



RESEARCH REPORT

WORKING IN ASIA:

KEY HR AND LEADERSHIP PRIORITIES FOR 2018

Sara Gopal

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With 70 years' experience of leadership, organisational development, human resources and coaching, we provide executive education and research to many of the world's leading companies and public service organisations.

We offer tailored development programmes, qualifications accredited by the University of Sussex, management consultancy, coaching and training courses. Our services provide a unique combination of research, consultancy and development expertise for organisations who are investigating ways of improving their effectiveness and intelligence.

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# About Profile

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# **WORKING IN ASIA: KEY HR AND LEADERSHIP PRIORITIES 2018**

Sara Gopal

June 2018

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- Profile Search & Selection colleagues Richard Letcher and James Rushworth

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The author would also like to especially thank Alison Hoare and Debbie Beaney for the design and typesetting of this report; as well as Paul Blake for editing and proofing the report.

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# Introduction

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This report presents the findings of Roffey Park and Profile Search & Selection's research - Working in Asia: Key HR and Leadership Priorities for 2018. The report covers the views of employees on working life across Singapore, Hong Kong and mainland China. This survey is in its third year and is based off Roffey Park's annual Management Agenda in the UK and Singapore. Our intention in launching the research is to highlight employee views on working life and provide rigorous and relevant data which will enable leaders in organisations across the three countries to decide what they may need to start, stop and continue doing in order to build and further develop their organisation to ensure its continued success.

1000 managers from Singapore, close to 600 managers from Hong Kong and 300 managers from mainland China, from both inside and outside HR and of varying levels of seniority responded to this year's survey. The respondents were from a wide range of industrial sectors and from organisations both large and small. Details on the profile of respondents, and the organisations they work for, can be found in Appendix 1. Information on how the research was conducted can be found in Appendix 2.

The report covers a broad range of aspects of organisational life, from leadership, AI and the effects of digital technology, flexible working, organisational culture and change, to well-being and HR. The report is structured as follows:

Executive Summary

Chapter 1 – HR and People Challenges

Chapter 2 – Leadership and Organisational Change

Chapter 3 – AI and the Fourth Industrial Revolution

Chapter 4 – Diversity

Chapter 5 – Mental Well-being

Chapter 6 – Human Potential and its Development

Rather than present an exhaustive account of the data collected in this year's survey, we have chosen to focus on aspects of the data that appear most interesting and which we hope, in combination, provide an engaging and informative view of the challenges and perspectives of today's managers in Singapore, Hong Kong and mainland China.

A note on terminology: we refer in the report to respondents, employees, managers and non-managers. 'Employees' and 'respondents' are used interchangeably and refer to all respondents to our survey, including managers and those not in managerial roles. 'Managers' refers to anyone with line management responsibility. They include first-level, mid-level and senior managers, as well as C-suite, MD levels and Board Directors. 'Non-managers' refers to employees without such responsibility. 'HR Managers' refer to any HR professional with line management responsibility.

We refer to "mainland China" as "China" in the report, due to space constraints.

## Introducing the team



Sara Gopal, BSocSc (Psychology), PGCert (Psychology & Neuroscience of Mental Health))

Sara has over 7 years of experience as a researcher and has worked extensively with clients in the public sector. Prior to joining Roffey Park, she worked in a government institute, where she was involved in quantitative field research in Asian leadership development. Her recent research work include organisational politics, intercultural virtual teams and HR agility. Sara's research interests include neuroscience, psychological well-being and mental health at work.



Alex Swarbrick, MPhil, BSc, Dip PCP (Psychology), Chartered FCIPD

Alex is an experienced manager, consultant, facilitator and executive coach, combining a strong background in HR with over 12 years in leadership development. He works with senior, middle and junior managers across many sectors. During his career, Alex has led on the HR aspects of various strategic and operational initiatives from organisational transformation, business sale and merger, to the design of performance review processes and behavioural competency frameworks. He has a particular interest in culture and in the relational aspects of leadership and management.



Richard Letcher, BSc (Bris)

Richard is a Co-Founder and Managing Director based in Hong Kong, leading Profile Search & Selection's Human Resources practice and specialising in senior-level mandates across all industries. Richard has 24 years of executive search experience. Prior to establishing Profile in 2005, he was at a leading executive search firm in London, Hong Kong and Australia, focusing on both the accounting and human resources divisions of the business. Richard started his career as an Accountant, first at Arthur Andersen and then with Credit Suisse First Boston in London.



James Rushworth, BA (QMUL)

James is a Managing Director based in Singapore, responsible for Profile Search & Selection's Southeast Asia operations. James has over 18 years of executive search experience in Southeast Asia. Prior to establishing Profile's presence in Singapore, he was at a leading executive search firm in London, and then relocated to Singapore to lead their financial services division, recruiting senior executives across Southeast Asia, as well as managing their human resources division. James began his career in financial services, first as an FX broker with Harlow Butler Ueda, and then as Forwards Trader with Standard Chartered Bank.

# Executive Summary

## Leaders and HR need to be agile and strategic in order to ‘future proof’

This year’s survey highlights a growing necessity for organisations to become more agile, which means building work environments that are geared for collaboration, innovation and strategic thinking. All of which enables organisations to respond, adapt quickly and thrive in the changing environment.

However, leaders and HR are still facing challenges in these areas, which was reflected in the data. The key areas for improvement are:

### Managing change

- Percentage of managers who identified “managing change” as a challenge they face (Singapore – 22%, Hong Kong – 28%, China – 30%).

### Working virtually and cross-culturally

- Percentage of managers who agreed that “managers in this organisation are equipped with the skills to manage virtual teams and workers”: Singapore – 43 per cent, Hong Kong – 41 per cent, China – 37 per cent.

### Thinking strategically and innovatively

- Percentage of managers who indicated that one of the current gaps in leadership effectiveness include:
  - “Ability to foster innovation and creativity” (Singapore – 42%, Hong Kong – 42%, China – 48%).
  - “Setting direction and creating the right conditions to head in that direction” (Singapore – 48%, Hong Kong – 41%, China – 51%).
  - “Ability to see the big picture and identify opportunities to add value” (Singapore – 38%, Hong Kong – 35%, China – 39%).

What we understand from our experience and research is that the following will help build the capacity and readiness to adapt to change (Linda Holbeche, 2015):

- Emotional intelligence. Having good communication skills, higher levels of emotional self-regulation and social awareness will enable leaders to build relationships and collaborative partnerships as well as navigate conflict.
- Strategic responsiveness. The ability to forecast future opportunities and risks, and rapidly come up with responses to those challenges.

- Agility and flexibility. To adapt promptly to changing situations and make decisions with imperfect, asymmetrical information.
- Collaborative skills. Never before have organisational boundaries, internally and externally, been so ‘permeable’. Organisations are increasingly achieving their purposes through a multiplicity of relationships, and no longer simply with an ‘employed’ workforce. So the future workforce will be one that is comfortable working in relationships with partners, ‘consultants’, free-lance workers, and one that is comfortable having multiple ‘employments’ if not multiple careers in their working lifetime, and for some, simultaneously.
- Innovative skills. This is about organisations having the nimbleness to ‘think big; start small; act fast’. It is also about having a mindset and possessing the psychological safety needed to experiment, to take risks, to act, even when the situation is ambiguous and complex.
- Encouraging a learning-oriented culture, one which prioritises employees’ development, allowing people to fail and to learn from their mistakes and failures.

## Flexible work practices

This year’s report again highlighted the growing expectation for organisations to have more flexible approaches to their workforce. This is increasingly what the working population – both men and women need. Dual income families are increasingly the norm, and responsibilities outside of the workplace do add up to a need for flexibility. It is encouraging to see that increasingly, “organisations have a culture that supports work-life balance” (Singapore – 60% of managers agreed, Hong Kong – 60%, China – 65%), although, the data showed that senior leaders could be better role models for work-life balance.

- The percentage of managers who disagreed with this statement: “Senior leaders in my organisation role-model work-life balance” (Singapore – 50%, Hong Kong – 49%, China – 42%).

Flexible work options would also help increase the representation of women in senior leadership positions. The data reveals that there is still insufficient diversity in senior leadership teams (Singapore – 51%, Hong Kong – 55%, China – 37%).

## AI and Data Analytics

Many organisations, as indicated by their HR managers, are still at Stage 1 of data analytics which is defined as basic reporting and trend analytics (Singapore – 50%, Hong Kong – 49%), with many others still trying to understand how to better integrate analytics into the workplace. There are huge opportunities to be had with data analytics, but the lack of knowledge and understanding means there are also feelings of uncertainty involved. The gap between knowledge and action is something that leaders and organisations will have to bridge.

With an increased focus on automation, digital technologies and artificial intelligence, there have been fears that people might start being replaced and hence, lose their jobs. Taking a more optimistic viewpoint, new technologies could possibly help create new jobs and increase productivity. Approximately 30 per cent of managers in all 4 countries indicated that “AI will create and destroy a roughly equal number of jobs”. When we compared the Asia response to this question to the response in the UK, the percentages were very similar.

Whilst data has been changing our lives and the way we make decisions, at this point, organisations are still trying to make sense of Data – how to use it, when to use it and what are the necessary skills needed in the workplace to interpret data. This year’s survey shows that it is still early days for companies, in terms of embracing data analytics and its more sophisticated cousin – AI. At least 50 percent of managers disagreed with the statement, “my organisation has the technical skills and expertise to take advantage of AI” (Singapore – 56%, Hong Kong – 55%, China – 51%, UK – 57%). Also, almost half of the managers in each country disagreed with the following: “my organisation has the leadership and people skills to take advantage of AI” (Singapore – 59%, Hong Kong – 59%, China – 48%, UK – 60%).

## The need to build psychologically healthy workplaces and a resilient workforce

With our constantly evolving workplaces and long working hours, it comes as no surprise that employees report significant levels of stress. Our survey reveals that the most common causes of workplace stress are organisational politics, workload, a lack of support and poor strategic direction. However, the data also reveals that people, especially respondents from Singapore and Hong Kong, do not seem to see the link between the stress from work and their mental well-being. We asked “what role has work played in your mental health”; 60 per cent of respondents from Singapore, 57 per cent from Hong Kong and 40 per cent from China, indicated “none”.

Managers are also not equipped with the skills to provide support to employees who struggle with their mental health (Singapore – 64%, Hong Kong – 54%, China – 47%,

UK – 15%). Many employees also indicated they would not feel comfortable discussing their mental health issues with their colleagues or managers. In order to better deal with this, there is a need for organisations to develop managers and leaders who are compassionate, are able to connect personally and emotionally with others and are well-equipped to provide support for their employees’ well-being.

What we saw in the survey aligns with what we’re finding in the organisations we’re working with; individual, team and organisational resilience becoming increasingly necessary. Roffey’s research has shown that at an individual level, building resilience involves five key areas: the ability to reframe situations; building a network of connections; managing one’s physical energy; having a clear sense of purpose; and valuing as well as building emotional intelligence. All of these will contribute to sustaining the psychological well-being of employees, which was deemed necessary by the respondents of the survey.

## Talent management is still a problem

The data is telling – engaging employees, succession planning, retaining key talent and recruiting are still key challenges in our organisations. It is essential that organisations have the right talent in place if they want to grow and flourish. However, many are finding it problematic to recruit people that possess the right skill sets and then, when they find the staff, retaining and engaging them.

At the same time, it is essential that HR and leaders start investing more in their employees’ development, as, in our research, investment was said to be a key attraction (Singapore – 54%, Hong Kong – 42%, China – 57%) and employee retention factor. The lack of career growth and development opportunities is the top reason respondents from all three countries gave for wanting to leave their current organisation (Singapore – 50%, Hong Kong – 46%, China – 40%). For organisations to attract and retain talent, it is a big advantage to be perceived as a learning organisation, which is then able to accentuate the opportunities they provide for development – be it driven by the organisation or by the individual.

# HR and People Challenges

## Overview

Half of all HR managers indicated that their organisations were still in the first stage of data analytics – which is essentially basic reporting and trend analytics. Currently, some of the key areas where data analytics is being used include employee performance (Singapore – 70%, Hong Kong – 74%) and driving engagement (Singapore – 59%, Hong Kong – 58%). Big Data has been one of the new areas that HR has had to grapple with and it does come with a few challenges. There are indications of the need to build greater awareness around the purpose of data and how it can drive business growth.

HR and non-HR managers surveyed offer differing views on how capable their HR departments are in various disciplines. Some of these are newer disciplines (data analytics, Artificial Intelligence) and others are more established areas, which include talent management and succession planning. In particular, managers in non-HR roles are seemingly more critical of the talent acquisition and talent management capabilities of HR. It is a cause for concern if line managers feel that HR are not hiring and retaining the talent they require, which also indicates a greater need for HR managers and line managers to work together in managing talent – defining what talent looks like and how to attract, retain and develop them.

‘Change is the new constant’ and organisations, hand-in-hand with HR, need to respond to both external and internal changes with a level of agility. This is probably why ‘change management/cultural change’ is, for HR, the most important technical skill they need to possess. This has been the same since 2016. As indicated elsewhere in the report, organisational change has been a mixed bag for most organisations – the success and failure rates were quite similar, with slightly more indicating that change has been unsuccessful. To enable HR to add value to the change process, there needs to be a greater focus on the people side of the equation.

Recruitment, engagement and retention are key challenges for HR managers in the workplace. The key reasons for recruitment difficulties seem to stem from the lack of candidates with the ‘right skill set’ as well as those who ‘lack the right cultural fit’. Developing talent internally, giving employees the chance to make a difference at work and providing ample development opportunities (see Human Potential chapter) are all areas organisations should be developing in order to recruit and retain the right talent.

\*Note: China’s data has been excluded due to the small sample size



## Organisations use Data Analytics to drive engagement, employee and team performance

50 per cent of HR Managers (Singapore – 50%, Hong Kong – 49%) indicated that their organisations were still at Stage 1 of data analytics – basic reporting and trend analytics. Far fewer were at stage 2 and above:

- Stage 2 (benchmarking and correlations with business metrics): Singapore – 22%, Hong Kong – 30%
- Stage 3 (cause/effect analysis of key workforce outcomes): Singapore – 10%, Hong Kong – 16%
- Stage 4 (predictive analysis): Singapore – 7%, Hong Kong – 1%

Data analytics is largely used to drive employee performance, the second most popular use is in engagement.

Which of the following does your organisation use Data Analytics for?

