Building Resiliency at the Core -
Talent & Culture

THE
B FACTOR
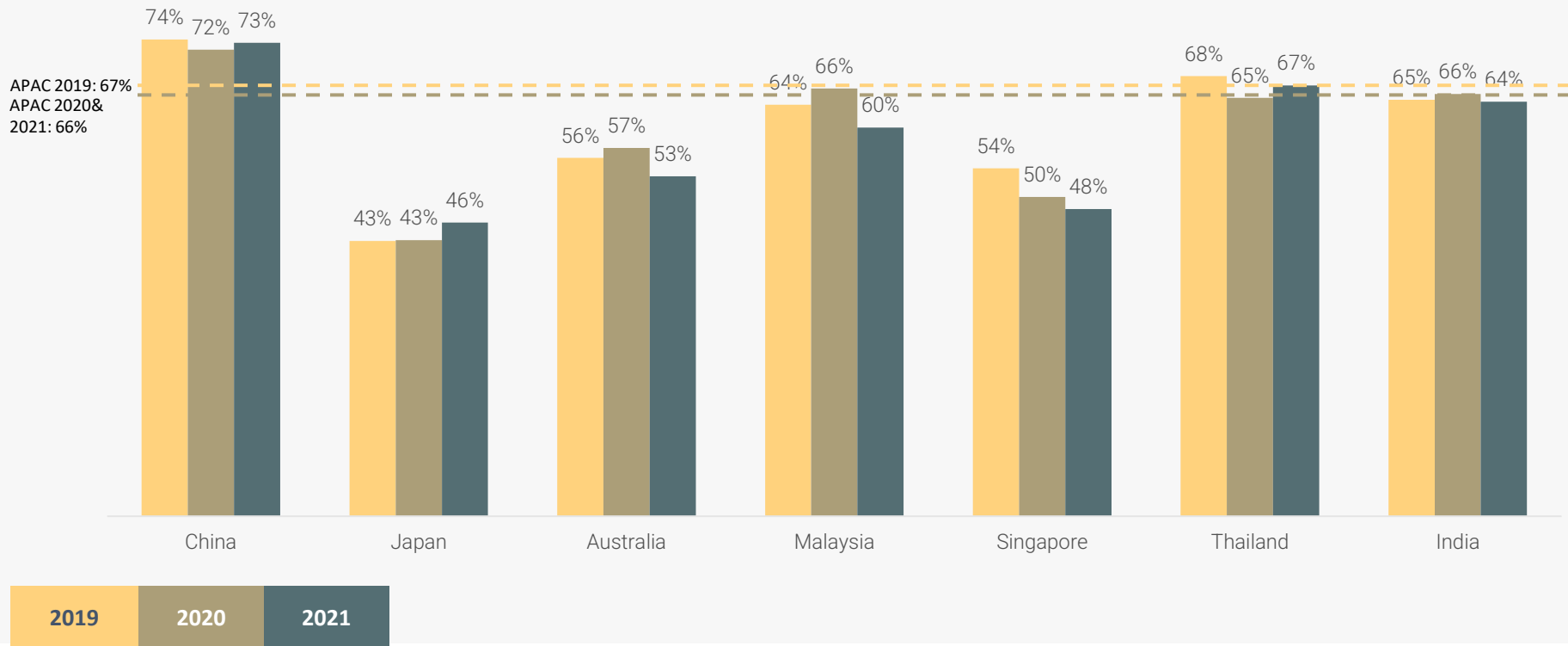[BOLD + BRAVE]
BOARDS

Stability is an illusion

Although global employee engagement levels over the last three years appear fairly consistent, a deeper dive into quarter-to-quarter results brings to light the true ups and downs of engagement.

Global Employee Engagement 2019 - 2022 Q1

67%   69%   68%

73%
71%
67%   69%   68%   68%
67%   65%
62%

2019   2020   2021   2022

ICDM
Institute of Corporate
Directors Malaysia
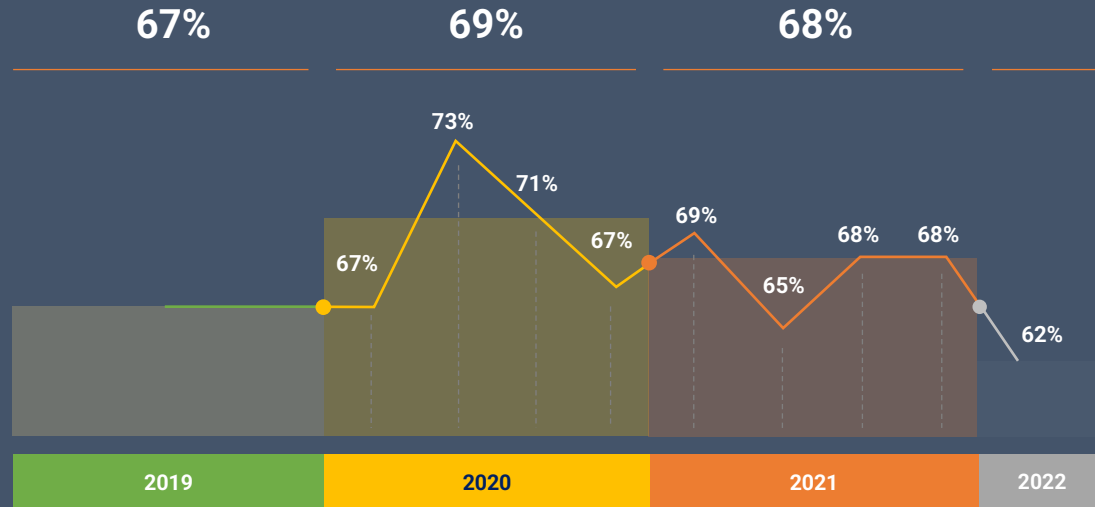
Markets across APAC have seen stay scores stabilize, Malaysia and Singapore have seen a further drop compared to 2019

APAC 2019: 67%
APAC 2020& 2021: 66%

China: 74% 72% 73%
Japan: 43% 43% 46%
Australia: 56% 57% 53%
Malaysia: 64% 66% 60%
Singapore: 54% 50% 48%
Thailand: 68% 65% 67%
India: 65% 66% 64%

2019 2020 2021

Organizations have a unique opportunity to change what may have been previously unchangeable.

