

Asia Pacific

Aligned at the Top

How business and HR executives view today's most significant people challenges — and what they're doing about it.

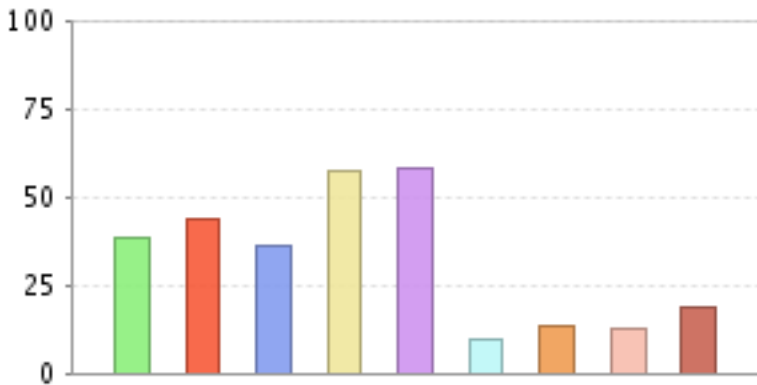
1. Over the next three to five years, how do you believe the importance of people issues (eg, talent shortage, training) at your organisation will change?



1 - Become more important	88.89% (112)	2 - Remain about the same	11.11% (14)
3 - Become less important	0% (0)		

Mean: 1.11
Response: 126

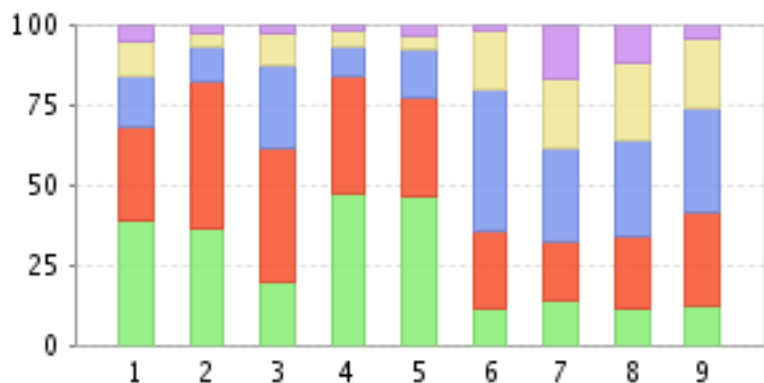
2. Which of the following strategic issues are capturing the most management attention at your organisation? Choose three.



1 - Emerging markets	38.1% (48)	2 - Advances in technology	43.65% (55)
3 - Increasing globalisation and deregulation	35.71% (45)	4 - Increasing competition	57.14% (72)
5 - Customer pressure for improved products and services	57.94% (73)	6 - Rising sophistication of outsourcing service providers	9.52% (12)
7 - Demographic shifts (eg, ageing populations, low birth rates)	13.49% (17)	8 - Rising M&A	12.7% (16)
9 - Increasing regulatory pressures	18.25% (23)		

Response: 126

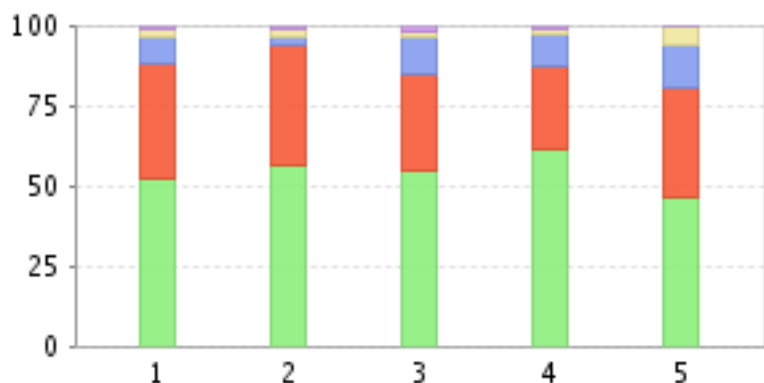
3. How important is the contribution of human capital at your organisation on the strategic issues listed in the previous question? Rate on a scale of 1 to 5, where 1=Highly important and 5=Not important.



	Highly important 1	2	3	4	Not important 5	Mean
1 Emerging markets	38.53% (42)	29.36% (32)	15.6% (17)	11.01% (12)	5.5% (6)	2.16
2 Advances in technology	36.04% (40)	45.95% (51)	10.81% (12)	4.5% (5)	2.7% (3)	1.92
3 Increasing globalisation and deregulation	19.64% (22)	41.96% (47)	25.89% (29)	9.82% (11)	2.68% (3)	2.34
4 Increasing competition	47.41% (55)	36.21% (42)	9.48% (11)	5.17% (6)	1.72% (2)	1.78
5 Customer pressure for improved products and services	46.15% (54)	30.77% (36)	15.38% (18)	4.27% (5)	3.42% (4)	1.88
6 Rising sophistication of outsourcing service providers	11.32% (12)	24.53% (26)	43.4% (46)	18.87% (20)	1.89% (2)	2.75
7 Demographic shifts (eg, ageing populations, low birth rates)	14.42% (15)	18.27% (19)	28.85% (30)	21.15% (22)	17.31% (18)	3.09
8 Rising M&A	11.43% (12)	22.86% (24)	29.52% (31)	23.81% (25)	12.38% (13)	3.03
9 Increasing regulatory pressures	12.73% (14)	29.09% (32)	31.82% (35)	21.82% (24)	4.55% (5)	2.76

Response: 126

4. How vital are people in terms of your organisation's performance in the following areas? Rate on a scale of 1 to 5, where 1=Extremely vital and 5=Not vital.