### Singapore

Employee performance

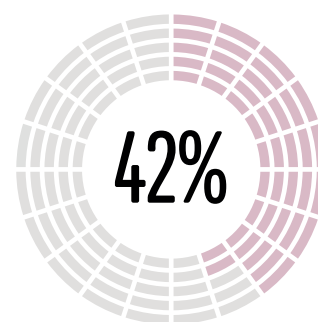


Base size (n) = 198

Key driver of engagement

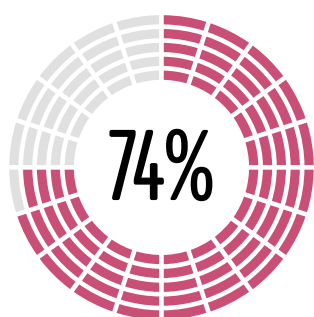


Team performance



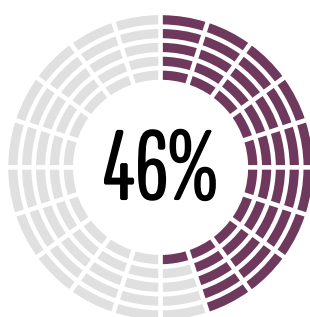
### Hong Kong

Employee performance

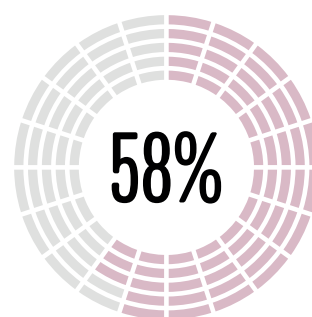


Base size (n) = 181

Key driver of engagement



Team performance



## HR still struggling with the new and the old

We asked both HR and non-HR managers for their views on HR capability across a number of areas. This includes newer areas like Artificial Intelligence to the more established areas of HR practice like succession planning.

There were some areas where both HR and non-HR managers were in agreement (ie: use of Artificial Intelligence, organisational design capability, organisational development capability). However, there were areas with more contrasting views between both groups of managers, and a pattern has emerged – non-HR managers think HR is weaker at talent management, developing an inclusive workforce, as well as newer HR elements like facilitating learning and agile working.

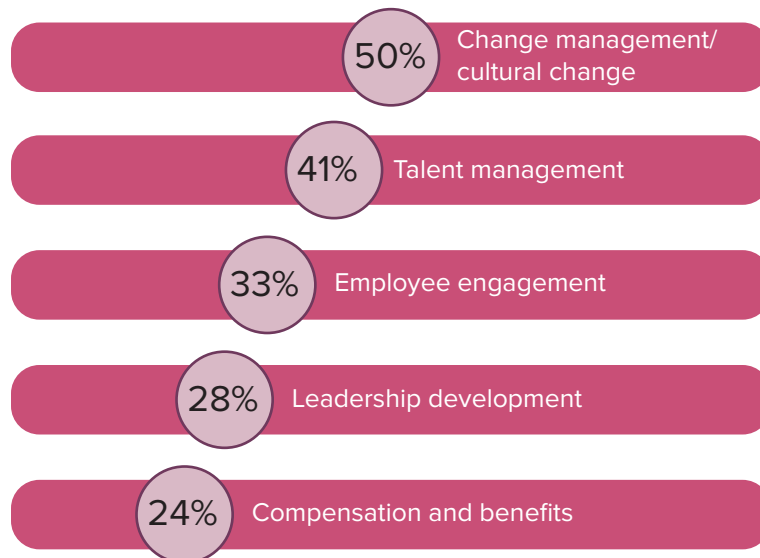
% who indicated HR are 'weak' at...	Singapore		Hong Kong	
	HR	Non-HR	HR	Non-HR
Use of analytics (ie: interpretation of data)	52	58	51	55
Digital HR tools (ie: apps/e-platforms for annual leave application, recruitment etc)	39	31	45	47
Use of Artificial Intelligence (Eg: Use of chatbots and intelligent assistants)	68	67	67	61
Approach to performance management	32	46	34	45
Talent management	38	56	37	53
Talent acquisition	32	47	26	50
Succession planning	56	59	52	60
Ability to effect organisational change	47	53	35	53
Organisation design capability	48	49	45	49
Organisation development capability	47	50	44	46
Ability to facilitate agile working	45	51	48	45
Ability to facilitate learning	34	40	28	42
Ability to develop an inclusive and diverse workforce	30	36	29	37
Base size (n)	178	591	161	244

## Managing change is still the most important technical skill for HR to possess

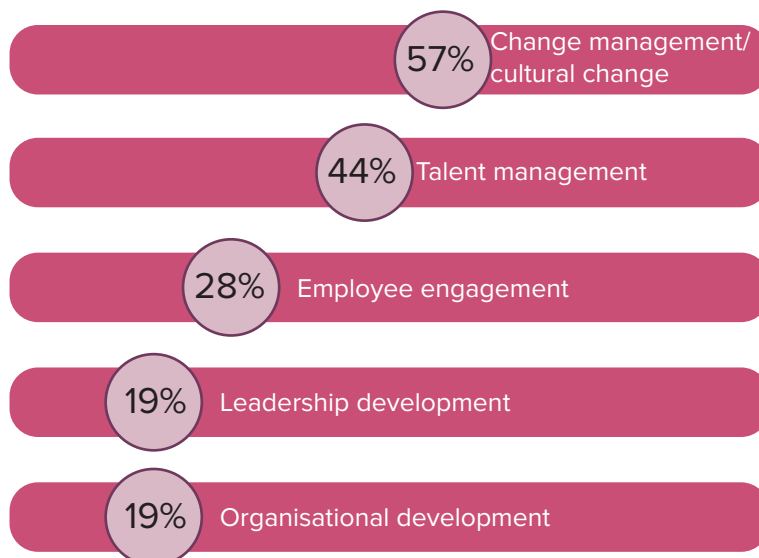
Organisations are undergoing many social, economic and technological changes. Dealing with and responding to these changes requires a certain level of agility. At the same time, it can also be a challenge juggling these external changes as well as the changes that are going on internally, at a more systemic level.

Important skills to have, as indicated by % of HR managers who agreed...

### Singapore



### Hong Kong



## Engagement and retention of talent are some of the key people challenges

Besides recruitment, which is an ever-present challenge, engaging and retaining their key talents are some of the top challenges that HR managers in Singapore and Hong Kong are facing.

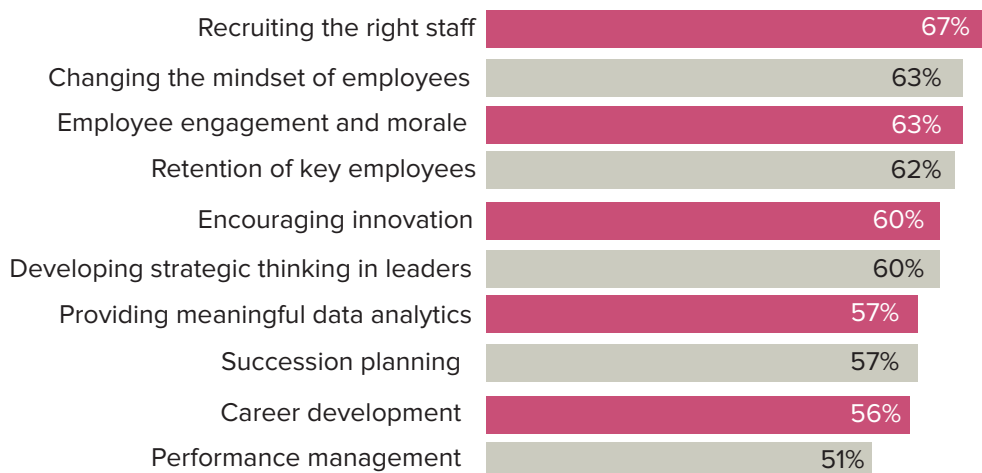
What are the main people challenges your organisation is facing now?

### Singapore



Base size (n) = 184

### Hong Kong

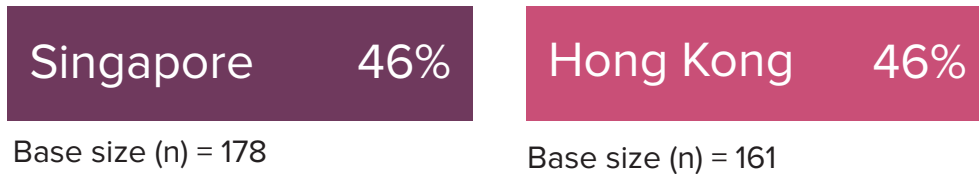


Base size (n) = 164

## Close to 50 per cent of organisations face recruitment challenges

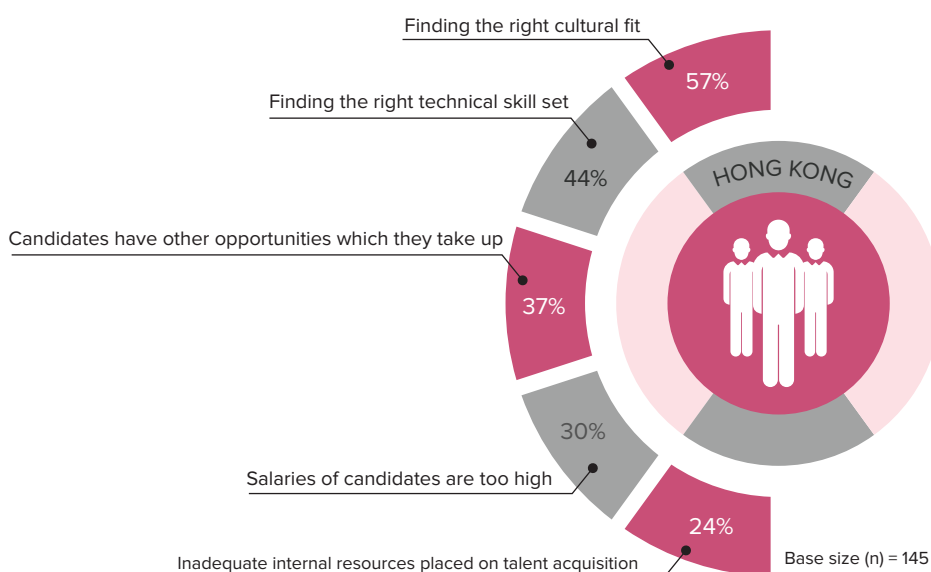
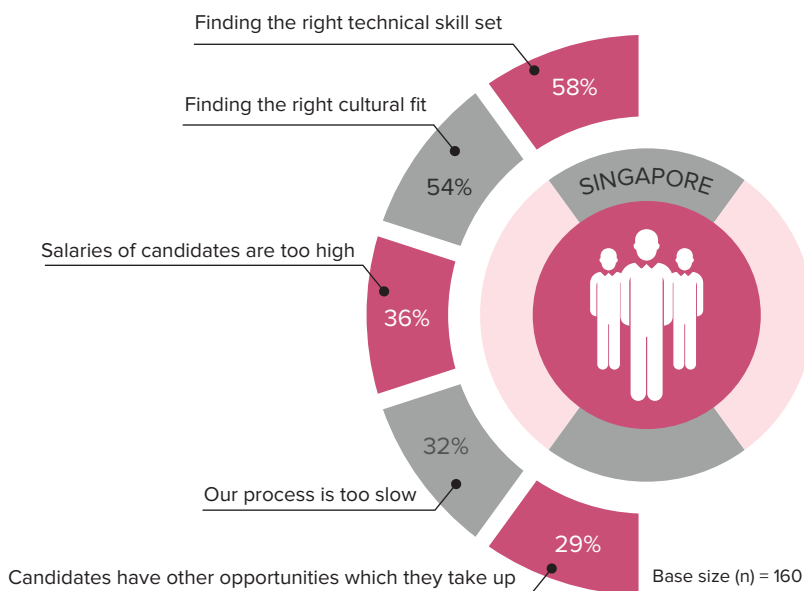
Nearly half of all HR managers indicated that they faced recruitment challenges 'almost always' or 'often'. They were having issues finding people with the 'right technical skillset' as well as the 'right cultural fit'.

How frequently does your organisation experience difficulties in recruiting suitable employees?



Why are you finding it difficult to recruit suitable employees?

% of HR Managers who indicated...



## In Summary

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- Change management, especially culture change is the number one skill that HR requires. The skills needed to manage change is linked to the skills needed to engage the workforce. Unless we can more effectively help our organisational cultures evolve, it is going to remain hard to maintain engagement and morale.
- There are misaligned perceptions between HR and non-HR in talent management capabilities: succession planning, talent acquisition and so on. How can leaders and HR work together more to ensure that everyone is on the same page regarding talent practices in their organisations?
- With so many changes in our business environment, organisations and their HR departments have to be more agile to deal with them. Agility involves sense-making, being adaptive, innovative and forward-thinking as well as having the resilience to not only bounce back from setbacks but to thrive in a challenging environment. It also involves equipping employees with the right skills to survive and remain relevant once transformation takes place.

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# Leadership and Organisational Change

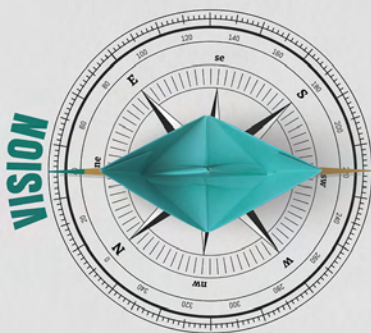
## Overview

Today's business environment is characterised by constant change, shifting consumer demand and changing competitive landscapes. This needs leaders to be future-oriented, forward thinking and strategic. It also requires soft skills like sociability, creativity and critical thinking (WEF Future of Jobs report, 2017). But the data reveals that respondents think there are gaps in leadership effectiveness when it comes to "setting direction and creating the right conditions to head in that direction" (Singapore – 48%, Hong Kong – 41%, China – 51%). The "ability to foster innovation and creativity" was also seen as a leadership gap across all three countries (Singapore – 42%, Hong Kong – 42%, China – 48%).

A challenge that many leaders face has been the ability to be strategic, while simultaneously accomplishing day-to-day tasks. "Balancing operational and strategic pressures" was a top 5 leadership challenge in all three countries (Singapore – 29%, Hong Kong – 28%, China – 23%). On top of this, leaders seemingly faced challenges with being influential – in all directions. What's more, "maintaining engagement", "managing organisational politics" and "influencing without authority" were also identified as top challenges. Communication and social skills as well as developing emotional intelligence is critical to overcoming these challenges.

This year, we again asked managers responding to our survey about the effectiveness of their line manager using questions based on the SCARF model. SCARF has 5 domains of the human social experience – Status, Certainty, Autonomy, Relatedness and Fairness. The data this year reveals that across the five domains, leaders tend to be rated the lowest on Relatedness (connecting with you on a personal and emotional level) as well as Certainty (setting clear expectations). There were similarities elsewhere in the data, showing that leaders struggled to be strategic and, as a result, in giving direction to their employees. The ability to build relationships and connections with others is also a critical skill that leaders will need to work on, moving forward.

