

# HR ISSUES IN GROWEX DIGITAL MARKETING AGENCY

**Muhammad Asdullah, Superior University**  
**Muniba Ghaffar, Superior University**  
**Muhammad Rafiq, Superior University**

## ABSTRACT

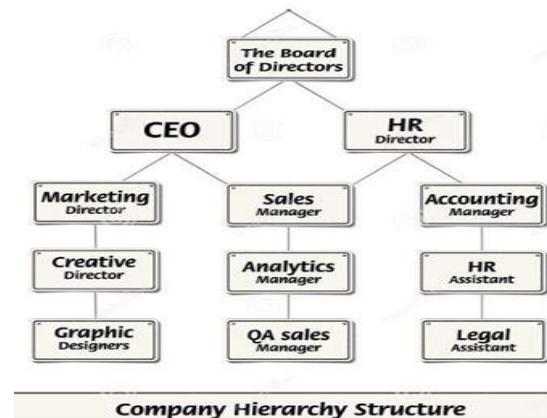
*Mr. Ahmad HR manager of Growex organization had to deal with several human resource concerns in his HR department. These challenges were found across the organization, and the top management at times seemed incapable tackling such issues. According to the findings, workers of the HR department were complaining about the lack of career advancement, poor salaries, lack of an exact promotion program, and excessive work pressure, etc. These were the major issues that depressingly influenced the entire HR system and produced a high rate of low turnover in the department. The HRM could not make great decisions on its own because the organization did not give authority to other domains. The Head Office in Lahore was making all decisions, and the firm required a strong centralized mechanism to administer the HR department.*

**Keywords:** Human Resource Management, Employee Participation, Employee Attitudes, Performance Measurement.

## INTRODUCTION

HR manager of Growex organization Mr. Ahmad had to deal with several human resource concerns in his HR department. These challenges were found across the organization, and the top management at times seemed incapable tackling such issues. According to the findings, workers of the HR department were complaining about the lack of career advancement, poor salaries, lack of an exact promotion program, and excessive work pressure, etc. These were the major issues that depressingly influenced the entire HR system and produced a high rate of low turnover in the department. The HRM could not make great decisions on its own because the organization did not give authority to other domains. The Head Office in Lahore was making all decisions, and the firm required a strong centralized mechanism to administer the HR department.

The HR Manager of Growex, Mr. Ahmad was under intense pressure from the organization's upper management to strengthen the HR<sup>1</sup> department in March 2021. He was dealing with a lot of problems in his domain, and he couldn't account them all without overhauling the entire HR structure of the firm. Growex's upper management (Figure 1) was receiving numerous employee complaints, which they were unable to resolve. Mr. Ahmad was summoned to a meeting by Growex's<sup>2</sup> upper management and was asked to investigate why there was high staff turnover in the HR department. Later, Mr. Ahmad arranged and held an urgent meeting with his subordinates to identify the root causes of high turnover in their department.



**FIGURE 1  
GROWEX ORGANIZATIONAL STRUCTURE**

Growex, a digital marketing business, was to assist manufacturers and inventors in the field of connecting the potential of the internet. They were a leading advertising virtual firm based solely in Pakistan that used to provide optimum and cost-effective service to all small, growing and respectable businesses and provided them all the virtual services they needed. However, the firm was not efficient in operations and a centralized method for managing all the staff. This issue added additional stress and strain to the HR department.

Mr. Ahmad, along with his team decided to probe into this matter thoroughly and did employee evaluations regarding this situation, discovering that the majority of the employees' complaints outlined their major concerns such as; lack of career progression, absence of promotion policy, and many other issues like these. After investigating these challenges, the assistant manager of HR presented suitable and practical solutions to the organization's top management, ensuring that the HR department's performance would increase the organization's efficiency.

Mr. Ahmad was starting overview of the company in which he describe that the Growex had worked closely with various other organizations from the start to the advance stage as a virtual advertising agency. The firm created and executed an online advertising strategy for Pakistani startups to increase brand recognition and sales of the company's products and services across all virtual media channels. They practiced virtual analytical tools to create goals, monitor success, and optimize their websites, mobile & social content, and search strategies. Growex was primarily concerned with channels and platforms and as a digital marketing firm it was providing services such as performance marketing<sup>3</sup>, social media, websites, e-commerce fulfillment<sup>4</sup> and SEO<sup>5</sup>. The firm had an understanding that effective digital media purchasing and leading generating businesses could enforce an exclusive and comprehensive strategy. This is how they could know which platforms were utilized to have insight about the position of clients.