	Extremely vital 1	2	3	4	Not vital 5	Mean
1 Sustaining or increasing margins	52.38% (66)	35.71% (45)	7.94% (10)	2.38% (3)	1.59% (2)	1.65
2 Sustaining or increasing profits	56.35% (71)	37.3% (47)	2.38% (3)	2.38% (3)	1.59% (2)	1.56
3 Increasing customer loyalty	54.76% (69)	30.16% (38)	11.11% (14)	1.59% (2)	2.38% (3)	1.67
4 Improving customer satisfaction	61.11% (77)	26.19% (33)	9.52% (12)	1.59% (2)	1.59% (2)	1.56
5 Product and service innovation	46.83% (59)	33.33% (42)	13.49% (17)	5.56% (7)	0.79% (1)	1.8

Response: 126

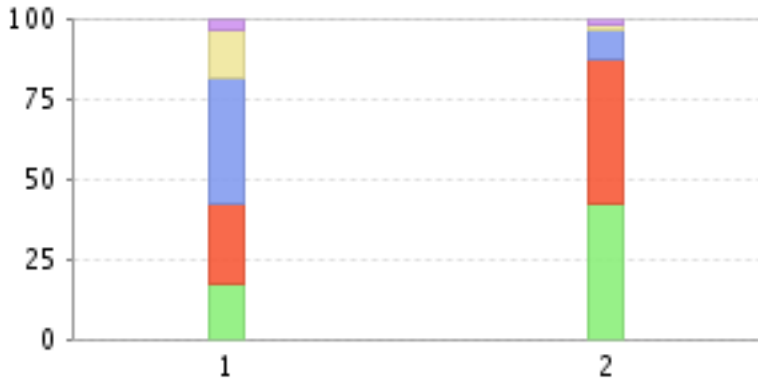
5. To what extent do the behaviours of staff align to your organisation's strategic objectives?



1 - Complete alignment	5.56% (7)	2 - Significant alignment	53.97% (68)
3 - Moderate alignment	37.3% (47)	4 - Slight alignment	2.38% (3)
5 - No alignment	0.79% (1)		

Mean: 2.39
Response: 126

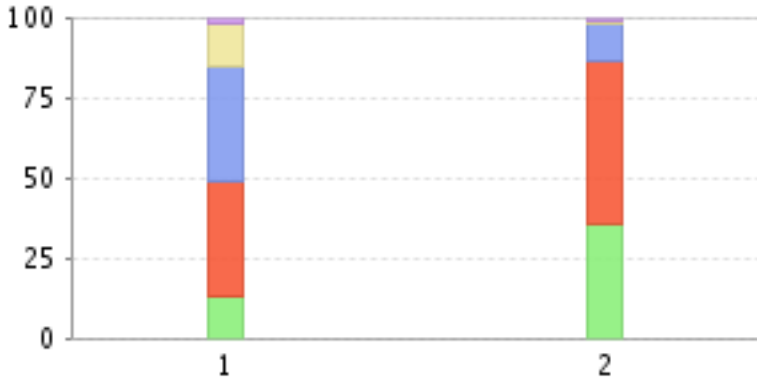
6. To what extent do you feel your organisation perceives people management as a strategic, value-adding function versus a cost center function? Where do you believe your organisation will be in 3 to 5 years? Rate on a scale of 1 to 5, where 1=Strategic/value-adding function and 5=Cost center.



	1 Strategic/value-adding	2	3	4	5 Cost center	Mean
1 Today	17.54% (20)	24.56% (28)	39.47% (45)	14.91% (17)	3.51% (4)	2.62
2 Will be in 3 to 5 years	42.4% (53)	44.8% (56)	8.8% (11)	1.6% (2)	2.4% (3)	1.77

Response: 126

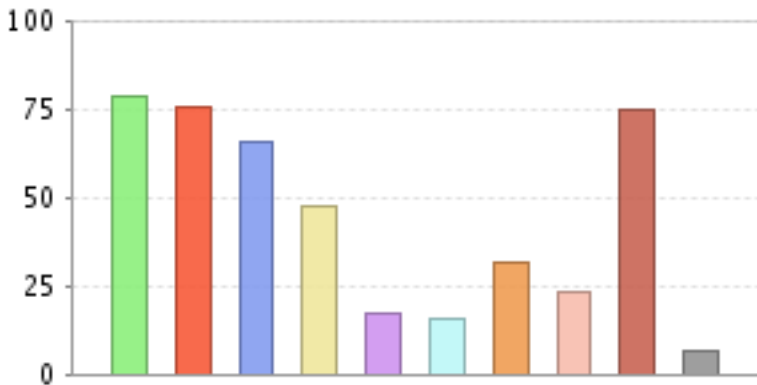
7. How significant a role do people issues play in your organisation's strategic decision making today? How significant a role do you think they will play in 3 to 5 years? Rate on a scale of 1 to 5, where 1=Highly significant and 5=Not significant.



