

RSOG SEMINAR

Growing Our Own Timber

with
YBhg. Dato' Abdul Aziz Abu Bakar

When : 18 February 2016
Where : Razak School of Government
Speakers : YBhg. Dato' Abdul Aziz Abu Bakar

About the Seminar

Leadership Development and Talent Management have never been more compelling than in today's borderless global economy. Organisations are placing human capital as the key priority in their collective effort to attract, develop, engage, and retain employees. The importance and relevance of Talent Management, Performance Management System, and relevant Competency Framework should not be understated. Top talent is what drives an organisation and should be identified early and groomed to lead, with appropriate compensation package in place. Succession planning is fast becoming an imperative agenda for most organisations. Thus, the future leaders of the organisation is very likely groomed from within the organisation. Such a high-potential leader would be very well versed with the organisation and industry and thus be ready to take over the reins; hence the concept of "Growing Our Own Timber".

Summary

Captains of industries often argue that their people are the best asset that they have – far more valuable than machines, technology or any other resources money can buy. Despite such profound proclamation, people are never listed as an asset. Not listed as either current or fixed asset in a balance sheet of any organisation. Why is it so? People are people, distinct from any other resources, invaluable, and have soul and potential that can go far beyond accounting simplifications. That explains why Lido Anthony "Lee" Iacocca, one of the greatest business executives of all time, said "Start with good people, lay out the rules, communicate with your employees, motivate them and reward them. If you do all those things effectively, you can't miss".

The Guest Speaker professed the idea of nurturing people for an organisation, from within. He believes such an approach potentially brings about many benefits. Firstly, it helps organisation's to retain its corporate culture. Internally developed people are familiar with the organisation's values and ethos, and will likely continue upholding them in the future. Such approach signals the commitment of an organisation to its people and as such, helps in attracting talent from outside as well as retaining talent presently inside, knowing that the organisation have plans for them. Growing people from inside also helps to prepare future leaders that have deep industry and business knowledge, leaders who understand the

dynamics of the organisation – what makes and breaks the organisation. A pool of potential leaders are created at all levels in the organisation – a form of succession planning which is vital in ensuring the sustainability of the organisation.

Though the above proposition sounds compelling, the more important question according to the Guest Speaker is how to grow people from within? He would like to believe growing people from within the organisation or “Growing Our Own Timber” involves the following processes:

i. Leadership Framework

The organisation must have an effective talent and leadership management practice. This can be done by identifying pivotal or key positions within the company. It will then help HR to decide the selection criteria of talents who may fit the position. In order to ensure successful talent management, a vital element and valuable piece of the succession planning process is a reliable and consistent internal source of talent. Employees need to be regularly assessed to keep performance on track and also to identify skill gaps. This is important so that the organisation can offer the right targeted training activities to groom the leaders. On the other hand, monitoring and refining helps to develop on going coaching and allow for quick corrective action to address performance gaps or expand employee’s skills. Based on his vast experience in HR, losing high potential workers is inevitable. Headhunters will tend to opt for second-tiers in organisations rather than the head because they are deemed qualified and experienced.

ii. Performance Management

A robust system incorporates strategic management, performance management and rewards management into one integrated system. For instance, the Balanced Scorecard (BSC) and Key Performance Indicators (KPI) act as an effective tool to develop individual performance to achieve business goals. This system provides a well-documented history of employee performance, help to simplify some critical decisions about workforce restructuring and more accurately identify high and low performers, as well as employees with critical knowledge, experience and skills. This will allow an organisation to effectively identify top employees and reward them with development initiatives that help advance their careers and prepare them for promotion, to acknowledge their performances, and benefitting from all they have to offer.

iii. Competency-Based Culture

An organisation needs to have its own core values and map the relevant competency framework such as behavioral competencies and functional competencies with the organisation’s expectations. Competencies provide regular measurement of targeted behaviors. Performance outcomes linked to job competency, profile critical factors. Competency management places competencies at the heart of talent management to bind and integrate workforce planning, job assignments-cum-individual performance plans. For instance, knowing which competencies the future employees must possess to achieve business goals helps organisations plan and design their organisational

structures, recruitment strategies, training budgets, and development plans to plan a career path or employee's career development plan. Thus, competency descriptions show employees behavioral and values standards that must be consistently demonstrated.

In concluding his remarks, the Guest Speaker stressed the importance of positive relationship between performance and potential readiness in nurturing future leaders. Historically, employee performance was the main thrust in determining succession, rewards, and recognition. However, recent years have shed light on the importance of considering employee potential when creating development plans and performance strategies. These provide a shared understanding of what will be monitored, measured and rewarded and focuses-cum-facilitates the performance appraisal discussion appropriately on performance and development. Consequently, it helps to focus on gaining information about a person's behaviors on the job in identifying a "good timber" in the same dimensions – who is great now and who can be even greater sooner.

Issues raised

1. Behavioral assessments need to be implemented based on the maturity of the company. This is because the value or the culture of the organisation may vary from one another. For example, behavioral assessments such as 360° feedback and meritocracy is claimed to be hard to measure as it needs to be as transparent as possible to obtain an accurate result.
2. In managing talent, employers seek for high potential employees with both interpersonal and intrapersonal skills. A high potential employee needs to possess good public relations skills with good intentions to expose himself as a good leader. According to the speaker, the potential leader can be from any level of management. Therefore, it is essential to identify and assess the right mindset and the right attitude of the potential employees for succession planning.
3. In the scope of civil service, age is one of the factors that cultivates gap in talent management process. Leaders and organisational culture is one of the issues in organisations that could limit the process. In the Malaysian civil service, the placement of top positions in the government is also affected by the political stakeholders. Any major changes in the system needs strong political will.
4. A mature organisation such as established companies and government agencies are shaped by a strong institutional culture. Therefore, in driving the change, only the number one in the organisation can nurture a new culture and core values in a work place. As an employee, they need to adapt the institutional culture while developing themselves at the right time and place to make a better change.
5. The Work Horse refers to the employee who has a low potential but is a high-performing worker. The work horse needs to be motivated by promotion. This will ensure that they will work harder to achieve the higher scale in their career. They need to be retained in the company to ensure the continuing performance of the

organisation. However, they need to be fed to ensure that they get more than what they would usually gain.

6. In a small company, talent and competency management are difficult to do due to limited potential human capital. However, in the context of family businesses, some practices from talent management model needs to be followed to groom the potential family members for succession planning, because not all of the secondary level successor have the same skills and experience to run the company. Overall, the heir need to go through all the talent management processes to retain the corporate culture of the organisation.

About the Speaker

YBhg. Dato' Abdul Aziz Abu Bakar was appointed as the first Chief Executive Officer cum Executive Director of Malaysian Directors Academy (MINDA) in October 2009. Since then he has been involved in numerous Top Leaders programmes such as building high performance directors, women directors, and talent management programmes. He is also a member of Razak School of Government's Resources Committee that provides guidance on resources management and financial direction of the organisation. In 2007, he was awarded the National Human Resource Leader Award by the Ministry of Human Resources Malaysia in collaboration with Malaysian Institute of Management.

Contact

To get more information on this event, you can contact us via email at programmes@rsog.com.my