

CONVERSATIONS

STUDY: WHY HUMAN CAPITAL DEVELOPMENT IS KEY TO BUSINESS SUCCESS

Research by TAFEP and Mercer Singapore looked into how good human capital practices can boost business performance.

Organisations today are increasingly seeing the value of [human capital for business success](#). TAFEP's and Mercer's research study on human capital practices uncovered a link between good human capital practices and high-performing organisations. The study, which surveyed 52 HCPartners' and 28 non-HCPartners, found that:

- **Leaders of HCPartners had HR departments with strong commercial capabilities and are better able to:**
 - embed people-related indicators into their leadership performance metrics;
 - treat people development initiatives like an enterprise, outlining necessary investments and measuring return; and
 - align the human capital strategy with business objectives, thus winning support from leadership to drive business growth.
- **HCPartners differentiated themselves through the following company traits and beliefs:**
 - HR functions are commercially astute, and are highly capable of staying aligned to business objectives.
 - Leaders see HR as strategic partners and invest heavily in talent.
 - They are more effective in sourcing the talent they need.
 - They believe that people are part of the business strategy, and view the people development plan as an enterprise.

- **Performance management and career development are common strengths across HCPartners**
These were observed through case study interviews conducted with HCPartners (see case studies on Merlin Entertainments and Rohde & Schwarz.)



THE WAY FORWARD

Here are some tips for organisations as they strive for business success through good human capital practices:

Hire with a future in mind.
Talent acquisition should be carried out with a forward-looking approach. Leaders who ensure that hires have the right skills and disposition for current positions and potential to be developed are better able to retain and groom their talents into leaders.

Link performance to rewards.
Organisations should share the benefits gained from their people management processes in a transparent and fair manner. By creating a direct relationship between performance and rewards, they can effectively drive and incentivise their people's performance.

Retain to gain.
Research has shown that replacing employees cost far more than training them, and organisations have to bear the loss of value creation and the time when they lose a skilled employee and

onboard a new replacement. Upskilling employees would benefit organisations

- besides not having to incur additional costs, they enjoy increased employee engagement, productivity and improved retention rates.

Go beyond the standard leaders' identification exercise.
A succession plan is not having a closed-door, annual exercise where leaders identify the top three potential candidates who can succeed them. Well-established organisations have structured leadership programmes, are transparent with whom they groom, and have an open system where identified successors may change based on performance.

Maximise the value of the workforce.
One key challenge organisations face lies in managing manpower costs. Just like any asset, human capital, while bringing value to the organisation, has its associated costs. Organisations should carry out Strategic Workforce Planning - that is, to optimise their workforce to support long-term organisational needs.

SUCCESS STORIES: HOW THEY DID IT

Rohde & Schwarz Asia Pte Ltd Developing Talents

BACKGROUND
International technology solutions provider Rohde & Schwarz set up its first Research and Development (R&D) lab in Singapore in 2008. Its aim was to strengthen its R&D capabilities and develop new cutting-edge technologies and solutions for its customers.

CHALLENGE
At that point, the organisation faced a challenge in attracting talent with the right knowledge, skills and mindset suitable for R&D. The fact that there were few German speakers in Singapore also made certain business aspects - bridging cultural gaps, earning trust, interpreting documents and fostering good collaboration within the organisation - a challenge. Rohde & Schwarz then recognised the need to address these gaps in existing and future talents.

SOLUTION
To bridge the gaps, Rohde & Schwarz developed and implemented the following programmes:

1. Capability Transfer Programmes
This programme entailed a global attachment in which 28 engineers from the Singapore office were sent to Germany for training lasting three months to two years from 2008 to 2015. There was also a global attachment programme in Singapore from 2016 to 2019, where R&D engineers from the head office were sent to the Singapore office to coordinate internal development efforts.

2. Poly Goes UAS Programme
This initiative aims to build practice-oriented engineering talent for Rohde & Schwarz' operations in Singapore. It provides eligible diploma holders a bond-free scholarship to obtain a degree at University of Applied

Sciences (UAS) in Germany, relevant work experience through apprenticeships, and a job in Singapore. To date, the organisation has groomed five scholars who have started work, and has nine in the pipeline.

3. Other Student Engagement Programmes
In collaboration with Technical University of Munich (TUM), and through the Singapore-Industry Scholarship (SgIS), Rohde & Schwarz offers other scholarship opportunities to groom future engineering talents.

The organisation worked with the Institute of Technical Education for student industrial exchange programmes in Singapore and Germany. It also organised an annual Engineering Competition involving global student teams, where the winning team from Singapore would get a free trip to Munich to compete with teams there.

OUTCOME
Rohde & Schwarz' strategic approach towards its local talent engagement practices have enabled the organisation to remain competitive through its ability to attract and retain the right talent, as well as strengthen its talent pipeline.