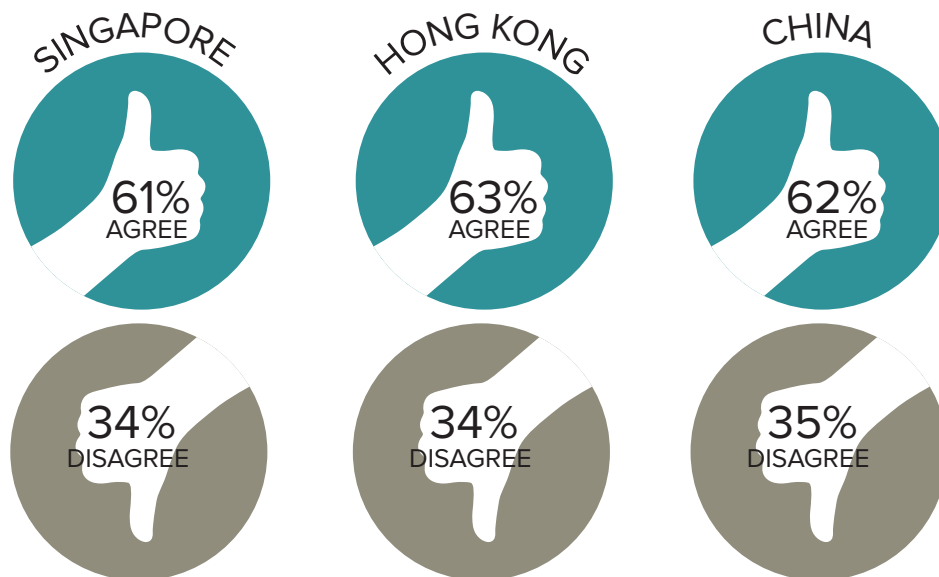
Change is the new constant; yet, organisations still struggle to manage the change process well. In Singapore and Hong Kong, more respondents said efforts to achieve culture change had been more unsuccessful than successful. There was still a strong resistance to change at the individual level, and this time the biggest factor in this resistance stemmed from the "lack of proper communication from senior management" (Singapore – 55%, Hong Kong – 49%) and "lack of transparency around the purpose for change" for China (46%). Communication is critical during the change process and needs to be handled in a "top-down" manner where leaders are not just giving instructions to subordinates, but actively engaging them.



## Leaders still struggle to be strategic and innovative

Being strategic, innovative and creative can enable leaders to lead in a business environment that is becoming increasingly volatile and competitive. However, managers indicated that these were still top leadership gaps, which was an opinion similarly present in last year's research.

% of managers who believe that their organisation has the leadership and management capability to deliver against strategic objectives.



## What, if any, do you see as the current gaps in leadership effectiveness?

Percentage of managers who indicated...

### SINGAPORE

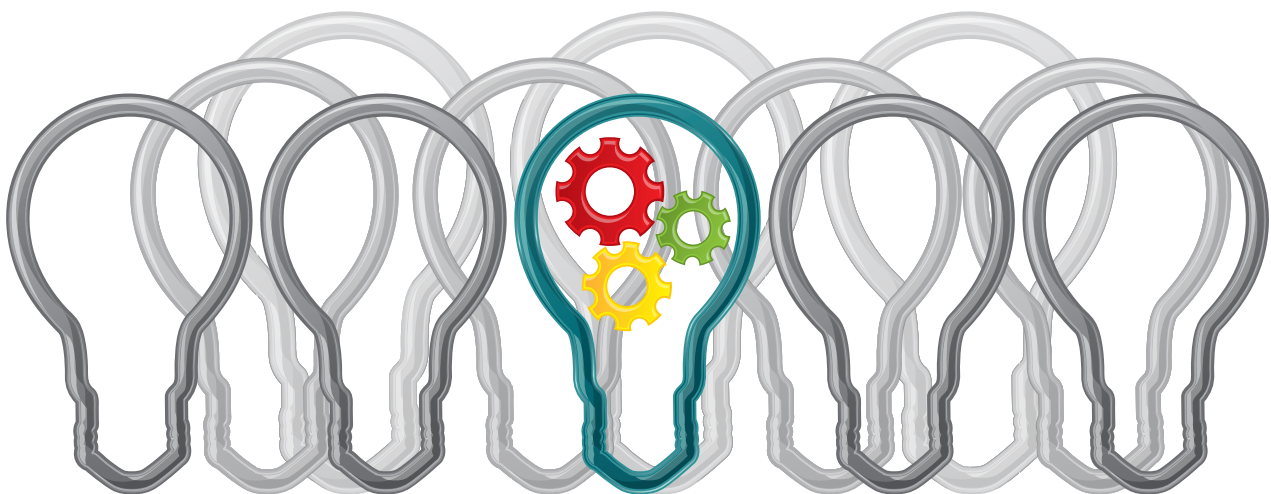
	2017		2018	
1	49%	Setting direction and creating the right conditions to head in that direction	48%	Setting direction and creating the right conditions to head in that direction
2	49%	Ability to create a learning culture and support the development of employees	42%	Ability to foster innovation and creativity
3	47%	Ability to foster innovation and creativity	41%	Ability to create a learning culture and support the development of employees
4	46%	Ability to see the big picture and identify opportunities to add value	40%	Ability to plan and manage resources
5	40%	Ability to plan and manage resources	38%	Ability to see the big picture and identify opportunities to add value
Base size (n)	598		818	

## HONG KONG

	2017		2018	
1	46%	Setting direction and creating the right conditions to head in that direction	42%	Ability to foster innovation and creativity
2	44%	Ability to create a learning culture and support the development of employees	41%	Setting direction and creating the right conditions to head in that direction
3	43%	Ability to see the big picture and identify opportunities to add value	37%	Ability to create a learning culture and support the development of employees
4	42%	Ability to foster innovation and creativity	35%	Ability to see the big picture and identify opportunities to add value
5	35%	Ability to plan and manage resources	34%	Ability to plan and manage resources
Base size (n)	322		363	

## CHINA

	2017		2018	
1	50%	Ability to see the big picture and identify opportunities to add value	51%	Setting direction and creating the right conditions to head in that direction
2	47%	Ability to foster innovation and creativity	48%	Ability to foster innovation and creativity
3	46%	Ability to create a learning culture and support the development of employees	39%	Ability to see the big picture and identify opportunities to add value
4	45%	Setting direction and creating the right conditions to head in that direction	39%	Ability to foster the development of collaborative and partnership working with other organisations
5	42%	Effectively assess risks and seize opportunities	36%	Ability to create a learning culture and support the development of employees
Base size (n)	159		175	

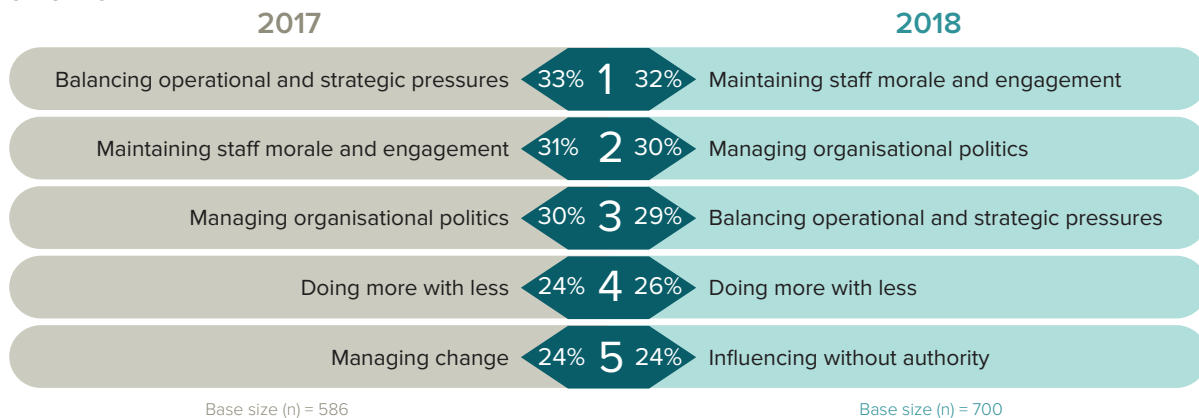


## Leaders are struggling to engage their workforce

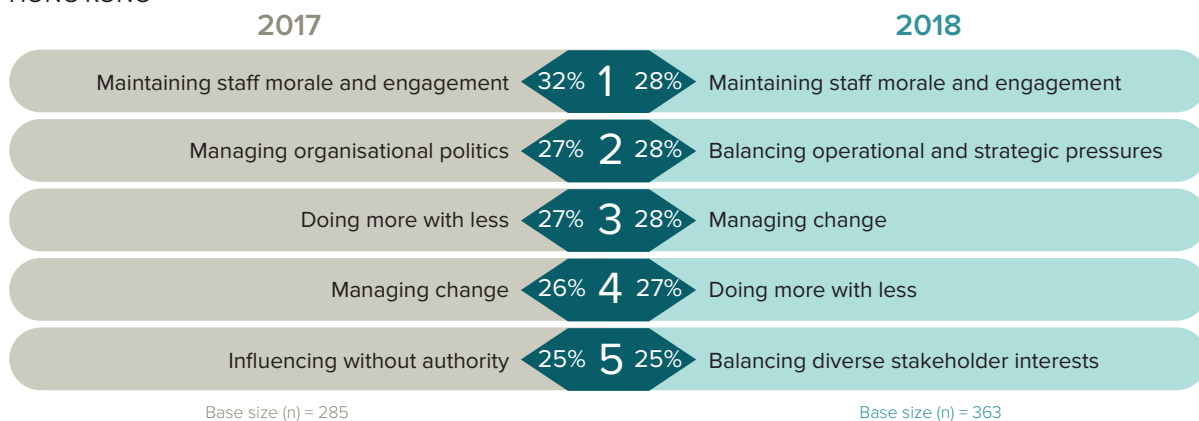
As well as the challenges leaders face in maintaining staff morale and engagement, the data reveals that they are finding it challenging to be influential. Managing politics, being engaging and influencing without authority all require good communication skills as well as the ability to form positive, collaborative relationships with others.

What are the top three challenges you face as a leader/manager in your organisation?

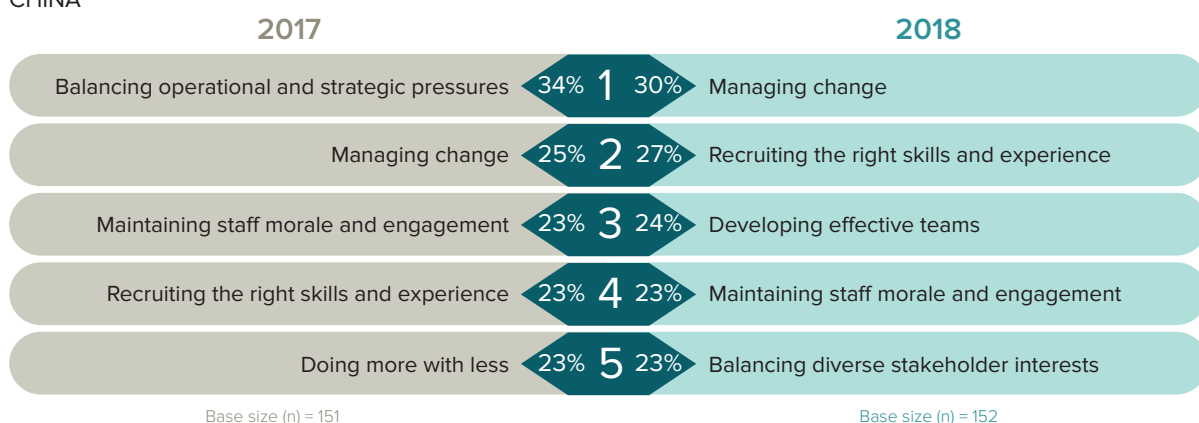
### SINGAPORE



### HONG KONG



### CHINA



## Leaders still struggle with building personal connections and setting clear expectations

The data this year echoes previous years, where a higher percentage of respondents indicate their line managers are weakest in: Certainty (setting clear expectations) and Relatedness (connecting with you on a personal and emotional level).

In all three countries, there seems to be a general pattern of first-level, middle managers and sometimes even senior managers indicating that their managers above them are weak in the five dimensions shown below. These respondents represent the “squeezed middle”, where a combination of factors such as performance demands from above and below, a lack of experience and a lack of the soft skills required, means they struggle in key areas of leadership.

### How would you rate your line manager at the following...?

SINGAPORE	% of managers who rated their line managers 'weak' at...					Base size (n)
	Giving praise and recognition for work done	Setting clear expectations	Empowering you to make decisions	Connecting with you on a personal and emotional level	Treating people fairly	
Board directors & C-suite	24	17	15	24	18	91
Senior Managers	29	30	26	39	29	272
Middle Managers	33	34	26	43	36	193
First-level Managers	34	37	36	51	33	112
Non-managers	21	21	20	34	26	132

HONG KONG	% of managers who rated their line managers 'weak' at...					Base size (n)
	Giving praise and recognition for work done	Setting clear expectations	Empowering you to make decisions	Connecting with you on a personal and emotional level	Treating people fairly	
Board directors & C-suite	11	21	14	27	21	44
Senior Managers	33	36	27	43	33	166
Middle Managers	40	41	39	51	42	100
First-level Managers	24	34	26	42	26	38
Non-managers	25	27	24	36	22	67

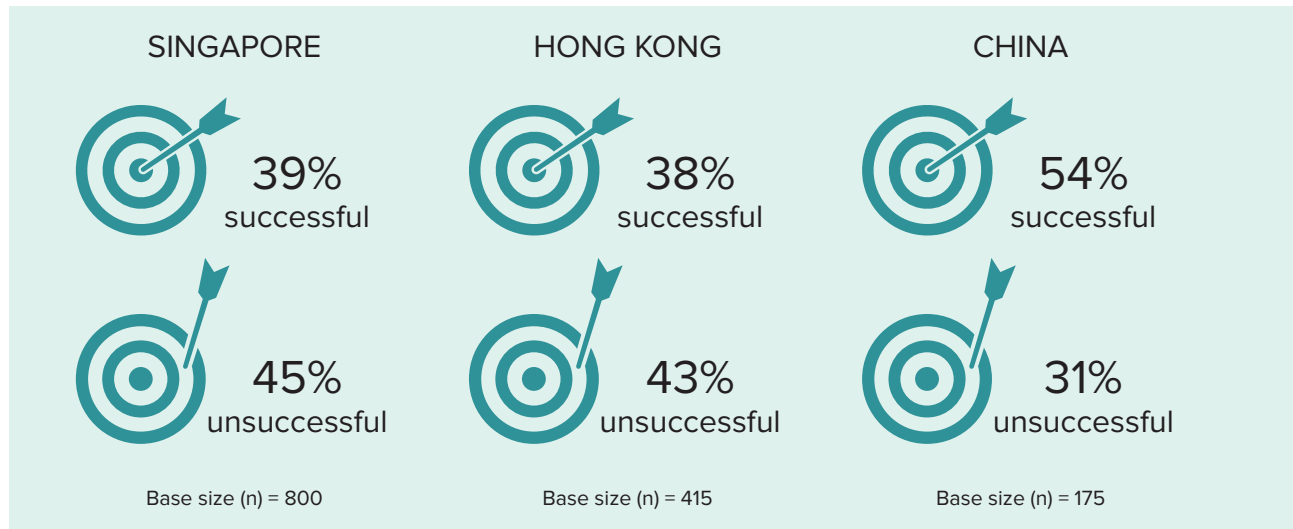
CHINA	% of managers who rated their line managers 'weak' at...					Base size (n)
	Giving praise and recognition for work done	Setting clear expectations	Empowering you to make decisions	Connecting with you on a personal and emotional level	Treating people fairly	
Board directors & C-suite	17	23	9	36	32	22
Senior Managers	27	31	19	32	23	62
Middle Managers	33	35	40	40	20	40
First-level Managers	18	23	18	41	23	22
Non-managers	17	28	28	24	24	29

\*Note: Managers were asked to rate their line managers' capability on each of the five SCARF dimensions on a three-point scale with ratings of 'excellent', 'adequate' and 'weak'. The percentages shown reflect those who rated their line manager as 'weak'. Only these percentages are shown for reasons of space.