This is an **Era of Opportunity** that provides businesses with an unmatched inflection point in history.

It's time to take a closer look, and proactively reassess, rethink, realign and revitalize your business for long term success.

Vitalize
your organization.

Identify
your opportunities.

Seize
your moment.

5 pillars towards building a high functioning resilient team

#1 Keep the **VISION** visible

#2 Create a **CULTURE** of consistency

#3 Be **INCLUSIVE**

#4 Ease the squeeze on **MANAGERS**

#5 **RECOGNIZE** Employee Contribution

#1 | From cloudy to clarity - keep the vision visible

The gains we saw in 2020 in senior leaders clearly explaining how companies will deliver on their strategies are now eroding:

Future messaging

| 2019	2020	2021
61% ▲	67% ▼	64%

Integrity

2019	2020	2021
83%	▼	78%

The impact: Backing away from this kind of messaging can leave employees feeling untethered, resulting in misaligned actions and disengagement.

#2 | Create a culture of consistency or suffer inconsistency

Culture needs to promote a more consistent employee experience – it's not enough to just share values, you must show them actively in practice across the organization.
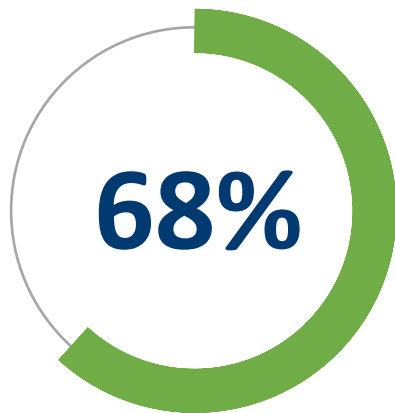
68% of employees globally feel that the organization's values are demonstrated

Many of the strongest relationships driving this perception are tied to senior leadership behaviors.

#3 | The truth about inclusion lies beneath the surface

Inclusion has become important to employees as they evaluate their work experience, strongly impacting their engagement and intent to stay.

8.4x ↑
higher engagement when key inclusion behaviors are present

4.8x ↑
higher intent to stay when key inclusion behaviors are present

To effectively measure inclusion, organizations must measure employee sentiment based on a carefully thought-out definition of inclusion that also enables them to act on the results.

In Malaysia as well, a need for a safe "speak-up" culture for employees is increasing

3.5x Lower stay intent observed in employees that feel it is not safe to speak up within their organization

The context of inclusiveness goes beyond just gender or race but focuses especially on **creating the safe space where employee thoughts and concerns are heard**

#4 | Ease the squeeze on managers

Trends over the last year underscore that mid-level managers are feeling more pressure and "squeeze" than before.

-4pts drop	Engagement decrease
-6pts drop	Declining intent to stay
43-54% positive	Pressures of losing talent and staffing
-11-12pts drop	Change management and decision making
-5pts gap	Gender differences in stress and work-life balance

The impact:
Feeling underappreciated and underpaid, deteriorating perception about adequate opportunities to work on assignments to gain new skills

#5 | Attention! Your talent needs it

People are working to keep up with demands and in new ways. There is a growing need among employees to feel their efforts will be acknowledged

Recognition & career

People are working to keep up with demands and in new ways. There is a growing need among employees to feel their efforts will be acknowledged

52% Being fairly paid

59% Receiving appropriate recognition

54% Good future career opportunities

As employees deal with a changing environment, they want to better understand where they fit into the future of the organization

Support to get work done

Having a strong enabling infrastructure has significant ramifications for retention as well as recognition and career development

58% Clear processes and procedures

50% Sufficient staffing levels

56% Retaining key people

Deteriorating staffing and talent retention perceptions lead to decreasing engagement and declining intent to stay

Focusing on the key pillars while not overlooking the basics

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#5 **RECOGNIZE** Employee Contribution

There is no one magic solution

Don't let the change paralyze but inspire

HR needs bold ideas, not old ideas

Board Members & Organization Leaders
Call of Action
to drive resilience and drive retention

Question The Culture

Ground your culture journey in business strategy –
- **What are the cultural attributes that will support organizational goals?**
- **Is the culture intentional or accidental?**

Hold Leaders Accountable

Senior leaders should spearhead initiatives and lead by example.
- **How are leaders role modelling the desired culture?**
- **How are leaders embracing new demographic employee segments?**

Consistency of Employee Experience

Does our employee experience enable our business transformation and culture
- **How are we enabling accountability and empowerment in processes?**
- **Are people processes enabling new employee segments (e.g. gig, hybrid work)?**

Kincentric, a Spencer Stuart company, helps organizations unlock the power of people and teams to ignite change and drive better business results. With decades of experience and specialist expertise in areas such as culture; employee engagement; leadership assessment and development; HR and talent advisory; and diversity, equity, and inclusion, we use data-driven insights to architect solutions that add value, enhance agility, and increase organizational effectiveness. For more information, visit kincentric.com.

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