	Highly significant 1	2	3	4	Not significant 5	Mean
1 Today	12.82% (15)	35.9% (42)	35.9% (42)	13.68% (16)	1.71% (2)	2.56
2 In 3 to 5 years	36% (45)	50.4% (63)	11.2% (14)	0.8% (1)	1.6% (2)	1.82

Response: 126

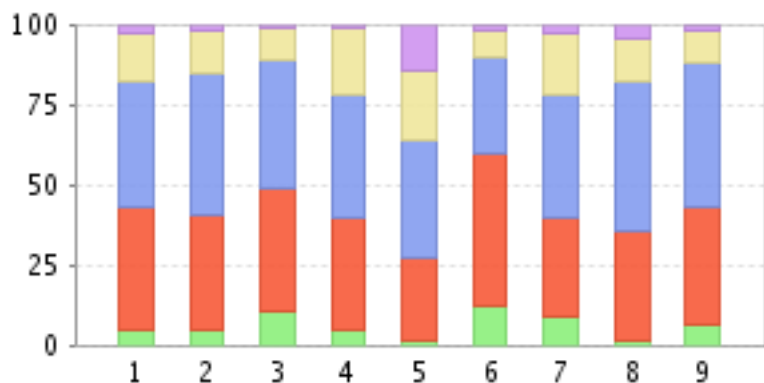
8. Which of the following people management issues are the most critical to your organisation's success? Select up to five.



1 - Talent management	78.57% (99)	2 - Leadership development and pipeline	75.4% (95)
3 - Training/developing	65.87% (83)	4 - Compensation, benefits and pensions planning and management	47.62% (60)
5 - Ability to integrate acquisitions quickly	16.67% (21)	6 - Complying with regulatory questions	15.87% (20)
7 - Improving operational efficiency of HR through process and technology improvements	31.75% (40)	8 - Anticipating and responding to business critical events (eg, avian flu)	23.02% (29)
9 - Creating a high-performance culture	74.6% (94)	10 - Other, please specify	6.35% (8)

Response: 126

9. How confident are you in your organisation's strategy and execution in the following areas? Rate on a scale of 1 to 5 where 1=Highly confident and 5=Not confident.

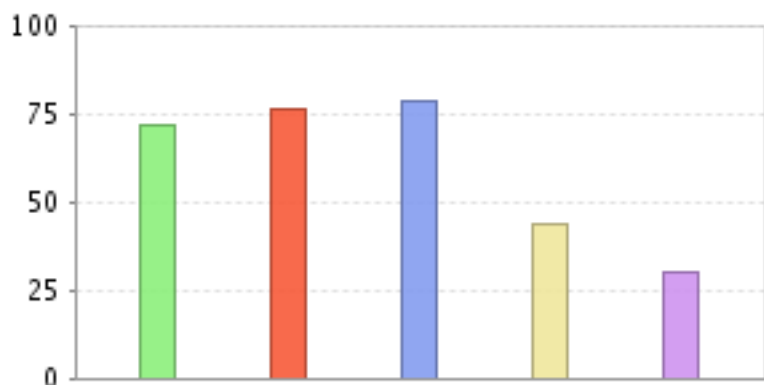


	Highly confident 1	2	3	4	Not confident 5	Mean
1 Talent management	4.84% (6)	37.9% (47)	39.52% (49)	14.52% (18)	3.23% (4)	2.73
2 Leadership development and pipeline	4.8% (6)	36% (45)	44% (55)	12.8% (16)	2.4% (3)	2.72
3 Training/developing	10.57% (13)	38.21% (47)	39.84% (49)	9.76% (12)	1.63% (2)	2.54
4 Compensation, benefits and pensions planning and management	4.84% (6)	34.68% (43)	38.71% (48)	20.16% (25)	1.61% (2)	2.79
5 Ability to integrate acquisitions quickly	1.77% (2)	25.66% (29)	36.28% (41)	22.12% (25)	14.16% (16)	3.21
6 Complying with regulatory questions	12.5% (15)	47.5% (57)	30% (36)	8.33% (10)	1.67% (2)	2.39
7 Improving operational efficiency of HR through process and technology improvements	8.94% (11)	30.89% (38)	38.21% (47)	18.7% (23)	3.25% (4)	2.76
8 Anticipating and responding to business critical events (eg, avian flu)	1.63% (2)	34.15% (42)	46.34% (57)	13.01% (16)	4.88% (6)	2.85
9 Creating a high performance culture	6.4% (8)	36.8% (46)	44.8% (56)	9.6% (12)	2.4% (3)	2.65

Response: 126

10. Within the scope of management talent, please rank the following five issues in order of importance, where 1=most important issue.

