal are managing their talent and then, give relevance to the ones that are having the best results.

2.2. Target Population and Sample

There is a need to define a sample since it is unfeasible for researchers to collect data from the entire population. This allows for the concluding of research within time and budget limits. “*It may even provide higher accuracy of results than a census because the limited number of cases within the sample allows for more time to be allocated to tasks such as the design and testing of the data collection instrument, collection of rich data, and in-depth analysis of the collected data*” (Ragab *et al.*, 2018, p.10).

In the context of a research, the population is constituted by the individuals who hold the information that will help answering our research question. For this particular investigation, HR professionals are the that have a better and deeper understanding of the practices and strategies used by employers in order to attract, develop and retain the best talent. The definition of the sample was done through the technique of non-probability, specifically purposive because the professionals that are contacted are who can allow for the achievement of research objectives (Ragab *et al.*, 2018).

The target population of this study is HR professionals from companies from different sizes that represent the variety of types of dimension and business models present in this sector in Portugal. By having a more diverse sample, this research will be more representative of the HR practices and strategies used by these organizations.

For this research, 6 HR professionals from different organizations were contacted by email and 3 of those were interviewed. Table 2 presents the company's name, the interviewees' and their job functions at the time of the interview. As demonstrated in the table, one of the organization preferred not to be identified due to competition and business. Due to this, from now onwards, it will be referred to as Company A.

Table 2 - Interviewees' Characteristics

Company's Name	Interviewees' Name	Job Function
Anonymous	Anonymous	Talent Acquisition & Employer Branding Consultant
Warpcom	Ana Granito	HR Director
Huawei	Ana Santos	HR Manager

Due to the diversity of companies interviewed, it is important to have information regarding the context of each of them, namely, their sector of activity, type of organization, whether it is a portuguese organization or Multinational, their annual business volume in euros and the current number of employees, which can be provided by table 3.

Table 3 - Companies' Context

Company	Designation	Sector of Activity	Type of Organization	Portuguese or Multinational Organization	Annual Business Volume in Euros in 2021	Number of Employees
Company A	C1	Telecommunications	Private	Multinational	2.314 millions of euros	6.200
Warpcom	C2	Technology Consulting	Private	Portuguese, expanding to the Spanish market	35 millions of euros	145
Huawei	C3	ICT	Private	Mutinational	16.4 millions of euros	220

The three companies considered in this research represent a diverse group of organizations present in Portugal. Company A initially started as a portuguese organization and was later bought by an international group. Even though it is private, at a point, it was a public enterprise. Warpcom is a portuguese company that is starting to expanding, starting with the Spanish market. At last, Huawei is a multinational company that has broaden its business to Portugal.

2.3. Interview Guide

Different types of investigations call for different methods of collecting data. For this investigation, the most adequate is interviews since it is one of the most used for qualitative studies. Besides that, it allows the collection of the necessary data and for the discussion of the research topics. Additionally, the researcher can explore new issues that might surge during the interview and get more explanation than what a questionnaire allows.

There are three types of interviews: structured, semi-structured and unstructured interviews. In the first one, there are a set of defined questions, which are made to all interviewees in the same order. On the contrary, unstructured interviews do not have standardized questions and instead there is only a definition of the topics to address. Finally, semi-structured interviews is a mix between the other two, since there are predefined set of questions but there is also some flexibility regarding the order that they are asked and if there is a need to covered other topics that were not initially thought about (Ragab *et al.*, 2018).

However, interviews have several limitations, namely, *“data collection, transcription, and analysis of interviews usually require a significant amount of time, especially if interviewees are based in different geographical locations”* (Ragab *et al.*, 2018, p.13).

The interview guide, present in Annex 1 – Interview Guide, will guide the conversations with the HR professionals to collect the necessary data for this research, also including some topics that will help guide the interviewees' answers.

The interview is composed by five parts, named: Characterization of the Interviewee, Characterization of the Organization, Talent Attraction and Acquisition, Talent Development and Talent Retention. The first two parts are included to provide context regarding both the HR professionals considered and the companies considered, including questions 1 through 8. The remaining three parts, besides reflecting what was present in the literature review, provide information regarding all of the lifespan of an employee in each of the organizations.

The dimension Talent Attraction and Acquisition was greatly influence by Adams (2022) and his perception regarding how an employer brand can be created. It was explained that it depended on three big components reputation, EVP and Employee Experience, which lead to questions 11, 12 and 13. The journal *Expresso* (2022) reported the growing importance of “Refer a Friend” programs in Portugal and, in the interviews conducted, this will be a practice studied through 14, aiming to understand how much is used in the technological sector and what kind of impact it has. In addition, questions 9 and 10 aim to provide context regarding how much the company is growing each year in terms of number of employees while analysing how their recruitment process happen. At last, HR professionals will reflect on the impact of their attraction strategies, namely, what do they recognize as their best practices and what gaps there are.

Second, the Talent Development section has the objective of analysing a variety of practices, including onboarding, training, performance appraisal and career progression, including questions 17 to 22. As stated in the Literature Review, Cappeli & Keller (2022) reinforce the importance of training and performance appraisal, claiming that it will facilitate the achievement of organizational objectives by having the right people in the right position and by updating the employees' skills. Additionally, they also stand out the importance of internal and international mobility inside the organization since it is a practice used in almost all organizations and enables the employee to increase their knowledge of the company in the global context.

Finally, Talent Retention implies for the analysis of the last step of employees in any organization, compiling questions 23 to 29. It is important to understand how many employees are leaving the company, especially for their own initiative, and to compare this number with the number of hires during the same period. The Manpower Group has stated the attraction strategies are connect to retention strategies, which justifies the need for questions 27, 28 and 29 since it provides an analysis from the HR professionals regarding what is not resulting regarding their Employer Branding strategy. However, resignations will always happen and, therefore, have an offboarding process is a requirement since employees can return to the organization, become clients or even be ambassadors, as stated by Dauchner and Makarius (2021).

2.4. Procedure

In order to procedure with the interviews, 6 HR professionals were identified and contacted by email. Table 4 includes the name of the person contacted, the company, the date of the contact and, at last, the interview date.

Table 4 - Map of Interviewees Contact

Name	Company	Date of 1 st Contact	Interview Date
Anonymous	Anonymous	9 th of September 2022	23 rd of September 2022
Marta Leite	Nokia	14 th of October 2022	Not scheduled
Ana Granito	Huawei	14 th of October 2022	24 th of October 2022
Ana Santos	Warpcom	14 th of October 2022	19 th of October 2022
Rute Dinis	Ericsson	14 th of October 2022	Not scheduled
Marta Leitão	Real Life	14 th of October 2022	Not scheduled

The interview guide was share with the participants in advance so that they could review it and also prepare for it. After having a positive response from the HR professionals, the interviews were scheduled. Since all occurred remotely, Zoom meetings' links were shared by email. Each interview lasted around 40 to 50 minutes and were recorded and, after, transcribed and analysed.

The next step for this research will be the analysis of the content of the interviews, which is one of the most common techniques used in empirical research, as stated by Vala (1986), since it allows the definition of inferences, using the existing literature. In order to go through with this analysis, it

will be necessary to consider three questions, including how frequently new employees are hired and employees leave, what strategies do they have in terms of attraction, development and retention and, at last, the impact of these strategies on the different metrics that are considered by HR.

In addition, as defined by Vala (1986), the analysis of the content is constituted by four parts – the definition of objectives and the theoretical frame of reference, the constitution of the corpus, the definition of the categories and, finally, definition of analysis units. The first two sections have already been developed in the previous chapters of this research, implying the necessity for the research questions and the literature review. When it comes to the definition of the categories, it is important to order and organize the different topics. Similarly to what happens in the interview guide, there are three main dimensions, namely, Talent Attraction and Acquisition, Talent Development and Talent Retention. However, due to still being very broad topics, it is necessary to divided them into sub-dimensions. The first dimension, Talent Attraction and Acquisition, is divided into Types of Recruitment Processes, Ideal Candidate, EVP and Talent Attraction Strategies. Second, Development includes topics, such as Onboarding, Training, Performance Appraisal and Career Progression. Finally, the last dimension is separated between the Offboarding and Resignation Reasons.

Chapter 3. Analysis and Discussion of the results

As presented in the Interview Guide (Annex - 1), the participants answered a total of 29 questions ranging from a variety of topics, which can be divided into three major dimensions – Talent Attraction and Acquisition, Talent Development and Talent Retention. These dimensions are, then, sorted into 10 topics, such as: Types of Recruitment Processes, Ideal Candidate, EVP, Talent Attraction Strategies, Onboarding, Training, Performance Appraisal, Career Progression, Offboarding and Resignation Reasons. Table 5 includes the participants' answers, using quotes, regarding the main dimensions and sub-dimensions presented previously.

