



▶ **Business Case Analysis
and Recommendations
for Successful Hiring and
Retention of Jordanians in
Middle Management Positions
Within the Garment Industry**

STUDY BRIEF

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**International
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▶ 1. Introduction

The purpose of this case study is to investigate and understand the factors contributing to the successful recruitment and retention of Jordanian talent in knowledge-intensive service positions within a specific garment factory particularly in middle management positions. In the context of Jordan's garment industry, where the majority of the workforce consists of migrant laborers, this study aims to shed light on the practices and strategies that have enabled certain factory to attract and maintain local talent in key positions.

Given the challenges faced by the garment industry in integrating local labor into knowledge-intensive service jobs, particularly due to the mismatch between educational competencies and industry demands, this case study aims to identify and analyze the success elements that have facilitated the employment of Jordanians in these middle management roles. The ultimate goal is to provide recommendations for stakeholders, including industry players, governmental entities, and relevant organizations, to replicate these successful practices on a broader scale.

The significance of this study becomes apparent in the broader socio-economic context of Jordan. With high unemployment rates, especially among university graduates, and the government's Economic Modernization Vision targeting growth and employment in high-value sectors like the garment industry, understanding and leveraging the success factors in local talent recruitment becomes crucial.

Moreover, the case study is inherently tied to Better Work Jordan's strategy. The findings and recommendations of the study can serve as valuable insights for Better Work Jordan in fulfilling the objectives of its Phase IV strategy, particularly in improving employment practices and competitiveness within the garment industry.

The findings and recommendations from this case study can be further envisioned as a valuable resource to support efforts in hiring and retaining Jordanians in middle management roles, contributing to the overall development and expansion of Jordan's garment sector in alignment with national economic goals.

Furthermore, the findings and recommendations serve as a navigational guide, furnishing actionable insights for industry stakeholders, governmental bodies, and pertinent organizations. The overarching aim is to inaugurate the widespread adoption of successful strategies, fortifying the foundation for a resilient and locally empowered middle management within Jordan's garment sector.

The findings of this study are based on quantitative and qualitative data sources including 25 surveys and 5 Focus group Discussions (FGDs) conducted with Jordanian middle managers, and 4 Key Informants Interviews (KIIs) with the top management of the factory. The triangulation of these different data sources allowed for a deep understanding of the middle management recruitment, retention, and practices within Pine Tree Company for Textile Manufacturing (PSC).



▶ 2. Case Study Findings

▶ Commitment to Empowering Jordanians

The commitment to empowering Jordanian talents is deeply rooted in the organization, extending beyond recruitment to create an environment where local talents can thrive. The success stories within the middle management, predominantly comprising Jordanians, stand as a testament to the fruition of this commitment. With 88% of the middle management being Jordanian, the factory has cultivated a pool of leaders who have played a pivotal role in the company's sustained success. This decision to prioritize local talent is not merely a reactionary measure but aligns seamlessly with a comprehensive, sustainable management approach.

The choice to invest in local talent is strategically aligned with the business goals of the company. The General Manager articulated the need for individuals who are not only educated and experienced but also possess the energy and eagerness to learn and develop. The emphasis on continuous improvement, adherence to policies, and the ability to keep pace with technological advancements are highlighted as critical elements of the company's strategy.

He also mentioned what he considered a success story on the level of the group, as one of the factory engineers was attracted to work as the head of the planning department in Bangkok factory for the group.

In extending advice to other factories in the sector, the General Manager highlighted Jordan's untapped potential, urging a reevaluation of how factories engage with local talent. Drawing from their own factory's success over nine years, the General Manager advocates for consistency in approach, emphasizing the long-term commitment to a strategy that encourages innovation and continuous improvement. The message extends to fostering a positive sector image, with a focus on leaving a lasting imprint and contributing to the industry's advancement.

▶ Overall satisfaction

In gauging middle management overall satisfaction within the factory, survey revealed the satisfaction of middle managers, with 48% expressing satisfaction and 52% indicating high satisfaction. Further investigation through focus group discussions revealed key factors influencing their satisfaction and motivation to continue in their roles including supportive culture and career progression, salary structure and benefits, open-door policy and guidance from top management and childcare facilities and safe transportation.



