

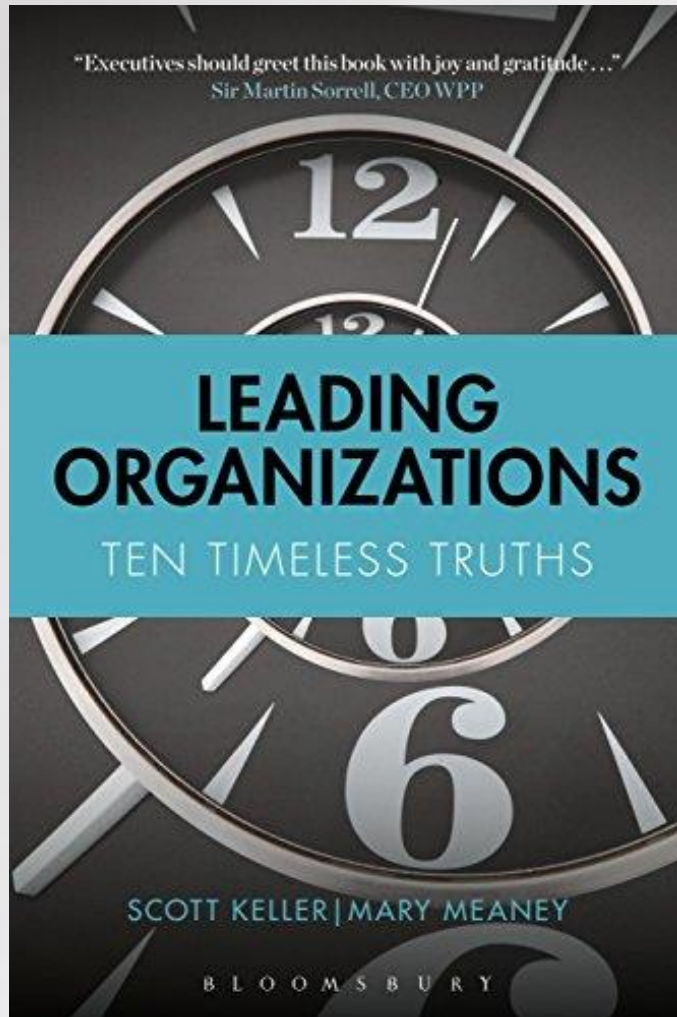
The background is a dark, textured grey. A white line graph with circular nodes trends upwards from the bottom left towards the top right. A hand in a dark purple sleeve points its index finger at the final, glowing node of the graph. In the upper left, a white outline of a person in a business suit is shown in profile, facing right. A semi-transparent grey rectangle is positioned over the person's torso, containing the main title and subtitle.

# Are you Maximising your People Potential?

*Insights to optimise your human capital practices in 6 core areas.*

*This is a Business Leader's Guide To Shaping Human Capital (HC) Practices.*





In “*Leading Organisations: Ten Timeless Truths*”, McKinsey Senior Partners Scott Keller and Mary Meaney cut through the clutter of thousands of management advice and addresses the ten most important and timeless questions that every leader must answer to maximise the performance of their organisation.

**How do I attract and retain the right talent? How do I develop the talent we need to win?**

Shaped by insights derived from TAFEP’s research study on Human Capital Partners and industry best practices, this Business Leader’s Guide aims to steer businesses towards **asking the right questions to optimise their human capital and unlock the potential of a fully engaged workforce.**

# Are you Maximising your People Potential?

## Talent Acquisition

*Are you invested in your organisation's talent acquisition efforts?*

### REFINING YOUR TALENT ACQUISITION STRATEGY

Talent matters. The best ones are hard to find, costly to train and challenging to retain. The right talent acquisition strategy is crucial for businesses to sustain and flourish.



#### DRIVE VALUE FROM DAY 1

Hiring the right talent is not enough. Your acquisition process must drive value. Ensure that talents are placed in the right positions, adequately equipped to perform their tasks and well-integrated to drive results. From sourcing to onboarding, ensure your talent acquisition process creates the most value for your new hires.