Growex was a smart transformation organization committed to assisting startups and small enterprises helping achieve their success. The primary purpose of the firm was to provide low-cost with high-return digital marketing services. They assisted in rationalizing current growth from vision development to end-to-end digital execution. Growex, as an extension of the company, was meant to achieve the set goals of a client. Growex could assist in optimizing business and celebrating the achievements of the clients.

Growex worked with companies from several sectors to help them achieve their marketing and digital media objectives. They provided the following products and services: Performance Marketing, Social Media Management, Website Development & Maintenance, Search Engine Optimization, Community Management, E-commerce Fulfillment, Drop-shipping Services, Domain & Hosting, E-commerce Consultancy<sup>6</sup>, Brand Consultant<sup>7</sup> and

Rebranding. Their primary goal was to free up clients' time so they could focus on running their businesses while focusing on developing themselves.

Growex employed a multi-advertising approach to produce massively effective operations by synchronizing it at all levels, resulting in enhanced brand reach, target market meetings, and income. By utilizing a funnel-based method, they wanted to increase buyers' knowledge, build stronger character configuration, and broaden the range of interactive elements. Some of the virtual advertising channels available on the internet included search engines, social networking platforms, email, push notifications, and text messaging.

They found the ideal virtual advertising blend using their suitable network control planning's, which might have reduced their worthwhile increasing the company's profit. Multi-channel advertising was the way to go if anyone wanted to boost brand exposure, develop interest, increase brand meeting and client trustworthiness, or rise income and leads graphs. Mr. Ahmad meets with Chief Human Resource Operation. He had a unique role in assisting the company's progress by identifying the organization's culture, the management team's strengths, and the corporation's skills. However, the degree and difficulty of virtual alternatives would necessitate the formation of new collaborations and competencies inside HR (Figure 2).



**FIGURE 2**  
**STRATEGIES ADOPTED BY GROWEX**

To begin, Mr. Ahmad decided to need the collaborate with advertising and influence its narrative capabilities. Marketers understood the power of a narrative and also knew how to utilize it to fulfill the promise of a logo in a way that connects with customers. Employee input might also be shared through stories as they traveled through their virtual journey and experiment with new methods of working. Employees were more engaged with the “*show me*” strategy than with the usual “*tell me*” method, the CEO<sup>8</sup> communicated the transformation. Marketing could be learnt from HR by employing technology to lower the cost of customized contact information in the virtual marketplace for both candidates and clients. Both regions were concerned with convincing and encouraging people.

Second, Mr. Ahmad wanted to place a greater emphasis on recordkeeping. Marketing analyzed data to determine consumer behavior; he want HR must have utilized the same analytical technique to determine employee behavior and the impact of HR policies on company outcomes. He decided HR departments desired to employ individuals with credentials in information analytics, economics, corporate governance, and other analytical fields to develop this competency.

In the third place, Mr. Ahmad wished to encourage useful collaboration and responsibility. Digital marketing wasn't always an active department; it required the collaboration of many different company areas to provide value for customers. Cross-utilitarian thinking generated consensus and shifted the lifestyle toward a virtual and customer-centric mindset. Digital working would eventually relocate every company and corporation. It also provided HR with a significant chance to influence people's lives, power, and positions for a firm to be genuinely remarkable in the digital era. Initially, employee

performance at Growex was not based on evaluations, but the organization progressively moved to do so with the Performance Appraisal (PA)<sup>9</sup> after identifying a lack of training, need, and development to increase performance.

### Competitive Advantages

Growex had the following competitive advantages over other agencies:

1. Develop a passionate, dedicated audience.
2. Dominate a social media platform.
3. Produce enormous amounts of outstanding material.
4. Establishing thoughtful leaders.

This allowed them to get a competitive advantage for their firm. A “*sustainable competitive advantage*” was tough for competitors to replicate and allow them to build on the lead they've built. With the above-mentioned points, the company had established a well-defined management structure with functional departments and well-defined lines of duty.

### Effectiveness

The company had formed various management committees to assist it to coordinate its activities. The executive committee was the top management body, comprised of senior executives. Every month, the executive committee, led by the Managing Director, met to analyze the Company's performance. The purchasing committee, finance committee, and credit committee were the other committees including the aforementioned committee.

