

Hong Kong
Indonesia
Malaysia
Philippines
Singapore
Thailand
Vietnam

Job promotions report 2017

Promotion strategies to engage,
motivate and retain top talent

SEEK Asia Signature Content Series Vol. 3

Contents

2	About us
3	Executive summary
	Job promotions report
9	 Hong Kong
11	 Indonesia
13	 Malaysia
15	 Philippines
17	 Singapore
19	 Thailand
21	 Vietnam
23	Methodology
24	Our offices

About us

JobStreet and jobsDB are part of SEEK Asia, the leading online employment marketplace in Asia. SEEK Asia covers 7 countries: Hong Kong, Indonesia, Malaysia, Philippines, Singapore, Thailand, and Vietnam. SEEK Asia is the extension of the Australian Securities Exchange listed company called SEEK. As Asia's best talent sourcing partner, our company's purpose is to help improve people's lives through a better career. SEEK Asia's database consist of over 500,000 corporate hirers and over 24 million candidates.



Executive summary

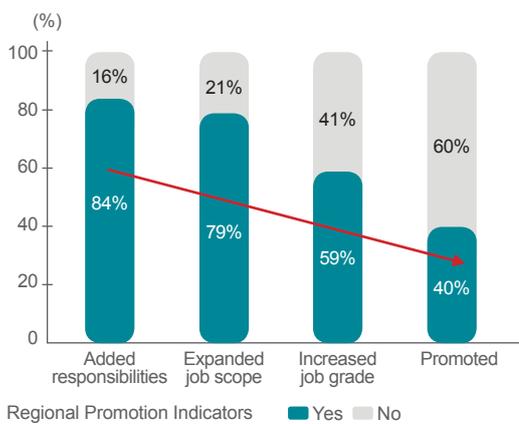
Regional insights

Great expectations

Our job promotions survey reveals that employees across the region link **increased responsibility** and **expanded job scopes** to **promotion**. In fact, both employees and hirers **agree** that the **top intervention for promotion** is **taking on more responsibility**.

However, there were **more job grade increases** compared to **formal promotions** (defined as a title or level change plus additional compensation and benefits).

A job grade increase is a **form of promotion**, although it does not meet every criterion of a formal promotion. Yet with more responsibility, employees **expect** a formal promotion.

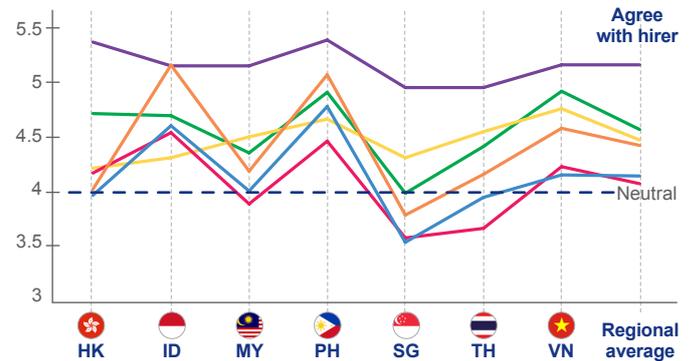


Highlights

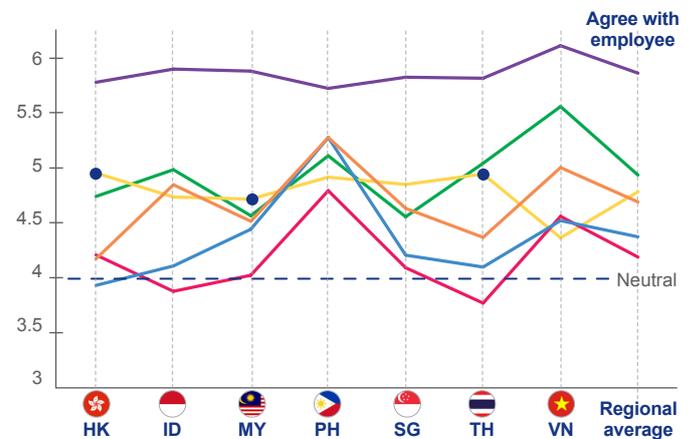
Although employees had more responsibilities and expanded job scopes



only **40%** were formally promoted and **59%** received job grade increases.



Interventions for promotion (employee: 1 being not very important, 4 neutral and 7 very important)



Interventions for promotion (hirer: 1 being not very important, 4 neutral and 7 very important)

- Taking mandatory trainings offered by the company
 - Taking voluntary trainings offered by the company
 - Getting coaching / mentoring
 - Enrolling for further studies / certification / training outside the company
 - Volunteering for company projects
 - Taking on more job responsibility
- Volunteering for company projects is one of the top three interventions Hong Kong, Malaysia and Thailand hirers, but not for employees.

To motivate, retain and engage good employees, driving an understanding of the **definition** and **features** of the **various forms of promotions** is critical. Effective **communication** of **processes** and **policies** ensures both parties are on the same page and prevents **gaps in expectations**.

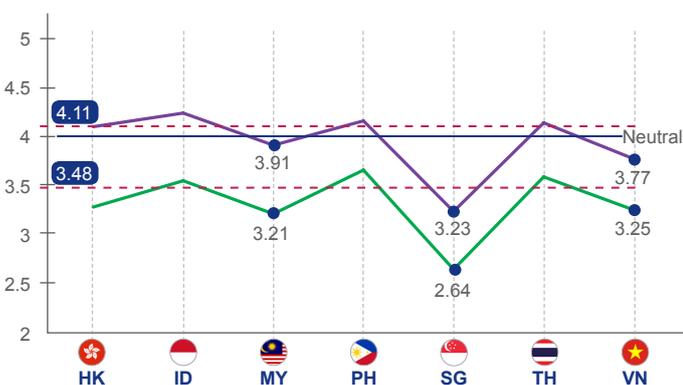
Insights on promotion practices

Regionally, employees (promoted and not promoted in current jobs) agree that there is **more fairness** in the **outcome of promotions** but **not its process**. The regional average for fairness of promotion process was rated **3.48 out of 7**. Fairness of promotion outcome was slightly above neutral at **4.11 out of 7**. Scores below 4 came in from Malaysia, Singapore and Vietnam. Employees (both promoted and not promoted in current jobs) are **hardly ecstatic** on the **fairness of promotion outcomes**.

Employees (not promoted in current jobs) rated fairness in promotion outcome as **unfair** across the region. However, there is consensus that there is more fairness in promotion outcome over processes. Employees (promoted in current jobs) rated **fairness in promotion outcome** above 4, except for Singapore (3.71).