Highlight an option and then use the arrow buttons to change its ranking in the list.



	1	2	3	4	5	Rank
Identifying critical employee talent groups	36	27	40	22	1	3
Recruiting critical talent	38	45	27	13	3	2
Retaining critical talent	44	42	28	10	2	1
Sourcing talent in new markets (eg, China)	5	9	23	54	35	4
Replacing retiring workers	3	3	8	27	85	5

Response: 126

11. Does your organisation have a chief human resources officer (CHRO), defined as an executive who is solely dedicated to people issues and who reports directly to the CEO?

Today:



1 - Yes

42.86% (54) 2 - No

57.14% (72)

Mean: 1.57

Response: 126

In 3 to 5 years:



1 - Likely

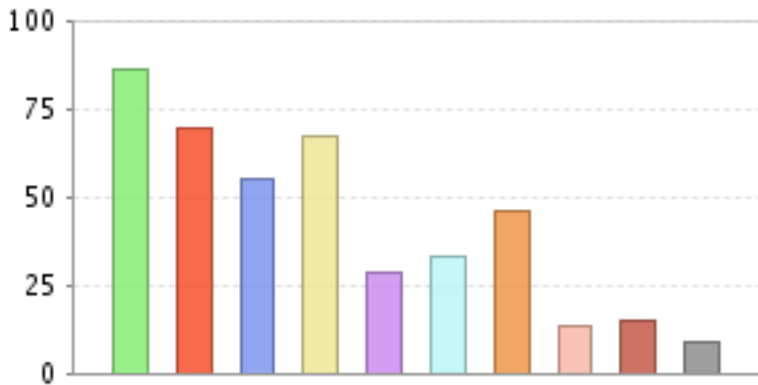
71.67% (86) 2 - Unlikely

28.33% (34)

Mean: 1.28

Response: 120

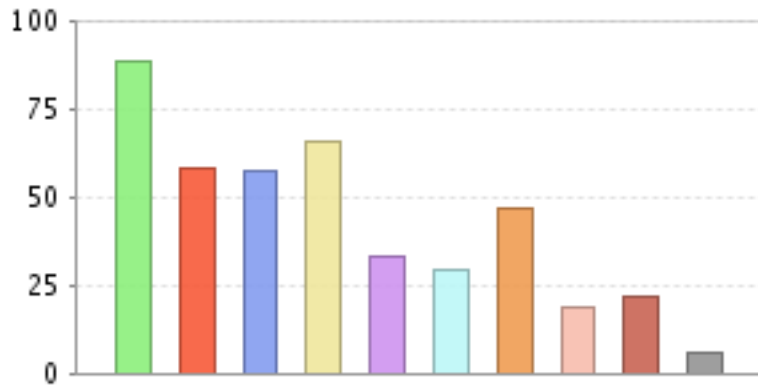
12. What are your organisation's most valuable sources of talent today? Select five.



1 - Development/training of existing personnel	85.71% (108)	2 - Recruitment from competitors	69.05% (87)
3 - Recruitment from top schools	54.76% (69)	4 - Recruitment from other industries	66.67% (84)
5 - Recruitment from partners/suppliers	28.57% (36)	6 - Recruitment from customers	33.33% (42)
7 - Recruitment from overseas	46.03% (58)	8 - Offshoring	13.49% (17)
9 - Mergers & acquisitions	15.08% (19)	10 - Other, please specify	8.73% (11)

Response: 126

13. What do you expect will be your organisation's most valuable sources of talent over the next 3 to 5 years? Select five.



1 - Development/training of existing personnel	88.1% (111)	2 - Recruitment from competitors	57.94% (73)
3 - Recruitment from top schools	57.14% (72)	4 - Recruitment from other industries	65.87% (83)
5 - Recruitment from partners/suppliers	33.33% (42)	6 - Recruitment from customers	29.37% (37)
7 - Recruitment from overseas	46.83% (59)	8 - Offshoring	18.25% (23)
9 - Mergers & acquisitions	21.43% (27)	10 - Other, please specify	5.56% (7)

Response: 126

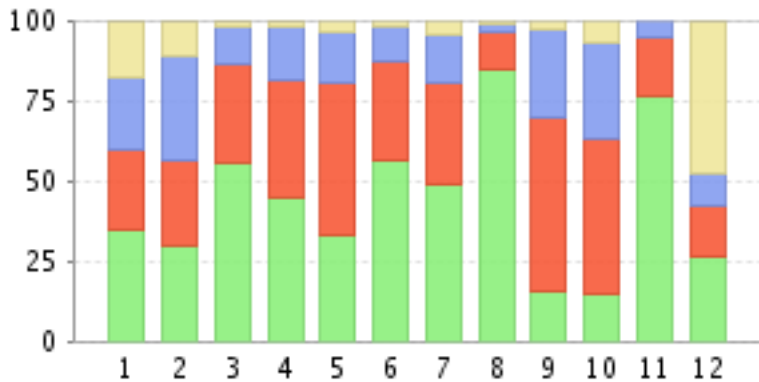
14. Which of the following statements best describes the role and value of HR at your organisation?