Figure 1: Factors Influencing Middle Managers' Satisfaction and Motivation



Satisfaction was also driven by factors like a structured career path, support in skills development, and a robust performance evaluation system. Initiatives by the HR department, such as the Training Academy, semiannual performance evaluations, 'Work from Home Saturdays,' cross-factory learning opportunities, and financial rewards, were identified as key drivers in enhancing overall satisfaction. The HR department's commitment to regular evaluations and initiatives aimed at addressing employee concerns demonstrates a proactive approach to maintaining and improving middle management satisfaction within the organization.

One of the middle managers mentioned:

"Most of us in the middle management are youth, with a maximum of 33 years old, this gives me a high level of satisfaction as in another company I would need another 20 years to reach such a position being directly under the General Manager, and this happened due to the huge investment in our capacity building, and giving us and trusting us with high-levels of responsibility, and in return, this enabled us and gave us self-confidence, high satisfaction, and loyalty to the company, as most of us in the middle management have been here for many years and we wouldn't consider leaving the company."

As for satisfaction with the work environment in specific, the survey results indicated that 48% of the middle managers were highly satisfied and another 48% were satisfied. Insightful discussions further highlighted key contributors to their satisfaction such as the presence of Lean management and Kaizen, learning opportunities, fair policies, facilities and resources, familial atmosphere, and the safety culture. The mental health and work-life balance aspect was also an important factor in the satisfaction, and it can be summarized in the following:



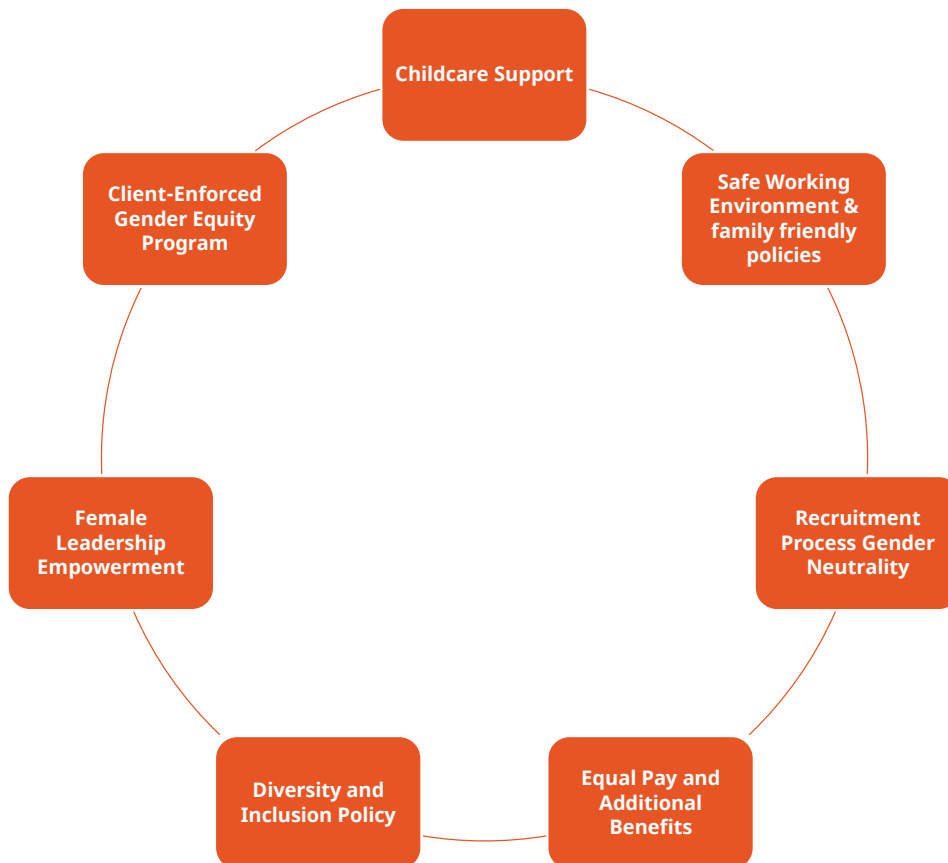
► Gender Equity

Key findings underscore the factory's commitment to empowering employees through targeted initiatives. The provision of a free childcare facility addresses challenges faced by all employees including working mothers, with policies ensuring their safety and convenience, such as door-to-door transportation after overtime. The prevalence of female middle managers in an industrial setting signals the factory's dedication to women's empowerment.