In **Singapore**, both the **process** (2.64) and **outcome** (3.23) of promotion is viewed **negatively**. This could be due to the matured and competitive Singaporean job market, whereby an employee's circle of influence is perceived as a boon for promotion. However, the **long waiting times** to be promoted (anticipated at 4.96 years, versus actual of 3.6 years) is another contributing factor.

The most **positive promotion sentiments**, which are slightly above the region's average, are from emerging economies of Indonesia, Philippines and Thailand.



Fairness of promotions (combined promoted or otherwise employee opinion – 1 being to a small extent, 4 neutral, 7 to a large extent)

Outcome of promotion:

Outcome is defined as work effort paying off and reflects contributions, justified based on performance.

Process of promotion:

Process is defined as transparency of policies, consistent decision-making procedures, ability to appeal.

— Regional average

● Below regional average

Insights on the factors for promotion

Top 3 factors for promotions (regional average for employees and hirers)

Employees



Hirers



Employees and hirers checked **leadership ability** and **good performance reviews** as two of the top three factors for promotion. Employees voted **supervisor liking you** as number one, whilst hirers went for good performance reviews. **On-the-job skills** ranked third place for hirers.

Bottom 3 factors for promotion (regional average for employees and hirers)

Employees



Hirers



Employees and hirers agree that **having influential friends or relatives** do not help with promotions. Employees also think that **putting in extra work hours** and **length of time since last promotion** matter little. Hirers debunk luck and formal groups as key promotion factors.

Factors for promotion by category

Regional average scores reveal that both employees and hirers **agree** on the top three factors by category, namely: **Leadership traits, on-the-job-skills** and **performance/attitude**.

Employees in Singapore and Hong Kong **stood out**, as both placed the **circle of influence** at the **topmost** rung, whereas hirers in both countries slid it to the **lowest** rung. The **mismatched** opinions give rise to **speculations** on promotion practices leading to **negative** sentiments in these two competitive and matured job markets.

Regional rankings:

 Employees	 Hirers
 Leadership traits	 Leadership traits
 On-the-job-skills	 On-the-job-skills
 Performance/attitude	 Performance/attitude
 Circle of influence	 Tenure
 Tenure	 Circle of influence

Top category for employees and hirers by country

 Employees	 Hirers
 Indonesia	 Singapore
 Philippines	 Thailand
 Thailand	 Hong Kong
 Vietnam	 Malaysia



Leadership traits:
Leadership ability, showing good judgement, alignment to company values



On-the-job skills:
Relevant experience, having the right skills for the new job position



Tenure:
Tenure, length of time since last promotion



Performance/Attitude:
Working long hours, exceptional work, good attendance, good performance reviews, coming up with lots of ideas, having good ideas, taking initiative



Circle of influence:
Having friends or relatives higher up, supervisor liking you, formal group employee is in, informal friendships with co-workers, luck

Influencers of promotion



Employees and hirers agree that the top three influencers of a promotion are **top management, immediate supervisor** and **department head**. Peer and subordinate ratings were viewed as the least influential.

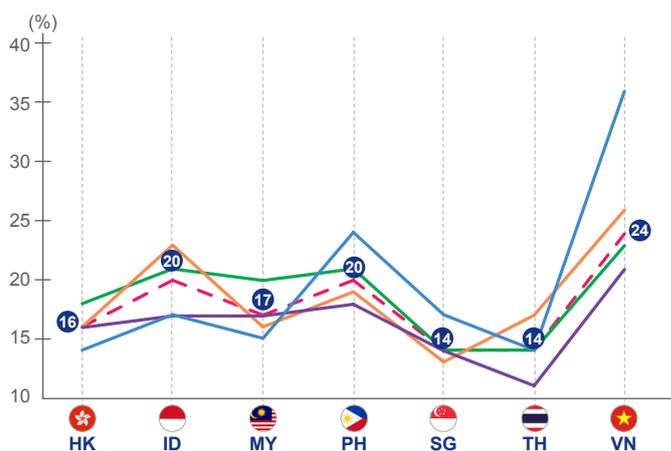
Most influential for employees: Thailand and Hong Kong voted for immediate supervisor. Singapore and Malaysia went for department heads. Indonesia and Vietnam view top management as the most influential. Philippines placed all three as even picks.

Most influential for hirers: All hirers agreed on **top management** except for Indonesia (immediate supervisor) and Malaysia (department head). Top management and immediate supervisor tied closely in the Philippines.

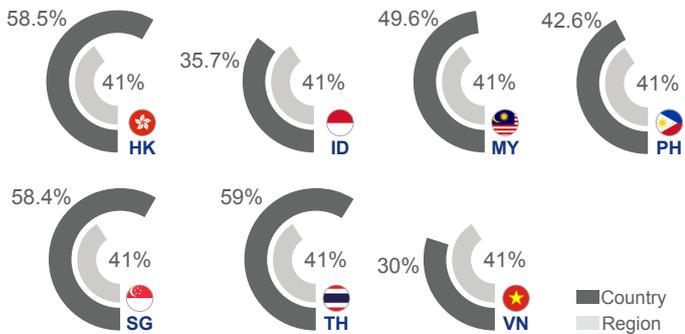
Promotion impact: reward trends

Salary: Salary Increments for promotions range from **16% to 24%** in the region. The **highest increase** is enjoyed by middle management promotions. Salary increments in Vietnam, Indonesia and the Philippines are between **20% to 24%**. Singapore, Hong Kong, Malaysia and Thailand reported an average increase of **14% to 17%**.

Despite the higher increments noted in Vietnam, Indonesia and the Philippines, the **actual** dollar for dollar incremental value could be **lower** than the other countries due to differing currencies, economic and job market scenarios and living costs.



Benefits: 41% of candidates who were promoted **did not** receive any additional benefits besides the pay rise. This is predominant in Hong Kong, Thailand and Singapore and may be attributed to the **rising cost of benefits**. Human Resource trends in Hong Kong indicate that **non-monetary benefits**, such as more leave days and flexible work arrangements, were offered.



