CASE 5

EUREKA @ 50: The Challenges of Staying in the Game with the Right People

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There was a sense of urgency in the voice of the person on the other line. It was Mr. Paul Alvarez, Managing Director of ChemTech Inc., one of the subsidiary companies of EUREKA Conglomerates. It was already his third time to call that week to follow up on their need for four Chemists. The production demand was high during that peak month of November 2015, and they needed Chemists as soon as possible. Ricky Manzo, Human Resources Director, hung up the phone without offering any resolution to the request which had been conveyed to the HR Department since June.

EUREKA, a conglomerate of four subsidiary companies based in Metro Manila, Philippines, had been struggling with recruiting people to its workforce. Ricky lamented about how the job vacancy ads posted in several hiring websites would attract only small pool of applicants, leaving them with limited choices of qualified people and restraining the selection process. This was true for all hiring positions, including professional posts such as management, engineering and

sciences, and low-level posts such as production operators. This made the recruitment process a long and tedious task and frustrated the subsidiary companies that already needed new people to get on board. The problem with recruitment had domino effect on other areas of human resource management. Because recruiting external talents had been a challenge, and there were not enough in-house talents with the capability to replace retirees in key posts, succession planning had also been problematic.

EUREKA at 50

EUREKA is a Filipino company engaged in product customisation and specialisation for the food, plastics, and personal and home care industries. With decades of expertise and strong research and development unit, EUREKA had pioneered and introduced a number of products into the Philippine market and even expanded into exporting a number of products overseas, operating largely as a B2B company making commercial transactions with other businesses.

The company's principal business activities included manufacturing of customised food ingredients, specialty raw materials for plastics, and oleochemicals for personal and home care use (Figures 1 to 4). EUREKA had the largest market share in each of the industries it served, as well as longstanding customer relationships with the Philippines' leading consumer and chemical companies. It was listed on the Philippine Stock Exchange in December 2012.p

EUREKA celebrated its 50th anniversary in 2013. When it began in 1963, EUREKA had 6 employees only. Through the years it expanded and diversified into other business activities and established subsidiaries. It was turned into a holding company operating through its subsidiaries located in different parts of Manila and the suburbs, namely: Colour Me, Inc.; Fats O; EU Polymer, Inc. and ChemTech, Inc. These subsidiaries supplied raw materials and ingredients to well-known companies in the food, plastics and manufacturing industries.