The factory also sighted adherence to brand-mandated gender equity programs and the internal "Her program," advocating for equal opportunities. Five pillars, including gender inclusion and increased representation in leadership, shape this program. Family-friendly policies, nursery provisions, and non-discriminatory practices in evaluations highlight the commitment to gender equity. Salary parity, except for additional benefit of housing for migrants, aligns with the 'equal pay for equal jobs' principle, reinforcing equitable compensation practices.

A desk review of factory policies aligns with on-ground practices, emphasizing targets for female inclusion, policies against discrimination, and specific programs safeguarding women's rights. The comprehensive strategy echoes the factory's dedication to fostering a workplace environment where gender equity is not only championed in policies but also actively practiced.

Figure 2: Summary of Gender Equity Efforts

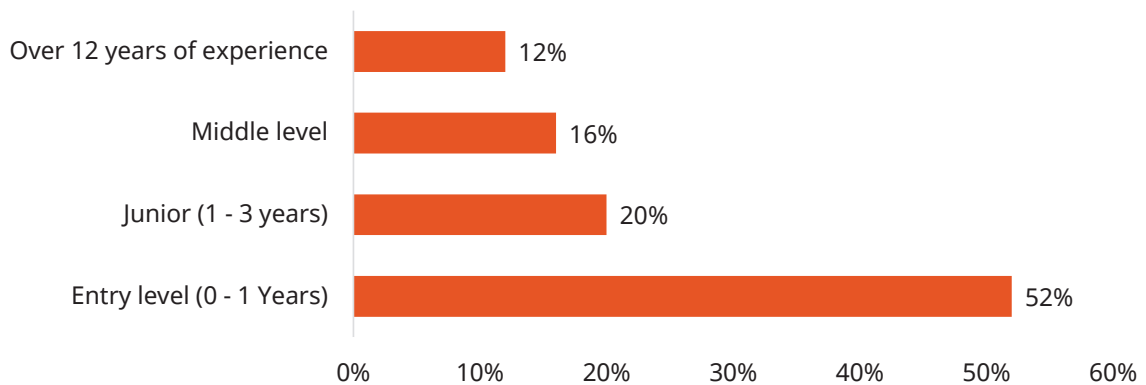




► Career Progression to Middle Management

A significant portion of middle managers (52%) started at entry levels, with motivations such as the company's international stature and structured interview processes influencing their choices. Despite potentially higher offers elsewhere, the appeal of the factory's organized approach during interviews stood out.

Figure 3: Level of Experience upon Joining the Factory



Interestingly, most middle managers had limited prior knowledge of the factory. Entry-level employees often encountered the factory through university outreach efforts. Meanwhile, later-career arrivals were either directly contacted by the factory, recommended by acquaintances, or applied through job postings.

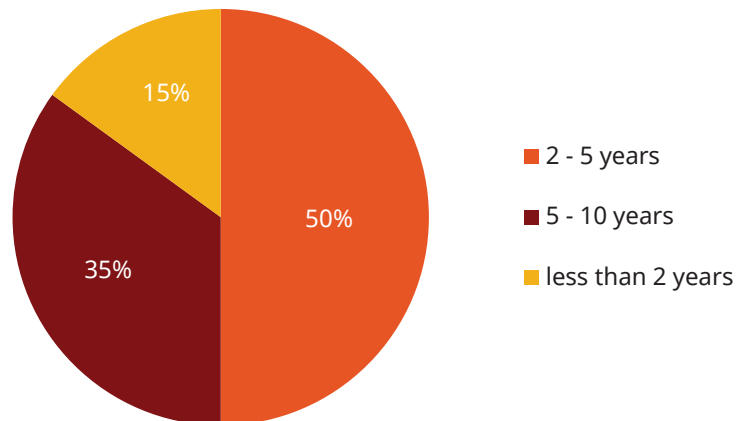
The factory's recruitment and hiring practices are distinctive, emphasizing a strategic alignment with the vision of empowering the local community, particularly in its isolated location. The intentional focus on industrial engineers and collaboration with top universities in Jordan ensured a talent pool of high-performing graduates. Active participation in job fairs, transparent communication of career paths, and compelling benefit packages contribute to the success of their recruitment approach. The factory's HR practices underscore a commitment to diversity and inclusion, with migrant middle managers seen as valuable assets in mentoring local counterparts.