Percentage promoted without any additional benefits (country against region)

Highlights

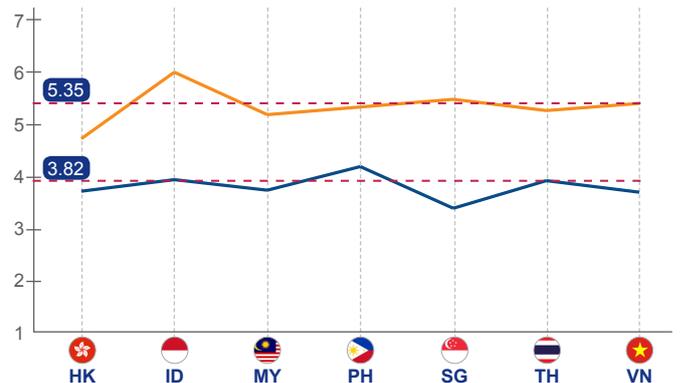
41% Did not receive additional benefits (besides the pay rise)

Promotions are channels for employees to progress within companies, either vertically or horizontally. It benefits the company and motivates employees to strive towards career progression goals.



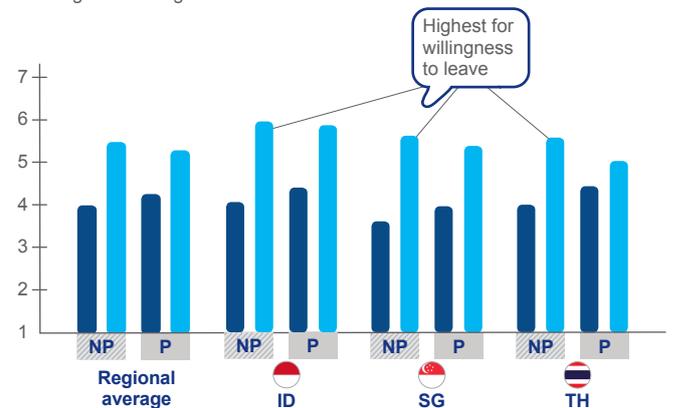
On the brink of flight attitudes

Across the region, both employees promoted and not promoted vote for feelings in favour of **willing to leave** their present company (regional average of 5.35). There is a lack of loyalty and affinity (regional average of 3.82). The **highest scores** came from those **not promoted** in Indonesia, Singapore and Thailand, with scores of 6.07, 5.63 and 5.60 respectively.



Feelings towards present company - average score of promoted and not promoted (1 being strongly disagree, 4 neutral and 7 strongly agree)

- “Affinity and loyalty to present company”
- “Willing to leave present company”
- Regional Average



Feelings towards present company (1 being strongly disagree, 4 neutral and 7 strongly agree)

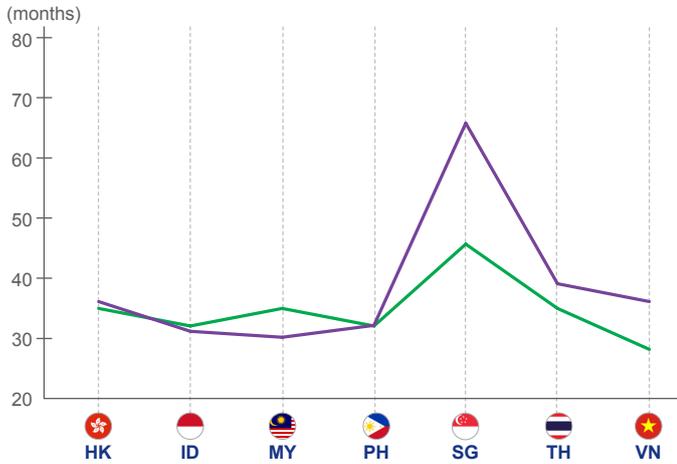
NP Not promoted

P Promoted

- “Affinity and loyalty to present company”** (Average scores of questions below)
 - I would be very happy to spend the rest of my career with this company.
 - I feel a strong sense of belonging at this company.
 - I am emotionally attached to this company.
- “Willing to leave present company”** (Average scores of questions below)
 - I do not intend to quit my job.
 - At the present time, I am actively searching for another job in a different company
 - I am willing to leave my company for a better job in another company

Average time to promotion

The average **time to promotion** estimated by the candidates is **2.83 years** (34 months) and the **actual time** taken to be promoted is **2.75 years** (33 months).



Average time to a promotion (estimated & actual in months)

- Estimated:** Expectation of time to be promoted (never promoted in present job)
- Actual:** Actual wait time when promotion occurs (have been promoted in current jobs)

The actual average time to a promotion in **Singapore** is **3.8 years** (46 months) – the highest in the region.

Hirer's promotion policy

Regionally, most hirers (**53%**) do not have fixed budgets. Conversely, **23%** have strict budgets for headcount and **15%** can only promote upon resignation.



53 out of **100** hirers do not have fixed budgets



23 out of **100** hirers have strict budgets for headcount

15 out of **100** hirers can only promote upon resignation



In a traditional career ladder a **promotion** is a vertical movement within an organisation. It is an **upward progression** from one position to the next, with increases in **rewards**, **status** and **responsibility** until the employee leaves for another job, retires, hits the ceiling in a given position or declines further promotions.

Employee career development is a priority – strategies for success

When employees grow within organisations, they enter a talent pool that makes all that difference in today's rapidly changing business landscape. **A powerful strategy** to engage, retain and motivate such talent is to make **career development** for every employee a **priority**.

Employers globally are faced with headcount and turnover issues, budget or talent constraints and business development challenges. These hurdles emphasise the need to **focus internally** to tap on **existing talent**. Organisations that play an **active role** in the career development goals of their workforce promote employee **engagement, growth** and **loyalty**.

Global trends point to **career progression planning**. In doing so, employers are challenged to set a clear stance on promotions to ensure employees are on the same page. The implementation and communication of **promotion practices** and **policies** are essential to avoid **expectation gaps**. As discussed in this report, the **rules of engagement** should not be vague or open to speculation as it can evoke negative sentiments. By laying hold of **effective** strategies for promotions, organisations retain good employees and together both chart the course for personal and organisational success.

In this region, there are telling indications for a much-needed **sound** promotion strategy. There is a **lack of loyalty** and a **willingness to leave** present employment, especially amongst those not promoted. Those who have been promoted record a **weak sense of affinity** towards their organisations. In several countries, employees and employers have **mismatched opinions** on the **hierarchy** of promotion influencers and the factors and interventions that drive promotions. Fairness of promotion process rated poorly against promotion outcomes, which also received lukewarm ratings. **Expectation** gaps are evident too.

The actual outcome of the way promotion is practiced has a direct impact on the turnover rate of employees. Given the **voluntary churn rates** of between **11% to 14%** reported in¹ the region, there is clearly an **urgent call** for employers to pay heed to these promotion trend findings.

¹ Aonhewitt press release October - November 2016, www.apac.aonhewitt.com

Key findings for hirers:



Address promotion expectation gaps:

Communicate promotion definitions, policies and processes and time to promotion. Gauge interest levels and inform employees of promotion plans. Be honest before making commitments. Be fair, transparent and consistent.