Table 5 - Map of Interviewees Answers

Dimensions	Sub-dimensions	Companies		
		C1	C2	C3
Talent Attraction and Acquisition	Types of Recruitment Processes	<p>“...curricular internships, professional internships, thesis mentorship internships and, at last, international internships[...] the Trainee Program [...] the Technical Academy... There is also the recruitment for candidates with experience...”</p> <p>“...our inclusion program, that allows students with disabilities above 60% to intern...”</p>	<p>“We always have both curricular and professional internships going on... And then, we have vacancies that appear to us either by exits and that we have to replace or by areas that we are developing and that we have to reinforce.”</p>	<p>“Both internal and external recruitment.”</p>
	Ideal Candidate	<p>“...someone that besides having the necessary knowledge, also like to “refresh” them... Regarding soft skills, it is necessary attitude.”</p>	<p>“There are no ideal candidates...”</p>	<p>“...have the technical skills for the position and to be someone that recognizes and practices the core values...”</p>

	EVP	<i>"We want to attract the candidate but not only because of the benefits that they can enjoy, which is why we do not divulge the total benefits to the entire pool of candidates..."</i>	<i>"...is a more traditional company in its compensation package and in the components of its compensation package."</i>	<i>"Passion unlocks potential; Vision and Mission - Bring digital to every person, home and organization for a fully connected, intelligent world"</i>
	Talent Attraction Strategies	<i>"For the candidates with experience, we mainly use the history of the organization... For the younger generations, it is related with the fact that it is a company where you can actually do... We also have an ambassador's program, participate in career fairs..."</i>	<i>"Networking works better... And where we have managed to recruit and where we have felt that we have been more successful is at job fairs or seminars that we do at the universities."</i>	<i>".... working conditions, growth and learning opportunities and the international environment present in the organization..."</i>
Talent Development	Onboarding	<i>"...starts with the Human Resources Department and then it follows to the employee's department, lasting for 2 to 3 weeks..."</i>	<i>"...lasts more or less a month... We have several sessions with the various areas of the companies."</i>	<i>"All new employees have a defined welcome and training plan. "</i>
	Training	<i>"...individualized training for each employee. There are also several initiatives for each team and department... The employees can also participate in voluntary"</i>	<i>"90% of our training plan is technical training... In terms of managers, we also have some training in terms of leadership and team management."</i>	<i>"...every employee can choose the courses that they wish for, for technical and soft skills. Additionally, there is demanded and specific training for each job function."</i>
	Performance Appraisal	<i>"There are a group of 10 behavioral and</i>	<i>"We already had many models but it</i>	<i>"The employees are evaluated twice a</i>

		<i>technical competencies... The formal evaluation is done 2 times... This self-evaluation is done on the internal portal, after you have a feedback meeting with your manager.”</i>	<i>is something that we currently do not do, which we need to change[...] the same problem always arises. Employees think they will always have performance appraisal linked to salary increases.”</i>	<i>year. It starts with a self-evaluation and then, the manager reviews it and gives a final evaluation to the employee. The evaluation impacts the bonus that the employees receive. “</i>
	Career Progression	<i>“There is the possibility to grow both vertically and horizontally... The promotions are not very linear, you really need to show your value and it doesn’t happen very frequently.”</i>	<i>“We are not a company where it is possible to have an automatic progression and an automatic career.”</i>	<i>“We have a category system defined and a career plan based in the skills and competencies for each employee. “</i>
Talent Retention	Offboarding	<i>“It starts with a questionnaire, where you answer questions regarding what you value in the organization... This will later be used for the leave interview... will get in contact once again after the employee leaves to understand if the decision would have been different if certain actions were taken.”</i>	<i>“There is a meeting between the employee and their manager and another with the human resource department”</i>	<i>“On their last day of work, the employee fill out their personal documents and delivery their working equipment.”</i>
	Resignation Reasons	<i>“Mainly related to compensation, managers, and career progression.”</i>	<i>“...it is always because of the pay issue. We also have some collaborators</i>	<i>“The employees left looking for new opportunities.”</i>

			<i>leaving because we do not work 100% remotely.”</i>	
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Additionally, it is important to take into consideration the data that characterizes the company, namely, the current number of employees, how many employees have left during this year and also, how many were hired. With this data, it is possible to calculate a representative number of the turnover rate and employees’ growth rate in 2022, using the following formulas:

$$\text{Turnover Rate} = \frac{\text{Employees who left in 2022}}{\text{Average number of employees in 2022}} \times 100$$

$$\text{Employees Growth Rate} = \frac{\text{Number of employees in 2022} - \text{Number of employees in 2021}}{\text{Number of employees in 2021}} \times 100$$

Table 6 - Turnover and Employees’ Growth Rate

Company Name	Turnover Rate	Employees Growth Rate
Company A	3,29%	-0.91%
Warpcom	17,9%	-7,64%
Huawei	4,54%	4,76%

Based on the table 6, it is demonstrated that even though Company A has had the highest number of resignations in 2022, it is the company with the lowest turnover rate, with 3,29%. Huawei has the highest employees’ growth rate since their average number of employees hired per year is the double of the number of resignations, which is the opposite of the other companies in this sample. In comparison, Warpcom has the highest turnover rate, with 17,9%, and the highest employees’ growth rate with -7,64%

When it comes to recruitment, based on the interviews and table 5, the size of the company has a clear impact on the number of opportunities available. The companies with a smaller number of employees in Portugal, Warpcom and Huawei, with 145 and 220 employees, respectively, have internships and opportunities for experienced professionals. As said by the Warpcom representative, they *“always have both curricular and professional internships going on... And... vacancies that appear... either by exits and that we have to replace or by areas that we are developing and that we have to reinforce”*. In contrast, Company A, which has a total of 6.200 employees, has a bigger range of opportunities, namely, *“curricular internships, professional internships, thesis mentorship internships and, at last, international internships”*, as well as a *“Trainee Program”*, a *“Technical Academy”*, *“recruitment for candidates with experience”* and, at last, their *“inclusion program, that allows students with disabilities above 60% to intern at the organization.”*

There were two very different perspectives regarding the definition of an ideal candidate. Company A and Huawei share the same belief that both hard and soft skills have to be assessed. Huawei's interviewee defines that it is crucial to *"have the technical skills for the position and to be someone that recognizes and practices the core values"*. In comparison, Warpcom does not think that it is something that they can define since *"there are no ideal candidates, nor can we do this assessment. What we want that is "good, beautiful and cheap", which is not possible."*

When it comes to the topic of EVP, the three companies have it but they define and communicate it in very different ways. As a multinational organization, Huawei has based its EVP on being a global brand and using it to attract employees, which is why their EVP depends on their moto, which is *"Passion unlocks potential; Vision and Mission – Bring digital to every person, home and organization for a fully connected, intelligent world"*. In contrast, Warpcom uses the fact that it is a stable and installed company in the portuguese sector as the basis for their EVP and, by being a small company, it limits their flexibility to have a wider range of HR practices. This is justified by the following statement: *"The great challenges of this company is that we cover very different generations. I would say that Warpcom is a more traditional company in its compensation package and in the components of its compensation package"*. At last, although Company A provides a wide range of employee benefits as part of its EVP, it is not shared completely at first since they *"want to attract the candidate but not only because of the benefits that they can enjoy"*.

When comparing the answers given by the HR professions and what was Pandita and Ray (2018) present in their research, it shows that there is a lack of understanding by Warpcom that compensation is not the only factor that influence employees into staying in an organization. In contrast, Company A and Huawei are aware of their EVP but prefer to only attract candidates through other benefits besides compensation. All of the three companies have different strategies to attract candidates depending on the experience necessary for the job position. For the junior opportunities, the participation in career fairs in universities stands out, being characterized by Warpcom as *"where we have managed to recruit and where we have felt that we have been more successful is at job fairs or seminars that we do at the universities"*. For the experienced candidates, there is a higher variety of strategies but using employee referrals is the common point for all and *"it has a positive impact because the candidate already has some feedback regarding the company."*, as the representative of Huawei as mentioned.

During these interviews, the type of project was referred as the differentiating factor by two of the HR professionals since the employees have the opportunity to use cutting-edge technology and it is one of the reasons why they choose these organizations to work in. This is why Warpcom talks *"about the technological areas"* they *"work with and the projects... in reference clients"*. Two of the interviewees stand out the growing importance of *"more flexible working conditions"* (Huawei) that employees want and that some companies are still evaluating whether they *"are interested in switching to more flex programs"* and how this type of investment will be justified, as emphasized by

Huawei. However, there is an important aspect left out that could help improve the Employer Branding of all three of these companies, namely, the importance of investing on employee experience and the use of social media. Regarding the first one, Adams (2022) claims that it will consolidate the reputation of an organization, which will translate in better organizational results. Similarly, social media was reported by Wofl *et al.* (2014) to have a positive impact not only on attracting candidates but also to communicate with current employees and alumni.

Onboarding is done in two different ways by these companies. In Company A and Warpcom, it *“starts with the Human Resources Department and then it follows to the employee’s department”* (C1), lasting from 2 to 4 weeks. The remaining company, Huawei, defines specific onboarding and initial training plans for each employee according to their competencies and their job function. As what Sibisi and Kappers (2022) defend, all of the employees considered in this research have structured program for each employee. However, there is a diversion when it comes to the duration since the authors defend that it should last around 3 months while the companies’ programs only take 1 month.

All of the interviewees understand the importance of giving training in terms of soft and hard skills, because *“one of the biggest deficits in this area of technologies... is that there are actually very good technicians but with many gaps in terms of soft skills”*, as shared by the representative of Warpcom. The companies refer that *“every employee can choose the courses that they wish for”* and *“there is demanded and specific training for each job function”* (Warpcom), showing the necessity to have defined training opportunities so that the employees can do their jobs in the best way possible while allowing them the freedom to invest in skills that they also demonstrate interest. The main differentiating factor is how each companies trains their employee, varying between internal vs external training and presential vs elearning.