## Managing change is an ongoing challenge, with the lack of communication from managers the top barrier this year

Slightly more than two-fifths of respondents in Singapore and Hong Kong indicated that efforts to change the culture in the organisation have been unsuccessful. The key barrier is the lack of proper communication from senior management, resulting in resistance to change from the employees.

How successful have efforts been to change the culture in your organisation?



What do you think are the barriers to successful organisational change?

### SINGAPORE

Ranking in 2016	Ranking in 2017	Ranking in 2018	Percentage of managers who indicated....?	
2	4	1	55%	Lack of proper communication from senior management
1	1	2	54%	Resistance to change at the individual-level (mindset, habit, inertia, fear)
3	2	3	52%	Lack of leadership in directing change efforts
5	5	4	50%	Lack of transparency around the purpose for change
4	3	5	45%	Lack of employee involvement in change efforts

Base size (n) = 800

### HONG KONG

Ranking in 2016	Ranking in 2017	Ranking in 2018	Percentage of managers who indicated....?	
3	2	1	49%	Lack of proper communication from senior management
1	1	1	49%	Resistance to change at the individual-level (mindset, habit, inertia, fear)
2	4	3	48%	Lack of leadership in directing change efforts
5	3	4	46%	Lack of transparency around the purpose for change
4	4	5	39%	Lack of employee involvement in change efforts

Base size (n) = 415

## CHINA

Ranking in 2016	Ranking in 2017	Ranking in 2018	Percentage of managers who indicated....?	
5	5	1	46%	Lack of transparency around the purpose for change
2	3	2	45%	Lack of proper communication from senior management
1	1	3	41%	Resistance to change at the individual-level (mindset, habit, inertia, fear)
4	2	4	40%	Lack of leadership in directing change efforts
-	-	5	34%	Organisational structure (too hierarchical)

Base size (n) = 175

*“The one thing that leaders can do to be more effective, is to stop being so siloed. Those in leadership positions need to lead the way and recognize that there is overlap or synergies across the business that can be exploited.”*

Senior Manager, Professional Services

*“My manager was concerned that my team and I have been overlooked by HQ so she encouraged us to spend time and money on developing people and celebrating the successes that we had been denied. By being very visible and open in communications she was able to create a more positive environment.”*

Senior Manager, IT and Telecommunications



## In Summary

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- Leaders need to be more strategic, innovative and forward-thinking in an increasingly volatile business environment.
- Developing emotionally intelligent leaders is the key to enabling leaders to better engage with their workforce and connect with others on a personal and emotional level.
- Many organisations are undergoing changes and therefore, to better manage the change process, leaders and HR have to ensure that communication lines are always kept open with employees.

# AI and the Fourth Industrial Revolution

## Overview

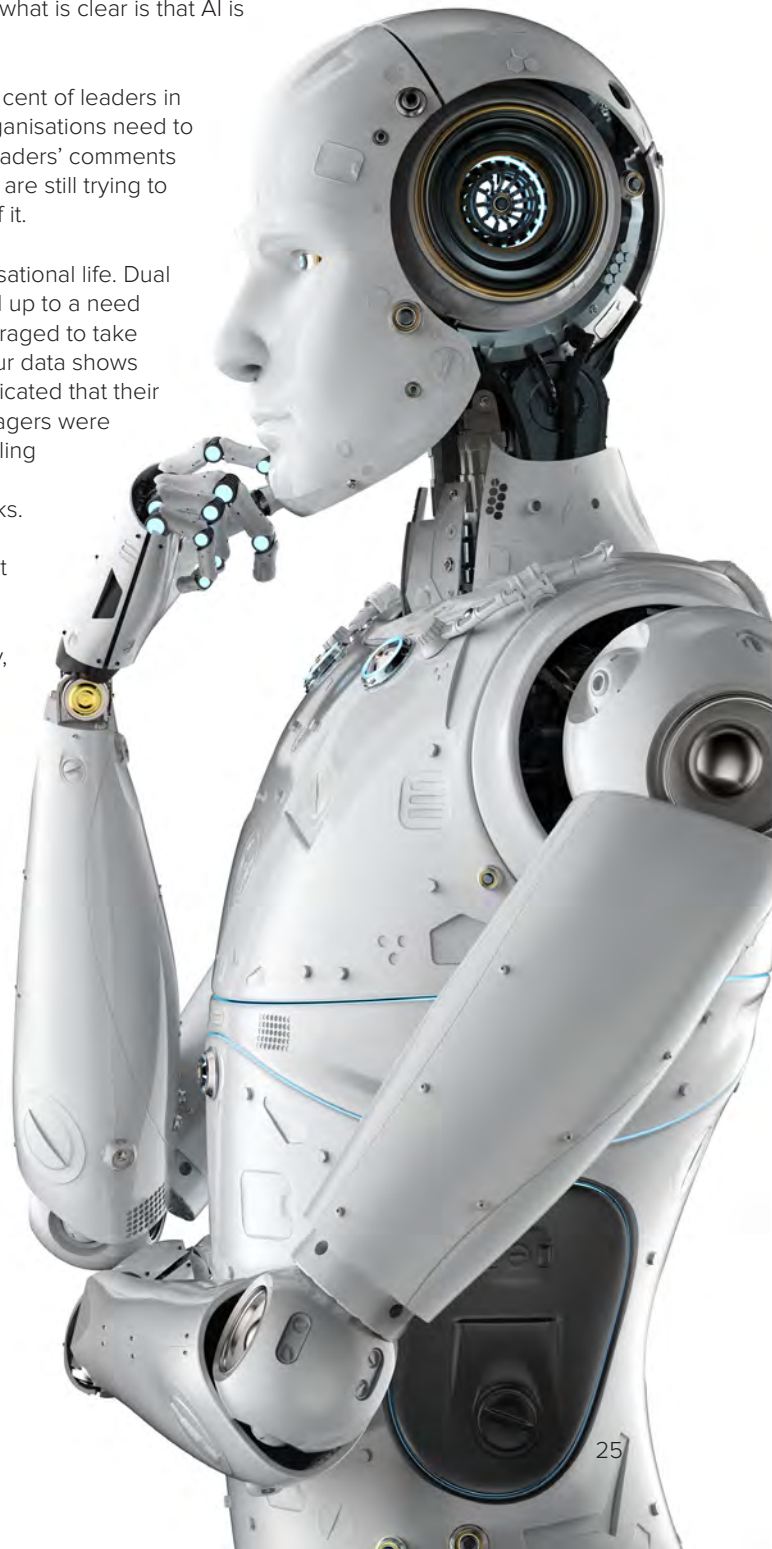
There seems to be several schools of thought around the possible implications of Artificial Intelligence (AI) in the workplace. Slightly more than a third of respondents indicated that AI will create and destroy roughly the same number of jobs. While a third indicated that AI would destroy more jobs than it creates. Nobody can truly predict what will happen to the labour market with a greater AI presence, but what is clear is that AI is taking an ever greater role within work and the workplace.

It must be said that, although the data shows that at least 50 per cent of leaders in all three countries view AI as an opportunity and not a threat, organisations need to be better equipped to take advantage of these opportunities. Leaders' comments in the survey reveals that their organisations are aware of AI, but are still trying to understand it and the skills that are needed to take advantage of it.

Having flexible working options benefits many aspects of organisational life. Dual career families and caring responsibilities for young and old, add up to a need for flexibility. With flexible options, more women would be encouraged to take up senior leadership positions at work (see Diversity chapter). Our data shows that at least 60 per cent of managers from all three countries indicated that their organisations' culture supports work-life balance. However, managers were more likely to disagree that their senior leaders were role-modelling work-life balance. Some also revealed that their leaders were opposed to flexible working and required staff to be at their desks. This indicates a need for leaders to be more creative in shaping senior roles so that they are open to flexible working options that are attractive to both men and women.

As technology becomes more advanced, while, slowly but surely, ways of working are shifting, organisations are becoming more global. Virtual working is only set to increase, but our data shows that organisations do not have the culture in place to support this. Furthermore, leaders are not well-equipped to manage virtual teams and workers. All this leaves organisations quite unprepared for the anticipated increase in virtual work. Some of the skills required to manage virtual teams effectively include:

- Good communication skills and an ability to build rapport and relationships across diverse work teams
- Good listening skills and the ability to identify subtle, underlying messages
- Using a more outcome-based approach towards performance management



## Slightly more than a third of managers indicate that the number of jobs destroyed by AI will be roughly offset by the number created

Interestingly, similar percentages of managers in all four countries had the same attitude towards AI, with the majority of the managers indicating that AI would create and destroy a roughly equal number of jobs.

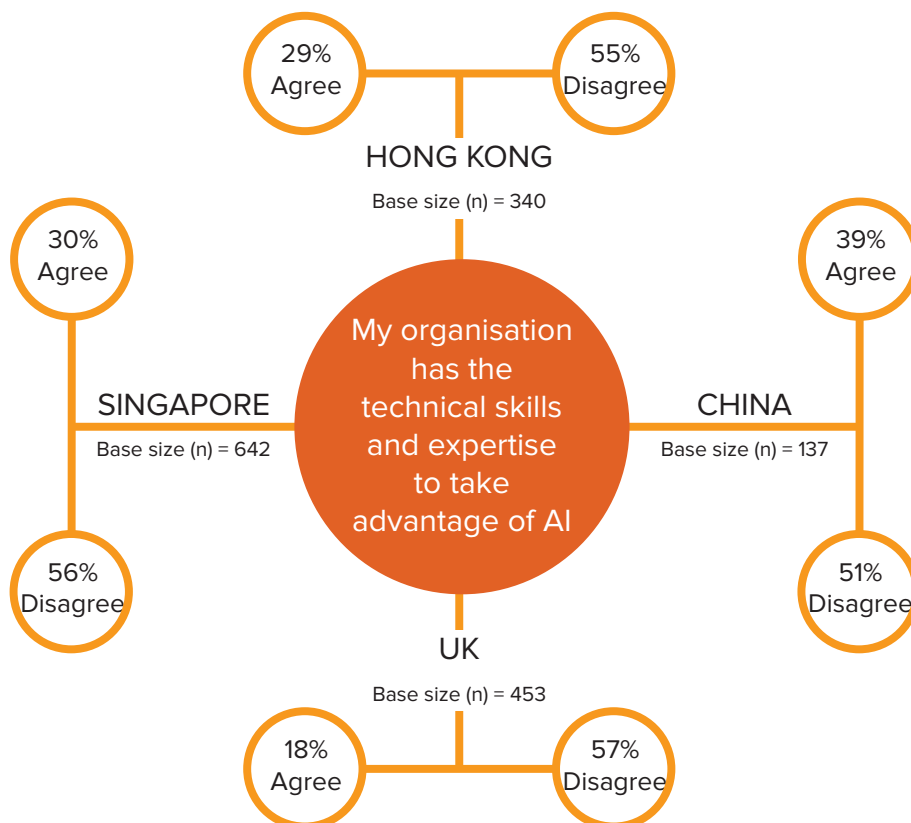
% of managers who indicate...

	Singapore	Hong Kong	China	UK
Artificial Intelligence (AI) will create more jobs than it destroys	19%	16%	19%	9%
AI will destroy more jobs than it creates	29%	30%	31%	26%
AI will create and destroy a roughly equal number of jobs	37%	36%	32%	31%
Base size (n)	642	340	137	454

## More than 50 per cent of managers do not think that their organisations have the skills and expertise to take advantage of AI

One of the prominent themes in the comments from managers is that their organisations are only just starting to be aware of AI and its implications. Many are still trying to understand AI and figuring out the skills their workforce will need to take advantage of it. The figures reflect this – with more than 50 per cent of managers disagreeing that their organisation has the technical skills and expertise to take advantage of AI. It is interesting to note that the data is similar across all countries.

% of managers who indicate...



## Senior leaders see AI as an opportunity but are unsure how to bridge the gap between knowledge and action

The common thread in the comments is that senior leaders do recognise AI as an opportunity, and not a threat to their business. However, right now there is still a gap between recognising the opportunities AI brings and being able to take action and make full use of these opportunities.

*“Senior management has to better understand AI first and look at how it can impact us, and also how we can optimise it. We have to change the overall organisational mindset around this – that we can no longer do things the same old way.”*

Mid-level Manager, Public Sector

*“Senior leaders do see AI as an opportunity but they need to better understand what these mean for the business, because it is still seen by many as a ‘dark hole’ or a ‘I don’t need to know this’ type of thing.”*

First-level Manager, Financial Services

## Senior leadership in my organisation see AI as an opportunity rather than a threat

% of managers who indicate...



## More needs to be done to anticipate the implications AI has on current and future workforces

As leaders and organisations are just starting to make sense of AI as well as the opportunities and consequences it brings, it follows that there has not been much in the way of investing in the skills of both employees and leaders.

*"There is a lot more work that needs to be done... to recognise the pros and cons of AI and its potential impact on our business. People need to be equipped with the skills. The understanding has to first come at a strategic level and then these messages has to be cascaded down to working level employees effectively."*

Senior Manager, Financial Services

% of managers who indicate...

	Singapore		Hong Kong		China		UK	
	Agree	Disagree	Agree	Disagree	Agree	Disagree	Agree	Disagree
My organisation is investing in reskilling employees to keep pace with the changing demands that technology brings	40%	53%	40%	53%	50%	45%	38%	40%
My organisation has the leadership and people skills to take advantage of AI	28%	59%	27%	59%	39%	48%	15%	60%
Base size (n)	642		340		137		453	

## Senior leaders are not seen as role-modelling work-life balance

Whilst it is encouraging to see that at least 60 per cent of managers agree that their organisational culture supports work-life balance; it is concerning that half of the respondents did not have senior leaders in their organisation who role-model an appropriate work-life balance.

*"There is a need to change out senior leaders who are opposed to flexible and agile working. They do not believe anyone is productive working from home, because they don't like to do it! Also, some still expect staff to be at their desks (not online/ remotely logged in) at 9, finish at 6 or later, and not leave before the boss does – VERY dated and does not show any trust in their workforce. Core hours have been suggested, but not seen as priority for engagement, despite studies to the contrary!"*

HR Manager, Professional Services



% of managers that agreed...

	Singapore		Hong Kong		China		UK	
	2017	2018	2017	2018	2017	2018	2017	2018
My organisation's practices and culture enable me to work wherever and whenever I want, so long as I deliver what is expected	56%	59%	52%	55%	54%	52%	59%	61%
My organisation has a culture which supports work-life balance	58%	60%	56%	60%	53%	65%	61%	-
Senior leaders in my organisation role-model work-life balance	42%	46%	42%	46%	45%	50%	31%	-
Base size (n)	703	623	327	332	168	133	720	475

## Organisations and managers need to be better equipped to effectively manage virtual teams now and in the future

The data this year shows that organisations and leaders in general are not very well-equipped with the skills to manage virtual teams.

% of managers that indicated...