Essential skills for success in middle management are outlined, encompassing problem-solving, effective communication, and human-centric leadership. Interestingly, the study unveils that most middle managers had no perceptions of the garment industry before joining.

The study revealed insights into in-factory promotions, with a majority (80%) of current middle managers being promoted internally. The time frame for reaching the first middle management position varied, with 15% needing less than 2 years of experience, 50% requiring 2-5 years, and 35% accumulating 5-10 years of experience.



Figure 4: Years of Experience Accumulated Before Reaching the First Middle Management



The commitment to employee growth is evident in the factory's approach to career development and training. All middle managers, whether internally promoted or hired externally, mentioned they underwent programs geared towards preparing them for middle management. The establishment of an in-house training center and a structured career path system reinforces the focus on continuous learning and progression. The factory's transformation of HR into a strategic business partner plays a pivotal role in aligning employee development with overall organizational strategy along with substantial investment in middle managers' development, encompassing internal and external training, task immersion, and structured preparation. The positive impact of training on performance and job satisfaction is unanimously acknowledged. Additionally, transparency in the promotion process is evaluated, with 92% stating it was transparent.

Middle managers re-emphasized that workplace environment, including implemented policies and practices, significantly shapes their career progression and experiences. These policies not only elevate their experiences beyond their peers' experiences in other factories but also streamline work processes, making tasks clearer and more manageable.

The focus on strategic recruitment, career path transparency, and comprehensive training needs analysis showcased the factory's commitment to developing and retaining talents. Over the nine years of the factory's existence, they've nurtured over 200 industrial engineers, with around 60 still employed in the factory. This investment is seen as a contribution to the country, as former employees assume leadership roles in other factories and international organizations. Additionally, **the factory's distinctiveness lies in its proactive engagement with academia to directly source graduates and subsequently provide them with real-world opportunities for skill application.**

The HR manager highlighted the cost-effectiveness of hiring local talents, citing the competitiveness of the local workforce and equitable compensation practices. **The statement implies that the local workforce's skills and competencies are on par with, if not exceeding, those of migrant workers.**



► Middle Management Practices

Middle managers in the factory reported a high level of support from the top management, with 76% characterizing it as excellent. This support is not only seen in the provision of professional growth opportunities but also in the organizational values that promote individual development. The emphasis on an open-door policy, collaboration in decision-making, and the alignment of strategies with the company's vision contribute to a supportive environment. The dynamic strategy, updated every three years, underscores a commitment to sustainability, innovation, and employee focus, emphasizing the importance of aligning with global objectives and partnerships.

Retention strategies focus on fairness, equity, transparency, continuous development, and competitive salary systems¹. The expansion of turnover assessments to include staff and improvements in the orientation process reflects a proactive approach to talent management. **The annual review of job descriptions and the willingness of middle managers to support colleagues beyond their designated roles demonstrate flexibility and a commitment to task alignment.** The integration of additional responsibilities as formal competencies with associated bonuses provides a structured approach to task alignment and employee engagement.

Middle managers play a crucial role in team empowerment through their diverse leadership styles, which are aligned with the company's core values. The HR department supports and aligns these styles, recognizing them as instrumental in cultivating future leaders. The emphasis on cascading knowledge, decision-making opportunities, training, and teamwork highlights a commitment to fostering growth and development within teams. Top management actively contributes to this by providing various training opportunities, including leadership programs and communication skills training.

Communication between middle and top management is perceived positively by 40% as excellent and another 40% as very good, emphasizing openness and collaborative decision-making. Various feedback mechanisms, including KPIs, turnover assessments, surveys, and external evaluations, contribute to continuous improvement. The HR department plays a pivotal role in facilitating communication channels, including grievance boxes, an open-door policy, and direct access to HR for conflict resolution. This approach ensures employees have diverse and accessible channels to voice their concerns, contributing to an overall positive working environment.

