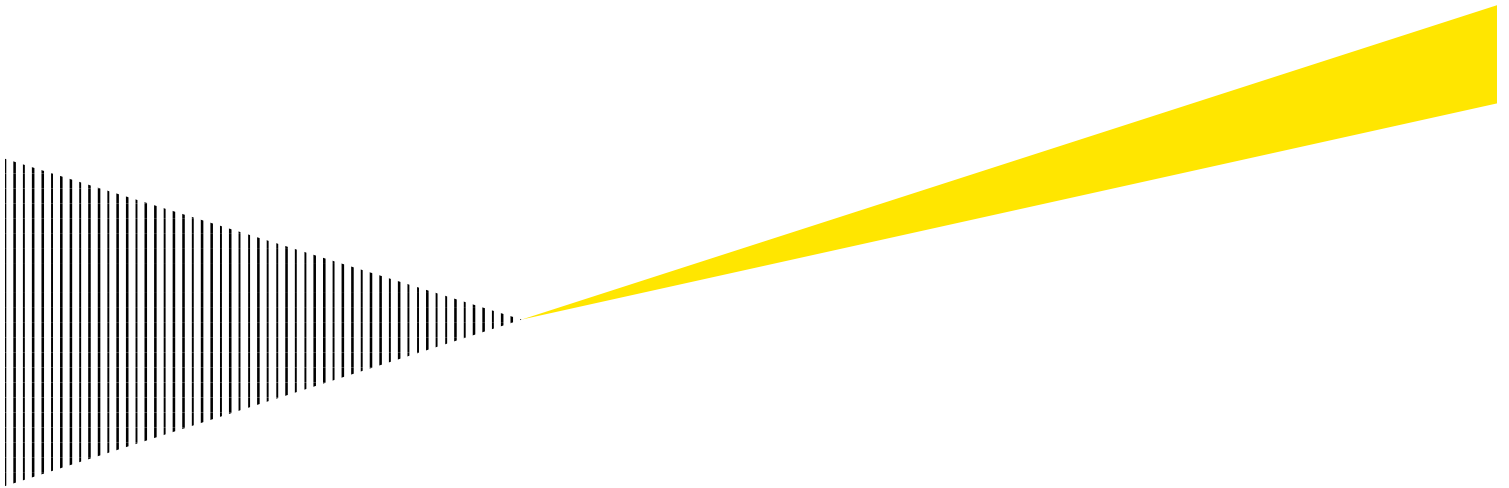


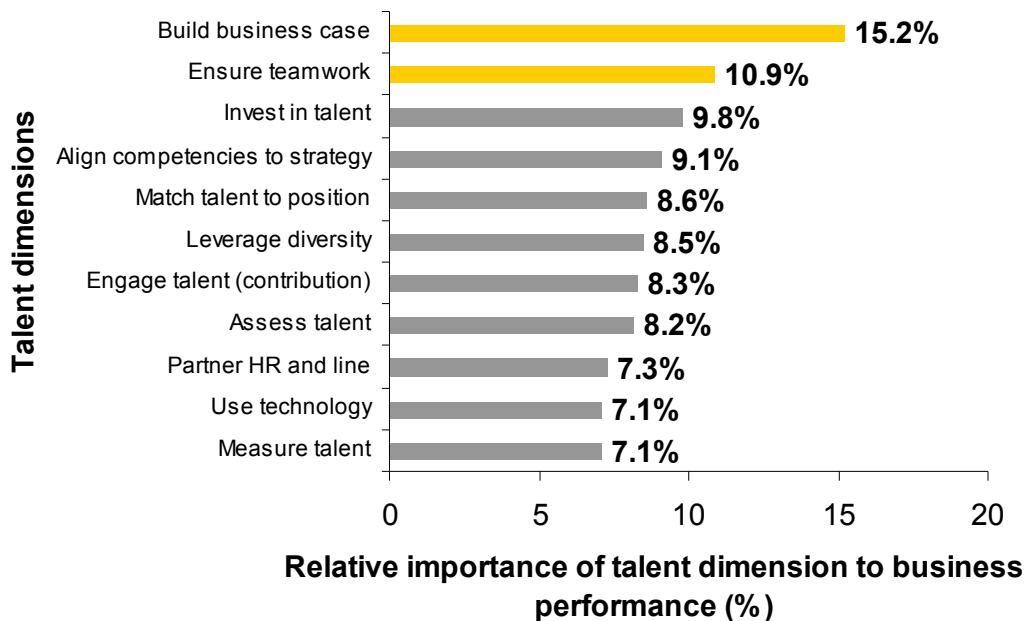
# Research on Asia: Embedding the right managerial talent in Asian businesses

