What’s Different About ENGAGEMENT and RETENTION in Asia?

BY WENDY TAN AND BEVERLY KAYE

Asia’s economy is set to grow, and many organizations are increasing headcount with higher value activities to support the growth. With the rise of Asia’s economic power and the United States and Europe facing economic crises, expectations for Asian organizations to pull in the numbers are heightened.

By the numbers
In research from the Conference Board, Asian CEOs are positioning for that growth by focusing on internal factors such as innovation and human capital. Alternatively, the same report reveals that European and American CEOs are focused on external factors such as political risks and government regulations.

CEOs in Asia know that the linchpin of their success is people, and engagement of their employees is key to unleashing discretionary efforts to enable innovation.

A 2010 study by Corporate Executive Board found that engaged employees expend 57 percent more effort and are 87 percent less likely to resign than those who are disengaged. Yet engagement and commitment is relatively lower in Asian employees. Blessing White’s 2011 Global Engagement Report shows that employees in China (17 percent engaged), followed by Southeast Asia (26 percent engaged), are the least engaged compared with those in America (33 percent engaged).

In addition, a study by Hay Group found that commitment is lowest in Asia Pacific, with 54 percent of the workforce intending to leave their companies within five years compared with 44 percent globally.

These data points paint a challenging...
Many factors are working against employee engagement in Asia, but there are ways to change that momentum.
picture in engaging and retaining Asian employees, and there are many driving forces behind these numbers.

Positive drivers for engagement
First, the good news. There are many positive drivers for engagement in Asia today. **Asia is at an inflexion point.** There are exciting developments in opening and developing this relatively young market.

In addition to the typical sales, marketing, and manufacturing functions, many organizations are investing in higher value activities such as research and development and new product introduction. Employees have an opportunity to make a difference.

**Relationship and loyalty to boss.** Relationships between managers and their employees often have a personal feel, which includes knowing the family members of employees.

**Work ethics.** In a bid to get ahead, some Asian cultures are used to working hard and putting in long hours anyway.

**Team orientation.** The collective culture makes contribution toward common and larger goals natural and desired. The sense of belonging to a team also builds a support network for employees.

**Many opportunities for development.** With the dire need for technical and management capabilities to power growth, budgets for employee training and development are higher. There also are more positions and career opportunities available.

Negative drivers
For all that’s working, there also are forces at work that are contributing to lower engagement in Asia.

**More job opportunities.** The increased headcount in Asian organizations presents more opportunities to jump ship, making job-hopping a way of achieving career progression.

The status-conscious Asian wants big job titles, especially in rapid successions. The attention often is on positioning oneself to get to the next higher level job than focusing on the current one.

**Influx of talent.** Such countries as Singapore, Hong Kong, China, and India have attracted foreign talent from different cultures, backgrounds, and languages to work together. These differences affect teamwork, communications, collaboration, and ultimately one’s job satisfaction.

**Task orientation of managers.** Asian managers are more technical or process oriented with little comfort and skills in conversations that “no news (from the manager) is good news.”

**Nondirect culture.** Relatively speaking, Asians tend to respect hierarchy and authority. Even if they are unhappy, they need to be encouraged to express it. Additional time and energy is required of managers to understand what’s not said.

**24/7 workdays.** A typical employee in a global organization starts work in an Asian nation’s time zone, but his workday extends long beyond the official hours, with calls to colleagues and bosses in U.S. and European time zones.

**Increased pressure to perform.** With the U.S. and European economies down, corporate looks to Asia to pull in the numbers, which leads to higher expectations and aggressive growth targets.

**Asian needs less understood or prioritized.** At the same time, being far away from corporate headquarters, Asian needs often are not well understood or prioritized. Additionally, the real or perceived glass ceiling with expatriates staffing the higher management levels discourages local Asians. So, what is the Asian CEO to do?

Take a one-on-one approach
According to Beverly Kaye and Sharon Jordan-Evans’s *Love ’Em or Lose ’Em: Getting Good People to Stay*, employee engagement is a one-on-one activity. There is no one-size-fits-all approach because people have different values, diverse world views, and assorted aspirations.
which often make blanket engagement initiatives ineffective.

Instead, the relationship between a manager and employee is critical. Kaye and Evans suggest trying, “a ‘Stay Interview’ with your staff to find out why they stay and engage them to come up with creative action steps to get their needs met in the workplace.”

Taking the wisdom from the Chinese saying, 三把斧子 (pronounced san-ba-fu-zi, meaning to use three types of axes to chop different trees), Kaye and Evans challenge managers to consider three groups of employees:

- productive and engaged
- productive but questioning
- questioning and disengaging.

Some examples follow.