#### RETAIN AND GROOM WITH THE FUTURE IN MIND

A key aspect of talent acquisition is that it is forward-looking. Based on our study, leaders who ensured that their hires had the right skills and disposition to be developed were better able to retain and groom their talents into leaders. Such organisations do not simply hire a person to fill a position; rigorous screening and assessments ensure that hires are not only the right fit for their current positions, but also have the potential to take on new roles as the business grows.



#### ALIGN YOUR ACQUISITION PRACTICES WITH YOUR BRAND VOICE AND POSITIONING

Your talent acquisition practices will provide potential employees' first experience with your organisation. Leverage your talent acquisition practices to strengthen your organisation brand distinctly so as to attract the best talents.

# Are you Maximising your People Potential?

## Performance Management

*Do your organisation's PM processes drive excellence?*

### STREAMLINING PERFORMANCE MANAGEMENT PROCESSES

The key to driving business performance is aligning all the company's stakeholders to its strategic goals in a systematic and objective manner.



#### COMMUNICATE GOALS WITH CLARITY AND CONSISTENCY

Cascade your strategic objectives from the very top to every employee in your organisation. This will ensure that every employee understands how their individual or team performance is linked to the organisation goals, and feel valued for their contributions and the work they do.



#### BUILD TRUST IN YOUR PERFORMANCE MANAGEMENT PROCESS

While a performance management process maps out the assessment procedure, it is the way leadership, HR and line managers use this process that drives superior performance. Your stakeholders need to understand the value and effectiveness in this key process and be engaged and committed towards driving organisational performance.



#### LINK PERFORMANCE TO REWARDS

Share the benefits gained from your PM processes in a transparent and equitable manner. By creating a direct relationship between performance and rewards, you can effectively incentivise your people's performance.

# Are you Maximising your People Potential?

## Career Development

*Do you continually develop yourself and your people?*

### DEVISING CAREER DEVELOPMENT PATHWAYS THAT NURTURE HUMAN CAPITAL

Now more than ever, human capital is the primary driver for organisations in sustaining a competitive advantage.



#### VALUE TOP PERFORMERS

High performers are found to be 400% more productive than average ones. Studies<sup>1</sup> of businesses not only show similar results but also reveal that the productivity gap increases with a job's complexity. Developing talent then creates a multiplier effect in teams in which high performers can be up to 8 times more productive than average performers.



#### LET CHAMPIONS LEAD

Our study showed that employees mostly learn and upskill based on the 70-20-10 principle, where 70% of skills are learnt on-the-job, 20% through informal guidance and 10% via formal training. This presents leaders with a great opportunity to identify and match employees to lead or be part of their talent redevelopment strategies. For example, selecting employees that are technologically adept to lead the organisation's digitalisation upskilling initiative will effectively tap their talents while developing their leadership skills at the same time. For smaller organisations, such exposure is priceless as a retention strategy.



#### RETAIN TO GAIN

Research has shown that replacing employees costs far more than training them. Apart from having to source, onboard and train a new employee, organisations have to bear the loss of value creation in the time a new employee is skilled up and contributes significantly. Upskilling your employees has multiple benefits such as increased employee engagement, productivity gains and improved retention rates – all of which will keep costs down and productivity gains up.

<sup>1</sup><https://www.mckinsey.com/business-functions/organization/our-insights/attracting-and-retaining-the-right-talent>

# Are you Maximising your People Potential?

## Succession Management

*Are you building your best next generation of leaders?*

### SUCCESSION PLANNING FOR ORGANISATIONAL GROWTH

The key to continued business success and sustainability is having a strong bench of potential leaders selected and groomed by the current leadership.