The possibility of changing departments and projects is understood by all of the companies considered in this research as an important aspect to have, which is why two of them have active programs and the remaining one, Company A, has a defined program to implement in the near future. However, the possibility to move abroad for a temporary project is something not done by any of these company. In Warpcom, *“People had the option to apply for a job in any other country, but then the contract would be transferred to the local country and conditions were made according to the local country.”* This type of initiative does not have the best impact since employees would not want to come back to Portugal because the working conditions and compensation is deemed as more attractive in other countries. Outside of the traditional development policies already discussed above, *“volunteering”* and *“sabbatical year”* were the only ones mentioned.

When it comes to performance appraisal, all companies recognize the necessity to give formal feedback to their employees. In Huawei and Company A, the model is very similar starting with a *“self-evaluation, ...after you have a feedback meeting with your manager, where there is a comparison between the employees’ self-evaluation”* and *“the manager’s evaluation”*. As, in contrary to what they believe in, currently, Warpcom does not have an evaluating model because *“employees*

think they will always have performance appraisal linked to salary increases” or even with a promotion. Due to being a small company, there is not space for constant promotions and raises. This gap in Warpcom’s strategy is the opposite as to what Cappeli and Keller (2014) defend since these authors defend the importance of this HR practice since performance appraisal allows for the identification of high performers and also to understand who the right people are to fill the strategic positions in the organization.

The career progression is perceived as difficult by the interviewees from Company A and from Warpcom, as explained above. But, in all of them, there is the possibility for employees to suggest their own promotion and responsibilities increase. As defended by Cappeli and Keller (2014), both of these policies show the importance of the employees in the technological sector to define their own career paths and that there are more options other than rising horizontally. Cappeli and Keller (2014) also mention the importance of having international mobility, especially for multinational enterprises, which is the case for the organizations considered in this study. However, these seems to be a practice that these companies are missing, but they could all benefit from it since it gives employees more awareness of the culture of the countries that they are present in and also of the business.

It is necessary to understand why the employees in these companies leave. The main reason referred was “*compensation*”. Besides that, other reasons were given, such as “*new opportunities*”, the possibility to work remote full-time, “*managers, and career progression*”. Due to the Covid-19 pandemic, the opportunity to work remote full-time has increased worldwide, which has offered the possibility for employees to work for companies abroad without having to leave Portugal. This justifies what Peralta (2021) states, since his research mentions that countries like the United States of America, United Kingdom and the Netherlands take preference in hiring portuguese employees because their salaries are lower but they are very qualified, which was also reinforced by AICEP (2021) because of the easiness that the portuguese population has when learning new languages and the good education that is given by the portuguese universities in the science and technological branch.

During the offboarding and resignation process, all of the companies aim to understand why the employee is leaving, either by a questionnaire or meeting with the Human Resources Department and their managers, which has led to the implementation of retention strategies, namely counter offers, as mentioned by Company A. In comparison, there were also several aspects mentioned regarding why the employees stay in the company, such as “*good work environment*”, “*career progression, training opportunities and recognition*”. As presented by Monteiro *et. al.* (2020), these types of analysis are important since they make it possible to constant review their attraction and retention strategies to guarantee that they have the best strategy possible and that it is updated to what it is practiced in the job market.

Chapter 4. Conclusion

As stated previously, the portuguese technological sector is very heterogeneous since it is composed by a large variety of type of companies, ranging from small and medium enterprises, one of top ten organizations in Portugal and multinational companies. All of these are represented by the companies that participated in this research. The diversity of the sector is also present and influences the answers given by the interviewees regarding their different strategies in attracting, developing and retaining employees.

There are two suggestions that should be taken into consideration for future research. First of all, the low number of participants does not allow for the most accurate conclusions but instead a representation of the companies in the technological sector in Portugal. Besides that, there are two type of companies that are not represented. One of them is start-ups, which are primarily known as very flexible in terms of HR practices and, therefore, they represent a gap in this research. The other is the public organizations, as reported by Pordata, as of 2021, there were 472 companies in this sector and a total of 194.962 employees in this sector in the country studied.

Another limitation and recommendation for future research would be to take the employees' perspective into consideration. This would translate in getting a better understand of what the technological workers in Portugal value instead of the perception of the HR professionals regarding this topic.

An ambition for this thesis has been to understand the impact of the Employee Value Proposition in the technological companies in Portugal, namely focusing on the research question: do companies in the technological sector in Portugal have a defined EVP and do they use it for their benefit? After conducting interviews with several human resources professionals, four conclusions were drawn.

First of all, portuguese technological companies understand what the EVP is but not all take advantage from using it. Introduced by the globalization and the digital transformation, companies are now, more than ever, competing for talent on a global level. This has led to the need of organizations of understanding what are their differentiating factors and what are their strategies to attract the best talent. The best example for this statement is Company A since the employers want the candidate to choose working there based on their reputation, projects and cutting-edge technology, instead of making their choice based on the compensation and benefits.

As shared by the interviewees, only one of them had a higher number of employees hired than employees who left during the last year. Even though we do not know what the next-steps for the employees are resigning, it is a representation of the portuguese reality since there is an increasing number of employees going abroad deeply influenced by knowledge of the presence of less-attractive salaries paid in Portugal in comparison to other countries in Europe. As of 2019, as reported by Diário de Notícias (2021), Portugal was the country in the European Union with the highest percentage of the population that are emigrants, with a total of 25,7%. In 2020, this number

reduced deeply influenced by the Covid-19 pandemic and the Brexit situation. However, the age distribution was still similar, with a bigger focus on workers between 20 and 44, a big portion of the active age of workers.

This sample could also lead to a similar conclusion as Martínez-Moran *et al.* (2021) reached regarding the Spanish companies, which is that there is a major concern with recruiting instead of retaining. The higher number of resignations vs hires and the lack of retention policies evidences this statement and also the difficulty that the employers in the technology sector have when it comes to managing their talent.

The second conclusion is the influence that the company's market segment and size have on the definition of their EVP since benefits are one of its components, as defended by Pandita & Ray (2018). Bigger companies have more capital and resources to invest in more attractive strategies, but, at the same time, small and medium enterprises allow for a more proximity between employees and employers, and flexibility to adapt to the market job needs. Through the analysis of the turnover and employees' growth rates, it leads to the conclusion that multinational companies make a bigger investment on their EVP since their turnover rate is the lowest and the growth rate is the highest.

However, as the third conclusion, this research pointed out that there is a gap present in the companies in this sample related to the fact that not all of them perceive the impact that career development and progression has on their EVP. When it comes to compensation, they are aware. But, in some of these organizations, there is a lack in terms of opportunities to have promotions and progressions, which is deeply influenced by the aging of the Portuguese society since Portugal is the European country with the highest aging rate in 2022 (Público, 2022).

All the conclusions mentioned previously lead to the following statement: defining and communicating the EVP can influence employee turnover. This was observed on the turnover rates for the inquired companies. The company with best EVP proposal has lower turnover rate, and in contrast, the company with lower turnover rate does not have a clear EVP proposal. The suggestion for companies similar to the ones considered would be to identify what are the positive aspects and benefits of working there and divulge among the employees and candidates, whether it is on the organizations' website, social media or other.

To conclude, since all organizations are influenced by the VUCA context (Nandram & Bindlish, 2017, the technology sector in Portugal is not an exception and will be depending on the global economic situation, in the near future impacted by the Ukraine-Russian war, and on the digital transformation journey that these companies are embracing. Besides that, as worldwide companies are adapting the work model, the portuguese job market will follow by deciding on presential, hybrid or remote work, on the post-Covid-19 pandemic. These new variables will have a high influence in the global and portuguese workplaces, shaping their definition of their Employee Value Proposition – how they attract, develop and retain employees.

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Annex

Annex 1 – Interview Guide

Table 7 - Interview Guide

Dimension	Questions	Answers' Guidance Topics
Characterization of the Interviewee	1. Name	
	2. Organization	
	3. Job Function	
Characterization of the Organization	4. Sector of activity	
	5. Type of organization	a) Private; b) Public.
	6. Is it a Portuguese company or a multinational?	
	7. What was the company's annual business volume in euros in the last 5 years?	
	8. Number of employees during the last 5 years.	
Talent Attraction and Acquisition	9. How many employees did the company hire during the last 5 years?	
	10. What type of recruitment processes does the organization has?	a) Internships; b) Trainee programs; c) Experienced employees; d) Ambassadors' programs and others.
	11. How would you describe an "ideal candidate" for the organization?	a) Soft Skills; b) Hard Skills.
	12. Do you have a clear and defined EVP that both the candidates and employees recognize? If so, what composes the EVP?	
	13. What kind of strategies do you have to attract the ideal candidates?	a) Presence in universities (events, lectures, awards for best students); b) Open days; c) Use of social media; d) Training for people outside of the organization; e) Alumni network.

	14. Do you use referrals as a way to attract candidates? What kind of impact does it have in the recruitment process?	
	15. Out of the strategies used, which ones do you perceive that it is having a better effect?	
	16. What strategies could the organization implement that it does not use yet?	
Talent Development	17. How does the onboarding process proceed?	<ul style="list-style-type: none"> a) On-the-job training; b) Formal training; c) Support from a counsellor or a buddy; d) Welcome Kit.
	18. Does the organization have a clear training program for the different areas and ranks? And what type of training does it has and how is it done? 18.1. Is it based on soft skills or hard skills? Or both 18.2. Is it done through training developed by the human resource department, by external organizations, through university programs, online courses or others? 19.3. Is training demanded or voluntary?	
	19.. Does the organization allow and promote mobility? How does this initiative occur?	<ul style="list-style-type: none"> a) Internal Mobility; b) International Mobility.
	20. Does the organization have development initiatives besides the vulgarly implemented? Which ones and why?	<ul style="list-style-type: none"> a) Sabbatical year; b) Volunteering.
	21. How is the performance appraisal process in the organization? 21.1. How many times a year do the employees receive formal feedback? 21.2. Who provides feedback? 21.3. How are employees evaluated?	
	22. Is there a clear communication of how employees can achieve a promotion? And how regularly do these happen in the organization?	