Focus on coaching and mentoring:

Anticipate readiness for promotion and provide accurate and constructive feedback. Explore job redesign options to broaden and deepen employees' career prospects within the organisation, not just department especially in cases of long promotions wait times. Suggest ways to acquire new skills and master on-the-job skills based on strengths.



Prioritise employee career development:

Discuss career progression plans and create awareness on the various career paths such as the traditional vertical career ladder, horizontal career lattices, dual career ladders and careers outside the company. Provide ongoing resources and tools to support these plans.



Customise remuneration packages:

Configure rewarding promotion packages to suit organisation budgets and strategies, especially with vertical and lateral job upgrades that are not formal promotions.



Encourage ownership of careers:

Advise employees to take charge. Promote a lifetime of employability within and without the organisation.

Career progression is the advancement of one's career and is not always tied to title change or additional rewards. New skills and knowledge acquired in lateral promotions that involve managing new markets and teams, assuming leadership roles and learning new processes are keys that advance an employee's career and self-worth.



Hong Kong 香港

Business opportunities abound as Hong Kong maintains its status as Asia's financial and commercial hub. It is currently the employees' job market and Hong Kongers are latching onto companies with strong track records and sound hiring and promotion policies. The net growth of job vacancies was 1.8% in 2016².

The respondents represent a fair gender and position level mix. Bachelor Degree holders make up 48% and 28% possess Master's Degrees.

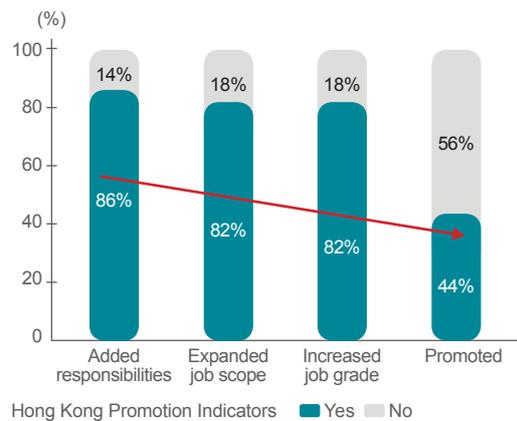
There is a lack of loyal sentiment and strong indication to leave the company from both the candidates who are promoted and not promoted. Voluntary churn rates in Hong Kong for the first half of 2016 was 10.2%. The sector registering the highest turnover rate of 20.6% in the first half of 2016 was Business / Professional Services³.

To retain employees, employers must have clear and open communications, consistent and transparent promotion practices and policies, given the negative sentiments on promotion process and outcome. This is especially important considering the country is experiencing a job market boom, where employment opportunities abound.

Promotion strategies for hirers:

- Focus on career coaching and mentoring to jointly charter employees' career development plans and goals.
- Map job enhancement options (job enrichment and job rotation) for professional/technical positions, which have lesser levels and long wait times for formal promotions - many grades within each level).
- Maintain professionalism and clear false perceptions to avoid speculation.
- Clearly communicate promotion definitions, practices, policies, processes and outcomes.
- Offer fair compensation and innovative non-monetary benefits to match the increased cost of living and better work-life practices to attract and retain the best in class (Mercer – "Architect Compelling Careers 2016")

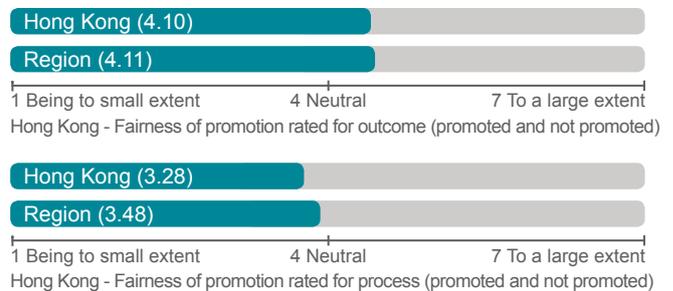
Promotion indicators



Top 3 interventions for promotions



Promotion practices/fairness



Highlights

41
months

Longer time to promotion for technical / professional positions.

81%
increased
job grades

High percentage of job grade increases versus the region's **59%** average.

Factors for promotion (by category)

Employees

- 1 Circle of influence
- 2 Leadership traits
- 3 On-the-job skills
- 4 Performance/attitude
- 5 Tenure

Hirers

- 1 On-the job skills
- 2 Leadership traits
- 3 Performance/ attitude
- 4 Tenure
- 5 Circle of influence

Top 3 influencers for promotion

Employees



Immediate supervisor



Department head



Top management

Hirers



Top management



Department head



Immediate supervisor

Reward trends

58.5%
Promoted
without
benefits

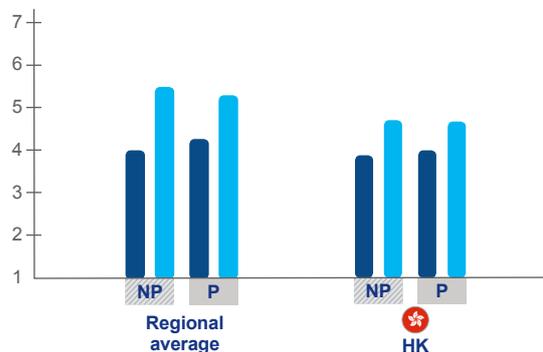


Average
salary
increase is **16%**

Time to promotion



Attitudes towards present company



Hong Kong - Feelings towards present company (1 being strongly disagree, 4 neutral and 7 strongly agree)

NP Not promoted P Promoted

Dark Blue: "Affinity and loyalty to present company"

Light Blue: "Willing to leave present company"

Hirer's promotion policy

42 out of **100**
hirers do not have fixed budgets

29 out of **100**
hirers have strict budgets for
headcount

21 out of **100**
hirers can only promote
upon resignation



^{2&3} The Hong Kong Institute of Human Resource Management conducted the Manpower Statistics for first half year in July 2016.

Indonesia

As one of the emerging economies of ASEAN, Indonesia has a young population and a burgeoning middle class. Industries growing at breakneck pace tend to dish out large salary increases to attract and retain talent.⁴ Competition for talent abounds, which contributes to increasing turnover rates. The priority for companies has now shifted from recruitment to retention and counter offers to stem talent loss.

The average salary rise for promotions is 20%, and 65% of them have received additional promotion benefits; the top three being additional allowance and bonuses as well as upgraded medical plans. Indonesia rates second highest in the region after Vietnam for pay rise and benefits packages – not surprising since Indonesia posts one of the lowest base salaries in ASEAN.