Merlin Entertainments Attracting and Retaining Talents

BACKGROUND
Merlin Entertainments' Madame Tussauds first opened its doors in Singapore in 2014. As part of a global leader in location-based, family entertainment, having an established presence in over 25 locations, talent acquisition did not pose as a challenge as the attraction received a steady and high number of job applications to fill its roles. However, in 2017, the organisation saw an increase in turnover and decline in job applications.

CHALLENGE
Merlin Entertainments recognised the need to review its talent acquisition

strategy. It had to continue attracting talent and remaining competitive in the tight workforce market within the tourism industry.

SOLUTION
The organisation focused on three areas of recovery:

Employer branding
Current employees are encouraged and provided platforms to share about their experience working with the attraction to help create a stronger employer branding.

Candidate experience
The organisation adopted a mobile-friendly recruitment platform to simplify the job application process, from a four-step to one-step process. Candidates are also invited on complimentary attraction tours to get first-hand experience of their potential workplace and colleagues.

Career development
Merlin Entertainments looks to develop its staff at Madame Tussauds through cross-functional training and job posting opportunities. It encourages knowledge transfer and talent retention within the organisation, by developing team member skill sets in other functions, and empowering line department leaders to train or nominate employees to be developed into trainers. Madame Tussauds also hires six to eight interns in hospitality yearly through its partnership with ITE.

OUTCOME
Madame Tussauds' strategy has proven to be effective for talent attraction and selection - 13% of its current headcount have also returned to work for the business after leaving for six months or less. Over 60% of its interns eventually converted to permanent part-time positions, and about 8.3% of the attraction's current headcount comprises former interns.

FIVE-STAR TREATMENT FOR HUMAN CAPITAL

Royal Plaza on Scotts pays great attention to detail not only towards hotel guests but also every employee.

Mr Abdul Jalil Bin Yusoff has been a long-serving employee with Royal Plaza on Scotts for about 28 years. Having suffered a heart attack in 2019, the 64-year-old Mr Jalil wanted to slow down his pace of life, and in March 2020, he requested to adjust his working hours to 22 hours a week. His 22-hour work week was an initiative introduced due to leaders' active listening to employees' feedback and suggestions, and to meet their needs and personal commitments.

When COVID-19 struck in 2020, Mr Jalil's job as a Concierge Officer at Royal Plaza on Scotts was impacted as the tourism industry worldwide tanked almost overnight. Gone were the bustling days of Mr Jalil doing what he did best - rendering concierge services such as recommending tourist hotspots, making restaurant reservations for guests and supervising hotel porters.

To keep his services relevant while meeting his request for a lighter workload, the hotel sprung right into action. It offered Mr Jalil a cross-deployment to the Housekeeping Department and trained him to take on new responsibilities. With a can-do attitude, he demonstrated strong ownership in his work and was able to pick up new skills and knowledge of chemicals from on-the-job training.

This is just one example of the many benefits that the organisation's employees enjoy, because Royal Plaza on Scotts believes in taking care of its people just like it does for its guests.

ALWAYS ROOM FOR VIEWS
Top-notch service at the world's best hotels relies heavily on listening to guests. At Royal Plaza on Scotts, the voice of employees is conscientiously being listened to as well.

"We believe in ensuring the happiness of our talents and looking after staff wellbeing by taking care of the tiny details and helping them live their dreams through forward-thinking people practices," says Mr Patrick Fiat, General Manager at Royal Plaza on Scotts.

He believes in getting feedback from the ground, and building a culture where employees are open to speak up about how they feel. For one, there is

an Open Door Friday, where employees are welcome to meet him in person to share their thoughts. Mr Fiat also makes it a point to meet with representatives from each department every quarter, to hear from them about what is happening, and how the hotel can go about making their lives better.

"We ensure that most of the feedback has been implemented, with some adopted the very next day," says Mr Fiat.

Mr Fiat's initiatives add to the efforts of the hotel's Human Capital department, which regularly conducts engagement sessions, surveys and focus groups. In addition to keeping management in touch with the sentiments of the staff, these activities help identify potential issues or opportunities that may have led to the hotel's goals of profitability, productivity and a happier, more motivated workforce.

CHECKING IN ON BALANCE
Royal Plaza on Scotts has always been an advocate of work-life balance, and the hotel works hard to adjust its initiatives to meet its people's evolving needs. One outstanding example is how flexible work arrangements were made possible for its people - which is typically a challenge for any organisation in the tourism industry. Like Mr Jalil, staff are welcome to request for arrangements such as staggered hours, shorter work weeks and compressed schedules from their department heads. There is also a Child-at-Work policy for parents who encounter unforeseen circumstances where they may need to bring their children to work - for example, if the main caregiver is unable to care for the children at the last minute. The hotel, working on a high-trust culture, has also done away with the conventional clock-in-clock-out practice.