Middle managers see themselves as a bridge between top management and their teams, translating high-level strategy into actionable plans. The creation of team specific KPIs derived from the factory's overall strategy emphasizes their role in refining and aligning objectives. Decision-making authority is balanced with a collaborative approach, ensuring inclusivity and adherence to an inclusive decision-making policy. Examples of strategic decisions influenced by middle managers, including changes in standard operating procedures and the reshaping of departmental approaches, highlight the significant impact of middle management in shaping and executing the organization's strategy.

¹ Based on a salary benchmarking across the sector that was done by the factory.



“When I assumed the role of department head at the factory, the standard practice was to fulfill any incoming request to our department without question, and we would face criticism for not meeting these demands. Over time, I gained deeper understanding of the processes, and despite initial complaints about unmet requests, I engaged in discussions with top management. Upon alignment with our strategic direction, they supported me in reshaping our approach. Previously, the process was to approve requests, even if not fully convinced, only to face rejection at the top management level. Presently, we have the autonomy to reject requests, accompanied by transparent explanations to other departments if needed. Management encourages us to decline requests that do not align with the overall strategy or lack essential necessity, eliminating unnecessary efforts. Consequently, other departments now comprehend the rationale behind rejections without needing to explain, resulting in notable improvements and cost savings.”

Female Middle Manager

Middle managers actively participate in the creation and implementation of policies within their departments. Their familiarity with core policies indicates a strong connection to the organizational framework. Policies are not static but undergo annual reviews to ensure relevance, and a standardized process involves training, implementation checks, and addressing challenges. The internal audit department plays a crucial role in policy enforcement, conducting periodic audits to maintain compliance. The systematic approach to policy enforcement, involving various stakeholders and a focus on continuous improvement, reflects a commitment to maintaining high standards within the factory. The engagement of the middle management is highlighted, especially in the Lean department, which is seen as instrumental in disseminating Lean practices throughout the factory. **The evolution of employees from engineers to Lean consultants demonstrates a successful cultural shift towards Lean management.** The general manager emphasized the importance of Lean principles not only as a team effort but as a culture integrated into the entire organization.



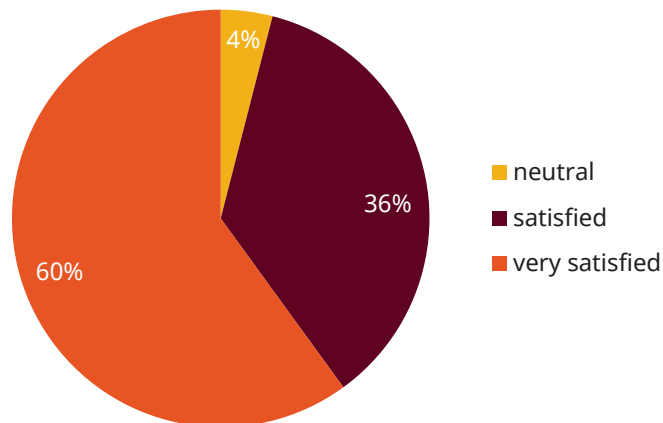
► Future Outlook of Middle Managers

Middle managers at the factory exhibit a comprehensive understanding of their career development opportunities, affirming a clear awareness of outlined career paths, detailed in their contracts, specifying the requisite experience and knowledge levels for progression. Notably, the management's flexibility in recruitment is evident, as they adapt positions based on applicants' qualifications for optimal fit.

"I initially submitted an application to the factory four years prior to my eventual employment, applying for a junior position. In the initial interview, they expressed the need for someone in a junior role, but I communicated that my level of experience exceeded that of a junior position after these years. After some time, they reached out to me, expressing interest in offering me a position more aligned with my level of experience." **Female Jordanian Middle Manager**

Satisfaction with current career development opportunities is generally positive, with 60% expressing high satisfaction and an additional 36% reporting general satisfaction. Supervisors' support for career development is strong, as all middle managers find their immediate managers supportive. Perceptions of commitment to leadership development among middle management are favorable. Regarding perceived growth opportunities in the next 2-5 years, 56% find them satisfactory, and 44% consider them very satisfactory, pointing to an optimistic outlook.