**Productive and engaged employees**

Linda, a logistics executive based in Shanghai, is your star talent: she gives ideas, solves problems, learns quickly, collaborates well, and serves customers. She’s an asset to your team and a pleasure to coach.

You want to continue to engage and retain her, especially given the bountiful opportunities for best talents.

Linda’s manager, Yan Ling, says, "When I first did the stay interview, Linda was quite embarrassed and wondered why we were having this conversation. She needed some assurance and then got really drawn into the conversation. I think despite their typical reticence, Asian employees cherish the opportunity to talk about their needs and aspirations.”

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**Driving Forces of Engagement in Asia**

**FOR**

- Asia at an inflexion point
- Work ethics
- Relationship and loyalty to boss
- Team orientation
- Many opportunities for development

**AGAINST**

- More job opportunities
- Influx of talents
- Task orientation of managers
- Nondirect culture
- 24/7 workdays
- Increased pressure to pull in the numbers
- Asian needs less understood or prioritized
When Yan Ling conducted the stay interview, she found out that rather than developing within the large plant, Linda wanted to have larger responsibilities in a smaller plant. Although Yan Ling didn’t want to part with a good team member, she and Linda worked out some timelines on a possible move.

During this time, Linda was even more motivated and came to Yan Ling with business issues and solutions. Six months later, a great opportunity came up for Linda and her commitment to the company increased.

Productive and engaged staff already are motivated. The strategies to deepen their engagement are to give them more opportunities and challenges to learn and use their skills. At the same time, give them space to experiment as you continue to mentor them. Last, link them to resources and encourage their passion.

Productive and questioning employees
Shirley is a solid employee. She has the occasional good idea and does her work professionally. On the whole, she is dependable, but does not go the extra mile.

She belongs to the majority group where work is a job to be done and life starts outside of work. As a manager, you know there are missed opportunities; she could definitely come up with improvement ideas in her work area. You also know she is vulnerable to being poached by competitors, especially in this tight Asian labor market.

Suresh, the Asia Pacific director of operations, says, “Shirley is a skilled professional with lots of potential but she is not performing at her best. It has become rather tiring to push her continuously.”

Suresh conducted a stay interview with Shirley and learned that she is getting bored in her current role and is interested in upgrading herself through an MBA program. This would be a great opportunity for Shirley, so Suresh tasked her with developing a business case for supporting the program. The company’s investment in Shirley’s education for greater contribution and commitment would be worth it.

With staff who are productive and questioning, ask them when was the last time they felt excited about their work and what they want to do more of. In this way, you understand their work values and can co-define the work goals.

Involve them in decisions affecting them, energize their jobs with developmental assignments, and use their strengths at work.

Questioning and disengaging employees
Tom is one of the employees who gives you a headache. He comes in late, leaves at the same time on the dot, does minimally to get by, and avoids additional responsibilities.

Peter, Tom’s manager in Singapore, says, “I dreaded working with Tom. He’s begin-
The shift from a technical to a caring relationship makes a pivotal difference in their loyalty and engagement.

ning to influence the others in a negative way. He’s actually quite bright, but seems to be disinterested.”

During the stay interview with Tom, Peter told Tom about his concerns and discovered that Tom’s passion doesn’t lie in the work. Tom has been wondering if he should continue in this job as well because his top work values were not being met in the current role.

One month later, Tom resigned. The stay interview helped Tom get clear about what he wants and also indicated to Peter that he can’t cajole someone to give his best if this job is not what he wants.

Of course, not all employees who are questioning and disengaging should resign. It depends on whether they choose to apply themselves in their roles.

To find out about this, managers need to have a stay interview with them. First, reflect on your own behaviors and whether you have inadvertently disengaged the staff. Tell them the truth about your observations, and do it with dignity. In addition, help the employees reflect on their work values and, where possible, align the job to their values.

Understand their engagement level
What if a manager doesn’t know to which of these three groups an employee belongs? One clue is to look at the numbers related to the employees’ performance, such as response time and medical leave, to get a sense of their productivity.

Conduct a stay interview anyway. To understand her engagement level, ask the employee when was the last time she felt excited about her work. Through this process, you will get clues on what’s needed to engage her.

Doing such stay interviews is tough in the beginning, especially in the nondirect Asian culture. Unlike the usual efficient and action-oriented touch-points meetings, stay interviews have a slower tempo with more emphasis on questions and listening.

Stay interviews also shift the nature of the relationship, from one of tasks and key performance indicators to one about the person. The shift from a technical to a caring relationship makes a pivotal difference in their loyalty and engagement.

In Chinese history, there is a famous story about a Chinese general, Liu Bei, who was neither highly intelligent nor skilled, but he won the hearts of his men through his benevolent care for them. Eventually his army won the war. Will your team win in the marketplace?

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