### Management Information System

The organization used Oracle Environment Control System (ERP)<sup>10</sup> to create reports and managed the flow of information. It was capable of producing customized Management Information System (MIS) reports for the board of directors and top management. Management maintained strict controls through the ERP.

Within the organization, Environment Control Management had a strong control environment that was strengthened by strict controls. This industry had become increasingly competitive in recent years. Growex's estimated value was \$1.41 million. In 2021, the firm generated \$3,078,654.000 in revenue, representing a 95% success rate (Figure 3).

Unconsolidated Statement of Profit or Loss			
For the year ended June 30, 2020			
Amounts in PKR '000			
	Note	For the year ended June 30, 2020	For the year ended June 30, 2019
Net turnover	28.1	53,598,537	58,328,849
Cost of sales	28.2	(43,136,319)	(48,877,125)
<b>Gross profit</b>		<b>10,462,218</b>	<b>9,451,724</b>
Selling and distribution expenses	30	(3,389,472)	(3,170,316)
Administration and general expenses	31	(1,497,669)	(1,345,994)
<b>Operating result</b>		<b>5,575,077</b>	<b>4,935,414</b>
Other charges	32	(332,930)	(272,230)
Finance costs	33	(1,594,776)	(1,455,747)
Exchange loss		(366,978)	(435,699)
		(2,294,684)	(2,163,676)
Other income	34	955,328	408,768
<b>Profit before taxation</b>		<b>4,235,721</b>	<b>3,180,506</b>
Taxation	35	(1,206,718)	(875,594)
<b>Profit after taxation</b>		<b>3,029,003</b>	<b>2,304,912</b>
Basic and diluted earnings per share (PKR)	36	32.80	24.96

**FIGURE 3**  
**STATEMENT FOR PROFIT AND LOSS ACCOUNT**

### Suggestions/Critical Analysis

Following our visit to Growex, we discovered several concerns that must be addressed. Permanent employees currently enjoyed all types of benefits, such as health and insurance, but all employees, regardless of position, were treated similarly in terms of incentives and compensation. Furthermore, the burden of having two resources managed all

of the activities on their own was considerable. Permanent workers were trained, while contract employees were not; yet, all staff should be trained. This approach was proven to contain nepotism, which must be eliminated as soon as feasible. On the other hand, contractual employees should be included in employee benefits such as health insurance that would continue for the duration of their job in the form to perform more successfully.

### ***What should Mr. Ahmad do?***

Mr. Ahmad discovered several issues with the organization's HR system. What were Growex's key issues, and what were the causes of those issues? How could managers address current workplace concerns in a diverse workplace? Why did a business assess employee performance? What could Growex do to motivate and retain its staff to reduce employee turnover?

## **RESEARCH METHOD**

In this case, interview method was used. This interview was done face to face in Growex. From senior management, we asked the below-mentioned questions and as a result, got our point.

### **Analysis**

#### ***What were Growex's key issues, and what are the causes of those issues?***

The HR manager Mr. Ahmad was in charge of a number of responsibilities connected to the organization's recruiting and personnel management. This category included job descriptions, workforce planning, training and development, performance management, and other tasks. Many of the HR difficulties that firms faced were the result of lack of resources or personnel. There were several tasks to be completed, all of which were critical, but due to limited resources, it was not feasible to do them all. The following were some of Growex's key issues:

**Stewardship:** Managing change can be a significant strain for both HR departments and employees. This theory relates to stewardship described by Davis et al. (2018) and was especially true for fast-growing firms like Growex that was experiencing rapid process modifications or onboarding of new employees. Unfortunately, HR at Growex was typically the source of this discontent. When stewardship was done improperly, it had a negative impact on the performance and morale of the workers. It was typically the HR department's role to establish methods to guarantee that people-centric change would not have a detrimental impact on productivity and production.

**Compensation control:** It was out of question to avoid discussing pay and benefits for the HR department. Everyone was concerned at Growex, and it affected everything from performance to engagement to productivity. Compensation benefit was described by (Jackson et al., 2009). Some of the most common issues were as follows in the case:

1. Understanding how to structure pay packages in order to stay competitive in relevant sector.
2. Monitoring the employment market to see what others were offering to the staff.

It required a significant amount of effort and money to develop appealing and competitive overall compensation packages. In reality, small firms must struggle to compete with large corporations and their seemingly limitless expenditures.