	22.1. Are there clear next-steps defined for the career of each employee?	
	22.2. Are these next-steps presented to the employees so they know to work towards?	
	23. Does the organization have the possibility of the employees getting further in their career by their own initiative or only by the organization's initiative?	
Talent Retention	24. How many employees left the company in the last 5 years?	
	25. How many of those employees left on their own initiative?	
	26. How does the resignation and offboarding process happens?	<ul style="list-style-type: none"> a) Exit interviews; b) Presentation of counter-offers; c) Assisting leaving employees during the transition; d) Alumni Programs.
	27. What are the main reasons why employees are leaving on their own initiative?	<ul style="list-style-type: none"> a) International projects; b) Promotions; c) Better compensation and benefits; d) Better working environment; e) More training opportunities; f) Better work-life balance; g) Work from home or hybrid working.
	28. What are the reasons that you perceive why the employees stay in the organization?	
	29. What kind of strategies has the company implemented to reduce turnover?	<ul style="list-style-type: none"> a) Defined career progress; b) Revision of the compensation and benefits; c) Revision of the current training program; d) Possibility of working from home or hybrid working.

Annex 2 - Interview Protocol

Good afternoon, my name is Inês Palma and I am a student of the master's degree of Human Resource Management and Organizational Consulting at ISCTE-IUL.

This interview aims to develop the thesis with the theme "Talent management in the technological sector in Portugal" within the scope of the conclusion of my master's degree. The objective of this thesis is to answer 3 questions: How do you attract talent from the technological areas, how does it develop and how do you retain this type of employees in the company? As such, all questions must be answered based on employees in the company's technological areas.

If you allow, I will be recording this interview to better analyze your answers and reach more accurate conclusions.

Characterization of the Interviewee:

1. Name
2. Organization
3. Job Function

Characterization of the Organization:

1. Sector of Activity
2. Type of organization
3. Is it a Portuguese organization or a multinational?
4. What was the company's annual business volume in euros in the last 5 years?
5. Number of employees during the last 5 years.

Talent Attraction and Acquisition:

1. How many employees did the company hire during the last 5 years?
2. What type of recruitment processes does the organization has?
3. How would you describe an "ideal candidate" for the organization?
4. Do you have a clear and defined EVP that both the candidates and employees recognize? If so, what composes the EVP?
5. What kind of strategies do you have to attract the ideal candidates?
6. Do you use referrals as a way to attract candidates? What kind of impact does it have in the recruitment process?
7. Out of the strategies used, which ones do you perceive that it is having a better effect?
8. What strategies could the organization implement that it does not use yet?

Talent Development:

1. How does the onboarding process proceed?

2. Does the organization have a clear training program for the different areas and ranks? And what type of training does it has and how is it done?
 - 2.1. Is it based on soft skills or hard skills? Or both?
 - 2.2. Is it done through training developed by the human resource department, by external organizations, through university programs, online courses or others?
 - 2.3. Is training demanded or voluntary?
3. Does the organization allow and promote mobility? How does this initiative occur?
4. Does the organization have development initiatives besides the vulgarly implemented? Which ones and why?
5. How is the performance appraisal process in the organization?
 - 5.1. How many times a year do the employees receive formal feedback?
 - 5.2. Who provides feedback?
 - 5.3. How are employees evaluated?
6. Is there a clear communication of how employees can achieve a promotion? And how regularly do these happen in the organization?
 - 6.1. Are there clear next-steps defined for the career of each employee?
 - 6.2. Are these next-steps presented to the employees so they know to work towards?
7. Does the organization have the possibility of the employees getting further in their career by their own initiative or only by the organization's initiative?

Talent Retention:

1. How many employees left the company in the last 5 years?
2. How many of those employees left on their own initiative?
3. How does the resignation and offboarding process happens?
4. What are the main reasons why employees are leaving on their own initiative?
5. What are the reasons that you perceive why the employees stay in the organization?
6. What kind of strategies has the company implemented to reduce turnover

Thank so much for your help, as mentioned, the data will be used only for academic research

,

Annex 3 - Interview Transcripts

Interview Transcript - 1

Characterization of the Interviewee:

1. **Name** – Anonymous
2. **Organization** – Anonymous
3. **Job Function** – Talent Acquisition & Employer Branding Consultant

Characterization of the Organization:

4. **Sector of Activity** – Telecommunications.
5. **Type of organization** – Currently, it is private due to being bought by a multinational group in 2015 but, previously, it was a public organization.
6. **Is it a Portuguese organization or a multinational?** – Multinational.
7. **What was the company's annual business volume in euros in the last 5 years?** – In 2022, so far, it has been 1.254 million of euros, which includes the first and second trimester of the year. Between 2018 and 2021, the company's total revenue has increased from 2.074 millions of euros in 2018, 2.110 millions of euros in 2019, 2.121 millions of euros in 2020 and, at last, 2.314 millions of euros in 2021.
8. **Number of employees during the last 5 years.** – Since being incorporated in a multinational group officially in 2018, the number of workers has decreased from 13.000 to 6.200, which is the current number of employees in 2022.
After being integrated in a multinational group there was a need to review the number of employees and their job functions. There was a lot of people that were doing job without much relevance in the market, the teams were too big, there was a large number of elderly people and there was people who were not suited for their job. Some of these saw their jobs readjusted by being included in new teams and given new challenges.

Talent Attraction and Acquisition:

9. **How many employees did the company hire during the last 5 years?** – Between January and August of 2022, 147 people were hired. Out of these 147, 120 were from the recruitment

process of candidates with experienced, 20 outsourcing employees were internalized and 7 professional interns gained a contract with the company.

In comparison, in 2021, 46 employees were hired all from external recruitment and there was a total of 138 internships during the whole year. The most required job functions were: Technological Development Consultant and ICT Management Consultant and the majority of hired employees had a bachelor's degree.

10. What type of recruitment processes does the organization has? – The company has a variety of recruitment processes. One of them is focused on the students, including curricular internships, professional internships, thesis mentorship internships and, at last, international internships. This last one is for international students from all over the world that want to have a professional experience in Portugal and not for Portuguese students that want to have an experience abroad in one of the other countries that the organization is present. Although not done in a traditional way, there is also the Ambassadors Program. The Talent Acquisition and Employer Branding team does headhunting on LinkedIn for students that match the profile that we are looking for. The objective is to have 2 ambassadors for each core university, being a total of 16 to 18 ambassadors for each year.

Then, there is the Trainee Program, which has the duration of one year, from September of each year until the same month of the following year. It includes a lot of monitoring and training for every trainee, which job openings for every department, but with more emphasis on the technologic teams. Its 1st edition started in 2019 with 18 trainees and, as of 2022, it is in its 3rd edition. The idea of the program was to increase the branding of the organization in order to be better known among the younger generations. The company's name did not have any type of expressiveness in the previous 3 years of the creation of the trainee program, only the sub-brands of the group were known.

The third program is the Technical Academy. This one is suited for young people in technical courses that want to work in areas related to energy, informatics, cyber security and others. Besides that, there is the Commercial Academy, including the recruitment focused on the B2B services.

Additionally, there is also the recruitment for candidates with experience and although the company has stores, those processes are done through outsourcing.

11. How would you describe an “ideal candidate” for the organization? – Although in terms of technical skills it depends on the area, it needs to be someone that besides having the necessary knowledge, also like to “refresh” them, keeps learning and effectively updates their skills.

Regarding soft skills, it is necessary attitude, being proactive, questioning, promote learning, irreverence, innovating. The idea nowadays is not be specialized in only one area. We need to have an active search to be able to better ourselves and increasingly bring value in our functions, whether they are product development, ICT, communications, marketing or HR. Someone that enters the organization needs to have some taste for technology, because otherwise they will not adapt and will not use digital transformation in their daily basis e and in their own work, which is highly essential. We know that the tools in these big companies are highly procedural and the more automated and agile we are, we can do our job faster. We should have a broad knowledge regarding the business, it is extremely important.

12. Do you have a clear and defined EVP that both the candidates and employees recognize? If so, what composes the EVP? – It is defined and it has a double thought. We want to attract the candidate but not only because of the benefits that they can enjoy, which is why we do not divulge the total benefits to the entire pool of candidates. We only share with the ones that are selected and yes, we do have a very ample range of benefits and in a variety of areas such as telecommunications, mobile phones, programmes, healthcare and others. We potentiate in a way to share the good side of the job offer. However, it is hard when we publish or share the benefits too early because the candidates will stay in the recruitment process only for external motivation and it is not what we are looking for. We want someone who has a mission and has an internal motivation focused on growth and learning. If someone only has external motivation, we already know that they will only stay for a period of time until they find another company with better benefits.

13. What kind of strategies do you have to attract the ideal candidates? – Mainly the benefits.

For the candidates with experiences, we mainly use the history of the organization. It is a safe company and growing. It is a company that gives an incredible voice to their own employees and with a very big area of business.

If you are effectively an interested person and good in what you do, you can easily develop a project in an area that you want and take it to the COMEX¹ to be approved and that is how you can make a difference in a huge company with a lot of history.

Obviously, the employees in the technological department, can work with cutting edge technology.

