

Background

IUVAS S.R.L. is a prominent fashion retailer in Moldova, operating 39 stores and employing approximately 300 people, 93.7% of whom are women. Despite its established market presence, the company faced significant HR challenges, including a labour market depleted by high youth migration, staff turnover (27.45% in 2024), and no formal HR policies, job descriptions, or development pathways.

IUVAS partnered with People 1st International to address these issues through the European Bank for Reconstruction and Development (EBRD) Skills in Business (SiB) initiative. The intervention aimed to strengthen IUVAS's HR function to support sustainable growth, increase youth retention, and foster a high-performing, agile workforce.

Objectives & challenges

The main objective was to transition IUVAS from reactive, informal HR practices to a strategic, structured people management approach.

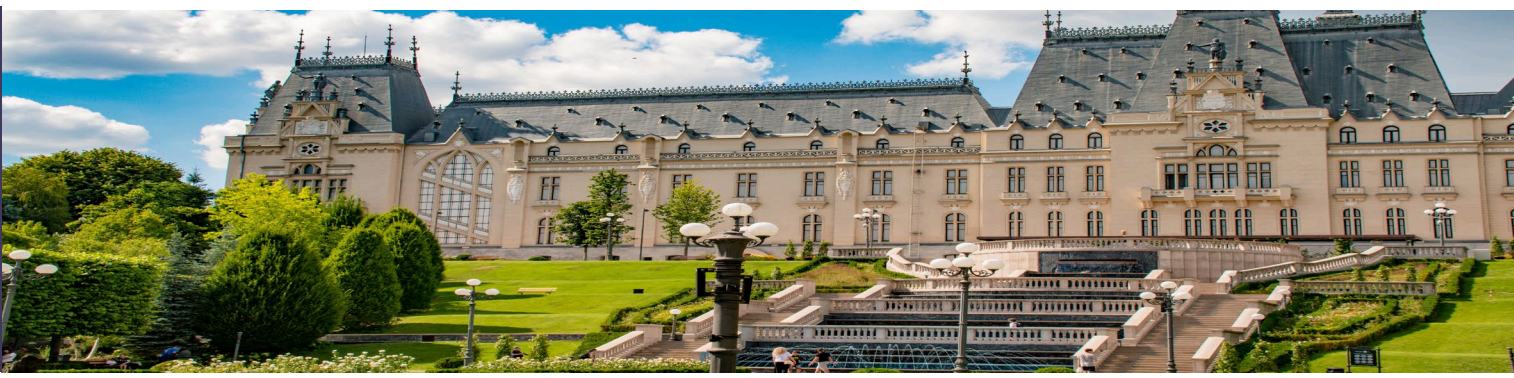
Specific goals included:

- Developing a robust HR strategy aligned with business priorities.
- Establishing formal people policies and performance management systems.
- Creating structured onboarding, training, and career progression frameworks.
- Enhancing youth attraction, retention, and promotion rates.
- Equipping the business with tools to measure the impact of HR practices.



Key challenges identified included:

- No existing HR strategies, policies or structured performance systems.
- Minimal role clarity and career development opportunities.
- Informal recruitment and onboarding practices.
- Low percentage of youth employees (8.7% under age 30).
- Centralised decision-making limiting managerial autonomy.



Outcome & impact

Throughout the intervention, IUVAS engaged in workshops, hands-on support, and strategic planning under six HR standards. Key outcomes included:

Strategic HR Frameworks: An overarching HR strategy was developed, organised around eight key priorities – ranging from recruitment and induction to wellbeing and performance. Three supporting strategies focused on recruitment, retention, and training, with actions phased through to January 2027. These plans are already informing operational changes and helping IUVAS better compete in the labour market.

Competency Frameworks: A competency-based approach to HR was introduced, including a new organisation chart, job descriptions, and competency profiles covering core, technical, and behavioural capabilities. These frameworks will guide recruitment, development, and career planning, with full implementation set for December 2026.

People Policies: Thirteen core policies were introduced using a structured development roadmap. Sample templates and legal guidance were provided, and finalised policies will be hosted on a digital HR platform (SelfHR), supported by an employee handbook and awareness campaign. Completion is targeted for October 2026.

Performance Management & Development: A performance management framework was created with appraisal templates, training for appraisers, and a clear cycle of reviews. A pilot is scheduled ahead of a full annual appraisal rollout, supported by individual development plans and continuous feedback mechanisms. The system is due for full implementation by October 2027.

Induction & Onboarding: A structured induction model was created to replace informal onboarding, supported by a comprehensive toolkit of 25 templates and guides. A pilot of the programme will be followed by full roll-out by April 2026, improving new starter experiences and retention.

Measuring Impact: A dedicated workshop equipped IUVAS leaders with tools to measure HR effectiveness using SMART objectives and Key Performance Indicators (KPIs). Each HR area now includes measurable goals, and roles have been assigned to track progress, led by the CEO and incoming HR Manager.

To monitor ongoing impact, IUVAS is tracking these KPIs:

- The implementation of the HR strategy and associated training.
- Youth retention and hiring rates.
- Internal promotion of youth employees.
- Employee productivity linked to the new HR systems.

While baseline and final data are still being collected, internal promotion rates for youth employees have already increased, and recruitment strategies are targeting a 28% youth hiring rate by the end of 2025.



Summary

The Skills in Business intervention at IUVAS laid the groundwork for a professional, future-focused HR function. IUVAS is better positioned to attract and retain young talent and support staff development with structured frameworks, formalised policies, and robust onboarding and performance processes.

This transformation was driven by strong leadership engagement and a commitment to long-term change, with the CEO actively involved and plans in place to appoint a dedicated HR Manager. Continued collaboration with the local consultant will help sustain momentum and embed the systems developed through the programme.

The partnership between IUVAS, People 1st International and the EBRD has shown the value of strategic HR investment in improving workforce outcomes and supporting the organisational resilience and growth of Moldova's competitive retail sector.



Testimonial

"Participating in the Skills in Business project, supported by the EBRD and guided by People 1st International, has been an extremely valuable experience for IUVAS. With the guidance of our local consultant, Svetlana, we gained clarity on how strategic HR can directly impact business performance. Together, we developed a set of realistic and actionable HR goals, built action plans for five standards, and laid the foundation for hiring a professional HR specialist. The consultants' deep expertise and structured approach were instrumental throughout the project. We now feel better prepared to grow our team and lead with purpose"

Iurie Vasiliu, Owner, IUVAS

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