1 - HR plays a crucial role in strategy formation and operational success	28% (35)	2 - HR plays a crucial role in operational success	24.8% (31)
3 - HR plays a contributing role to operational success	32% (40)	4 - HR issues are low on the list of strategic imperatives	6.4% (8)
5 - HR is primarily an administrative activity	8.8% (11)		

Mean: 2.43
Response: 125

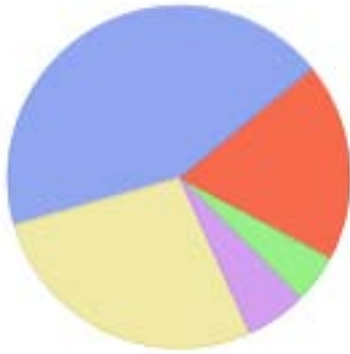
15. Which of the following benchmarks does your company track now and which are you likely to begin tracking in the next 3 to 5 years?



	Today	In 3 to 5 years	Not likely to track	Don't know	Mean
1 Sector productivity ratio	34.71% (42)	24.79% (30)	22.31% (27)	18.18% (22)	2.24
2 HR full time equivalents (FTE) to total FTE	30.17% (35)	25.86% (30)	32.76% (38)	11.21% (13)	2.25
3 Training spend per employee	55.74% (68)	30.33% (37)	11.48% (14)	2.46% (3)	1.61
4 Recruitment cost per employee	45.08% (55)	36.07% (44)	16.39% (20)	2.46% (3)	1.76
5 Cost per turnover	33.06% (40)	47.11% (57)	15.7% (19)	4.13% (5)	1.91
6 Benefit costs per employee	56.3% (67)	31.09% (37)	10.92% (13)	1.68% (2)	1.58
7 Total cost of HR function	48.76% (59)	31.4% (38)	14.88% (18)	4.96% (6)	1.76
8 Total payroll	84.68% (105)	11.29% (14)	2.42% (3)	1.61% (2)	1.21
9 Time to efficiency for new managers and employees	15.7% (19)	53.72% (65)	27.27% (33)	3.31% (4)	2.18
10 Management time spent on managing people issues	14.63% (18)	48.78% (60)	29.27% (36)	7.32% (9)	2.29
11 Total compensation	76.61% (95)	17.74% (22)	5.65% (7)	0% (0)	1.29
12 Other	26.32% (5)	15.79% (3)	10.53% (2)	47.37% (9)	2.79

Response: 126

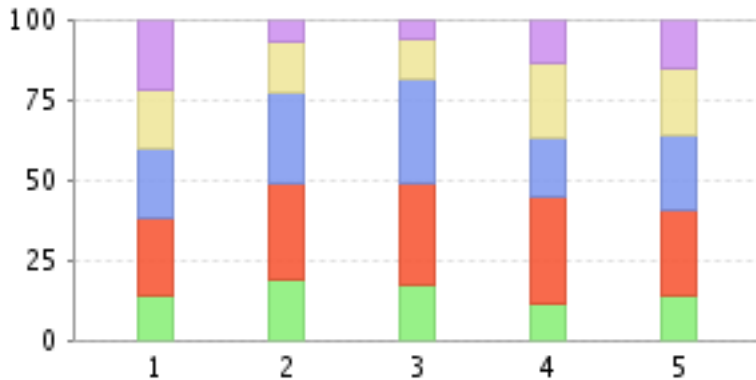
16. Which of the following statements best describes the overall state of your organisation's management of people issues?



■ 1 - We are world-class in people management and HR	4.84% (6)	■ 2 - We are world-class in some aspects of people management and HR but need to improve in several key areas	18.55% (23)
■ 3 - We have adequate people management and HR for our industry but we need to improve	43.55% (54)	■ 4 - We are getting by in people management and HR but significant improvement is needed	27.42% (34)
■ 5 - We are under-performing in people management and HR and radical improvements are needed	5.65% (7)		

Mean: 3.1
Response: 124

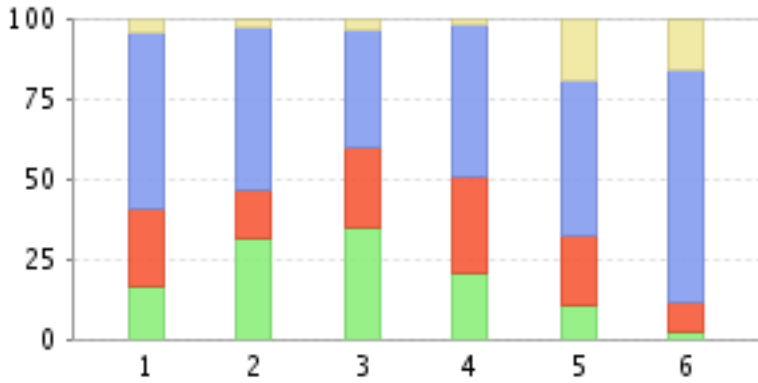
17. How well do you understand the benefits and drawbacks of the following solutions for helping your organisation manage human capital more effectively to meet your people challenges? Rate on a scale of 1 to 5, where 1=Well understood and 5=Not understood.