	Singapore		Hong Kong		China		UK	
	Agree	Disagree	Agree	Disagree	Agree	Disagree	Agree	Disagree
My organisation's culture supports virtual working	51%	46%	47%	47%	44%	47%	-	-
Managers in this organisation are equipped with the skills to manage virtual teams and workers	43%	53%	41%	50%	37%	52%	30%	50%
My organisation is prepared for the current and anticipated increase in virtual working	39%	54%	39%	49%	38%	47%	-	-
Base size (n)	623		332		133		475	

## In Summary

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- How do organisations strengthen their technical capabilities and implement the creative mind-set to take advantage of both digital technologies and AI, as well as to approach old problems in new ways?
- The world of work is changing and the question is – how do organisations evolve some long-held assumptions about work and management? How do leaders and HR shift work cultures from control to empowerment? First, a shift in approach from presentee-ism to high trust and second, from work being defined by time and place to a more autonomous and fluid attitude to historical work boundaries.
- The above indicates that AI and digital technologies are not the issue; the real issues revolve around the softer, people-related matters which arise as implications of technology.

# Diversity

## Overview

A diverse workforce brings many benefits – improved decision-making (less susceptibility to groupthink), greater innovation and creativity, better business performance, enhanced organisational image as well as higher employee engagement.

However, there still seems to be gaps between what leaders think about diversity and what is being done to make organisations more diverse. Mature workers still find it challenging to find jobs<sup>1</sup> and in terms of gender diversity, women still feel that they are not given equal hiring or progression opportunities compared to men<sup>2</sup>. In the face of these obstacles, it is encouraging to see more managers this year agreeing that their organisations are more accepting of differences and are better at attracting, recruiting and retaining diverse groups of people.

However, generational and diversity issues are still not seen as current people challenges by HR managers. HR managers surveyed back in 2014 felt that these were issues that would be pertinent in 5 years. We are almost at the '5 years later' mark, and HR managers still indicate that generational, cross-cultural and diversity issues will only be challenges in 5 years.

This begs the question of “if not now, then when?” Are diversity issues genuinely not challenges or are they seen as less of a priority or a lesser importance compared to other people challenges? When would then be a “good” or “right” time to address these challenges?

When we consider that, in the here and now, Asian countries must cope with an ageing population that is growing, where the elderly and Baby Boomers are extending their working years, and are facing issues finding jobs. Combine this with the increase in the number of Millennials entering the workforce, the rise of the gig economy and the use of contract workers as well as working teams being more multicultural; HR, leaders and organisations have a lot to manage.

The data does shed a bit of light on the preparedness of leaders and managers in handling diversity challenges. Slightly more than 50 per cent of managers agreed that their leaders and managers are good at working with diverse groups of people and managing cross-cultural working teams. This was a reported increase from last year's data, which is promising.

In terms of senior leadership diversity, this is where less than 50 percent of managers surveyed in all three countries felt that organisations could do more to ensure this happens. What is even more worrying is that HR managers in our data do not see increasing diversity as one of the top current people challenges. Again, it is something that is deemed to be important in 5 years' time.

Recent studies have shown that Asian organisations lag behind other regions when it comes to female representation on boards and in management positions. In Hong Kong and Singapore, only a third of management positions are held by women. This reduces the talent pipeline to the top, which includes board roles. Furthermore, female board members' in SGX-listed companies in Singapore can expect lower remuneration than their male counterparts<sup>3</sup>.

<sup>1</sup> <https://www.hrdmag.com.sg/news/singapore-companies-at-risk-due-to-lack-of-diversity-248943.aspx>

<sup>2</sup> <https://sbr.com.sg/hr-education/news/how-do-singapore-firms-adopt-diversity-practices-in-their-workplaces>

<sup>3</sup> <https://www.cnbc.com/2017/03/08/despite-push-for-gender-diversity-on-boards-asia-lags-behind-in-female-representation.html>



## Is diversity really a future challenge or something that just isn't important?

When the survey was first launched in 2014 in Singapore, HR managers deemed diversity and multi-generational issues not as important at that time. But they thought that it will become more pertinent in 5 years.

We are almost at the 5-year mark and our data suggests that HR managers think it's still a concern for the future.

Singapore	2014		2018	
% of HR managers who indicated this as a challenge	Now	5 Yrs	Now	5 Yrs
Managing a multi-generational workforce	55 (10th)	47 (7th)	36 (16th)	44 (1st)
Encouraging greater workforce diversity	-	-	35 (17th)	37 (7th)
Working across cultures	41 (17th)	36 (13th)	38 (15th)	34 (11th)
Increasing diversity in senior leadership positions	-	-	48 (13th)	41 (4th)
Base size (n)	497	343	184	165

Hong Kong	2018	
% of HR managers who indicated this as a challenge	Now	5 Yrs
Managing a multi-generational workforce	34 (20th)	42 (2nd)
Encouraging greater workforce diversity	47 (13th)	33 (10th)
Working across cultures	35 (19th)	30 (13th)
Increasing diversity in senior leadership positions	42 (16th)	39 (5th)
Base size (n)	164	154

\* Data from China was not included due to the small sample size

\*\*The numbers in brackets are the people challenges ranked according to the percentage of responses, with 1st having the highest percentage of responses and 20th being the least.

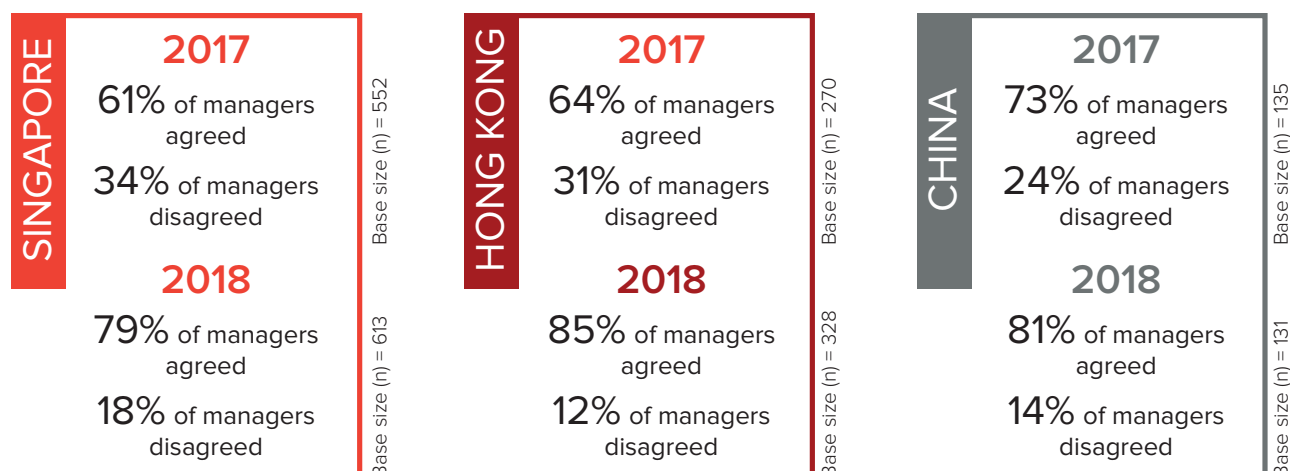
## More needs to be done to encourage diversity in senior leadership teams

The majority of managers report that their organisation is accepting of difference and is effective at attracting, recruiting and retaining individuals from diverse backgrounds. However, senior leadership diversity is still not quite there yet.

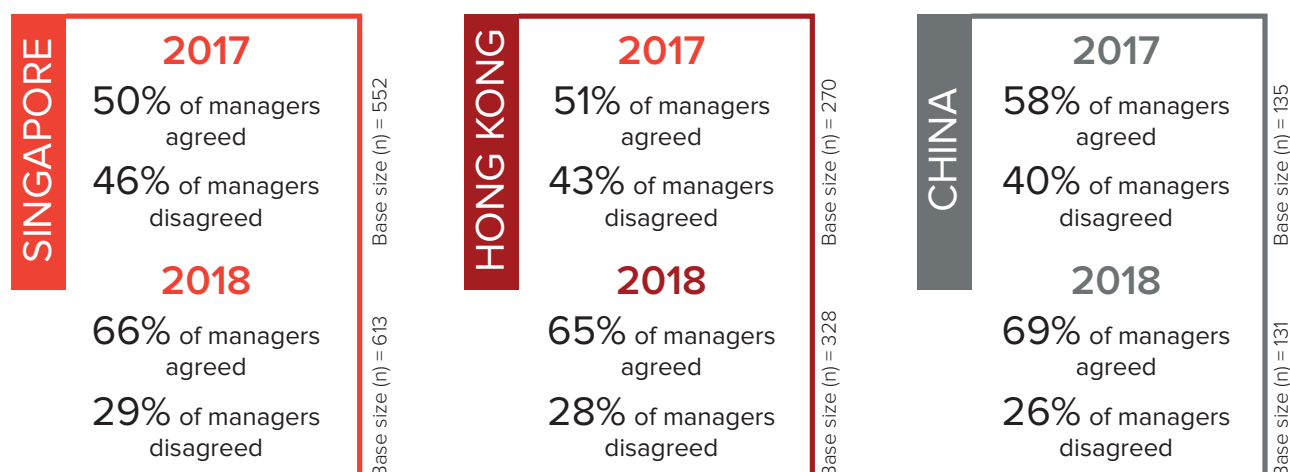
The data shows that managers in general, strongly agree that their organisations are accepting of differences. There has been a significant increase in managers who think so this year, compared to 2017. The data also shows that managers agree that their organisations are more effective at attracting, recruiting and retaining individuals from diverse backgrounds. This is also an increase from last year's data, which is encouraging to see.

In spite of these, managers think there still is not enough diversity in senior leadership teams in the organisations.

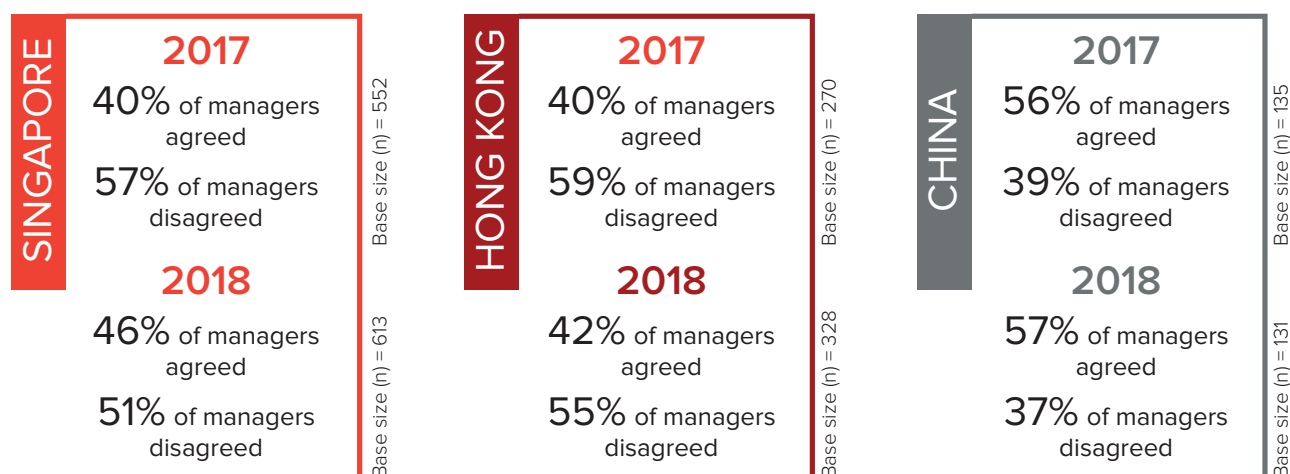
## My organisation is accepting of difference



## My organisation is effective at attracting recruiting and retaining individuals from diverse backgrounds



## There is sufficient diversity in the senior leadership team in my organisation



## Managers are getting better at managing diverse groups of people

Organisations are becoming increasingly more diverse and multi-cultural, and it is encouraging to see that managers in all three countries agreed that the management population is getting better at managing across cultures and diverse groups of people. The data shows that the percentage of managers who agreed have increased by at least 7 percent, compared with last year.

% of managers who agreed	Singapore		Hong Kong		China	
	2017	2018	2017	2018	2017	2018
Managers in my organisation are skilled at working with diverse types of people	50	58	53	60	60	66
Managers in my organisation are equipped with the skills to manage in different cultures	48	57	49	58	49	62
Base size (n)	552	613	270	328	135	131

% of managers who disagreed	Singapore		Hong Kong		China	
	2017	2018	2017	2018	2017	2018
Managers in my organisation are skilled at working with diverse types of people	46	37	42	34	35	28
Managers in my organisation are equipped with the skills to manage in different cultures	47	38	46	34	45	31
Base size (n)	552	613	270	328	135	131

*"I think the most evolved leaders are the ones who are going to know that fundamentally there are some big differences with the way that people work and their expectations for what they get in return for working. So, they want to work differently and they want different things from the company. Nobody wants to work full time in an office, for 80 hours any more; they just don't want to do it. All of these things have already shifted and I think the savvy leaders are going to be on top of that and understand that."*

Director, Financial  
Services



## In Summary

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- Organisations need to re-look at their thinking around diversity and inclusion issues, and consider if these are genuinely important now or simply challenges for the distant future.
- Although organisations are generally very accepting of differences, there is a real need to look at increasing the diversity of senior leadership teams.
- Managers are getting more skilled at working with people from diverse backgrounds, but there is still room for improvement.

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# Mental Well-being

## Overview

Toxic work environments where people constantly experience stress and burnout, have a very adverse effect on mental health and workplace productivity. Depression and anxiety disorders are estimated to cost the global economy US\$1 trillion a year<sup>1</sup>.

Mental health has always been a taboo and sensitive topic for cultures in Asia. There is usually a stigma around bringing up mental issues and talking about them openly. There is a lot of “shame” in doing so, and people who do so are seen as “weak”. In Singapore, it was reported that the mental well-being of working adults in the population is 13 per cent lower than the general population<sup>2</sup>. In Hong Kong, “a quarter of working persons show levels of depression and anxiety – 2.5 times above the global average – and 18 per cent of working persons need psychological treatment”<sup>3</sup>. The EIU<sup>4</sup> mental health index shows that Singapore has a score of 76.4 (4th ranked out of 15 APAC countries), Hong Kong 65.8 (7th) and China 45.5 (9th). This is some distance away from the top-ranked countries New Zealand (94.7) and Australia (92.2). A higher score indicates better mental health in the country.

In workplaces, it seems like “mental health” issues are always kept under the radar and our data reflects this. Less than two-fifths of employees in both Singapore and Hong Kong felt comfortable discussing mental health issues with either their colleagues or managers. A similar percentage of people indicated that their organisations are open about mental health issues.

Workplace stress is a huge contributor to poor mental health. Three psychiatrists in Singapore have revealed that up to 90 per cent of their patients are grappling with mental health issues caused by stress from work<sup>5</sup>. Our data found that organisational politics, a lack of strategic direction, heavy workload and a lack of support are all major contributors to workplace stress. Thus it is slightly troubling that a relatively smaller percentage of people in all three countries (Singapore – 22%, Hong Kong – 19%, China - 15%) do not think that “work is a contributing factor to their ill-health”. These low figures may be due to the sense of ‘shame’ people feel when expressing mental illness problems as well as it being perceived as a ‘sign of weakness’ to admit to these problems, even to themselves. Stress at work leads to a drop in productivity, an increase in absenteeism and even presenteeism – which is when people work longer hours than necessary and turn up for work when they are not required to.