Also, the well-being. We have a good mood culture, the people are genuine, thoughtful, nice, motivated and very motivated to help their colleagues.

The aspect of career progression is difficult. Although it happens if you are very good.

¹ COMEX is a reference to Executive Commission, including the C-Level managers.

Besides that, there are several programs focused on the employee which are very broad and can be focused on their families, personal life, sports, health.

For the younger generations, it is related with the fact that it is a company where you can actually do. There are a lot of internships and jobs, where you do not have a lot of autonomy and initiative. You here can learn, develop yourself and then, hands-on – you are responsible and that is extraordinary. It is effectively what they value the most besides the training and accompanied development.

We also have an ambassador's program, participate in career fairs, several events that we do internally, and the communications department also does a lot of workshops.

14. Do you use referrals as a way to attract candidates? What kind of impact does it have in the recruitment process? – We have a Referral Program called YouNameIt. It can be for the employees to refer someone or for the trainees for previous year to refer someone for the current edition of the program. If the person is selected and stays 6 months in the company, the employee that did the referral receives a prize.

The program is still in an initial phase and started as a pilot in 2021 for the external recruitment. When it comes to the trainee program, it was launched in 2022 but we have already seen some positive results.

15. Out of the strategies used, which ones do you perceive that it is having a better effect?
- Above all, we must mention social media and LinkedIn, which have a very important role and that we already use.

16. What strategies could the organization implement that it does not use yet? – I do not think so. I think that the candidates come to us in a way that they did not do before in 2019. Our team is also not as available and motivated to go to career fairs, especially because we lose a lot of time, and the return is little. The students ask for prizes and how much there are going to receive. And we are looking for a different type of population, whose first question is not what will be my benefits at the company and we have found in the last career fairs that this is the opening questions. Therefore, I confess that the employer branding strategy for this year was different but also more focused in our inclusion program, that allows students with disabilities above 60% to intern at the organization.

In terms of attraction, we can always do something different. However, the job market is very fast and so competitive that the candidates do not care, which is why we look for the one that go in detail and are really interested.

Talent Development:

17. How does the onboarding process proceed? – The onboarding starts with the Human Resources Department and then it follows to the employee's department, lasting for 2 to 3 weeks. It starts with the Talent Acquisition and Employer Branding team, then the employee meets their Human Resource Business Partner in order to have a personalized welcome and, then, the team has a plan for the following weeks. Obviously if the person has some difficulty during the integration, it can be prolonged, which is why it is always very personalized.

The Human Resource Business Partners are the one that always help and respond to the employees' need. The idea is that the employees that have their question answered with the human resource department without having to involve their managers. The Human Resource Business Partner is also present in the departments' meeting to be aware of what projects do they have. They help the employees during their whole life cycle in the company.

I am developing a project called Intensive Onboarding that had the objective of accompany the new employee during 6 months with the support of 3 different teams that are already normally apart of it. During this project, there is much more than knowing the company, having visits, challenges, making the getting to know the company much more interactive and allowing for networking and increasing the employee's engagement.

18. Does the organization have a clear training program for the different areas and ranks? And what type of training does it has and how is it done?

- a. Is it based on soft skills or hard skills? Or both?**
- b. Is it done through training developed by the human resource department, by external organizations, through university programs, online courses or others?**
- c. Is training demanded or voluntary?**

We have individualized training for each employee. There are also several initiatives for each team and department. However, the employees can also participate in voluntary training and outside of the teams' plan as long as it is justified, and the manager approves. The training can be both for soft and hard skills.

The training is done by the Human Resource department when it comes to the soft skills and everything that is more technical is taught by our own specialists, which are the employees that have the know-how and capabilities to train. Or we can also get help from our providers, which are certified companies.

If we are talking about behavioral training, then we have the necessary know-how, but if we are talking about more general technical training, we can even try to expand the range further. But in terms of telecommunications, it is a very specific thing and with extraordinary certifications and in fact we have to guarantee that the person who teaches has all the know-how.

19. Does the organization allow and promote mobility? How does this initiative occur? –

It happens in a very informal way. The program is established for internal and international mobility, but it is not active.

20. Does the organization have development initiatives besides the vulgarly implemented? Which ones and why? –

We have the possibility to do voluntary work for several number of days in each year without having a negative impact on their salary and work. You can even invite your own family and friends to participate whether it is in initiatives organized by the company or by external organization that fit your interests better.

You can also take a sabbatical year, where you have a year without salary.

Regarding parenting, we are ahead of other companies. When you have a child, there is a lot of paperwork that you need to delivery to Social Security to prove that you had a child, and the company offers to do this for you. We also give more days of parental leave than what it is established in the law. Besides that, the employees work one less hour every day until the child is 4 years old, during the breast-feeding period you work less and also have breaks during the day to be able to go home and, at last, you always have 4 hours of the first day of school to help the child.

21. How is the performance appraisal process in the organization?

- a. How many times a year do the employees receive formal feedback?**
- b. Who provides feedback?**
- c. How are employees evaluated?**

There are a group of 10 behavioral and technical competencies, such as knowledge of the company, of the business, of the sector and technical. You have to self-evaluate with a scale of 1 to 5, where you identify your strong points and what you can do better. The formal evaluation is done 2 times a year in June, the intermediate evaluation, and December, the final one.

This self-evaluation is done on the internal portal, after you have a feedback meeting with your manager, where there is a comparison between the employees' self-evaluation, the manager's evaluation and if the team's objectives have been achieved. It is also presented the normal curve and where you fit and then it is connected to your bonus and your career progression.

22. Is there a clear communication of how employees can achieve a promotion? And how regularly do these happen in the organization?

- a. Are there clear next-steps defined for the career of each employee?**

b. Are these next-steps presented to the employees so they know to work towards?

This part is still in development. We are currently remodeling the career model. Although, the current model at use is on the portal. There are 5 hierarchical levels that have a spectrum of 5 levels each. There is the possibility to grow both vertically and horizontally. All of this is presented on the internal portal, which all of the employees can access and can know how to progress in their career.

The promotions are not very linear, you really need to show your value and it doesn't happen very frequently.

23. Does the organization have the possibility of the employees getting further in their career by their own initiative or only by the organization's initiative? – You need to be the one suggesting the promotion. It is something that is talked about during the feedback meeting, and you talk about what are the objectives that you need to achieve during the next year to be able to reach that promotion.

Talent Retention:

24. How many employees left the company in the last 5 years? – Between January and August of this year, 204 employees have left the company, with a bigger focus on employees with more than 60 years old.

25. How many of those employees left on their own initiative? – Out of the 204, 110 left on their own initiative. The remaining are divided as following: 28 by mutual agreement, 12 due to retirement, 39 included in an early retirement program, 4 reached the end of their contract, 7 that passed away and 2 were fired.

26. How does the resignation and offboarding process happens? – It starts with a questionnaire, where you talk answer questions regarding what you value in the organization ranging from relationships with their peers, with the team, knowledge of the business, the installations – several factors to evaluate that impacted your experience from the moment that your entered until you left. You also need to analyze the decision factors and, at last, there is a free writing field, where the employee can share what didn't go so well and suggestions to consider for the future.

This will later be used for the leave interview that the employees have with the Human Resource Business Partner, who will get in contact once again after the employee leaves to understand if the decision would have been different if certain actions were taken.

Besides that, there are also several benefits that the employees still have access related to telecommunications.

27. What are the main reasons why employees are leaving on their own initiative? – Mainly related to compensation, managers, and career progression.

28. What are the reasons that you perceive why the employees stay in the organization?
– Good work environment, working in a very safe company and the generational factor, because at a certain point people are not interested in changing organizations.

29. What kind of strategies has the company implemented to reduce turnover? – Counteroffers have been the preferred strategies but it has not had good results. When the employees decide to leave, that is what they do.

Interview Transcript – 2

Characterization of the Interviewee:

1. **Name** – Ana Santos
2. **Organization** - Warpcom
3. **Job Function** – Human Resources Director

Characterization of the Organization:

4. **Sector of Activity** – Technology Consulting. At a technological level, we work in four areas: Networking and Infrastructure, Cybersecurity, Collaboration and Customer Experience (area where we were born) and Data Centre and Multi Cloud. We also have five business areas: Consulting Services (composed by technical and pre-sales consultants, who design proposals and design solutions for customers); Professional Services (associated with the project implementation), Assistance Centre (includes 3 types of services – Support Services, Network Operations Centre, Security Operations Centre).
5. **Type of organization** – Private.
- 6- **Is it a Portuguese organization or a multinational?** – It is a Portuguese company originated from Alcatel in 1989. However, in 2017, it started expanding to the Spanish market. We started in 1989 as Alcatel. We have always belonged to a multinational company but as a manufacturer. In 2002, Alcatel decided to sell this branch that implemented the solutions, since there were always two companies in each country. In Portugal, we had two. One was called Alcatel Portugal and ours was called Alcatel E-Business Distribution, but they were

two different legal entities with two different taxpayer numbers. The Alcatel Group decided to sell all E-Business Distributions, that is, all those that made and implemented solutions in terms of customers and sold them to a group called NextiraOne.

NextiraOne was a venture capital fund company. In the beginning, it was American and then, the name did not change but it became Dutch. It was funded by the ABN Bank. What was the big difference? It's just that when we joined NextiraOne, our solutions were no longer 90% Alcatel and the remaining 10% other manufacturers, but we started to have a higher percentage of other manufacturers that started to work with us. We became agnostic, that is, for us, the manufacturer is no longer of interest. What mattered was the customers' requirement, so we would go to the market and chose the manufacturer that had the best solution to install for that customer. This was the big difference between becoming an integrator, which is what we are today, and being a manufacturer.