	■ Well understood 1	■ 2	■ 3	■ 4	■ Not understood 5	Mean
1 HR transformation options	14.4% (18)	24% (30)	21.6% (27)	17.6% (22)	22.4% (28)	3.1
2 HR shared services, business partners, centres of excellence	19.2% (24)	29.6% (37)	28% (35)	16% (20)	7.2% (9)	2.62
3 HR outsourcing	17.74% (22)	31.45% (39)	32.26% (40)	12.1% (15)	6.45% (8)	2.58
4 HR technology options	11.2% (14)	33.6% (42)	18.4% (23)	23.2% (29)	13.6% (17)	2.94
5 HR portals	14.4% (18)	26.4% (33)	23.2% (29)	20.8% (26)	15.2% (19)	2.96

Response: 125

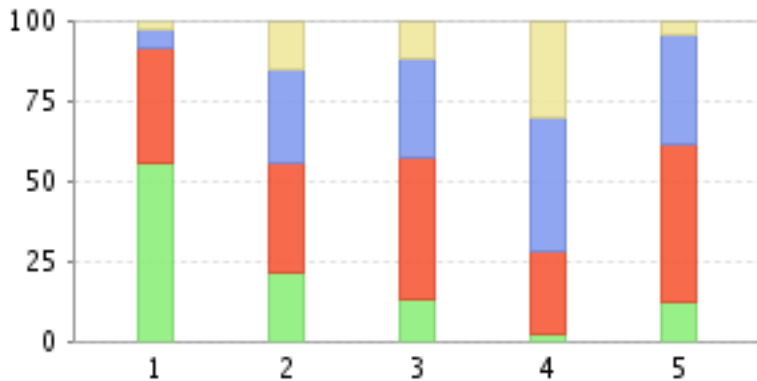
18. Does your organisation currently outsource or is it planning to outsource key HR activities?



	Today	In 3 to 5 years	Not planning to outsource	Don't know	Mean
1 Benefits administration	16.8% (21)	24% (30)	54.4% (68)	4.8% (6)	2.47
2 Recruitment	31.45% (39)	15.32% (19)	50% (62)	3.23% (4)	2.25
3 Training	34.92% (44)	24.6% (31)	36.51% (46)	3.97% (5)	2.1
4 Payroll	20.63% (26)	30.16% (38)	46.83% (59)	2.38% (3)	2.31
5 HR portal and systems	10.4% (13)	21.6% (27)	48.8% (61)	19.2% (24)	2.77
6 All of HR	2.52% (3)	9.24% (11)	72.27% (86)	15.97% (19)	3.02

Response: 126

19. To what extent do the following positions have a significant role influencing your organisation's culture and values?



	Chief responsibility (select one executive)	Major contributor	Supporting contributor	Not significant	Mean
1 CEO	55.28% (68)	35.77% (44)	5.69% (7)	3.25% (4)	1.57
2 CHRO or HR Director	21.74% (25)	33.91% (39)	28.7% (33)	15.65% (18)	2.38
3 Executive board	13.33% (16)	44.17% (53)	30.83% (37)	11.67% (14)	2.41
4 Corporate affairs	2.61% (3)	25.22% (29)	41.74% (48)	30.43% (35)	3
5 Business unit executives	12.4% (15)	48.76% (59)	33.88% (41)	4.96% (6)	2.31

Response: 125

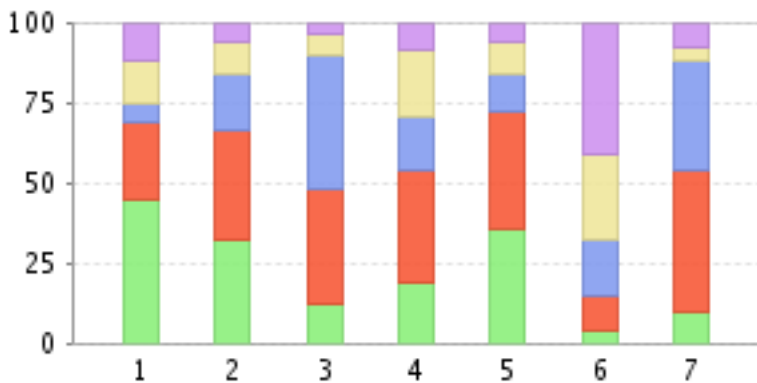
20. Which of the following best describes your role?



