Creating the Fit

Dr Elizabeth Martin-Chua
Introduction

Imagine the discomfort one experiences when wearing an ill-fitting shoe. Finding the right shoe that fits is like finding a match made in heaven. Likewise, getting a job that fits can be reassuring and incredibly satisfying for both employers and employees. However, this is easier said than done.

Organisations have been scratching their heads for the longest time on ways to maximise their return on human capital and talent investments. They are equally concerned about keeping their employees engaged and motivated. Sourcing and finding the right people and leaders, developing them, and keeping them are just a fraction of people-management issues that come under the purview of human resources (HR).

HR is an enterprise that entails more than mere administration and processes. It is a dynamic people enterprise that deals with people values, needs, wants, and the organisational social structures they function within. It constantly evolves and changes particularly in today’s multi-cultural and multi-generational
workplace. Being clear of one’s mission and vision statements as well as choosing the right corporate values are important too. They may look and sound impressive on paper; but when authentically lived and translated to real-world behaviours, they make a big difference. Being clear on their corporate vision and mission and conscientiously living out their corporate values can allow organisations to thrive. This sets them apart from the competition.

With the right tools and know-how, navigating the HR challenges of today appropriately, and finding and sustaining the right fit need not be difficult. By the end of the book, you will be armed with practical HR tools that will help you eliminate the heartache and enable yourself or your organisation to concentrate on your work or core business without needing to worry unnecessarily.

Most instances within this book have been the result of interactions with leaders and HR practitioners around Asia. It serves to provide valuable takeaways and solutions to deal with today’s HR challenges, and guide you towards attaining the good fit for a satisfying career and productive business.

_Here’s to you finding your fit!_

*Dr Elizabeth Martin-Chua*
A great deal has been written about human capital, and even more has been written about how to unleash that hidden potential. However, is this truly happening in organisations? There may be an increasing awareness of the need to do so in Asia. This means that greater emphasis needs to be placed on managing human resources (HR) as human capital.

In 2012, 87 per cent of chief executive officers (CEOs) in India sought more data and analyses to make informed decisions about talent\(^1\). However, this effort is not consistently occurring in organisations across Asia. It can only be realised when leaders and HR practitioners consistently champion peoples’ growth and are conscious about how they mobilise and utilise their human resources.

This desire to champion growth must be a natural response—internalised and consistent in the subconscious of all managers and leaders. Furthermore, they have to build effective processes in organisations to ensure it happens in a systematic way and that the effectiveness of their efforts can be measured.
Creating the Fit

Otherwise, it will result in human capital wastage instead of human capital growth. This wastage means that progress and development will be attained at a slower pace. The importance of human capital, its growth, and wastage can be analysed on three levels: national, organisational, and individual.

On a national level, human capital is effectively harnessed in the economic transformation of China under famous leaders such as Deng Xiaoping and Zhu Rongji. By opening up China and cleverly maximising its human capital, China is fast becoming a leading economy, outstripping the rest of the world. Can any country wishing for progress afford to have human capital wastage?

From an organisational perspective, human capital means the difference between business success and failure. Apple is a good example. Under the leadership of Steve Jobs, Apple escaped obscurity and transformed itself into a technological powerhouse. After Jobs’ death, Apple continues to unleash its human capital and push the frontier of human capacity for innovation.

Finally, on an individual level, others’ attitudes towards human capital can either motivate an individual to lead a purpose-driven life or leave one feeling unfulfilled or disappointed. Employees who are given encouragement and the freedom to pursue their career aspirations are observed to have higher levels of engagement and self-motivation.
Leaders need to learn how to maximise human capital and take the necessary steps to ensure its occurrence. If they possess the ability to lead others, they have the capacity to help others realise their fullest potential. Leaders are able to create environments and cultures that give freedom, allowing people to challenge and maximise their potential. If leaders can successfully accomplish this, they will be well-respected beyond their term of leadership because they would have made a difference to peoples’ lives.