Organisations are starting to see the light though. Our data shows that a number of respondents in Singapore and Hong Kong have access to counselling and coaching services. They are also attending mental health talks and programmes, as part of an Employee Assistance Programme (EAP). The gradual increase in awareness towards mental health issues looks promising, but more needs to be done.

The nature of relationships and the culture of the organisation, the support available from peers as well as line managers, makes a huge amount of difference to the degree to which stress is experienced and how it is coped with. Instead of retreating into our own little corners, we should reach out and help each other. Leaders play a critical role in role-modelling the latter. HR also has a role here, not only in developing leadership capability, but at times of stress for the organisation, ensuring that there is space for open and honest conversations that generate positive action rather than blame.

1 <http://www.scmp.com/news/hong-kong/health-environment/article/2115293/your-workplace-toxic-mental-health-many>

2 <http://www.asiaone.com/health/mental-well-being-working-adults-13-lower-general-population>

3 <http://www.scmp.com/news/hong-kong/health-environment/article/1864215/hong-kong-survey-reveals-quarter-citys-working>

4 <http://www.eiuperspectives.economist.com/healthcare/mental-health-and-integration-white-paper/mental-health-and-integration>

5 <http://www.straitstimes.com/singapore/health/more-young-professionals-suffering-from-burnout>

## Organisational cultures do not encourage much openness around mental issues

The table below echoes what has been observed and discussed so far – that organisations in Asia are only starting to be aware of and take action with regards to mental health issues in the workplace. Respondents from Singapore, Hong Kong and China who agreed that they could be open to colleagues or managers were considerably lower than those from the UK.

All four countries had fewer respondents who agreed that their organisations had a culture of openness when it came to accepting mental health issues. Singapore had only 29 per cent agreeing with the statement. This is concerning as a lack of openness or, mental issues being treated as taboo, might lead to delays in the support that individuals are able to get.

% of respondents who indicated 'agree' or 'strongly agree'...	Singapore	Hong Kong	China	UK
I (would) feel comfortable discussing mental health issues with colleagues	35	47	54	72
I (would) feel comfortable talking about mental health issues with my manager	37	46	49	67
The culture of my organisation is open about and accepting of mental health issues	29	38	48	59
Base size (n)	719	382	151	527

## Organisational politics and a lack of strategic direction contribute to workplace stress

There is a pattern that exists when it comes to the different aspects of organisational life that managers find stressful. Managers seemed to struggle with a lack of direction, be it with their own goals and objectives or receiving direction from the top. They also struggled with organisational politics. All these require enhanced influencing skills, the ability to build rapport and the ability to manage across different groups of people. These organisational demands all require greater interpersonal and communication skills.

Workload has also made a comeback as a workplace stress factor in both Singapore and Hong Kong. Combined with a lack of support at work (a stress factor too), people feel overwhelmed and this leads to poor mental well-being.

### What do you consider to be the major stresses in your life?

Percentage of respondents who indicated...

SINGAPORE



## HONG KONG



## CHINA



## Respondents not connecting the dots between work-related stress and burnout and its effects on mental health

As news reports have shown, workplace stress and burnout have adverse effects on mental health. So it is interesting to note that a majority of respondents from organisations in the three Asian countries are less likely than respondents in the UK to indicate that work is “a contributing factor to their ill-health”.

What role has work played in your mental health (% of respondents)	Singapore	Hong Kong	China	UK
A contributing factor to my ill-health	22	19	15	35
A supportive factor in my recovery	6	5	16	17
Both	13	19	29	34
None	60	57	40	14
Base size (n)	719	382	151	201

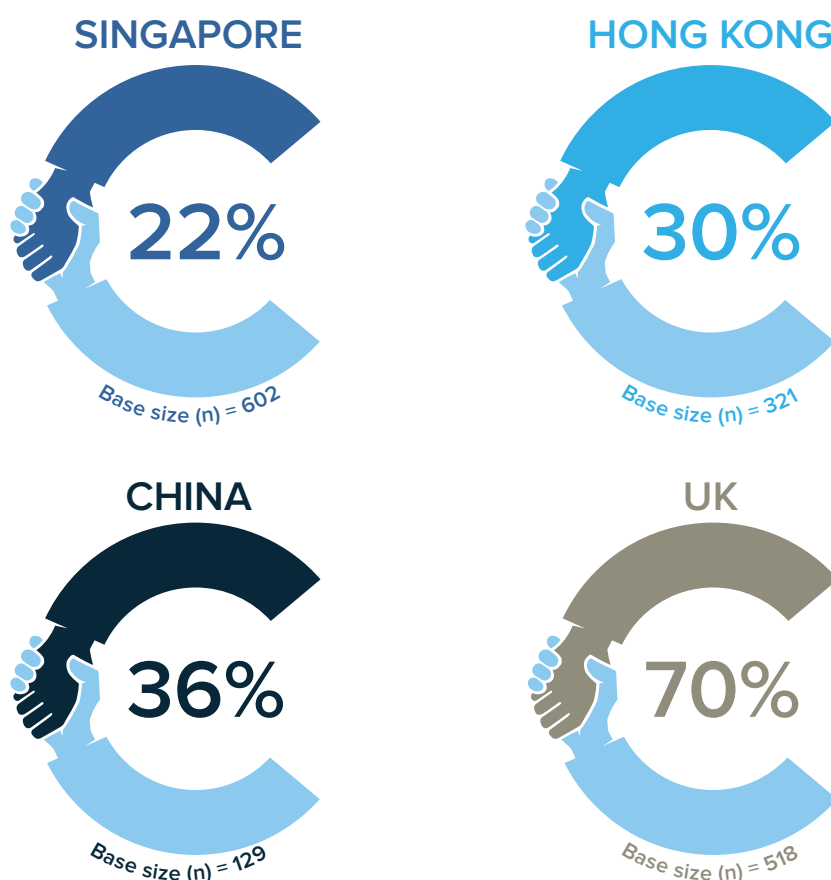
## Less than a third of managers have been involved in supporting staff suffering from mental ill-health

About a third of managers in Singapore, Hong Kong and China have been involved in supporting staff suffering from mental health. Of this, more than 50 per cent of managers in Singapore and Hong Kong do not feel equipped in supporting staff suffering from mental health.

It is troubling to think that people may not be equipped to provide the support needed to someone struggling with mental ill-health in the workplace, and what the consequences for the affected person may be.

This shows that more needs to be done to equip all managers, and employees as well, with a greater awareness of mental health issues and how those affected can be best supported.

**Have you been involved in supporting any staff suffering from mental ill-health?**  
(% of managers indicated 'yes')



% of managers who do not feel equipped to provide support

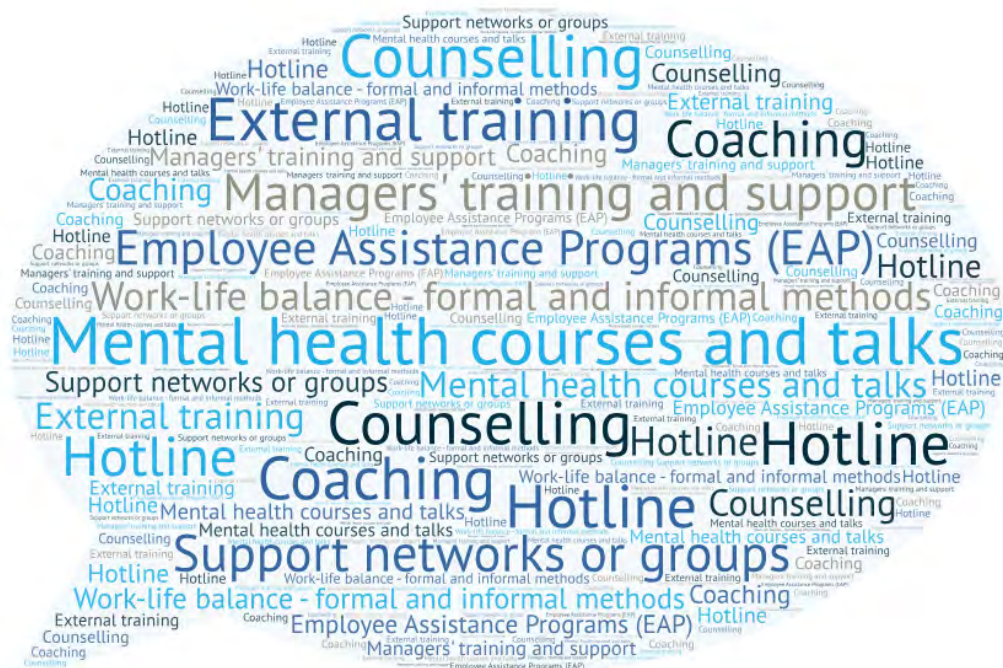
	Singapore	Hong Kong	China	UK
Very well equipped	3	6	4	20
Adequately equipped	33	40	50	65
Not equipped	54	45	36	14
Not equipped at all	10	9	11	1
Base size (n)	602	321	129	369

## Equipping managers and employees with mental health support

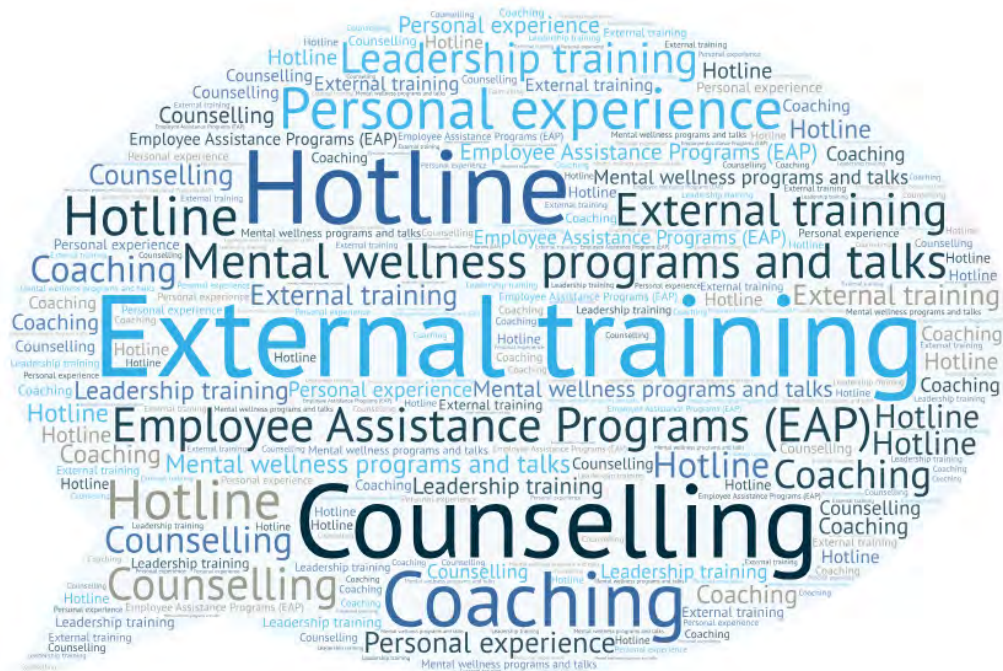
Respondents indicated that having counselling or coaching services, mental health courses and programmes will help them in managing their well-being and mental health. This is a great start to acknowledging and creating awareness about mental health in the workplace. But there is still a need to move from programmes to wider conversations and an openness in the organisational culture when it comes to embracing mental health.

\*\*The figures below are word clouds representing how frequently they were mentioned by respondents. The larger the word, the more frequently it was mentioned.

## SINGAPORE



## HONG KONG



*"I have had exceptionally poor line management with a very difficult character. Despite my best efforts to operate within their expectations and their ways of working, all attempts I have made to satisfy in the role or to improve effectiveness and efficacy of processes have been met with indifference or refusal. I have also been forced into business trips away from my young family. A request to re-consider this was refused as it was put across to me that I should 'know what I had signed up for'."*

HR Manager, Professional Services



## In Summary

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There is a need for organisations and leaders to:

- Help people be more aware of and take care of their own well-being, especially their mental well-being.
- Help people become better at acknowledging stress, anxiety, depression, low mood and sleep difficulties.
- Make mental health support in the workplace practical and normal; and as something that is not seen as taboo.

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# Human Potential and its Development

## Overview

With ongoing recruitment challenges and the retention of talent identified as key people challenges, it is worth exploring what the data tells us about why employees choose to seek other opportunities and, ultimately, leave their organisation. The main reasons given are the lack of opportunities to develop; learn and progress; as well as the lack of good leadership. This has been a recurrent theme from previous years.

Enhancing opportunities for growth and development is an aspect of organisational life over which HR and leaders have a degree of control. A culture that embraces professional development and continuous learning is a key factor which attracts respondents in all three countries (Singapore – 54%, Hong Kong – 42%, China – 57%). However, it was the top reason why people were also leaving their organisations, showing that perhaps they are not getting the development they were promised at the beginning.

Good leadership was also an attraction factor for many employees in the survey. But poor leadership tends to drive them away. The importance of the right kind of leadership is critical to many organisational aspects, including the engagement and development of employees. A leadership style which gives employees direction, while allowing for the scope to feel challenged and to make a positive difference seems key.

We asked respondents what they were motivated by and many indicated 'the opportunity to make a difference' (Singapore – 64%, Hong Kong - 60%, China - 59%). It seems that having a sense of purpose and the opportunity to engage in meaningful work matters to people. Leadership and the ability to achieve results are linked to the capability to make a difference, so it comes as no surprise that these feature as sources of motivation too.

We asked employees if organisational politics is a significant issue in their organisations. Close to 50 per cent of them gave a rating of '4' or '5', where '1' is the least significant and '5' the most significant. Politics seems to stem from bias and favouritism as well as organisational change. Politics is part and parcel of organisational life and there are 'good' and 'bad' politics. Managers may need to develop more effective influencing skills and understand how to use 'good politics' to mobilise support, build positive relationships and manage change better.



## Employees are attracted to development opportunities and good leadership

What are the things you look for in an organisation?

% of employees who indicated...



### SINGAPORE

Base size (n) = 708



### HONG KONG

Base size (n) = 374



### CHINA

Base size (n) = 147

## The opportunity to make a difference motivates

51 per cent of employees in Singapore and Hong Kong, and 53 per cent of employees in China, indicated that their motivation levels are 'medium'. 'The opportunity to make a difference' features as a strong motivator in all three countries.

### What motivates you at work?

% of employees who indicated...