Figure 5: Satisfaction with the Current Career Development and Growth Opportunities Offered by the Factory



In articulating specific career goals and aspirations, all middle managers express a collective ambition to ascend to higher positions. Their strategies include continuous development of knowledge and skills, addressing weaknesses, and obtaining new certifications. Some aspire to reach higher positions at the group level, underlining alignment with broader organizational objectives and a desire to contribute to the strategic vision of the entire group.



▶ 3. Recommendations

Drawing insights from the discussions on the factory's practices, the following are a set of recommendations to increase hiring Jordanian talents in knowledge-intensive positions in the sector. By adopting these recommendations, factories can not only attract and retain local talents as middle managers but also foster an environment conducive to continuous growth, innovation, and strategic alignment.

ENTERPRISE LEVEL RECOMMENDATIONS:

Attracting Local Talent:

- ▶ **Tailored Recruitment Strategies:** Develop targeted recruitment campaigns highlighting career growth opportunities, company culture, and the diverse roles available in middle management positions.
- ▶ **Local Talent Showcases:** Participate in career fairs, seminars, or workshops in Jordanian universities or vocational schools to showcase career paths and opportunities within the garment sector.
- ▶ **Internship and Training Programs:** Offer structured internship or training programs to introduce Jordanian students or fresh graduates to the garment industry, potentially grooming them for future middle management positions.
- ▶ **Employee Referral Programs:** Encourage current employees to refer potential Jordanian candidates, leveraging their networks to attract local talent.
- ▶ **Inclusive Work Environment:** Cultivate a supportive and inclusive workplace culture where Jordanian employees feel valued, respected, and comfortable, fostering teamwork and collaboration.

Developing and Retaining Local Talent:

- ▶ **Tailored Career Pathways:** Establish transparent promotion policies that outline the criteria and pathways for career advancement within the garments sector. This ensures fair opportunities and encourages local talents to aim for higher roles.
- ▶ **Structured Training Programs:** Design comprehensive training modules focusing on industry-specific skills and leadership development tailored for Jordanian employees aspiring to step into middle management roles.
- ▶ **Skill Enhancement Initiatives:** Offer continuous skill enhancement courses, workshops, or certifications for existing Jordanian employees to upskill and prepare them for managerial responsibilities.



- ▶ **Mentorship and Coaching:** Implement mentorship programs pairing experienced managers with Jordanian talents to provide guidance, support, and career advice for professional growth.
- ▶ **Cross-Functional Exposure:** Facilitate job rotations or cross-functional projects that allow Jordanian employees to gain diverse experiences and perspectives within the garment sector.
- ▶ **Competitive Compensation:** Ensure competitive salary structures and benefits, acknowledging the contributions and potential of Jordanian employees in middle management positions.

FOR INDUSTRY COLLABORATION:

- ▶ **Industry Best Practices Sharing:** Engage in industry forums or collaborations to share best practices in talent development and retention within the garment sector.
- ▶ **Skill Standardization Initiatives:**
 - ▶ Collaborate with relevant bodies to establish standardized skill development programs aimed at nurturing local talent for middle management roles.
 - ▶ Advocate for industry-wide skill development programs, in collaboration with government bodies, targeting local talent for middle management roles.
 - ▶ Encourage investment in sector-specific leadership training programs for Jordanian employees, focusing on technical and soft skills.
 - ▶ Promote sector-wide mentorship schemes for knowledge transfer and skill development.
 - ▶ Advocate for sector-wide internship or training programs to introduce Jordanian students to the garment industry.
- ▶ **Partnerships with Educational Institutions:** Forge partnerships with universities or training centers to align educational curricula with industry needs and create specialized courses or programs catering to the needs of middle management positions in the garment industry.

FOR GOVERNMENT AND SKILLS DEVELOPMENT BODIES

- ▶ **Skill Development Collaborations:** Design skill development programs catering to the specific needs of garment sector in cooperation with sector associations.
- ▶ **Policy Support:** Design policies supporting career advancement and training opportunities for local Jordanian talents within the garment sector.
- ▶ **Industry Awareness Programs:** Conduct workshops or awareness campaigns showcasing the potential career growth opportunities available for Jordanian talents in the garment industry.
- ▶ Articulate and demonstrate the strategic advantage of investing in local talents, emphasizing the value of their fresh perspectives, adaptability, and commitment among more experienced employees.



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