Respondents are predominantly male (73%) and are from the professional/technical levels. The majority (62%) have attained a Bachelor's degree, which signifies a growing educated workforce.

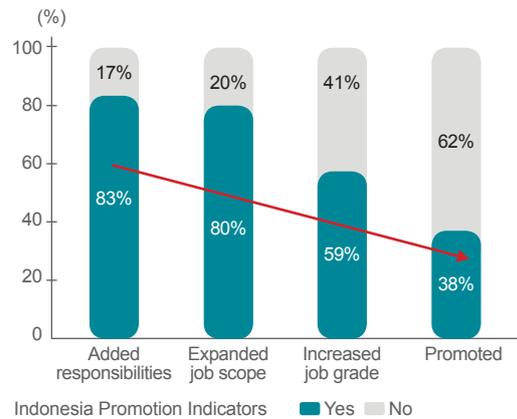
There is agreement with the region that the process of promotion is unfair, hence a call for more transparency and consistency in promotion practices. Indonesian employees rate the highest willingness to leave their present company for both promoted and not promoted.

Clear and open communications, consistent and transparent promotion practices and policies are paramount given the negative sentiments on promotion, and the job market boom where employment opportunities abound in this growing economy.

Promotion strategies for hirers:

- Design better remuneration packages to stem talent loss and focus on retention. Introduce non-financial benefits, which can improve talent retention.
- Coaching and mentoring by owners of businesses and leaders, as Indonesians have huge respect for authority and seniority.⁵ Map job enhancement options and recommend acquisition of new skills where necessary.
- Focus on career development and training and create awareness of career progression paths.
- Implement effective performance reviews to address turnover and reward good performers.
- Clearly communicate promotion definitions, practices, policies, processes and outcomes.

Promotion indicators



Top 3 interventions for promotions



Employees

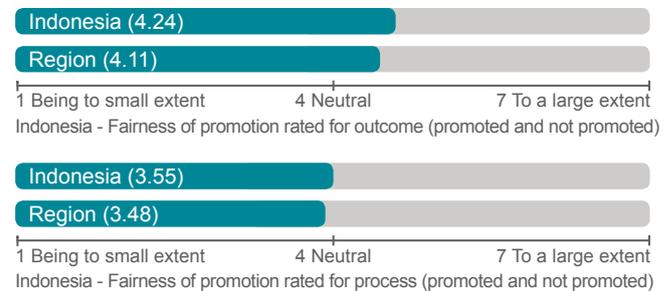
- 🔒 Mandatory training
- 🔒 More responsibility
- 🔒 Coaching/mentoring



Hirers

- 🔒 More responsibility
- 🔒 Coaching/mentoring
- 🔒 Mandatory training

Promotion practices/fairness



Highlights

Scored
6.02
over 7



Owner/Investor

Highest in the region for willingness to leave (promoted and not promoted)

Only country in the region where owners/investors influence promotions

Factors for promotion (by category)

Employees

- 1 Leadership traits
- 2 Performance/attitude
- 3 On-the-job skills
- 4 Circle of influence
- 5 Tenure

Hirers

- 1 Leadership traits
- 2 On-the-job skills
- 3 Performance/ attitude
- 4 Tenure
- 5 Circle of influence

Top 3 influencers for promotion

Employees



Hirers



Reward trends

35.7%
Promoted without benefits

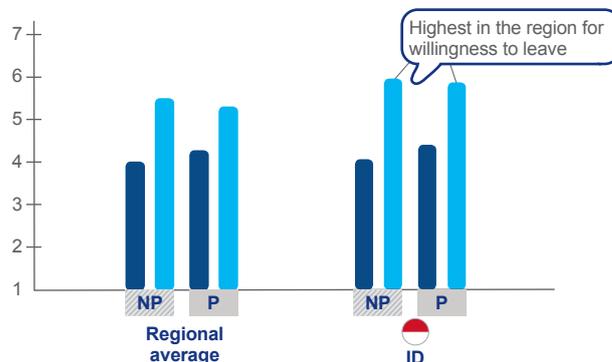


Average salary increase is **20%**

Time to promotion



Attitudes towards present company



Indonesia - Feelings towards present company (1 being strongly disagree, 4 neutral and 7 strongly agree)

NP Not promoted P Promoted
 Dark Blue: "Affinity and loyalty to present company"
 Light Blue: "Willingness to leave present company"

Hirer's promotion policy

53 out of **100** hirers do not have fixed budgets

24 out of **100** hirers have strict budgets for headcount

10 out of **100** hirers can only promote upon resignation



⁴Michael Page's 2016 South East Asia Salary & Employment outlook.

⁵Kelly Services - biennial review as reported in emerhub.com article 13/1/2017

Malaysia

As a major oil and gas and commodities linked producer, the long-term economic indicators for Malaysia are positive, with difficult challenges expected in 2017. Employers are challenged by their constriction to dish out increments. Voluntary turnover rates in Malaysia, at 13%⁶ in 2016, are quite high for the region.

Respondents comprise a fair mix of gender, and 31% are from the professional/technical levels. The majority (53%) have attained Bachelor's degrees. The largest group represent the banking and commercial and professional services industries.

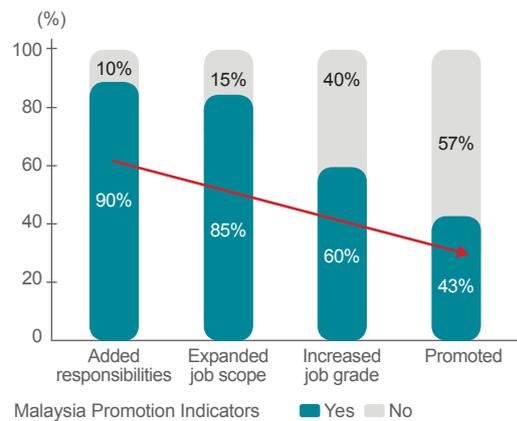
Malaysians report that 43% are formally promoted. Juxtaposed against a very high percentage (90%) taking on added responsibilities and increased job scopes, it is a cause for dissatisfaction. This is probably due to the current scarcity of good talent and the resource crunch to hire more. The average salary rise for promotions is 17%, and only half have received additional promotion benefits – the top three being additional allowance and bonuses as well as increased days off. Companies are already looking to non-monetary benefits to address the limited budgets for promotions. The consistent theme seems to be 'doing more with less', optimising costs wherever possible.⁷

Malaysians rated fairness of promotion poorly and promotion outcome unsatisfactory, below the region's average. There is room for improvement with communicating promotion policies and transparency. Candidates who are not promoted showed a stronger willingness to leave their company. Those promoted record a neutral sentiment on affinity and loyalty to their company, and are also willing to leave for better opportunities.