In 2014, all NextiraOnes came to an end. There were a part of a fund and all of them reach their end. When the deal was made, it was already foreseen that this would have a period for its profitability and that it would later be sold, which is what happened in 2014.

We became DimensionData, which was also an integrator. Today, they do not exist under this name, but they continue to exist on the market and are very large, they are called NTT Data. Dimension Data was also an integrator, so it does exactly what we did and what we were already doing while NextiraOne and doing what we continue to do. Dimension Data was present in 52 countries, the headquarters were in South Africa and still are. They were working mainly with big companies and big businesses, but the Portuguese market is a little different market from the rest of Europe. We have a lot of projects and clients, but our projects are small, while for us a business of 3 to 4 million euros is a spectacular business, it is something that happens only 1 to 2 times a year. These types of deals were their day-to-day business and then there were the deals that were spectacular for them that were 20 to 30 million euros. So, in terms of structure, the Portuguese market did not fit very well with the business and the way Dimension Data had defined their business, which lead to the selling of the Portuguese unit of the Dimension Data group.

And, at the time, our CEO decided to buy the company. For the first time in our history, we became a company with 100% Portuguese capital. Our business hasn't changed much. When the company started, the idea was to create a multinational group from Portugal. And the first market that was chosen was the Spanish market, hence, in 2017, Warpcom Spain was opened. Our founders already had some contacts and knowledge of the Spanish market and it would be easier. But, in fact, it was not what happened.

Therefore, in 2019, we were already looking for a partner that would also make us leverage the business in terms of the Iberian market. This happened in 2021, with Evolutio. It is a more recent company, created in April of 2020 by the former British Telecom, being originated from the telecommunications sector. A little different from us who come from the world of

integration. Here, the objective is to leverage the integration market in the Iberian market and Evolutio also bring some ideas or some operator solutions to the Portuguese market. As of today, we have integrated the people of Warpcom Spain into Evolutio. In Spain, we will only operate under the Evolutio brand. In the Portuguese market, Evolutio also had a small company in Portugal and we joined Warpcom. And, in Portugal, we will operate under the Warpcom brand because they are the best-known brands in each of the countries.

7. What was the company's annual business volume in euros in the last 5 years? – We just finished our fiscal year in September, since it is a multinational heritage, and it is not aligned with the civil year. This fiscal year we made around 35 millions of euros. We had a growth of 11% in terms of sales and 14% in terms of orders. In comparison, in 2018, we reached the 22 millions of euros in revenue.

8. Number of employees during the last 5 years. – As of 2022, we are 145. The truth is that the Portuguese market is not a large-volume or large-volume market, but we have more than 2000 active customers to effectively achieve our objectives.

In Portugal, the headquarters are in Lisbon, we have a technical center in Funchal and in Faro and we have a delegation in Porto. This last one already with some size, where we already have about 20 people in various areas. And, in Madrid, we are present through Evolutio.

Talent Attraction and Acquisition:

9. How many employees did the company hire during the last 5 years? - In 2016, we were 65 and today we are 145 employees. We doubled the number of employees we had.

10. What type of recruitment processes does the organization has? - We do curricular internships. At the moment, we have 10 people in curricular internship.

Warpcom also had professional internships with IEF. Currently, we have around 4 or 5 professional internships. We always have both curricular and professional internships going on.

It is necessary to understand that Warpcom is not a very large company, it is a company with a considerable size in terms of the market. If we look at the panorama of the Portuguese market, we are no longer at the bottom of the pyramid. Our market is very much made up of small and micro companies, so we are already a little above that. But, we're not a big company. In other words, the needs are not the same as a big company, we do not have the capacity to integrate and have a lot of people in internships because interns take up our time.

Therefore, in order to do proper coaching and proper follow-up, we need to have time and we have to look at the dimension of the company.

In comparison, Evolutio, in Spain, has around 1100 employees and has a revenue of around 300 million euros. They have a program where they have their own technical academy, where they commit to recruiting 150 people every year. It is not our focus; it is not our dimension and it is not where we are.

And then, we have vacancies that appear to us either by exits and that we have to replace or by areas that we are developing and that we have to reinforce.

11. How would you describe and “ideal candidate” for the organization? - There is not.

There are no ideal candidates, nor can we do this assessment.

What we want that is “good, beautiful and cheap”, which is not possible. That does not exist. How are we today in the Information Technology market? The Information Technology market is a market that is effectively absorbing several young people. It is a market that is open and that is absorbing a lot of people at the moment.

What is the market problem? Because the market is absorbing a lot of people, it makes people not bring the desired training. Many of them because they enter the job market before finishing their academic degree's. Many of them also because they jump from company to company, because the market is very open.

And then another problem, at the moment, in Portugal, is the fact that it is an attractive country because we have a great climate, we have good conditions, but, in fact, salaries are not compatible, and we are also facing challenges because we are competing with Europe. Whereas a few years ago, we knew that resources would work outside of the country, but they had to commit to moving to a new country, with remote work, this is not necessary anymore. The resource can continue to live in Portugal and work for any other country in Europe or even another continent.

Then, we also have the issue that courses in this area are complicated. I would also say that sometimes many of them come from technical-professional courses and this complicates, especially in terms of mathematics. And, therefore, students also take longer to complete their training, since we have students who, instead of the normal 3 years, take 4, 5 or 6 years to finish their academic degree's. And all this makes us have a deficit of resources here.

12. Do you have a clear and defined EVP that both the candidates and employees recognize? If so, what composes the EVP? - The great challenges of this company is that

we cover very different generations. I would say that Warpcom is a more traditional company in its compensation package and in the components of its compensation package.

We are more traditional because although we are in the information technology market, we have been here for many years and we started as a manufacturer. We are not a start-up. We

are not a unicorn. We are none of those things and therefore the benefits and compensation methods are much more traditional.

We are evaluating whether you are interested in switching to more flex programs. However, we are a little reticent to make this change.

13. What kind of strategies do you have to attract the ideal candidates? - LinkedIn is a tool that is very difficult for anyone to attract any resources because resources are so bombarded with messages on this platform, especially the ones in the Information Technologies sector. Networking works better. Since the market is very small, people know the peers in the competition and in the other companies. This is very helpful when we are talking about resources with more skills and more seniors.

In terms of more junior positions, I think we suffered a little bit from the impact of Covid, because we did not go to job fairs. And where we have managed to recruit and where we have felt that we have been more successful is at job fairs or seminars that we do at the universities. Anything where we have a closer physical approximation, it is what we feel that works best. I can give an example that we went to a fair at ATEC last July and we just receive 12 requests for internships from this job fair alone.

14. Do you use referrals as a way to attract candidates? What kind of impact does it have in the recruitment process? - We have a referral policy. For more senior positions, the referral policy works very well.

15. Out of the strategies used, which ones do you perceive that it is having a better effect? - Therefore, what we perceive that works best is with more physical and face-to-face contact. We also participated in virtual fairs but we thought it did not work, it did not go well. We continue to like this approach of proximity – going to colleges, doing seminars, teaching classes.

16. What strategies could the organization implement that it does not use yet? - The strategy is already made up and it works. There is not much to invent. What we believe that is successful is having an articulate, honest speech and being able to sell the brand name. I think this always works well, accompanied by technology and cutting-edge technology. I think what has worked well for us is that we also have a lot of cutting-edge areas. At the moment, in the area of security, we are in the area of quantum technology. It is a new area and brings a lot of interest. And it is obvious that the compensation package is important but what do I think is also important? It's the kind of technologies we work on and the projects we work on. These are very differentiating factors. The compensation and benefits, in fact, is

always important because people need to pay bills at the end of the month and obviously we try to be in line with what the market pays. But, that is not what sells the company when we go talk to students. That is not what we talk about. We talk about the technological areas we work with and the projects we have in reference clients. This I think is the differentiating factor here.

Talent Development:

17. How does the onboarding process proceed? - Yes, we have an onboarding process. Our onboarding process lasts more or less a month. There are several sessions. The first session is always with the human resource department, it is a session of more general things within the organization. Explaining policies, presenting the tools they are going to work with, explaining what day the employee receives their salary, how many days of vacation they have, making a presentation of the entire organization, explain what are some key security requests, the best practices in terms of the environment due to the certifications that the company has because there are requirements that we have to maintain. It's almost their first visit of the company.

And then, we have several sessions with the various areas of the companies. For example, with the financial area, where all financial concepts are explained, such as sales and orders. We also have another session with the commercial area, another with the operations area. We have with the various areas of the organization, to explain a little bit how we work. After 6 months, we make a questionnaire to the person who entered to see if they are integrated, if there are aspects in which we can improve, so that they can give feedback on what we can improve in terms of integration.

18. Does the organization have a clear training program for the different areas and ranks?

And what type of training does it has and how is it done?

- a) **Is it based on soft skills or hard skills? Or both?**
- b) **Is it done through training developed by the human resource department, by external organizations, through university programs, online courses or others?**
- c) **Is training demanded or voluntary?**

I would say that 90% of our training plan is technical training. And this has a little to do with the fact that we are a leading integrator, because we are consultants and because we work in many technological areas. And, within the technological areas, we work a lot with manufacturers, which is why all our technicians have a lot of training because they effectively have to be always doing certifications to be updated and to see new products.