#### ***How did managers address current workplace concerns in a diverse workplace?***

HR workers had a distinct set of problems when it came to managing workplace diversity described by (Jackson, 1993). These concerns could be alleviated if a firm had made a determined effort to develop a more diverse workplace by cultivating an atmosphere of tolerance, promoting open communication, and implementing conflict resolution methods to handle any issues that occur. These were the tips for managers coping with today's diverse workplace issues:

**Make communication a high priority:** Growex managers ensured that they connected constructively with workers in order to manage a diverse workplace. Policies, procedures, safety standards, and other vital information should be conveyed in a way that overcame linguistic and cultural barriers, such as through text translation and, where appropriate, the use of visuals and symbols was concerned.

**Encouraging employees to work together in a variety of groups:** Employees in diverse work teams came to know and respected one another on a more personal level, which helped to dispel stereotypes and cultural prejudices.

### ***What was the impact of employees' performance assessment on business?***

Employee assessments provided them with a clear knowledge of their role within the company. Their performance was extensively addressed with them, encouraging them with a sense of success and purpose. This question was linked with business accessing employees' performance described by (Oaya et al., 2017). Employers benefited as well when it came to deciding employee remuneration. A performance report that was issued on a regular basis highlighted the most effective use of resources. Employers validated and enhanced existing recruiting strategies by having a quantitative insight into an employee's success in the organization.

Appraisals also helped employees build better communication skills and a sense of trust among the employer and employees. This helped with expectation management and the establishment of a mutually beneficial relationship. In effect, evaluation systems helped the firm achieve exceptional results by serving employers better understand their employees and advanced the organization's overall goal.

### ***What could Growex do to motivate and retain its staff to reduce employee turnover?***

Keeping employees engaged was becoming increasingly difficult, and staff retention was a problem for the company. It was difficult to have the perfect retention plan, and even the best managers frequently struggled to maintain exceptional employees. According to the motivation-hygiene theory described by Herzberg (2015), certain workplace factors induced job joy, whereas another set of attributes created job dissatisfaction. This means that, while employees were unlikely to be dissatisfied or unhappy with their occupations, they were also unlikely to be pleased or content. Following were the ways to maintain employee motivation and minimize their turnover:

1. The organizations assumed that the cost of teaching employees was more than the cost of rehiring superior employees. Rehiring, on the other hand, could cost up to 250 percent of a person's entire yearly salary and was more expensive than merely educating the personnel. Providing more accessible training options also supported to save other logistical costs.
2. The training was comprehensive for the permanent workers whereas worthless for some employees, those who thought they never needed so it was less enthusiastic about it. Training that was chosen and tailored to the specific needs of the employee or organization, on the other hand, became more relevant to both the employee and the firm.

Employees improved the abilities they brought to the workplace via training. Trained employee evaluated whether or not to stay with a firm in order to enjoy personal progress and felt good about the job. Training boosted employee's self-esteem. As a result of employee

training and development, the organization increased productivity, fewer worker turnover, and less needed for ongoing supervision.

## END NOTES

1. **HR:** Human Resources are the set of people who make up the workforce of an organization, business sector, industry, or economy.
2. **Growex:** A leading digital marketing agency nowadays in Pakistan
3. An ongoing, continuous process of communication and work tasks, priorities, performance expectations, and development planning that is aligned with the organizational strategic goals as well as designed to maximize individual performance.
4. The element of your e-Commerce operation that delivers your products to clients is called e-Commerce fulfillment.
5. **SEO:** SEO (search engine optimization) is the system of enhancing a website's technical setup, content material relevancy, and link recognition so that its pages are more no trouble observed, applicable, and famous in response to personal seek queries, and browsers rank them higher for that reason.
6. **E-Commerce Consultancy:** An ecommerce consultant offers a variety of services, primarily focusing on analyzing ecommerce stores, evaluating their position within business markets, and helping ecommerce store owners achieve their goals. They also offer advisory services for the management and growth of ecommerce stores.
7. **Brand Consultant:** Through market research, content marketing, and website inspections, a specialist in designing can transform a small business into a power.
8. **CEO:** A chief executive officer, sometimes known as a chief administrative manager, central executive officer, or simply chief executive, is one of several corporate executives in charge of supervising the operations of a firm or charitable organization.
9. **PA:** Performance Appraisal is a regular review of an employee's job performance and overall contribution to a company.
10. **Oracle ERP:** Oracle ERP is a cloud-daily software program system for day-to-day making returned corporation techniques. Economic control, supply chain control, undertaking control, accounting, and procurement are all included in this enterprise control software program suite.

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