Mean: 1.95

Response: 125

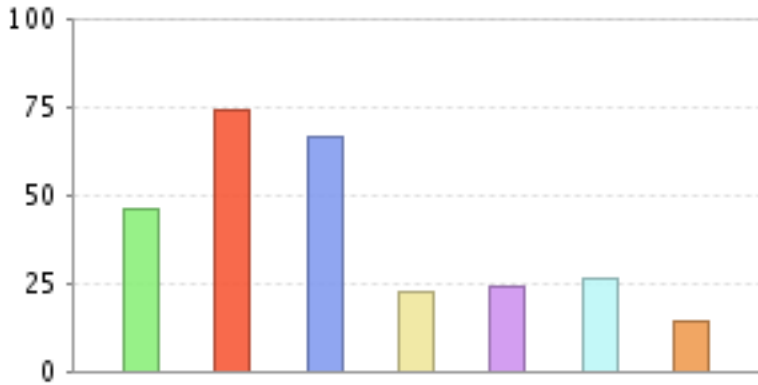
21.1 How often do you consult directly with your organisation's Head of HR, CHRO, or senior HR team with regard to the following issues?



	■ Monthly	■ Quarterly	■ Annually	■ Rarely	■ Never	Mean
1 Talent	45.1% (23)	23.53% (12)	5.88% (3)	13.73% (7)	11.76% (6)	2.24
2 Leadership	32% (16)	34% (17)	18% (9)	10% (5)	6% (3)	2.24
3 Compensation / benefits / pensions	12% (6)	36% (18)	42% (21)	6% (3)	4% (2)	2.54
4 Compliance and regulation	18.75% (9)	35.42% (17)	16.67% (8)	20.83% (10)	8.33% (4)	2.65
5 Recruiting / retention	36% (18)	36% (18)	12% (6)	10% (5)	6% (3)	2.14
6 M&A (pre- and post-deal)	4.35% (2)	10.87% (5)	17.39% (8)	26.09% (12)	41.3% (19)	3.89
7 Performance planning and review	10% (5)	44% (22)	34% (17)	4% (2)	8% (4)	2.56

Response: 51

22.1 What are the greatest challenges relating to your workforce today? Select up to three.



1 - Disengaged workforce (eg, unhappy/unmotivated employees and managers)	46% (23)	2 - Skills gap: training	74% (37)
3 - Skills gap: recruitment	66% (33)	4 - Lack of diversity	22% (11)
5 - Changing workforce demographics	24% (12)	6 - Difficulty in accessing global labour	26% (13)
7 - Other, please specify	14% (7)		

Response: 50

23.1 How effective is your HR function in addressing the needs of your business?

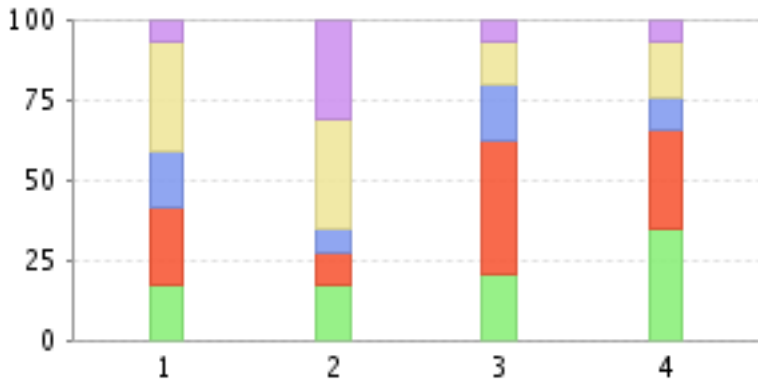


1 - Highly effective	5.88% (3)	2 - Moderately effective	58.82% (30)
3 - Neither effective nor ineffective	19.61% (10)	4 - Slightly ineffective	15.69% (8)
5 - Highly ineffective	0% (0)		

Mean: 2.45

Response: 51

21.2 How often do you consult directly with your organisation's senior management team with regard to the following strategic issues?



	Monthly	Quarterly	Annually	Rarely	Never	Mean
1 Outsourcing	17.24% (5)	24.14% (7)	17.24% (5)	34.48% (10)	6.9% (2)	2.9
2 M&A	17.24% (5)	10.34% (3)	6.9% (2)	34.48% (10)	31.03% (9)	3.52
3 Technology	20.69% (6)	41.38% (12)	17.24% (5)	13.79% (4)	6.9% (2)	2.45
4 Compliance and regulation	34.48% (10)	31.03% (9)	10.34% (3)	17.24% (5)	6.9% (2)	2.31

Response: 29

22.2 Which statement best describes your role in strategic planning issues?



1 - I am a principal or ultimate decision maker	17.24% (5)	2 - I have significant influence on strategic planning decisions	48.28% (14)
3 - I have some influence on strategic planning decisions	31.03% (9)	4 - I am involved in strategic planning but exert little influence over decisions	0% (0)
5 - I exert no influence over decisions	3.45% (1)		

Mean: 2.24

Response: 29

23.2 To what extent do your senior executives understand the role of HR in your organisation? Rate on a scale of 1 to 5, where 1=Full understanding and 5=No understanding.