According to Aon Hewitt’s Best Employers in APAC 2011 Survey Report, the ‘best’ employers differentiated themselves from the ‘rest’ of the employers in their ability to answer five critical questions that employees ask of their organisations:

1. Are we agreeable on the people investments needed to achieve our goals?
2. Is there a compelling reason for me to work here?
3. Will I be effectively developed and fairly rewarded for extra effort?
4. Will I receive timely and quality support?
5. Am I trusted and encouraged to take ownership?

From the questions, it is clear that employees are concerned about human capital. They are anxious about the rate of returns and want to maximise their experiences. A practical way of attaining this is to achieve a “Good Fit”.
Creating the Fit

The Good Fit

The Good Fit entails creating a culture and jobs that inspire people to go beyond their best. It creates a scenario where an employee’s head, heart, and gut interact at its optimum, bringing forth creativity and results. Giving employees autonomy satisfies their needs. Leaders can better organise their teams to meet the requirements of the organisation.

There are two aspects to achieving the “Good Fit”. They are culture fit and job fit (as shown in Figure 1.1). If organisations achieve this, they will have engaged employees and be able to attract and retain talent.

When fulfilled employees reflect on their careers, they would have good memories of a boss who believed in them, was genuinely interested, and maximised their talents. It was the boss who had made the difference in their career—was supportive, coached, and helped
to shape them and their job, setting the stage for their success.

In the past, before talent management became common knowledge, good bosses instinctively knew what to do with highly performing employees. They supported them and coached them to succeed. In fact, they were grooming them for their personal growth—contributing to talent development and retention.

Conversely, if bosses only expand their businesses, maximise profits, and focus on growing the top and bottom lines at the expense of employees’ growth, they might have impressed the shareholders but certainly not the rest of the organisation.

In the end, bosses are remembered for their deeds and not for their numbers. In today’s context of talent shortage, it is imperative that they pay heed to achieving the “Good Fit” if they wish to sustain the business and leave a legacy. This will be discussed further throughout the book.

**Culture Fit**

Culture Fit is the first aspect of the “Good Fit”. For an organisation to arrive at a culture and have employees fit this culture, it needs to start with a value match. To do this, an organisation must first understand who and what their company represents as well as what their values are.
Creating the Fit

Values are ideals that are important and meaningful to an organisation. One way of arriving at the values is to revisit the company’s vision and mission and use these as a basis. Over time, these values will then be translated into behaviours that eventually form a corporate culture.

Once the values have been established, the next step involves getting the employees to buy into these values. All employees are to live by them so that decisions would be directed and guided accordingly.

In many Asian organisations, values are often dormant and vaguely known to its leaders and employees; let alone lived by them. It is no wonder that organisations lack “soul”. They tend to be known by what they do, their range of products, the amount of market capitalisation, the number of employees, and their last quarter results rather than who they are.

However, the situation is improving. Many newer companies that are becoming global as in the case of The Creative Life (TCL) in China, Maybank in Malaysia, and A*Star in Singapore have made great strides in articulating their values and living them through their HR processes.

Having previously worked with TCL’s HR leadership, I was particularly impressed with their dynamic approach to learning and talent development. Their leadership was keenly involved in bringing to life
their values. They translated these values into leadership competencies and behavioural traits and used them widely throughout the organisation particularly in their assessment and development centres for high and top potentials.

Organisational values come alive when they are defined and actively deployed across all levels within an organisation. HR processes could be designed to reflect these values. Acquiring and developing talents with value match as priority can then be implemented. If this is done earnestly and consistently, a culture fit is achievable between the talents and the company.

**Job Fit**

After the value match is made and employees join the organisation, the next challenge is to match these employees with tasks that complement their strengths and create a platform for them to succeed. Here, organisations should be prepared to re-design their job scopes to help talented employees achieve a good job fit.

Unlike employees of the past who valued loyalty as a virtue and viewed jobs as a means of earning a living, today’s employees, especially Gen-Ys are increasingly viewing jobs as an activity. They see it as a means of applying their strengths, as a form of expression, and realising their dreams. Employers will succeed in getting the best from their employees when they
understand what work means to them and re-examine the way jobs are being designed. Their employees will be a happy and engaged workforce, committed to doing their best for their employers.