Promotion strategies for hirers:

- Focus on talent retention programmes and career coaching and mentoring
- Create awareness of career progression paths and introduce job redesign options
- Clearly communicate promotion definitions, practices, policies, processes and outcomes
- Reward performers for taking on added responsibility. Offer fair compensation to match the increased cost of living and better work-life practices to attract and retain the best in class (Mercer – "Architect Compelling Careers 2016")
- Create innovative remuneration adjustments using instruments other than salary increases⁸ to engage and retain employees.

Promotion indicators



Top 3 interventions for promotions

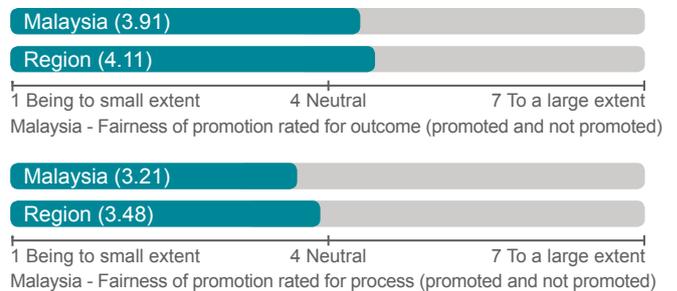
Employees

- 🔗 More responsibility
- 🔗 Volunteering for projects
- 🔗 Coaching/mentoring

Hirers

- 🔗 More responsibility
- 🔗 Volunteering for projects
- 🔗 Coaching/mentoring

Promotion practices/fairness



Highlights

Although employees had more responsibilities and expanded job scopes



only **43%** were formerly promoted and **60%** received job upgrades.

Factors for promotion (by category)

Employees

- 1 On-the-job skills
- 2 Leadership traits
- 3 Performance/ attitude
- 4 Circle of influence
- 5 Tenure

Hirers

- 1 On-the-job skills
- 2 Leadership traits
- 3 Performance/ attitude
- 4 Tenure
- 5 Circle of influence

Top 3 influencers for promotion

Employees



Department head



Top management



Immediate supervisor

Hirers



Department head



Immediate supervisor



Top management

Reward trends

49.6%
Promoted without benefits

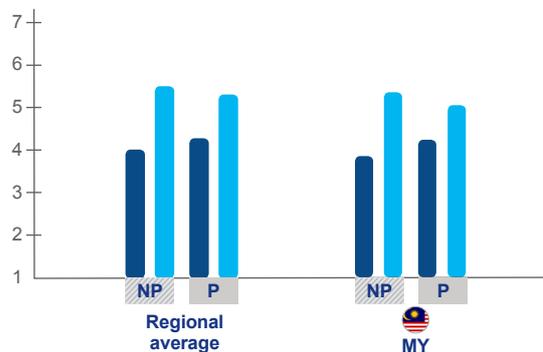


Average salary increase is **17%**

Time to promotion



Attitudes towards present company



Malaysia - Feelings towards present company (1 being strongly disagree, 4 neutral and 7 strongly agree)

- NP Not promoted P Promoted
- Dark Blue "Affinity and loyalty to present company"
- Light Blue "Willing to leave present company"

Hirer's promotion policy

58 out of **100** hirers do not have fixed budgets

22 out of **100** hirers have strict budgets for headcount

9 out of **100** hirers can only promote upon resignation



⁶ Aon Hewit 2016 - reflecting the volatility and instability of the market conditions in Malaysia
⁷ Aon Hewit TCM 2015 Survey in Malaysia www.hrinasia.com
⁸ According to Mercer Malaysia head in www.seeds.theborneopost.com

Philippines Pilipinas

Filipino hirers and candidates share consensus on the hierarchy of all the five categories of factors for promotions: leadership traits, on-the-job skills, performance/attitudes, tenure and circle of influence. Employees rate "good attendance" (5.62 out of 7) as an important factor to promotion, same as for Indonesians and Vietnamese. This could be related to traffic conditions in the metro areas.

There is further agreement between employer and employee on the top intervention for a promotion, which is taking on added responsibility. The respondents polled that the outcome of promotions is fairer than the process.

The rewards for promotions are salary increments of an average of 20%. This is the second highest in the region, same as for Indonesia. Benefits are awarded to 43% of those promoted, the largest category being additional allowances.

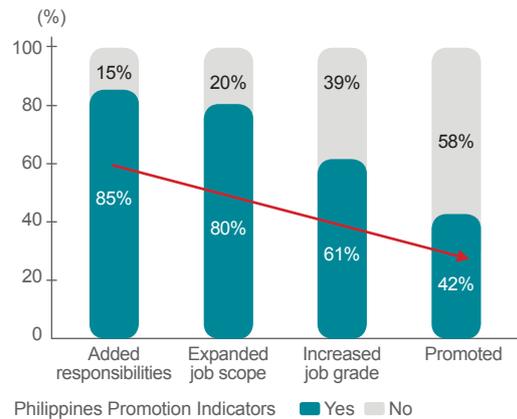
Employee turnover rates in companies in the Philippines continued to increase in 2015 as more employees sought better pay opportunities and flexible work arrangements.⁹ Employees who have and have not been promoted both indicate willingness to leave their companies.

Respondent demographics are skewed towards professional / technical positions (43%). There is a fair mix of gender and 86% possess Bachelor's degrees or Master's Degrees and higher, signifying a growing educated workforce.