In terms of managers, we also have some training in terms of leadership and team management. And I think that one of the biggest deficits in this area of technologies and that will not only be at Warpcom, is that there are actually very good technicians but with many

gaps in terms of soft skills. Therefore, there is a lot of difficulties in transforming technicians into good managers and good team leaders. And that's one of the difficulties and something that we're currently working on. Maybe we do not need such good technicians today, we need resources that have more balanced skills today. I would say it will be a generational issue, we have already noticed it in the past and we continue to note it in the current generation because those who go to Information Technologies are the people who tend to like computers more, who like these technological areas more, who like to talk less and who are more timid. Obviously, not everyone is like that, of course there are exceptions but it is an area that tends to prepare its resources more for the technical side of projects. It has been a challenge for organizations to try to balance the skills of these resources, to try to make soft skills and hard skills more balanced.

19. Does the organization allow and promote mobility? How does this initiative occur? - We have a mobility policy, which is posted on our intranet and all employees can apply. Whenever there is a vacancy, we also advertise it in our internal mobility group and therefore, any employee can apply for this new position. In none of the companies I worked for, did international mobility work very well and there was never the possibility of mobility. At Dimension Data, which had very advanced and developed practices, it never worked well. Because the person would leave and we had to apply in terms of salary, remuneration package, everything that was practiced in the country itself. Employees had to make a new contract with local entities. Never that idea of expats, or that I was going to work for a temporary job. People had the option to apply for a job in any other country, but then the contract would be transferred to the local country and conditions were made according to the local country.

20. Does the organization have development initiatives besides the vulgarly implemented? Which ones and why? - At the moment, we do not carry out initiatives in terms of social responsibility and volunteering. We already did but we do not think it was very successful for us and even for the institutions themselves. We had a very close partnership with the SOS Villages Organization and, at the time, it was very common to go paint walls, paint walls but they told us that it was not what they needed. It looked good for media, but what they really needed was financial assistance. At the time, we even helped them to find a lift and participated in some initiatives but we did not think it had a big impact. At this moment, where do we invest most of our time? In the Employee Experience, we manage to have psychologist appointments, nutritionist appointments, give the employee's birthday off work, have team lunches twice a year, we also have an event a year where we bring the whole company together.

21. How is the performance appraisal process in the organization?

- a. How many times a year do the employees receive formal feedback?**
- b. Who provides feedback?**
- c. How are employees evaluated?**

We already had many models but it is something that we currently do not do, which we need to change. However, from our experience, the same problem always arises. Employees think they will always have performance appraisal linked to salary increases. All the performance appraisal processes that I know of and that we had were not always linked to salary increases.

We want to make a link to whether or not the employee is eligible for raises, that is, if my rating is too low, I'm not even eligible. If my rating is between such and such, then I am eligible.

22. Is there a clear communication of how employees can achieve a promotion? And how regularly do these happen in the organization?

- a. Are there clear next-steps defined for the career of each employee?**
- b. Are these next-steps presented to the employees so they know to work towards?**

We are not a company where it is possible to have an automatic progression and an automatic career. Because if we have this, it means that within 10 years, almost everyone would be managers or top technicians, which is not viable in a company like Warpcom.

Technical careers is something that the employees know they can do it through certification programs, which employees can enter if they want – it's free and it's indexed to progressive salary increases. In the technical career, you start as an implementation technician or for the support career, then within these careers you can change horizontally, being able to change from implementation to support or vice versa. Or they can still move vertically, for the positions of consultant – technical or pre-sales.

There is a technical career but there is no automatic progression and employees are aware of the benefits of each of the technical functions, which adds to their remuneration package and what is needed in terms of skills.

23. Does the organization have the possibility of the employees getting further in their career by their own initiative or only by the organization's initiative? - It is not an automatic progression career, so there may be the possibility of moving up or of the employee asking for it. We also advertise internal mobility vacancies and therefore employees can apply through them.

Talent Retention:

- 24. How many employees left the company in the last 5 years?** - It was one of the fiscal years where we had the highest turnover rate. We had 26 employees who left the organization.
- 25. How many of those employees left on their own initiative?** - Everyone left on their own initiative.
- 26. How does the resignation and offboarding process happens?** – There is a meeting between the employee and their manager and another with the human resource department to understand why the person is leaving.
- 27. What are the main reasons why employees are leaving on their own initiative?** – It is nothing new for us. At the end of the day, it is always because of the pay issue. We might think it's associated with other factors, but at the end of the day, it is always due to the remuneration part.
- We also have some collaborators leaving because we do not work 100% remotely. This is also one of the factors behind many departures this year. But the decision turns out not only to be associated with this aspect, remuneration also always has an impact.
- Although we are an information technology company, we are a company that works very closely with the customer, so we cannot have employees who work 100% remotely.
- 28. What are the reasons that you perceive why the employees stay in the organization?**
- 29. What kind of strategies has the company implemented to reduce turnover?** – The strategy is with what we already do every day. We are concerned with the employee experience, with the remuneration and keep the packages more or less within the market values but there is one thing here that is certain, there will always be exits.

Interview Transcript – 3

Characterization of the Interviewee:

1. **Name** – Ana Granito
2. **Organization** - Huawei
3. **Job Function** – Human Resources Manager

Characterization of the Organization:

4. **Sector of Activity** – Information and Communications Technology, ranging telecom networks, IT, smart devices and cloud services
5. **Type of organization** – Private.
6. **Is it a Portuguese organization or a multinational?** – Multinational.
7. **What was the company's annual business volume in euros in the last 5 years?** – At the end of 2021, globally, Huawei's revenue was 16.4 millions of euros.
8. **Number of employees during the last 5 years.** – As of 2022, the company has around 220 employees.

Talent Attraction and Acquisition:

9. **How many employees did the company hire during the last 5 years?** – Around 20 employees per year.
10. **What type of recruitment processes does the organization has?** – Both, internal and external recruitment, with opportunities for internships and for candidates with experience.
11. **How would you describe and "ideal candidate" for the organization?** – It is necessary to have the technical skills for the position and to be someone that recognizes and practices the core values of the company.
12. **Do you have a clear and defined EVP that both the candidates and employees recognize? If so, what composes the EVP?** – Our EVP depends on our moto, which is "Passion unlocks potential; Vision and Mission - Bring digital to every person, home and organization for a fully connected, intelligent world".
13. **What kind of strategies do you have to attract the ideal candidates?** – It is connected to three different aspects: working conditions, growth and learning opportunities and the international environment present in the organization.
14. **Do you use referrals as a way to attract candidates? What kind of impact does it have in the recruitment process?** – Yes, it has a positive impact because the candidate already has some feedback regarding the company.
15. **Out of the strategies used, which ones do you perceive that it is having a better effect?**
– The salary package and the opportunities to growth.

16. What strategies could the organization implement that it does not use yet? – More flexible working conditions.

Talent Development:

17. How does the onboarding process proceed? – All new employees have a defined welcome and training plan.

18. Does the organization have a clear training program for the different areas and ranks? And what type of training does it has and how is it done?

- a) Is it based on soft skills or hard skills? Or both?**
- b) Is it done through training developed by the human resource department, by external organizations, through university programs, online courses or others?**
- c) Is training demanded or voluntary?**

We have an elearning platform, where every employee can choose the courses that they wish for, for technical and soft skills. Additionally, there is demanded and specific training for each job function.

19. Does the organization allow and promote mobility? How does this initiative occur? – Yes, there is the possibility for mobility. If it is something that the employees wish for, they should show the Human Resources this interest.

20. Does the organization have development initiatives besides the vulgarly implemented? Which ones and why? – No, we don't.

21. How is the performance appraisal process in the organization?

- a) How many times a year do the employees receive formal feedback?**
- b) Who provides feedback?**
- c) How are employees evaluated?**

The employees are evaluated twice a year. It starts with a self-evaluation and then, the manager reviews it and gives a final evaluation to the employee.

The evaluation impacts the bonus that the employees receive.

22. Is there a clear communication of how employees can achieve a promotion? And how regularly do these happen in the organization?

- a) Are there clear next-steps defined for the career of each employees?**
- b) Are these next-steps presented to the employees so they know to work towards?**

Employees have daily communication with their managers and several training opportunities regarding career progression.

We have a category system defined and a career plan based in the skills and competencies for each employee.

- 23. Does the organization have the possibility of the employees getting further in their career by their own initiative or only by the organization's initiative?** – Both of these can happen.

Talent Retention:

- 24. How many employees left the company in the last 5 years?** – On average, 10 employees left in each year, during the last 5 years.
- 25. How many of those employees left on their own initiative?** – Every employee that left was on their own initiative.
- 26. How does the resignation and offboarding process happens?** – On their last day of work, the employee fills out their personal documents and delivery their working equipment.
- 27. What are the main reasons why employees are leaving on their own initiative?** – The employees left looking for new opportunities.
- 28. What are the reasons that you perceive why the employees stay in the organization?**
– Career progression, training opportunities and recognition are some of the reasons why they decide to stay.
- 29. What kind of strategies has the company implemented to reduce turnover?** – We have implemented a retention policy.

Annex 4 – Analysis of the Interviews

Table 8 - Analysis of the interviews

Dimensions	Categories	Subcategories	Company A	Warpcom	Huawei
Talent Attraction and Acquisition	Recruitment	Number of employees hired yearly	Q9. “Between January and August of 2022, 147 people.”	Q9. “In 2016, we were 65 and today we are 145.”	Q9. “Around 20 employees”
		Types of recruitment processes	Q10. “...curricular internships, professional internships, thesis mentorship internships and, at last, international internships... Then, there is the Trainee Program... The third program is the Technical Academy... Additionally, there is also the recruitment for candidates with experience.” Q16. “...our inclusion program, that allows students with disabilities above 60% to intern at the organization.”	Q10. “We always have both curricular and professional internships going on... And then, we have vacancies that appear to us either by exits and that we have to replace or by areas that we are developing and that we have to reinforce.”	Q10. “Both internal and external recruitment.”

