

Khazanah Megatrends Forum 2009

Session 4: Leadership and Society

Ravin Jesuthasan CFA, Managing Principal

October 6, 2009

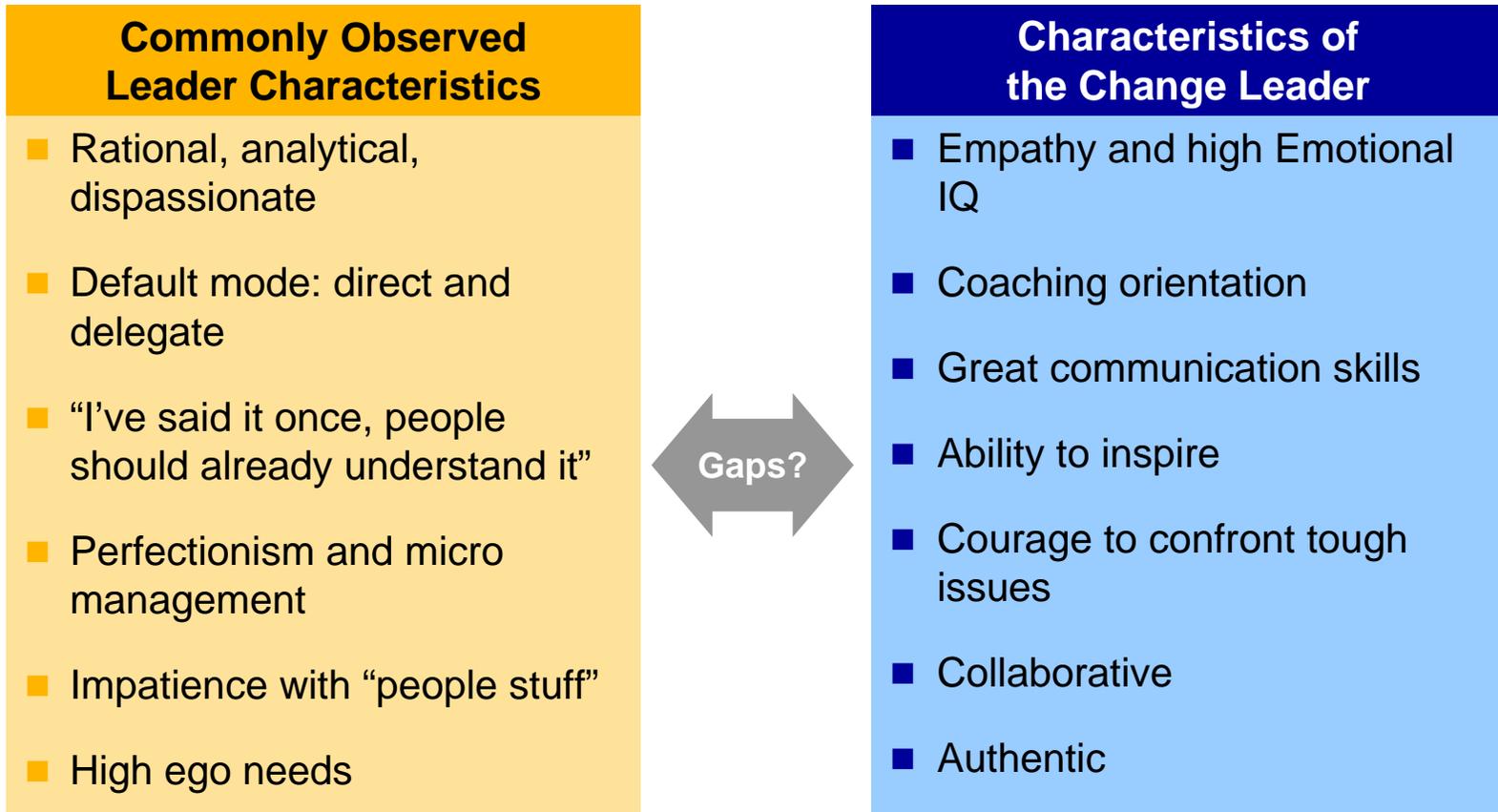
Key talent questions

- How will changes in strategy and delivery models drive our talent needs in the next 3 – 5 years in terms of skills and supply?
- What leadership competencies are required to execute strategy in a very different world and how robust is the leadership pipeline?
- What are the pivotal job families/roles most critical to executing our business strategy?
- How can we optimize our investments in talent to achieve the right performance outcomes?
- How will the increased risk and volatility of global markets affect the “deal”

Breakthrough talent management: Five imperatives

- 1. The Aligned Leader** Creating the next generation of leaders equipped to transform the organization
- 2. Segmentation and Differentiation** Embedding segmentation into the talent approach to differentiate investments, e.g., pivotal roles, mission-critical job families, “breakout performers”
- 3. Transparency and Consistency** Creating transparent, consistent enterprise talent processes to improve execution and accelerate movement of talent across business units/regions
- 4. Managing Risk** Developing staffing and talent management strategies that mitigate risk
- 5. Talent Decision Science** Defining the talent metrics and tools to measure and manage the impact of talent management investments on business performance

The Aligned Leader — The emergence of the ambidextrous leader



Managing Risk — An imperative for flexibility as a cost management tool

What does flexibility mean?

From a business perspective	From an employee perspective
<ul style="list-style-type: none">■ Not everyone is a company owned employee	<ul style="list-style-type: none">■ The risk of a competitive wage is on me, my performance is worth more
<ul style="list-style-type: none">■ The size, composition and cost of the workforce can vary as business conditions dictate	<ul style="list-style-type: none">■ If my position is pivotal, I will have increased opportunity to grow and develop
<ul style="list-style-type: none">■ The “deal” is variable based on role and contribution	
<ul style="list-style-type: none">■ Not all employees are created equal	

Managing Risk — Flexibility will be the foundation of the new deal...

- After highly predictable employment/wage patterns following each recession, the last recovery shattered many commonly held beliefs
 - In an increasingly volatile world, risk mitigation and flexibility will be at a premium
- The traditional organizational pyramid will evolve (and shrink) as companies question what is truly strategic or core
- Many will focus on a limited number of functions and pursue alternative staffing strategies
 - The truly “networked” organization will finally be a reality as organizations look to enable growth without the risks of fixed cost/headcount
- Small enterprises will grow rapidly as they take on the “risk of growth”