Executive Summary



Managing talent is increasingly challenging in the mists of globalisation and a recovering economy. Ernst & Young Advisory (EYA) was commissioned by the Singapore Ministry of Manpower (MOM) to conduct a research study into Human Resource Management in Asia in the area of talent management. The topic of research, as agreed with MOM, focused on identifying and developing managerial talent in Asia. The scope of the study was based on 11 dimensions of talent management, namely:

1. Build business case for talent
2. Ensure teamwork
3. Align competencies to strategy
4. Assess talent
5. Invest in talent
6. Leverage diversity
7. Match talent to position
8. Engage talent
9. Using technology and support systems
10. Measure talent
11. Partner HR and line managers

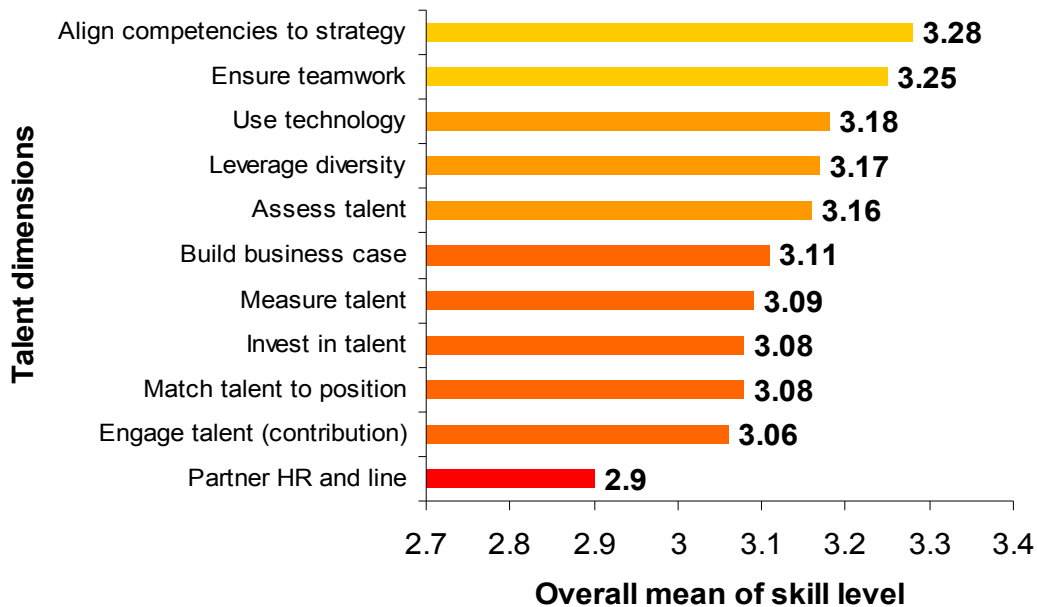


**Figure 1: Relative importance to business performance<sup>1</sup>**

Building a business case and ensuring teamwork were found to be the most important talent domains contributing to positive business performance. It is also interesting to note that while the interviewees had indicated the partnership between HR and line was important to talent management, the survey respondents did not rate it as highly. This is perhaps a difference in

<sup>1</sup> Scores are based on perception survey conducted on the importance of the 11 dimensions

perception between the interviewees (made up of CEOs and HR Directors), and the survey respondents (largely made up of non-HR personnel), and indicates the differential in viewpoints towards the responsibility of talent management between HR and non-HR line managers.



In general, organisations in Asia performed well in 10 out of the 11 talent dimensions of talent, with partnership between HR and line having the most significant room for improvement. It was found that there was a lack of understanding and collaborative ownership on talent management between HR and the line. The partnership between HR and line should form the fundamental building block of the talent management process, to ensure consistency in the understanding and approach to identifying and developing managerial talent in the organisation.