Promotion strategies for hirers:

- Focus on career coaching and mentoring and jointly charter employees' career development plans and goals
- Create awareness of career progression paths amongst employees
- Map job enhancement options (job expansion, job rotation) based on varying positions within the organisation, taking into consideration employees' aptitudes and skills. Recommend acquisition of new skills where necessary.
- Clearly communicate promotion definitions, practices, policies, processes and outcomes

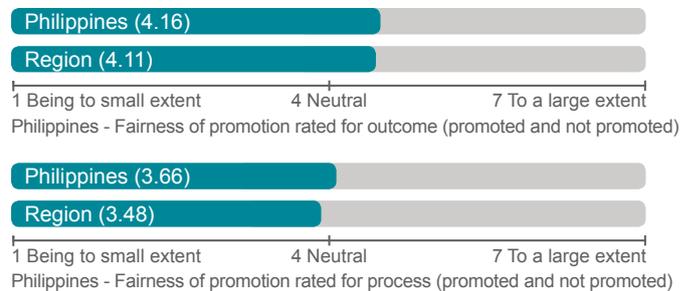
Promotion indicators



Top 3 interventions for promotions



Promotion practices/fairness



Highlights

Perfect match ✓ Employees and hirers agree on hierarchy for promotion factors (only country regionally)

Factors for promotion (by category)

- | | |
|-----------------------|-----------------------|
| Employees | Hirers |
| Leadership traits | Leadership traits |
| On-the-job skills | On-the-job skills |
| Performance/ attitude | Performance/ attitude |
| Tenure | Tenure |
| Circle of influence | Circle of influence |

Top 3 influencers for promotion

- Employees
- Department head
 - Immediate supervisor
 - Top management
- Hirers
- Top management
 - Immediate supervisor
 - Department head

Reward trends

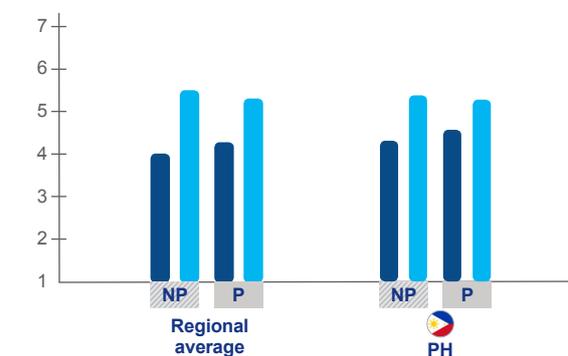
42.6% Promoted without benefits

Average salary increase is **20%**

Time to promotion



Attitudes towards present company



Philippines - Feelings towards present company (1 being strongly disagree, 4 neutral and 7 strongly agree)

- NP** Not promoted **P** Promoted
- "Affinity and loyalty to present company"
- "Willing to leave present company"

Hirer's promotion policy

45 out of 100 hirers do not have fixed budgets

27 out of 100 hirers have strict budgets for headcount

18 out of 100 hirers can only promote upon resignation

⁹ Results of the 2015 Total Rewards Survey by Willis Towers Watson www.business.inquirer.net

Singapore

Demographic of Singaporean respondents presents a fair mix of gender, with a majority in first and mid-level management (a combined total of 71%).

Singapore, like Hong Kong, is a bustling financial and trading hub of the region. Its job market is more mature and employment trends point in favour of the employee. Singaporean employees vote for the human quotient factor – the circle of influence as the number one factor for promotion followed by leadership traits, performance/attitude, on-the-job skills and tenure. Hirers, on the other hand, believe on-the-job skills are the most important, and place circle of influence at the bottom.

This mismatch could be due to Singapore's low formal promotion percentage coupled with the lowest in the region fairness outcome and process ratings. Time to promotion is the longest in the region at 3.6 years. Supervisor and first line managers take up to 4.4 years to be promoted – also the longest wait time in this region.

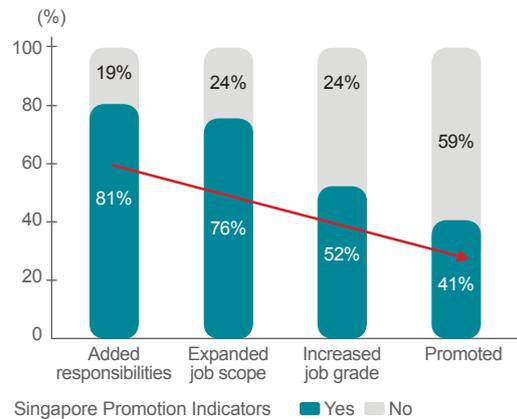
Singapore and Hong Kong are further ahead of the other ASEAN countries polled and real value of the pay rise surpasses those in other ASEAN countries, in terms of dollar-for-dollar value. For many Singaporeans (58%), promotions do not include any further benefits besides the pay rise.

Singapore also posts the longest actual time to a promotion – 46 months compared to the regional average of 33 months. Sentiments for leaving present employment is high regardless of whether promoted or not. Singapore records high voluntary churn rates of 11.7%. Employees are driven by the high cost of living to seek out the better paying jobs if they do not see a potential for promotion or career development.¹⁰

Promotion strategies for hirers:

- Focus on employee career development and encourage employees to take charge of career paths for a lifetime of employment
- Map job redesign options and focus on coaching and mentoring
- Clearly communicate promotion definitions, practices, policies, processes and outcomes
- Offer fair compensation and innovative non-monetary benefits to match the increased cost of living and better work-life practices to attract and retain the best in class (Mercer – “Architect Compelling Careers 2016”)

Promotion indicators



Top 3 interventions for promotions

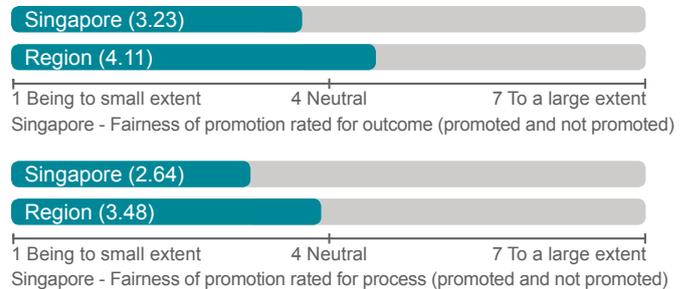
Employees

- 🔗 More responsibility
- 🔗 Volunteering for projects
- 🔗 Coaching/mentoring

Hirers

- 🔗 More responsibility
- 🔗 Volunteering for projects
- 🔗 Taking mandatory training

Promotion practices/fairness



Highlights

14% (average) Lowest salary increase for promotions in the region

46 months Longest actual time to promotions in the region (Region: 33 months)

Factors for promotion (by category)

- | | |
|----------------------|----------------------|
| Employees | Hirers |
| Circle of influence | On-the-job skills |
| Leadership traits | Leadership traits |
| Performance/attitude | Performance/attitude |
| On-the-job skills | Tenure |
| Tenure | Circle of influence |

Top 3 influencers for promotion

- Employees
- Department head
 - Immediate supervisor
 - Top management

- Hirers
- Top management
 - Immediate supervisor
 - Department head

Reward trends

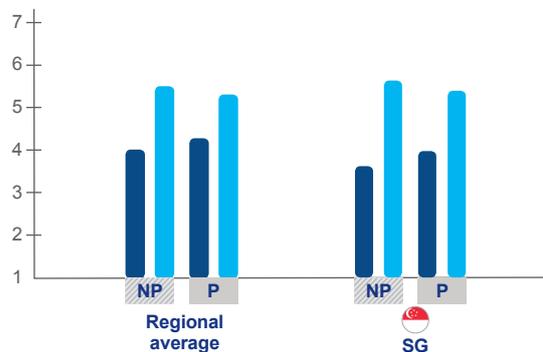
58.4% Promoted without benefits

Average salary increase is **14%**

Time to promotion



Attitudes towards present company



Singapore - Feelings towards present company (1 being strongly disagree, 4 neutral and 7 strongly agree)

- NP** Not promoted **P** Promoted
- "Affinity and loyalty to present company"
- "Willing to leave present company"

Hirer's promotion policy

50 out of **100** hirers do not have fixed budgets

36 out of **100** hirers have strict budgets for headcount

11 out of **100** hirers can only promote upon resignation



¹⁰ Micheal Page Employee intention report 2015.

