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Navigating the future workforce: Insights from CHROs in Asia Pacific and the Middle East



The dynamics forcing businesses around the world to adapt at an unprecedented pace—rapid technological advancements, shifting workforce dynamics, global sustainability imperatives, and geopolitical disruptions—are particularly pronounced for companies in the Asia Pacific and the Middle East. In those regions, both the dynamics and the levels of organizational maturity differ widely among countries and compared with other regions.

Chief human resources officers are uniquely positioned to provide insights into how organizations are working to remain resilient and competitive in this constant state of flux. We spoke with five prominent CHROs whose companies have substantial operations in the regions: Nabil Almessabi, CHRO at TAQA; Eileen Burnett-Kant, CHRO at CLP Group; Feliciano González Muñoz, group head of human resources at Holcim; Yan Hong Lee, managing director and head of group human resources at DBS Bank; and Pallavi Tyagi, executive vice president and group head of people experience design hub and future of work at Capgemini.

The resounding consensus from these conversations is that "adaptability" and "flexibility" aren't just buzzwords; they are the bedrock of organizational longevity. Teams are being stretched like never before, and organizations in Asia Pacific and the Middle East are rethinking traditional approaches to leadership, talent, and culture while looking at ways to embace and adapt to technology and harness the benefits of diversity and inclusion. Every CHRO emphasized the importance of nurturing and attracting leaders both within the organization and externally, and of making succession planning a cornerstone of business continuity. This implies attracting and developing talent across all levels, from entry-level employees to middle management and executive leadership, coupled with shaping a corporate culture that resonates with and helps to retain both recruits and long-time employees. And all of this must be done with sensitivity to regional differences.

Capabilities in addition to skill sets



A first step, CHROs agreed, is focusing on a broader range of attributes when hiring and developing talent. Holcim's González Muñoz, a global leader in sustainable building materials, advocates for a more inclusive and empowering leadership approach that reduces hierarchies—which, in general, remain more pronounced in these regions than in other parts of the world—and promotes a leaner organization in which employees have more autonomy and accountability. To innovate and adapt at speed, he notes, leaders must be accessible and approachable, breaking down traditional barriers that can impede communication, allowing for the cross-pollination of knowledge.

DBS Bank's Lee emphasizes five fundamental Cs: content, communication, courage, consistency, and character. In her view, leaders should possess domain content and knowledge expertise and effective communication skills to win the hearts and minds of people, demonstrate courage, particularly when faced with challenging decisions to navigate uncertainty, make bold choices, and effectively communicate to inspire and guide others. Leaders should be consistent in their words and actions to build trust and confidence, be of sound character to do what is right, guided by a set of core values, and care for the growth and well-being of others.

Burnett-Kant, from power generation company CLP Group, adds: "The market is changing so much every day, every week, with policies changing all around us. We need our leaders to be more agile in making decisions with less complete information—and to be comfortable with that." Information technology company Capgemini's Tyagi also stresses that adaptability will be key: "I believe leaders who demonstrate adaptability will be more successful, as they are more flexible, open to new ideas and approaches, and can embrace change as an opportunity for growth."

The new rules of attraction



While wages and traditional perks still hold sway in hiring, Tyagi says, "it's about so much more than salary. It's about offering flexibility, work-life balance, and meaningful work. Companies are starting to focus on and invest more into employee well-being and mental health."

Beyond the reasons for that focus familiar in the West, CLP Group's Burnett-Kant says her company has witnessed a dramatic shift in its workforce in recent years, with a substantial portion of its employees now under 40. This generational shift, which CLP is far from alone in facing, reinforces the need for organizations to cater to the preferences of younger generations, needs such as flexibility, social responsibility, and meaningful work. "We see this as being quite different," shares Burnett-Kant. "Particularly to the new generation, the message around being directly part of driving solutions to climate change is something that is very attractive."

Holcim's González Muñoz adds: "New generations want to lead a micro project that contributes to the strategy, and they raise their hands continuously. That's happening now."

DBS Bank's Lee agrees that while employees have always wanted purpose in their work, that desire has become more pronounced in recent times. Ensuring employees find purpose in their work fosters a sense of fulfillment, boosts motivation and productivity, and enhances job satisfaction—which in turn promotes a positive workplace culture that leads to increased employee engagement and retention.