To leverage on the strengths inherent in the Asian context, EYA recommends the following next steps for companies in Asia:

1. Align business goals and objectives to build capability through talents
2. Get the line and HR working together at the business
3. Get the line and HR working together around the people

The study has enabled EYA to identify the key drivers of talent management, summarised in the 5S (5 essentials of talent management) Framework:



- ▶ **Search**
  - ▶ Assess suitability of new hires, make an effort to know who it is you want to look for and to find the person you are looking for
- ▶ **Signal**
  - ▶ Define and communicate what the organisation stands for so that you attract the people you are looking for
  - ▶ Show that the organisation cares for its employees
- ▶ **Space**
  - ▶ Give your staff the space to think innovatively, creatively, and speak up; treat everyone equally regardless of rank
  - ▶ Respect diverse people and diverse views
- ▶ **Support**
  - ▶ Give employees the tools to do their work and the emotional and moral support to do their work well
  - ▶ Give them the right information to do the job, i.e., clarity
- ▶ **Strategic alignment**
  - ▶ Ensure alignment of all the above to the organisation strategy and business outcomes

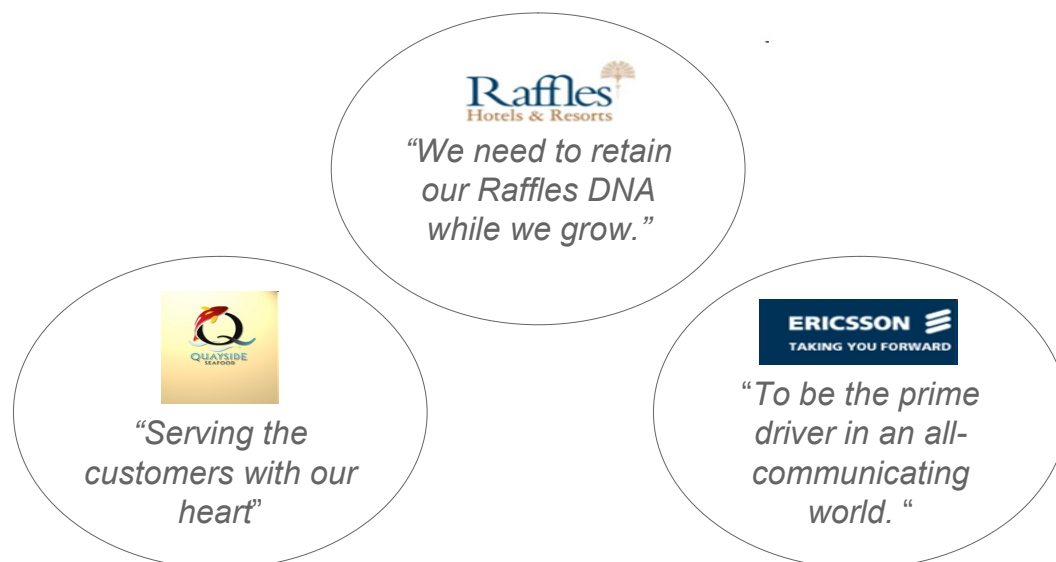
Our study has revealed that organisations which focus on a customer-centric talent management philosophy have displayed the greatest correlation to positive organisational outcomes. The following correlations were observed:

- ▶ Customer satisfaction as a result of good talent management practices served as a revenue driver
- ▶ Competency model and performance management system which were linked to customer inputs enabled organisations to meet customer needs more efficiently
- ▶ Such practices were most prevalent in hospitality industry and the frontline positions in other industries

While this trend is currently most frequently observed in customer-serving or pure sales-driven organisations, our research has shown that firms in more traditional industries such as logistics and manufacturing can also reap the benefits of obtaining and adapting customer feedback into their talent management practices. Anecdotal evidence has shown that incorporating the customer feedback cycle into human capital capability building leads to enhanced customer satisfaction and to repeat revenue generation.

Our research has shown that, while technical capabilities do correlate to the level of performance of an individual, managerial talent is usually more closely correlated to the attitude of an individual, as the emotional quotient (EQ) and man-management skills are required to drive team performance. Some of the organisations interviewed have put in place various tools and techniques such as psychometric tests and observational interviews in an attempt to identify managerial talent traits. However, it was acknowledged that these traits are largely intangible and are not easily subject to scientific measurement.

It is with this in mind that EYA has approached three organisations with leading practices in talent management, specifically in the area of managerial talent management to serve as case studies for anecdotal learning for this study. The three organisations, Raffles Hotel and Resorts, Quayside Dining and Ericsson Hong Kong, each provide learning examples in a Multi-national, SME and non-Singaporean context respectively.



The full report is available at the Singapore Human Capital Summit website at the following URL: [www.singaporehcs Summit.com](http://www.singaporehcs Summit.com).