		Ideal Candidate	Q11. "...it needs to be someone that besides having the necessary knowledge, also like to "refresh" them, keeps learning and effectively updates their skills. Regarding soft skills, it is necessary attitude, being proactive, questioning, promote learning, irreverence, innovating."	Q11. "There are no ideal candidates, nor can we do this assessment. What we want that is "good, beautiful and cheap", which is not possible. "	Q11. "...have the technical skills for the position and to be someone that recognizes and practices the core values"
	Attraction Strategies	EVP	Q12. "It is defined, and it has a double thought. We want to attract the candidate but not only because of the benefits that they can enjoy, which is why we do not divulge the total benefits to the entire pool of candidates. We only share with the ones that are selected and yes, we do have a very ample range of benefits and in a variety of areas such	Q12. "I would say that Warpcom is a more traditional company in its compensation package and in the components of its compensation package... We are evaluating whether you are interested in switching to more flex programs. However, we	Q12. "Passion unlocks potential; Vision and Mission - Bring digital to every person, home and organization for a fully connected, intelligent world"

			as telecommunications, mobile phones, programmes, healthcare and others.”	are a little reticent to make this change.”	
		Strategies Used	<p>Q13. “For the candidates with experience, we mainly use the history of the organization. It is a safe company and growing... We have a good mood culture, the people are genuine, thoughtful, nice, motivated and very motivated to help their colleagues... There are several programs focused on the employee which are very broad and can be focused on their families, personal life, sports, health... For the younger generations, it is related with the fact that it is a company where you can actually do... We also have an ambassador’s program, participate in career fairs,</p>	<p>Q13. “Networking works better... And where we have managed to recruit and where we have felt that we have been more successful is at job fairs or seminars that we do at the universities.”</p> <p>Q14. “We have a referral policy. For more senior positions, the referral policy works very well.”</p>	<p>Q13. “...working conditions, growth and learning opportunities and the international environment present in the organization”</p> <p>Q14. “...it has a positive impact because the candidate already has some feedback regarding the company.”</p>

			<p>several events that we do internally, and the communications department also does a lot of workshops.”</p> <p>Q14. “We have a Referral Program... The program is still in an initial phase[...] but we have already seen some positive results.”</p>		
		<p>Feedback regarding the strategies used</p>	<p>Q15. “Above all, we must mention social media and LinkedIn, which have a very important role and that we already use.”</p> <p>Q16. “In terms of attraction, we can always do something different. However, the job market is very fast and so competitive that the candidates do not care, which is why we look for the one that go in detail and are really interested.”</p>	<p>Q15. “We continue to like this approach of proximity – going to colleges, doing seminars, teaching classes.”</p> <p>Q16. “We talk about the technological areas we work with and the projects we have in reference clients. This I think is the differentiating factor here.”</p>	<p>Q15. “The salary package and the opportunities to growth.”</p> <p>Q16. “More flexible working conditions.”</p>

Talent Development	Onboarding		Q17. "The onboarding starts with the Human Resources Department and then it follows to the employee's department, lasting for 2 to 3 weeks. It starts with the Talent Acquisition and Employer Brading team, then the employee meets their Human Resource Business Partner in order to have a personalized welcome and, then, the team has a plan for the following weeks."	Q17. "Our onboarding process lasts more or less a month... We have several sessions with the various areas of the companies."	Q17, "All new employees have a defined welcome and training plan. "
	Training	Types of training	Q18. "We have individualized training for each employee. There are also several initiatives for each team and department. However, the employees can also participate in voluntary training and outside of the teams' plan as long as it is	Q18. "I would say that 90% of our training plan is technical training... In terms of managers, we also have some training in terms of leadership and team management."	Q18. "...every employee can choose the courses that they wish for, for technical and soft skills. Additionally, there is demanded and specific training for each job function."

			justified, and the manager approves.”		
		Internal vs External Training	Q18. “The training is done by the Human Resource department when it comes to the soft skills and everything that is more technical is taught by our own specialists, which are the employees that have the know-how and capabilities to train. Or we can also get help from our providers, which are certified companies.”	Q18. “...our technicians have a lot of training because they effectively have to be always doing certifications to be updated and to see new products.”	Q18. “We have an elearning platform”
	Mobility	Internal Mobility	Q19. “The program is established for internal and international mobility, but it is not active.”	Q19. “Whenever there is a vacancy, we also advertise it in our internal mobility group and therefore, any employee can apply for this new position.”	Q19. “Yes, there is the possibility for mobility.”
		International Mobility		Q19. “In none of the companies I worked for, did international mobility	

				work very well and there was never the possibility of mobility.”	
	Other Development Practices		Q20. “We have the possibility to do voluntary work for several number of days in each year without having a negative impact on their salary and work... You can also take a sabbatical year”	Q20. “, we do not carry out initiatives in terms of social responsibility and volunteering...At this moment, where do we invest most of our time? In the Employee Experience, we manage to have psychologist appointments, nutritionist appointments, give the employee's birthday off work, have team lunches twice a year, we also have an event a year where we bring the whole company together.”	Q20. “No, we don’t.”
	Performance Appraisal	The process	Q21. “There are a group of 10 behavioral and technical competencies, such as	Q21. “We already had many models but it is something that we	Q21. “The employees are evaluated twice a year. It starts with a self-

			<p>knowledge of the company, of the business, of the sector and technical... The formal evaluation is done 2 times a year in June, the intermediate evaluation, and December, the final one... This self-evaluation is done on the internal portal, after you have a feedback meeting with your manager, where there is a comparison between the employees' self-evaluation, the manager's evaluation and if the team's objectives have been achieved."</p>	<p>currently do not do, which we need to change... From our experience, the same problem always arises. Employees think they will always have performance appraisal linked to salary increases."</p>	<p>evaluation and then, the manager reviews it and gives a final evaluation to the employee. The evaluation impacts the bonus that the employees receive. "</p>
		<p>Career Progression</p>	<p>Q22. "We are currently remodelling the career model... There are 5 hierarchical levels that have a spectrum of 5 levels each. There is the possibility to grow both vertically and</p>	<p>Q22. "We are not a company where it is possible to have an automatic progression and an automatic career." Q23. "there may be the possibility of moving up or</p>	<p>Q22. "We have a category system defined and a career plan based in the skills and competencies for each employee. "</p>

			<p>horizontally. All of this is presented on the internal portal... The promotions are not very linear, you really need to show your value and it doesn't happen very frequently.”</p> <p>Q23. “You need to be the one suggesting the promotion.”</p>	<p>of the employee asking for it.”</p>	<p>Q23. “Both of these can happen. “</p>
Talent Retention	Offboarding	Number of employees who left yearly	<p>Q24. “Between January and August of this year, 204 employees have left the company”</p> <p>Q25. “...110 left on their own initiative.”</p>	<p>Q24. “We had 26 employees who left the organization.”</p> <p>Q25. “Everyone...”</p>	<p>Q24. “On average, 10 employees left in each year, during the last 5 years.”</p> <p>Q25. “Every employee that left was on their own initiative.”</p>
		Reason why employees left	<p>Q27. “Mainly related to compensation, managers, and career progression.”</p>	<p>Q27. “...it is always because of the pay issue... We also have some collaborators leaving because we do not work 100% remotely.”</p>	<p>Q27. “The employees left looking for new opportunities.”</p>

		How is the process?	Q26. "It starts with a questionnaire, where you talk answer questions regarding what you value in the organization... This will later be used for the leave interview that the employees have with the Human Resource Business Partner, who will get in contact once again after the employee leaves to understand if the decision would have been different if certain actions were taken."	Q26. "There is a meeting between the employee and their manager and another with the human resource department"	Q26. "On their last day of work, the employee fill out their personal documents and delivery their working equipment."
	Retention	What makes employees stay?	Q28. "Good work environment, working in a very safe company and the generational factor, because at a certain point people are not interested in changing organizations."	Q29. "We are concerned with the employee experience, with the remuneration and keep the packages more or less within the market values but there is one thing here that is certain,	Q28. "Career progression, training opportunities and recognition"

				there will always be exits.”	
		Strategies to reduce turnover	Q29. “Counteroffers have been the preferred strategies but it has not had good results.”	Q29. “The strategy is with what we already do every day”	Q29. “We have implemented a retention policy.”

$$\text{Employees' Growth Rate}_{\text{Company A}} = \frac{6200 - (6200 - 147 + 204)}{6200 - 147 + 204} \times 100 = -0,91\%$$

$$\text{Turnover Rate}_{\text{Company A}} = \frac{204}{6200} \times 100 = 3,21\%$$

$$\text{Employees' Growth Rate}_{\text{Warpcom}} = \frac{145 - (145 - 14 + 26)}{145 - 14 + 26} \times 100 = -7,64\%$$

$$\text{Turnover Rate}_{\text{Warpcom}} = \frac{26}{145} \times 100 = 17,9\%$$

$$\text{Employees' Growth Rate}_{\text{Huawei}} = \frac{220 - (220 - 20 + 10)}{220 - 20 + 10} \times 100 = 4,76\%$$

$$\text{Turnover Rate}_{\text{Huawei}} = \frac{10}{220} \times 100 = 4,54\%$$