RESEARCH

WORKING IN ASIA:
KEY HR AND LEADERSHIP PRIORITIES FOR 2017

EXECUTIVE SUMMARY

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Executive Summary

Leadership that fosters learning is needed to meet the challenges of the prevailing context

It is commonly said now that the only constant is change. Organisations in all sectors are faced with rapid and unpredictable change. Social, technological, political and economic change are all occurring at faster rates than previously, and combining in new and unanticipated ways. The World is more connected than ever, and changes in one part of the World can quickly affect others. All of this means that traditional command and control styles of leadership are no longer appropriate or effective. A more flexible and facilitative style of leadership is needed. A form of leadership that is better able to anticipate and react to changing events, co-create a shared vision and solve complex problems utilising the inputs of many, diverse perspectives. Whilst there are lots of positives to take from this year’s data, the most common leadership capability gaps in Singapore, Hong Kong, and China centre around the ability to foster a learning culture, and engage employees in a shared purpose. Gaps also emerge in leaders’ capability to balance task and relational aspects of their role, in particular setting clear expectations and connecting with employees on a personal and emotional level. These gaps are evident when barriers to organisational change are considered.

The most common barriers, aside from individual resistance, are issues such as lack of direction, lack of employee involvement and lack of clarity about the purpose of change. It would seem, then, that there is much scope to enhance current leadership practice to better fit the prevailing context and challenges.

Changing managers’ mental model of politics

Current business challenges and the need to do more with less have given rise to a need for managers and leaders who can operate effectively across boundaries, both inside and outside organisations. With the rise of matrix environments, agile, task forces and project teams, the ability to influence without authority and navigate organisational politics has become a key skill for managers. It seems, though, that when managers think of politics in organisations, they see this as something they wish to avoid. Our data shows that it is one of the most common sources of dissatisfaction, workplace stress and indeed reasons for leaving an organisation. It is unlikely managers can be really effective if they see things this way. Politics is part and parcel of organisational life, and a central part of a manager’s role. To be effective, managers may need to build their capability to work positively with politics.

Whilst organisations are generally seen as accepting diversity, more diverse senior leadership teams are needed and managers need to be better skilled in harnessing the benefits of diversity

The workplace of the future is expected to be increasingly multi-cultural and multi-generational. In essence, increasingly diverse. Whilst organisations have become more diverse, managers surveyed for this report do not, on the whole, believe that there is sufficient diversity in senior leadership teams. Organisations need to do more on this front, from scrutinising existing recruitment and promotion procedures to ensuring that dominant and preferred modes of leadership do not in some way unfairly favour one group over another. It is also apparent from our data that whilst organisations may be diverse and accepting of difference, managers may lack the skills and capabilities to harness the potential benefits of different views and perspectives. Building managerial capability in the ability to work effectively with different types of people would add much value.

Managers in my organisation are skilled at working with diverse types of people

- 49% of managers in Singapore agree, 45% disagree
- 54% of managers in Hong Kong agree, 41% disagree
- 61% of managers in China agree, 34% disagree

Managers in my organisation are equipped with the skills to manage in different cultures

- 48% of managers in Singapore agree, 46% disagree
- 50% of managers in Hong Kong agree, 45% disagree
- 50% of managers in China agree, 43% disagree

Base size (n) = Singapore 694, Hong Kong 468, China 167
Organisational change continues to be a challenge, and a tendency to blame individual resistance to change is counter-productive.

Our data suggests that attempts to change culture are commonplace, and yet, it seems that roughly one in two change efforts are unsuccessful. This is despite ‘change’ becoming almost an industry in its own right. So, what is the problem? One of the problems may be a tendency to write off failed change attempts as due to something to do with the attitude of individual employees. Things are rarely that simple when it comes to people and organisations. Looking at other barriers mentioned by managers, it is clear that many of these are likely to affect an individual employee’s perception of change. For example, lack of leadership direction, proper communication, involvement of employees and felt lack of transparency around the reasons for change are all cited by managers as barriers. All of these clearly impact on any one individual’s response to change. Perhaps part of the answer to making change work better is to focus on communicating openly and often, engaging employees in genuine dialogue and creating a shared sense of vision and purpose.

Performance management is failing to motivate

It is clear from this year’s survey that the vast majority of managers report their organisation having some form of performance management process. It is less clear that this is helping to achieve, arguably, its central aim – that of motivating employees. Roughly two-fifths of managers say that it is helping achieve that purpose. There has been much discussion and debate recently about the merits of performance management, and some notable organisations have publicised their scrapping of annual performance reviews in favour of more frequent feedback and conversations around performance. The impact of this change in approach has been reported to be positive. Our view on the matter is that a good process can never make up for a bad conversation; yet a good conversation can always make light of a bad process. When it comes to motivating employees, the manager is key and their ability to listen well and hold meaningful and engaging conversations with those they manage is critical.

What is wrong with talent management?

The view from both HR and non-HR managers is clear – talent management is not working as it should. With continuing recruitment and retention challenges facing the region, it becomes ever more important that organisations identify, develop and retain their talent. Talent management as a separate discipline within HR has blossomed since the 1980s, with the development of specialist roles and functions, tools and approaches. Our own work in this area suggests that many organisations have adopted Nine Box Grids and adopted frameworks that place learning agility centre stage. More mature organisations have been through that ‘technical’ phase and are now asking questions such as ‘what is talent?’ and ‘what is the view of our business leaders?’ It may be that in becoming ever more specialised, talent management has become too separate from leaders of the business, and perhaps now is a ripe time for HR to re-engage with the business about what it sees as talent and how HR can best support that.

Which of the following concerns you most in your current performance management approach?