In smaller and newer companies in Asia, job descriptions are less rigid and flexibility is used to good advantage. This allows jobs to be designed and re-designed for greater efficiency. However, in many established organisations including multinational corporations (MNCs), this is done to a lesser degree. In fact, there is a tendency to adhere to a global consistency that limits flexibility. Furthermore, achieving a better job fit through job re-design may be controversial for many HR practitioners because the entire HR profession is built around job descriptions, job families, and growth paths. HR elements such as compensation, fringe benefits, and bonuses are designed to align to jobs and their descriptions. Frequent changes affect consistency and would likely upset the alignment of the whole rewards management framework.

However, the crux of the matter is innovation in HR. The function has to reinvent itself continually to remain up-to-date with economic and social change dynamics. The future of work is in the making and we have to be ready to embrace it. There must be new ways to win the talent war. Unless companies address the “Fit” and work towards getting better results from employed talents, these talents will leave and join organisations that offer them greater returns on investment.
Another reason for desiring the “Good Fit” is that leadership traits or competencies today are rapidly changing. What worked in the past may not necessarily work today. There are emerging jobs in Asia with new competencies to meet changing market demands. Allowing talented individuals to discover and define what leads to their success is compelling. This implies that companies have to change some methods of managing and motivating talent. We will have to distinguish between necessary consistencies and deliberate inconsistencies. Some experts go further by expounding that consistency may be a weakness and a barrier to success.

In his address, “Taking Risk in Perpetuity: Culture, Governance and Inconsistency”, Danny Truell, chief investment officer of the Wellcome Trust concluded that his company had gained “unconventional success” through culture, governance, and inconsistency\(^2\).

On this same subject of inconsistency, Warren Buffett stated that his company, Berkshire Hathaway’s advantage is that there is no strategic plan. He feels that innovation is a strength and consistency a weakness. Furthermore, Berkshire Hathaway has no innate geographical bias and diversifies into a global multi-asset financial portfolio. Buffett believes in setting goals, making people focus on these goals, and assigning the right people to the right jobs. He has given his CEOs only two rules:
Creating the Fit

Rule no. 1: Do not lose any of your shareholder’s money, and
Rule no. 2: Do not forget rule number one³.

Whether or not one agrees, the world has greatly changed in the last decade. While we used to look to the Western world to lead economic growth and management concepts, we are now depending on the economies of Asia for customers and talented leaders who know how to meet their needs. Asian consumers have become a force to be reckoned with.

Organisations such as McDonald’s Corporation, The Walt Disney Company, and Volkswagen Group recognise this. They have not only adapted their products but are creating new ones for their Asian consumers. The one-size-fits-all approach certainly does not apply. However, the same cannot be said for the ways we motivate and engage people. Until today, human resources and talent management principles and processes are mainly learnt from Western MNCs.

To be successful, companies originating or operating in Asia must concentrate on attaining their own identities by having their own vision, values, and behaviours. For example, Samsung appears to be outsmarting Nokia by being more flexible, adaptive, and innovative when it comes to winning talents and seizing market opportunities.
Notes:
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She is passionate about designing and implementing holistic HRM approaches, and is a strong advocate for aligning HRM processes with winning employee value propositions (EVP). Her clients include the National University of Singapore, Jason Marine Group Ltd, Sia Huat Pte Ltd, Boardroom Ltd in Singapore, Saint-Gobain, TCL in China, and FPT in Vietnam.
Elizabeth began her career with the Economic Development Board in Singapore before joining Philips Singapore as an executive. Rising through its ranks, she later assumed the top HRM job in Asia and received several accolades for her work.

Her first degree was in Economics (Honors) from the National University of Singapore. She was awarded a PhD from the University of South Australia in 2002 for her thesis in HR Outsourcing and is the author of Maximizing Human Capital in Asia published by John Wiley in 2009.
This is a chapter sampler from Dr Elizabeth Martin-Chua’s upcoming book, *Creating the Fit*.
The book is published by SIM (Singapore Institute of Management). It will be available in 2014.