EXTRA TOUCHES TO DELIGHT EMPLOYEES
At Royal Plaza on Scotts, part of every employee's job scope is to *"have fun"*, and this spirit can be seen right from the get-go - from department names.

"Each department has a fun name," says Mr Fiat.

For example, our security team is known as *"The Shield,"* he adds, referencing a



Mr Abdul Jalil Bin Yusoff at his workplace

wordplay on how the team helps to shield the hotel and those in it, from danger.

The hotel, recognising that work-life balance is key in having fun, devises five-star strategies to make work-life harmony possible for its people. For instance, there is an in-house mandate that *"Every Friday is a Fun Friday"*, where staff get together and simply have fun as they bond. Some of the inter-department competitions include charade, futsal and dragon boat. They are also delighted with cooking or terrarium making workshops, or giveaways such as bubble tea and ice-cream. Staff also enjoy amenities such as a self-service restaurant, lounge, gym, and free flow of food and drinks.

Such fun benefits go beyond the workplace. Recognising the importance of time spent away from work, the hotel also provides staff with special off-days for their birthdays, sabbaticals, as well as additional off-in-lieu days.

GLOWING REVIEWS
The hotel has reaped the benefits of caring for its people, and it has the figures and recognitions to prove it - having scored high on the Trust Index by Great Place to Work Singapore, with a Trust Index of 98% in 2019.

Everything, eventually, goes into helping the hotel fulfil its purpose of *"Providing a Colourful Guest Experience"*.

As Mr Fiat aptly puts it, *"happy staff make happy guests!"*

EXPAND YOUR TALENT POOL TO BENEFIT FROM EXPERIENCED LOCAL MID-CAREER JOBSEEKERS AND FRESH GRADUATES

Looking to access a bigger pool of local talent to meet your manpower needs? Come on board the SGUnited Mid-Career Pathways Programme - Company Attachments and SGUnited Traineeships Programme, which co-fund up to 90% of the training allowance.



Businesses in Singapore can receive Government assistance to take on local mid-career individuals on attachments and fresh graduates on traineeships. This is a move by the Government, which was extended and enhanced in this year's Budget, to support local businesses mid-career, individuals and fresh graduates amidst today's soft labour market.

SGUNITED TRAINEESHIPS PROGRAMME	SGUNITED MID-CAREER PATHWAYS PROGRAMME - COMPANY ATTACHMENTS
BENEFITS	BENEFITS
<p>What this means for your business:</p> <ul style="list-style-type: none"> ■ 80% funding for training allowances³ ■ Access to a pool of local fresh graduates who can later be considered for permanent roles when business conditions improve and when you have greater confidence to hire 	<p>What this means for your business:</p> <ul style="list-style-type: none"> ■ 80%¹ to 90%² funding for training allowances³ ■ Access to a pool of local mid-career individuals who can later be considered for permanent roles when business conditions improve and when you have greater confidence to hire
ELIGIBILITY	
<p>Your business is eligible if you...</p> <ul style="list-style-type: none"> ■ are registered or incorporated in Singapore; ■ offer attachments/traineeships ranging from four to six months (attachments/traineeships must commence by 31 March 2022); 	<ul style="list-style-type: none"> ■ have in place clear attachment descriptions and development plans; and ■ co-fund the remaining training allowance for the duration of the attachments/traineeships.
FRESH GRADUATE PROFILE	MID-CAREER INDIVIDUAL PROFILE
<p>The fresh graduate must be a Singapore Citizen or Permanent Resident, who</p> <ul style="list-style-type: none"> ■ graduated in calendar year 2019 to 2021 (both years inclusive) from ITE, Polytechnics, Universities, or other educational institutions (e.g. private universities and overseas institutions); or ■ graduated from above institutions and completed National Service between 2019 to 2020 (both years inclusive). 	<p>The mid-career individual must... be a Singapore Citizen or Permanent Resident, with the exception of recent graduates who should apply for the SGUnited Traineeships Programme instead.</p>
NEED MORE INFO? Find out more at https://www.wsg.gov.sg/SGUnitedTraineeships-HostCompanies.html	NEED MORE INFO? Find out more at https://www.wsg.gov.sg/programmes-and-initiatives/SGUnitedMidCareerPathways-HostOrganisations.html

¹ For Singapore Citizens and Permanent Residents below age of 40
² For mature Singapore Citizens and Permanent Residents aged 40 and above
³ The revised funding and training allowance rates will apply for new attachments/traineeships approved to commence from 1 April 2021 onwards.