Leaders must communicate a genuine commitment to their organization's mission and values, aligning their messaging with their actions and allowing potential employees to experience their work environment firsthand. Capgemini's Tyagi says, "We understand that the future workforce values organizations committed to environmental and social responsibility. So, by aligning our values to sustainability, we not only attract top talent but also demonstrate our commitment to a better future."

However, there's a fine balance. CHROs are increasingly recognizing the need to adapt their policies and engage younger workers while retaining the expertise of older employees. "We need to look at how we support younger people coming to our business, and meet their expectations," explains CLP Group's Burnett-Kant. "We also have to look at how we engage our older team members flexibly."

Expanding talent pools



Another change for many companies in Asia Pacific and the Middle East is where and how they are seeking junior staff. Burnett-Kant provides insights into CLP Group's forward-looking approach to building its workforce of tomorrow. The company actively engages with potential talent from an early age: sponsoring engineering students, creating internship opportunities, and forming a talent ecosystem with universities and NGOs. By expanding its traditional feeder sources, CLP Group is hoping to guarantee a consistent supply of talent to meet its work needs.

In addition, CHROs are preparing for the future workforce beyond full-time employees, creating a flexible talent ecosystem that includes freelancers, gig workers, and part-time employees to adapt quickly to changing project requirements and foster diversity of thought and experience. They are also emphasizing sustainability and implementing Al-driven solutions to enhance employee engagement and adaptability.



Looking outward, Almessabi of TAQA, a United Arab Emirates–based power and water company, advises keeping an eye on innovative ventures designed to disrupt traditional industries and business models, particularly technological companies, industry peers, and adjacent industries experiencing significant disruptions. These ventures serve as a source of inspiration, particularly for fostering innovation.

Do all this well, CHROs agree, and companies will have a high-potential group of leaders on their hands.

Evolving the organizational culture for all ages

To retain people, a thriving organizational culture as part of a robust employee value proposition is crucial.¹ For Capgemini's Tyagi, the approach is about pulling on the strengths of different generations. "Peer-to-peer learning is another area where we are working toward creating a culture of knowledge-sharing, where experienced employees mentor and share insights with younger employees. This not only bridges the generation gap but also accelerates the learning curve."

¹ For the perspective of CEOs around the world on how culture and purpose influence retention and financial performance see Rose Gailey, Ian Johnston, and Holly McLeod, "Aligning culture with the bottom line: Putting people first," Heidrick & Struggles, heidrick.com.

DBS Bank's Lee sees the most progressive incarnation of employee value propositions as those that are tailored to the distinct career and life priorities of both younger and older employees: "It is imperative to ensure that the employee value proposition is customized to address the varied needs and aspirations of various generational cohorts."

It's all part of a larger cultural shift as organizations seek to create, and continuously evolve, a corporate culture that not only attracts but also retains top talent of all ages. As TAQA's Almessabi articulates it: "We are continuously evolving our corporate culture to make it a place where people would think twice before leaving, and not think twice before joining." Key to this, as Holcim's González Muñoz points out, is how companies communicate their culture and values: "It is all around this 'story,' this message as an employer. This kind of story gives you the employer brand that these kinds of candidates are expecting."

The evolution of communication methods, particularly the preference for digital channels among younger generations, means companies can adapt communication to align with generational preferences, too.

A holistic focus on well-being

Recognition and well-being form another essential focus of company culture. Ensuring that employees feel valued, appreciated, and well compensated for their efforts and creating a work environment that promotes growth and advancement through employee development and internal mobility are vital. Tangible recognition mechanisms can provide appreciation for employees who go the extra mile.

But rewarding employee achievements needs to come with a greater recognition that hard work can take its toll on top talent. It's worth noting, too, that the everchanging and complex world at large is not just challenging for businesses, but for employees individually.

DBS Bank's Lee cautions, "In this period, people became more conscious of mental wellness and the need to foster a supportive and empathetic work environment. Consequently, there has been a notable upswing in initiatives addressing employee mental well-being, ranging from enhanced mental health resources and counseling services to flexible work arrangements that accommodate individual needs."

This heightened awareness is causing employers to place a greater emphasis on cultivating a workplace culture that not only acknowledges the unique challenges of navigating a global crisis but actively promotes the mental resilience and overall well-being of their workforce.