#### SECURE THE LEADERSHIP PIPELINE

No matter how committed and engaged your employees are, most will leave the company one day. Taking a reactive approach to replacing vacated roles for critical leadership positions can cost organisations dearly both in terms of replacement as well as opportunity costs. To avoid hasty and poor decisions, plan ahead and have a strong bench of potential leaders groomed and ready to take on larger responsibilities.



#### PLAN FOR RISKS

Organisations that do not have a robust succession management plan to prepare their next generation of leaders expose their organisation to a higher risk of failure – the larger the role, the greater the risk. Talents who might be good at what they currently do but are not adequately prepared to take on critical leadership positions, could be ill-equipped to lead the organisation when they are put into positions of authority, potentially resulting in mismanagement, poor performance and disengaged employees.



#### GO BEYOND THE ORDINARY

A succession plan is not simply having a closed-door, annual exercise where leaders identify the top three potential candidates that can succeed them. Going beyond mere identification, well-established organisations have structured leadership programmes, are transparent with who they groom, and have an open system where identified successors may change based on performance. This approach can enable your organisation to be more purposeful in who you groom, while driving the performance and engagement of your employees.

# Are you Maximising your People Potential?

## Strategic Workforce Planning (SWP)

*Does your organisation have the optimal number and mix of talents to deliver your vision?*

### DEVELOPING THE RIGHT WORKFORCE – TODAY AND TOMORROW – WITH SWP

SWP is a systematic process of matching business aspirations with talent requirements to optimise the organisation's current and future talent needs and workforce costs.



#### BRIDGE WORKFORCE GAPS

In today's talent-based economy, the workforce itself is arguably the most important tangible asset of most organisations. Despite its importance, this asset is often not carefully planned, measured and optimised. Many organisations that do not pay attention to their workforce gaps nor adequately plan for their workforce needs will ultimately be limited in the execution of their business strategy and achievement of their strategic goals. This includes actively identifying workforce demands through productivity analysis and analysing workforce supply – to effectively build a talent pipeline and work with partners to churn talent that is needed in the long run.



#### KEEP A BALANCED PERSPECTIVE

One of the main challenges organisations face is managing manpower costs. Just like any asset, while HC brings value to the organisation, it also has its associated costs. SWP can equip your organisations with the ability to look at manpower from both value and cost perspectives, allowing your leaders to better plan for, and optimise their workforce based on your organisation's needs.



#### OPTIMISE ROI FOR TALENTS

Every organisation wants to get the best returns on their HC investments. Matching talent demand and supply is the most important element of strategic talent management. Once organisations have identified the volume and mix of skills required to drive business goals, they would need to determine the right mix of buy-build-borrow tactics to fulfil their talent supply goals. SWP can enable your organisation to optimise your return on talent investments as you plan your talent supply strategies.

# Are you Maximising your People Potential?

## Workforce Analytics

*Can your Human Capital investments generate greater value?*

### LEVERAGING WORKFORCE ANALYTICS FOR INCISIVE DECISION-MAKING

Workforce analytics equips leaders with information enabling them to make the best possible decisions for their people who are at the heart of the organisation.



#### MAKE EVIDENCE-BASED DECISIONS

Our study revealed that many organisations still make their people-based decisions based on inputs collected from their line managers. While these inputs carry rich perspectives, they are also prone to unconscious biases that render sub-optimal consequences. Objective data will go a long way in helping you make sound, evidence-based decisions that will increase the likelihood of success in your people decisions.

Workforce analytics provides leaders with the much-needed evidential data to learn about the return-on-investment on HC initiatives and to test the effectiveness of current HC practices. Taking this route can lead your organisation to better allocation of resources and make changes that have a lasting impact on business success.





*Are you ready to bring your organisation to the next level through human capital practices?*

To enable your team to implement these practices,  
↓ [download the Human Capital Implementation Toolkit.](#)

Built on findings and insights derived from data collected from TAFEP's research study on Human Capital Partners, this toolkit provides a step-by-step guide to identifying the needs of your organisation, developing an implementation plan and evaluating for gaps in the 6 HC dimensions.