### HONG KONG

Base size (n) = 374

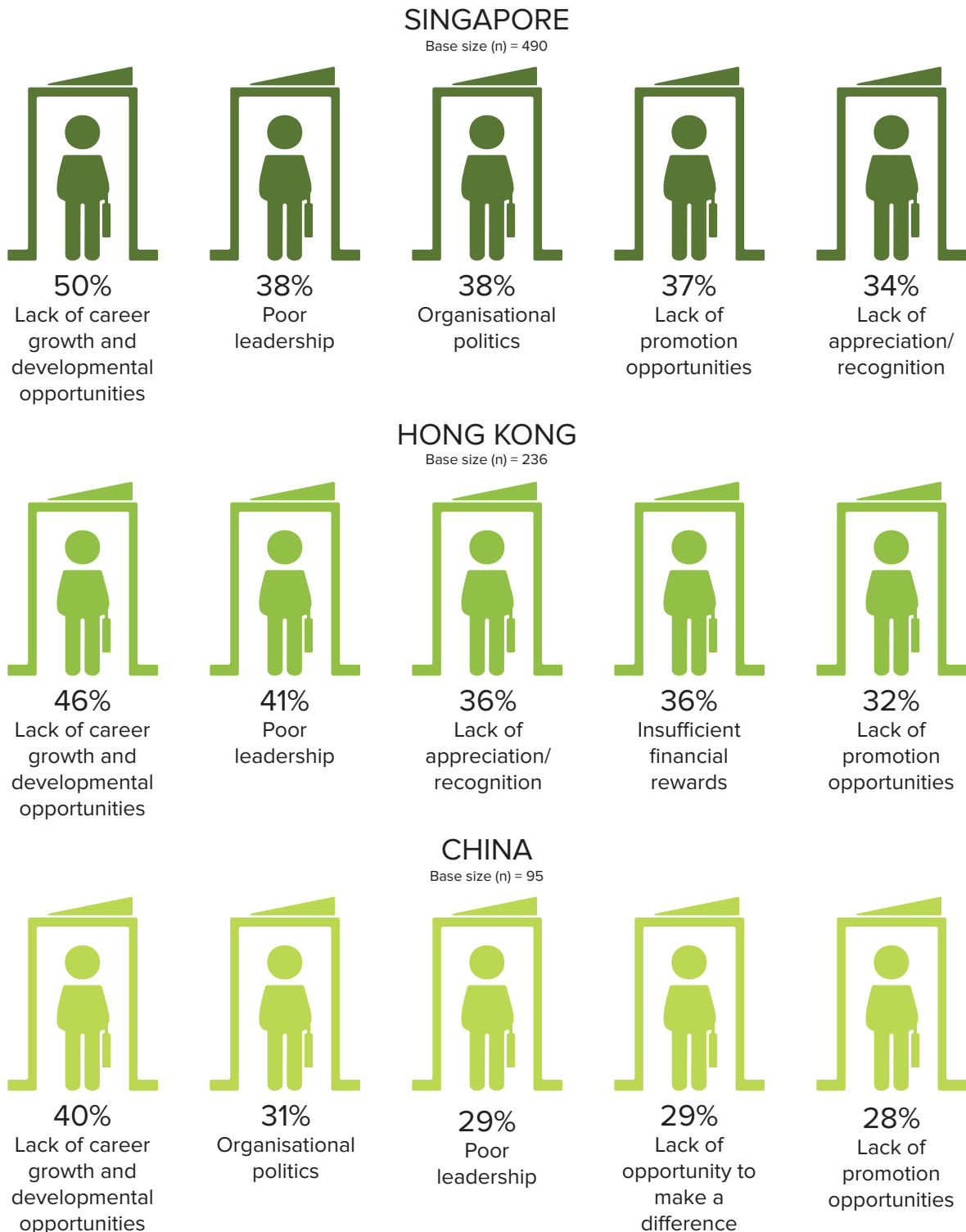


## Employees leave organisations due to a lack of development, politics and poor leadership

More than two-thirds of respondents report wanting to leave their organisations (Singapore – 69%, Hong Kong – 63%, China – 63%). The top three reasons were a lack of career growth and development, poor leadership and organisational politics.

### Why are you considering leaving your current organisation?

% of employees who indicated...



## Organisational politics is a significant issue. Bias, favouritism and organisational change are contributing factors

Close to 50 per cent of respondents in all countries were more likely to rate '4' or '5' when asked if organisational politics was a significant issue for them (Singapore – 50%, Hong Kong – 42%, China – 41%).

Thinking of where you currently work, how significant an issue is 'organisational politics', on a scale of 1 to 5? (With 1 being the least significant and 5 being the most significant.)

% of employees indicated...

Scale	Singapore	Hong Kong	China
1	7%	10%	10%
2	13%	20%	11%
3	29%	29%	38%
4	29%	25%	29%
5	21%	17%	12%
Base size (n)	711	376	149

Both 'bias and favouritism' (Singapore – 62%, Hong Kong – 49%, China – 45%), as well as 'organisational change' (Singapore – 37%, Hong Kong – 35%, China – 36%) were two of the top three factors that respondents from all countries indicated to be contributing political factors. Respondents from both Hong Kong (32%) and China (26%) indicated 'misuse of power' to be the third contributing factor, whilst Singaporean respondents indicated 'undermining peers' (38%).

There were differences between what managers and non-managers thought were factors that contributed to politics in the workplace:

In Singapore, managers were more likely to indicate the 'misuse of power' and 'undermining peers' as political factors, whereas non-managers were more likely to indicate 'intra-department competition' as a factor. Gen Ys in Singapore were more likely to think undermining was a factor, whilst the Gen Xs were more likely to indicate 'organisational change' as a factor.

In Hong Kong, there were differences across all factors. Managers were more likely to indicate 'bias and favouritism' and 'organisational change' as political factors. Non-managers were more likely to indicate 'undermining peers' and 'intra-department competition' as factors.

## How does organisational politics, in your current organisation, manifest itself?

% of employees indicated...

	Singapore		Hong Kong	
	Managers	Non-managers	Managers	Non-managers
Misuse of power	33%	24%	33%	27%
Bias & favouritism	62%	60%	51%	41%
Undermining peers (eg: gossip, bullying, backstabbing)	40%	32%	29%	37%
Intra-department competition	29%	37%	25%	41%
Organisational change	37%	37%	36%	27%
Base size (n)	596	115	317	59

\*The data from China was not included as the sample size is too small for a meaningful comparison

## In Summary

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- 'Good leadership' is what attracts and motivates employees. Poor leadership is likely to prompt them to leave. This raises the question of – 'What makes leadership good leadership'? We know that this is context-dependant but common messages indicate that:
  - Leadership that provides opportunities to learn, grow and make a meaningful contribution.
  - Leadership which challenges destructive competition, back-stabbing and politics certainly makes a difference in attracting and retaining key talent.
- Organisations need to look into investing more in their employees, seeing that the lack of career growth and developmental opportunities is the number one reason employees want to leave.
- Politics, especially that stemming from bias and favouritism, remains a problem for many organisations.

# Appendix 1:

## Respondent profile

This year's Workplace in Asia 2018 survey is based off the responses of 1064 Singapore, 584 Hong Kong and 283 China managers and non-managers from organisations of a range of sectors and sizes. The characteristics of the respondents who completed the survey and the type of organisation they work for are presented here.

### Singapore

#### Respondent Characteristics

Figure 1 shows the profile of survey respondents by level of seniority. Figure 2 shows the profile of survey respondents by age.

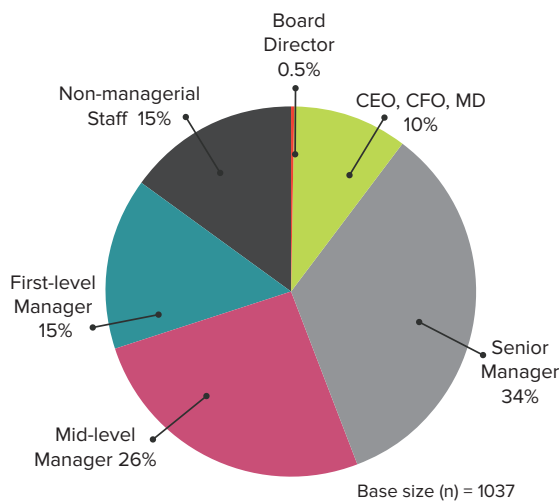


Figure 1: Survey respondent by seniority

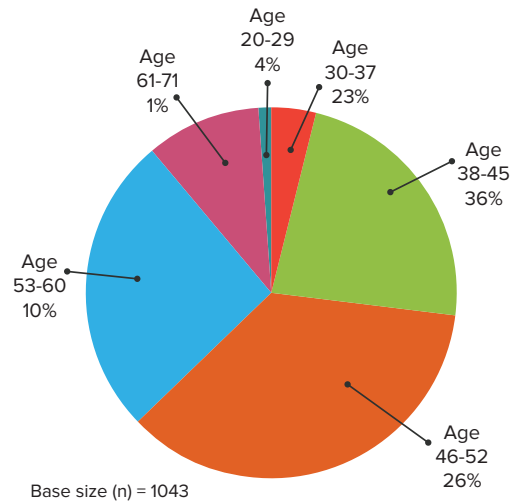


Figure 2: Survey respondent by age group

58 per cent of respondents were male. 42 per cent were female. Figure 3 shows the breakdown of seniority within each gender.

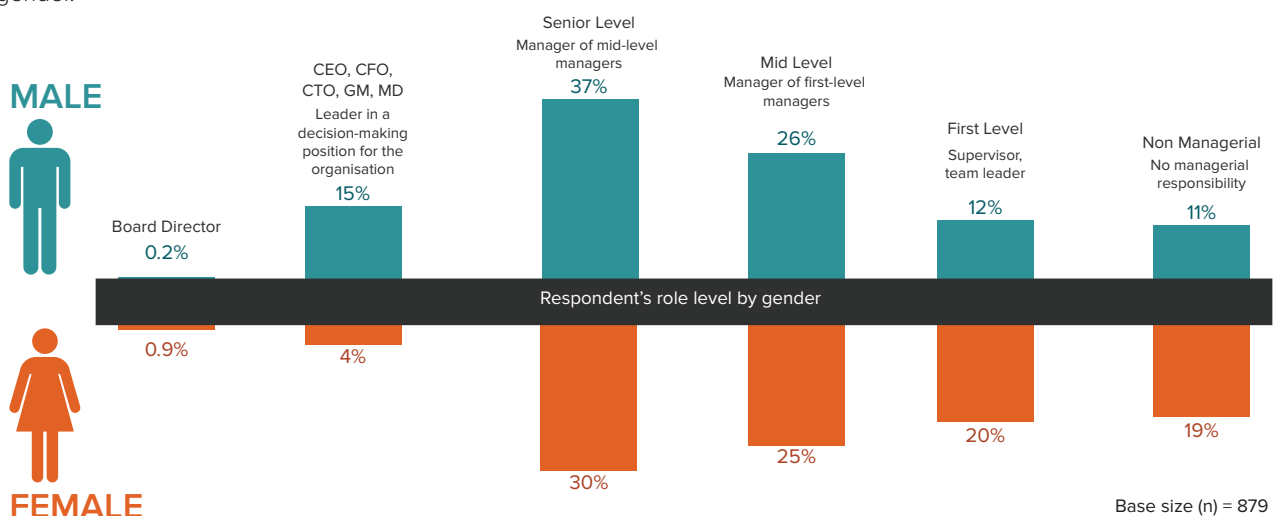


Figure 3: Survey respondent by seniority within gender

25 per cent of the managers who responded to the survey worked in a role dedicated to people management and development (e.g. HR generalist or specialist, OD, L&D, Talent Management etc). The majority of HR respondents were female (52 per cent female; 48 per cent male).

Which position title or function broadly matches your current (or most recent) position?	Percentage
HR Director	27
HR Business Partner	12
Organisational Development	11
Recruitment/Resourcing	10
HR Manager	9
Talent Management	8
Learning & Development	6
Compensation & Benefits	4
Employee Relations	3
Health, Safety & Environment	2
Relocation/Mobility	2
HR Consultant	2
Diversity	1
Industrial Relations	1
HR Coordinator	1
Organisational Designer	0.5
HR Project Management	0.5
Base size (n) = 212	

Table 1: Profile of HR respondents by role

## Respondent Organisation Characteristics

Respondents to the survey worked for a range of organisations of different sizes and sectors. Figure 4 shows a breakdown of respondents' organisations by employee size. Table 2 shows a detailed breakdown by industrial sector.

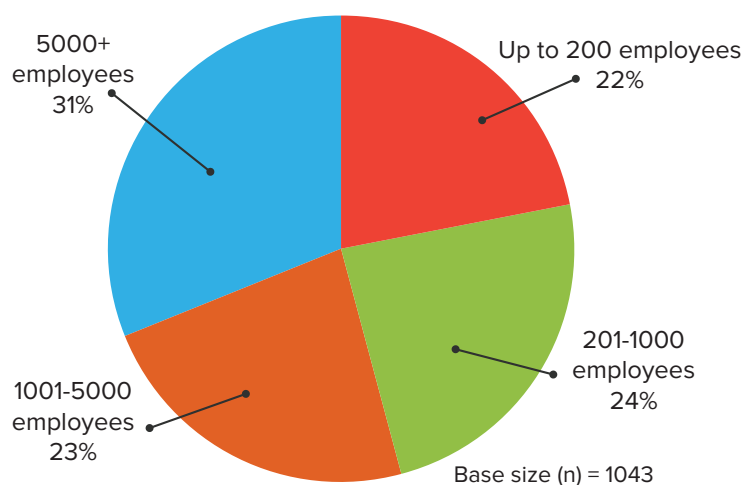


Figure 4: Number of employees in Asia-Pacific

Industry	Percentage	Number
Advertising/Arts/Entertainment/Media/Publishing	2	17
Agriculture/Animals	1	10
Building/Construction/Engineering	1	12
Charity/Not for Profit sector	0	4
Education	2	25
Energy/Water/Waste/Environment	3	34
F&B/Catering	1	9
Financial Services (Banking/Insurance/Asset Management)	34	353
Healthcare	4	37
Hospitality/Travel/Tourism	2	18
HR Consulting/Training	2	17
IT and Telecommunications	9	92
Manufacturing (Heavy)	4	37
Manufacturing (Light, Fast Moving Consumer Goods)	6	64
Mining/Resources	1	11
Pharmaceuticals/Biotechnology	4	45
Professional Services	4	42
Public Sector	1	14
Real estate/property	3	31
Retail/Wholesale	4	44
Transport/Distribution/Supply chain/Logistics	4	42
Others	9	96

Table 2: Respondent profile by detailed industry

## Hong Kong

### Respondent Characteristics

Figure 5 shows the profile of survey respondents by level of seniority. Figure 6 shows the profile of survey respondents by age.