Here, Lee stresses the need to think holistically about well-being and put in place appropriate policies and structures to create a sustained positive impact on employee well-being. DBS Bank's "Best of Me, Best of We, Best of E(nvironment)" well-being framework with three key pillars—building self-mastery including mental, physical, career, and financial resilience ("Me"), fostering healthy relationships ("We") as well as a healthy work culture ("Environment")—serves as the linchpin for a robust employee value proposition.



DE&I

It was clear from each of our conversations that the importance of diversity and inclusion in the workplace cannot be overstated. Many CHROs see DE&I as an enabler for innovation—a central strategic pillar for almost every organization today. The leaders we spoke with note that organizations need to embrace diversity both internally and externally, extending it not only to different demographics but also to different skill sets and perspectives.

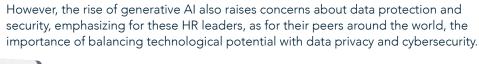
"The rigid, hierarchical structures of the past are giving way to more agile organizations," says Capgemini's Tyagi. "Diversity, equity, and inclusion initiatives are pushing organizations to re-evaluate their structures and ensure they are more inclusive and representative."

However, as Holcim's González Muñoz points out, businesses need to be inclusive before they can achieve diversity. He emphasizes that inclusion should come first, fostering a culture where all employees feel valued and have a sense of belonging. It is not just about hiring people from diverse backgrounds; organizations must ensure that all have an equal voice and opportunity within the organization. He adds: "If you hire for diversity's sake, but don't provide the culture, you're bound to fail."

Harnessing and adapting to technology

Technology, and particularly the burgeoning power of artificial intelligence to automate processes, is a potentially powerful tool for enhancing employee satisfaction and well-being. "A lot of the mundane work that people don't want to do causes a lot of work-life balance issues," says DBS Bank's Lee. "If there is a tool that I can use to help my employees remove stress, then why not? As long as we ensure employee well-being is taken into consideration."

Technology and AI are also transforming the HR function itself. Its impact spans recruitment, onboarding, performance management, and employee development. Many companies are yet to fully embrace generative AI, and businesses across Asia Pacific and the Middle East are in an exploratory phase, weighing the benefits and the risks, as Holcim's González Muñoz shares: "AI is clearly there, and we play with it the best we can. Some colleagues in other corporations are doing fabulous things with it already. It helps to robotize HR processes and, by doing that, [can even enable us to] outsource the time we dedicate to certain transactions and focus on extracting value for people and the organization through these new solutions."





Adapting for regional variations



While employee demands for flexibility, diversity, work-life balance, and mental health support apply consistently across Asia Pacific and the Middle East, the CHROs we spoke with acknowledge that some countries face unique issues that call for customized strategies. For instance, as DBS Bank's Lee explains, China grapples with stress among its workforce due to factors like limited labor market opportunities. There, a focus on upskilling and reskilling employees is essential to adapt to the changing economic landscape. In contrast, India, experiencing robust economic growth, struggles far more with work-life balance.

TAQA's Almessabi underscores the distinctive regional dynamics within the Middle East, where there is a strong emphasis on workforce development—including building a strong pipeline of local talent—in the context of a transformation in the region's academic and professional landscape and with international organizations bringing their expertise to the region. "The Middle East is becoming an attractive destination for global talent, reducing the difficulty of attracting talent to the region," says Almessabi.

CLP Group's Burnett-Kant emphasizes the significance of core values in shaping a cohesive culture while allowing each market to interpret and apply these values in ways that resonate with their unique cultural context. "There's a very clear CLP DNA that's embedded through our work on values and frameworks," she says. "But because we do run a business across the Asia Pacific region, our approach is 'freedom within a framework.' We have 'energy Australia' values, and 'Apraava' values in India that are linked to CLP values."

Adaptability as the linchpin of organizational longevity

The future workforce in Asia Pacific and the Middle East will be defined by companies' ability to adapt, invest in people, foster inclusive cultures, and leverage technological advancements while keeping a watchful eye on regional dynamics. A vibrant, inclusive corporate culture, HR leaders agree, is pivotal to attracting and retaining talent, as are new approaches to employee recognition, well-being, and comprehensive support for development. In addition, purpose-driven work and a commitment to social and environmental responsibility are on the rise.

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