1 - 1=Full understanding	25% (7)	2 - 2	35.71% (10)
3 - 3	25% (7)	4 - 4	10.71% (3)
5 - 5=No understanding	3.57% (1)		

Mean: 2.32

Response: 28

24.2 To what extent do your senior executives value the contribution of HR in your organisation? Rate on a scale of 1 to 5, where 1=Highly value and 5=No value.



1 - 1=Highly value	10.71% (3)	2 - 2	50% (14)
3 - 3	25% (7)	4 - 4	14.29% (4)
5 - 5=No value	0% (0)		

Mean: 2.43

Response: 28

In which region are you personally based?



1 - Asia-Pacific	100% (128)	2 - Latin America	0% (0)
3 - North America	0% (0)	4 - Eastern Europe	0% (0)
5 - Western Europe	0% (0)	6 - Middle East & Africa	0% (0)

Mean: 1

Response: 126

What are your organisation's global annual revenues in US dollars?

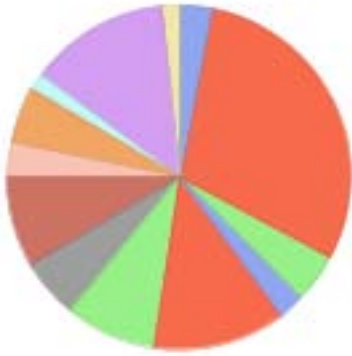


1 - Less than \$125m	42.19% (54)	2 - \$125m to \$250m	19.53% (25)
3 - \$500m to \$1bn	10.16% (13)	4 - \$1bn to \$5bn	11.72% (15)
5 - \$5bn to \$10bn	6.25% (8)	6 - More than \$10bn	10.16% (13)

Mean: 2.51

Response: 125

Which of the following best describes your title?



1 - Board member	4.69% (6)	2 - CEO/President/Managing director	29.69% (38)
3 - CFO/Treasurer/Comptroller	3.12% (4)	4 - CIO/Technology director	1.56% (2)
5 - Other C-level executive	13.28% (17)	6 - CHRO	1.56% (2)
7 - HR director	5.47% (7)	8 - Other HR role	3.12% (4)
9 - SVP/VP/Director	8.59% (11)	10 - Head of Business Unit	5.47% (7)
11 - Head of Department	8.59% (11)	12 - Manager	12.5% (16)
13 - Other	2.34% (3)		

Mean: 6.26

Response: 126

What is your primary industry?

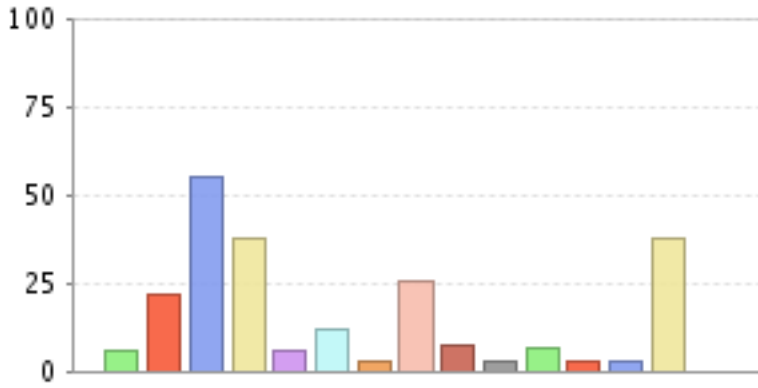


1 - Agriculture and agribusiness	1.56% (2)	2 - Automotive	2.34% (3)
3 - Chemicals	2.34% (3)	4 - Construction and real estate	1.56% (2)
5 - Consumer goods	7.03% (9)	6 - Defence and aerospace	0% (0)
7 - Education	1.56% (2)	8 - Energy and natural resources	14.06% (18)
9 - Entertainment, media and publishing	6.25% (8)	10 - Financial services	11.72% (15)
11 - Government/Public sector	3.12% (4)	12 - Healthcare, pharmaceuticals and biotechnology	3.91% (5)
13 - IT and Technology	10.94% (14)	14 - Logistics and distribution	2.34% (3)
15 - Manufacturing	14.06% (18)	16 - Professional services	14.84% (19)
17 - Retailing	1.56% (2)	18 - Telecoms	0% (0)
19 - Transportation, travel and tourism	0.78% (1)		

Mean: 10.98

Response: 126

What are your main functional roles? Please choose no more than three functions.



1 - Customer service	5.56% (7)	2 - Finance	21.43% (27)
3 - General management	54.76% (69)	4 - Human resources	37.3% (47)
5 - Information and research	5.56% (7)	6 - IT	11.9% (15)
7 - Legal	2.38% (3)	8 - Marketing and sales	25.4% (32)
9 - Operations and production	7.14% (9)	10 - Procurement	2.38% (3)
11 - Risk	6.35% (8)	12 - R&D	2.38% (3)
13 - Supply-chain management	2.38% (3)	14 - Strategy and business development	37.3% (47)
15 - Other	0% (0)		

Response: 126