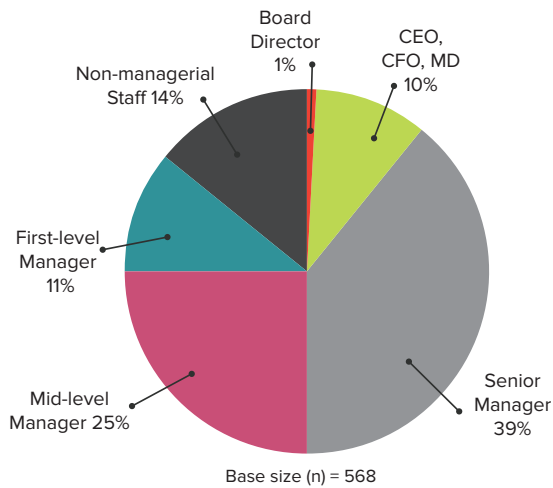


Figure 5: Survey respondent by seniority

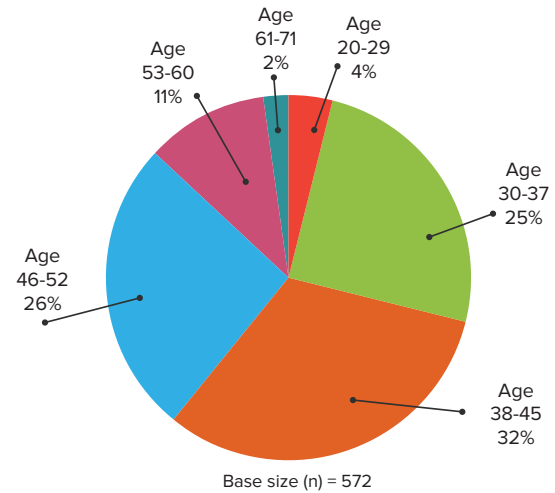


Figure 6: Survey respondent by age group

54 per cent of respondents were male. 46 per cent were female. Figure 7 shows the breakdown of seniority within each gender

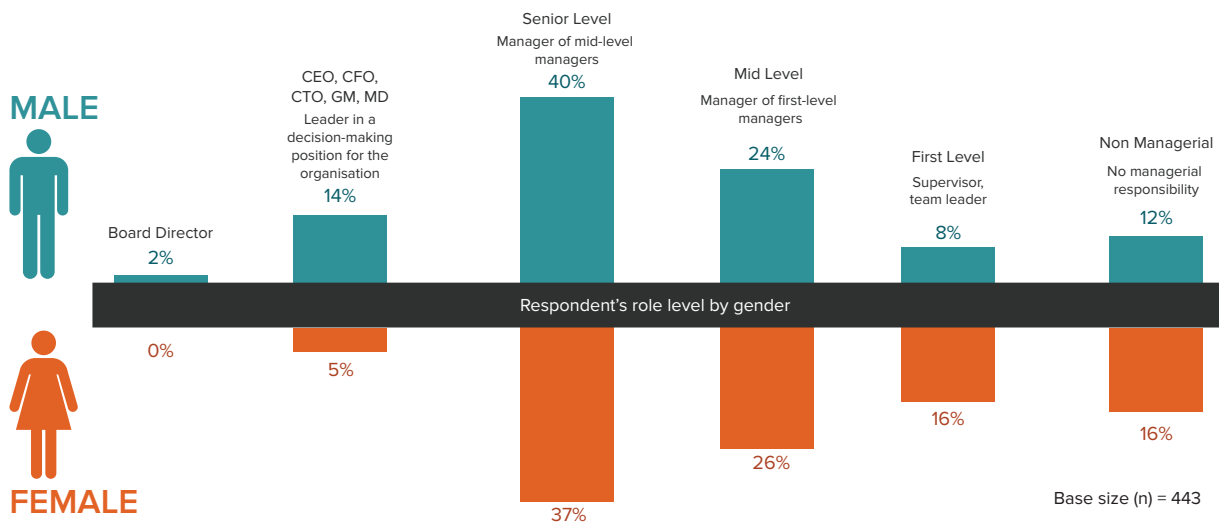


Figure 7: Survey respondent by seniority within gender

41 per cent of the managers responded to the survey worked in a role dedicated to people management and development (e.g. HR generalist or specialist, OD, L&D, Talent Management etc). The majority of HR respondents were female (58 per cent female; 42 per cent male).

Which position title or function broadly matches your current (or most recent) position?	Percentage
HR Director	30
HR Business Partner	14
Learning & Development	9
Recruitment/Resourcing	9
HR Manager	8
Talent Management	8
Compensation & Benefits	5
HR Consultant	3
Organisational Development	5
HR Consultant	3
HR Information Systems	2
Diversity	2
HR Project Management	1
Relocation/Mobility	1
Health, Safety & Environment	1
Employee Relations	1
Base size (n) = 199	

Table 3: Profile of HR respondents by role

## Respondent Organisation Characteristics

Respondents to the survey worked for a range of organisations of different sectors and sizes. Figure 8 shows a breakdown of respondents' organisations by employee size and Table 4 shows a detailed breakdown by industrial sector.

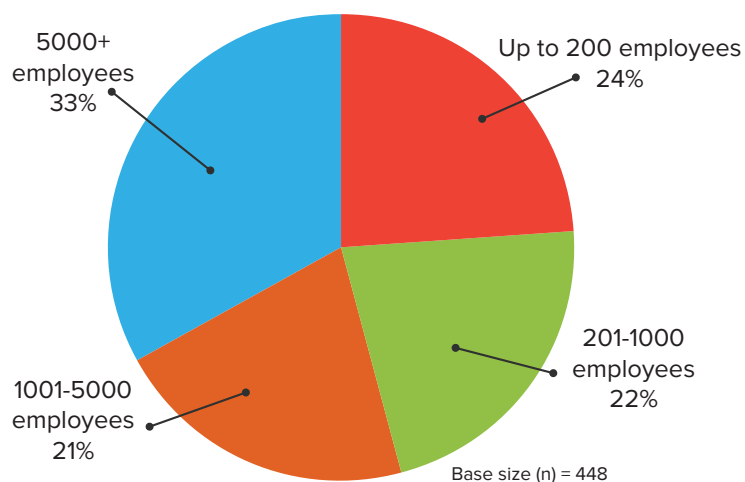


Figure 8: Number of employees in Asia-Pacific

Industry	Percentage	Number
Advertising/Arts/Entertainment/Media/Publishing	2	13
Building/Construction/Engineering	1	5
Charity/Not for Profit sector	0	2
Education	2	9
Energy/Water/Waste/Environment	1	5
Food & Beverage/Catering	1	7
Financial Services (Banking/Insurance/Asset Management)	52	303
Healthcare	0	2
Hospitality/Travel/Tourism	1	8
HR Consulting/Training	3	19
IT and Telecommunications	6	33
Manufacturing (Heavy)	1	3
Manufacturing (Light, Fast Moving, Consumer Goods)	4	23
Pharmaceuticals/Biotechnology	1	6
Professional Services	5	26
Public Sector	1	7
Real Estate/Property	1	8
Retail/Wholesale	7	38
Transport/Distribution/Supply Chain/Logistics	3	16
Others	7	42

Table 4: Respondent profile by detailed industry

## China

### Respondent Characteristics

Figure 9 shows the profile of survey respondents by level of seniority. Figure 10 shows the profile of survey respondents by age.

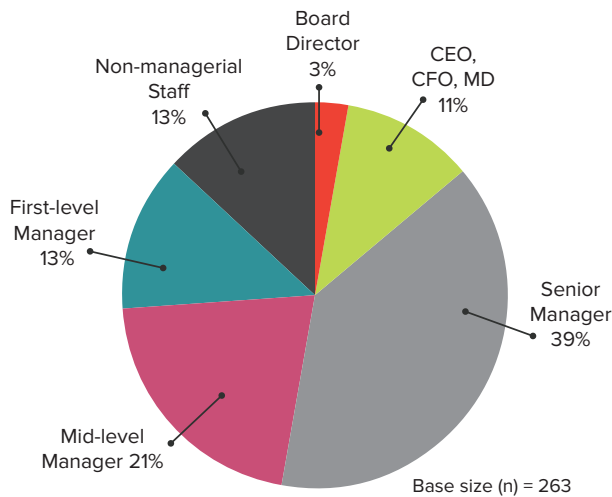


Figure 9: Survey respondent by seniority

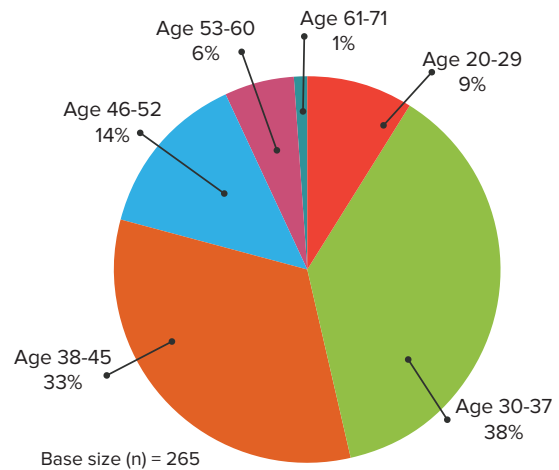


Figure 10: Survey respondent by age group

56 per cent of respondents were male. 44 per cent were female. Figure 11 shows the breakdown of seniority within each gender.

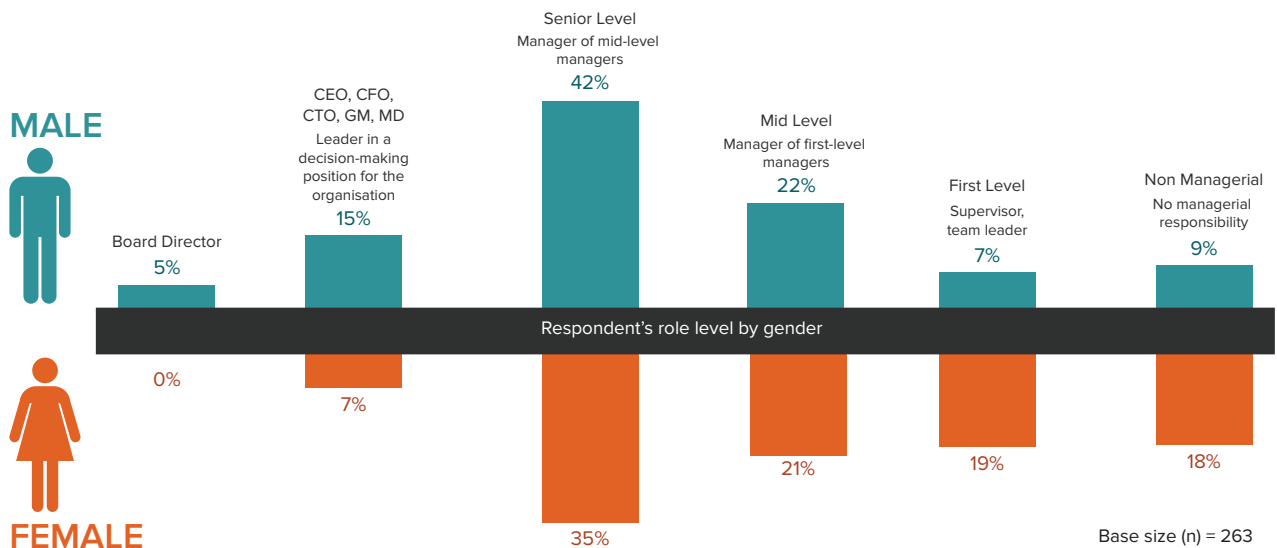


Figure 11: Survey respondent by seniority within gender

38 per cent of the managers responded to the survey worked in a role dedicated to people management and development (e.g. HR generalist or specialist, OD, L&D, Talent Management etc). The majority of HR respondents were (51 per cent male; 49 per cent female).

Which position title or function broadly matches your current (or most recent) position?	Percentage
HR Director	24
HR Business Partner	17
Recruitment/Resourcing	10
Organisational Development	10
HR Manager	10
Learning & Development	7
Health, Safety & Environment	5
HR Consultant	5
Compensation & Benefits	4
Talent Management	4
Employee Relations	2
Diversity	2
HR Information Systems	1
Base size (n) = 83	

Table 5: Profile of HR respondents by role

## Respondent Organisation Characteristics

Respondents to the survey worked for a range of organisations of different sectors and sizes. Figure 12 shows a breakdown of respondents' organisations by employee size and Table 6 shows a detailed breakdown by industrial sector.

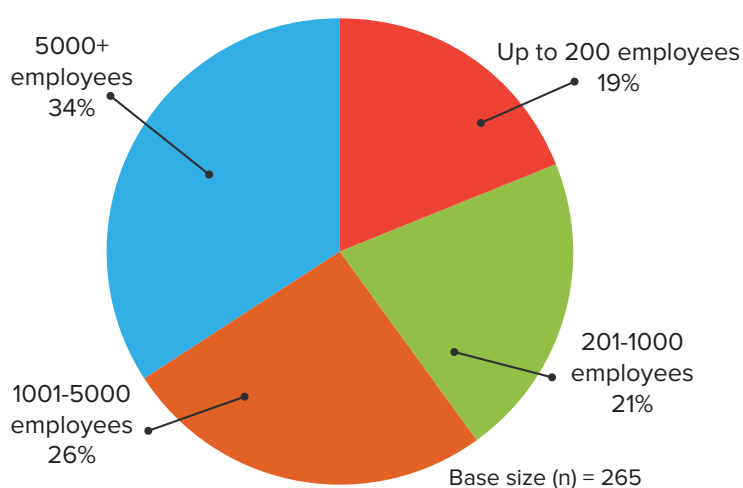


Figure 12: Number of employees in Asia-Pacific

Industry	Percentage	Number
Advertising/Arts/Entertainment/Media/Publishing	6	16
Agriculture/Animals	1	2
Building/Construction/Engineering	0	1
Charity/Not for Profit sector	0	1
Education	2	5
Energy/Water/Waste/Environment	2	5
Financial Services (Banking/Insurance/Asset Management)	8	22
Food and Beverage/Catering	4	10
Healthcare	12	32
Hospitality/Travel/Tourism	2	4
HR Consulting/Training	2	4
IT and Telecommunications	12	32
Manufacturing (Heavy)	9	24
Manufacturing (Light, Fast Moving Consumer Goods)	13	34
Mining/Resources	1	2
Pharmaceuticals/Biotechnology	5	13
Professional Services	4	10
Real Estate/property	2	5
Retail/Wholesale	7	20
Transport/Distribution/Supply chain/Logistics	3	9
Others	7	18

Table 6: Respondent profile by detailed industry

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# Appendix 2:

## How we designed and conducted the research

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The Working in Asia: 2018 aims to identify current and future challenges that employees face in Singapore, Hong Kong and China. The content of the questionnaire was determined following consultation with colleagues both at Roffey Park and Profile Search & Selection. The survey is in its third year and has a mixture of questions from previous surveys conducted by Roffey Park and Profile Search & Selection. Namely, Roffey Park's Management Agenda (both Singapore and UK) and Working in Asia 2017's survey.

This year's survey consisted of 42 multiple choice, closed and open ended questions in five sections: HR issues and challenges, leadership, data analytics and organisational change, diversity, impact of digital and the flexible workforce, and human potential and its development.

An online version of the survey was produced and the survey was live from early February to early April 2018. An email invitation with a link to the survey was sent to a list of managers known to both Roffey Park and Profile Search & Selection. The incentive for completing the survey was a free copy of the final report and entry into a competition for a gadget of their choice (out of a selection of 3), by suggesting the word which best describes Leadership in Asia today.



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Roffey Park and Profile Search & Selection's research - Workplace in Asia: Key HR and Leadership Priorities for 2018 - aims to highlight managers' views on organisational life in Singapore, Hong Kong and mainland China. It is based on Roffey Park's Singapore Management Agenda which has previously featured in national and trade press.

Based on the views of 2000 managers and non-managers working in organisations from a wide range of sectors and different sizes, the report covers managers' views on leadership, organisational culture, change, engagement, impact of digital technology and well-being. The report presents the views of employees from all levels of seniority and those in both HR and non-HR roles.

This research should appeal to a wide audience, from board members through to HR, OD and managers in the wider business. It should also be of interest to anyone with responsibility for developing effective people management strategies, OD initiatives, and effective organisations.

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