Thailand ประเทศไทย

The majority of polled Thais are in professional or technical roles (41%). Almost all surveyed (98%) possess Bachelor's and Master Degrees or higher education.

Set against the backdrop of a flourishing job market, employees in Thailand are finding that the mild deceleration of the economy end of 2016¹¹ is leading to fewer promotions. Only 44% respondents have been formally promoted and 47% haven't received an increased job grade, despite taking on more responsibility and job scopes. Rewards for promotion is an average salary increment of 14%, the same as Singapore, which ranks the lowest in the region.

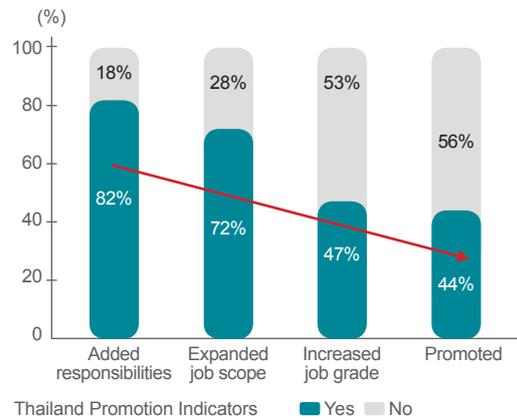
The sentiment of employees who were not promoted indicate a strong willingness to leave their present company, whereas those promoted had a keener sense of loyalty towards their present company. Culturally, Thais are known to be loyal, so recognition in the form of promotion counts for a lot.

Turnover rates in Thailand are highest for the junior levels at 14%¹². Employers are challenged to equip their employees with the right training to develop potential and retain talent to stem the flow of human capital.

Promotion strategies for hirers:

- Focus on career coaching and mentoring, plan and award promotions where it is most deserved, especially since 67% have no fixed budgets
- Create awareness of career progression paths amongst employees by prioritising employee career development
- Maintain professionalism and clear false perceptions to avoid speculation on promotions
- Clearly communicate promotion definitions, practices, policies, processes and outcomes
- Offer fair compensation and non-monetary benefits to match the increased cost of living and better work-life practices to attract and retain the best in class (Mercer – "Architect Compelling Careers 2016")

Promotion indicators



Top 3 interventions for promotions

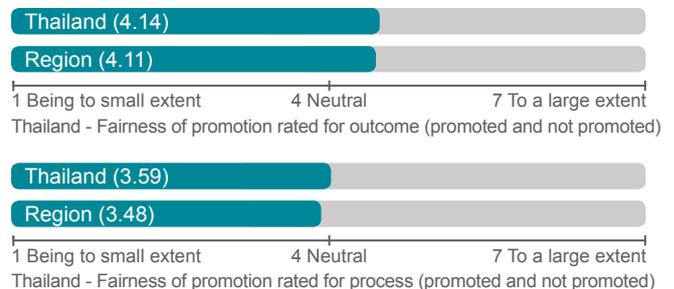
Employees

- 🔗 More responsibility
- 🔗 Volunteering for projects
- 🔗 Coaching/mentoring

Hirers

- 🔗 More responsibility
- 🔗 Coaching/mentoring
- 🔗 Volunteering for projects

Promotion practices/fairness



Highlights

- 59%** employees Promoted without benefits (highest in the region)
- 67%** hirers Have no fixed budgets for promotions (highest in the region)

Factors for promotion (by category)

- | | |
|----------------------|----------------------|
| Employees | Hirers |
| Leadership traits | On-the-job skills |
| On-the-job skills | Leadership traits |
| Performance/attitude | Performance/attitude |
| Circle of influence | Tenure |
| Tenure | Circle of influence |

Top 3 influencers for promotion

- Employees
- Immediate supervisor
 - Top management
 - Department head

- Hirers
- Top management
 - Immediate supervisor
 - Department head

Reward trends

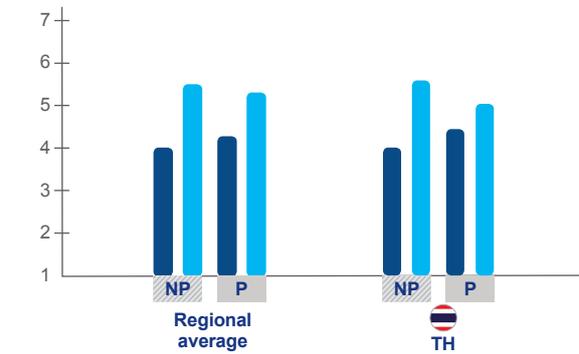
59% Promoted without benefits

Average salary increase is **14%**

Time to promotion



Attitudes towards present company



Thailand - Feelings towards present company (1 being strongly disagree, 4 neutral and 7 strongly agree)

- NP** Not promoted **P** Promoted
- "Affinity and loyalty to present company"
- "Willing to leave present company"

Hirer's promotion policy

67 out of **100** hirers do not have fixed budgets

20 out of **100** hirers have strict budgets for headcount

7 out of **100** hirers can only promote upon resignation

¹¹ Focus Economics panel analyst, published in www.focus-economics.com

¹² AonHewitt Total Compensation Measurement (TCM) Study and Benefit Survey 2016, www.apac.aonhewitt.com

Vietnam Việt Nam

With economic reforms, more modern business practices and a youthful population, Vietnam is on a growth trajectory – barring one major problem: the demand for skilled employees far exceeds supply.¹³ Interestingly, 79% of respondents surveyed possess Bachelor's degrees and Master's degrees or higher qualifications. Perhaps the issue lies with language skills and on-the-job skills, as opposed to education.

The economy remains dominated by state-owned enterprises, as Vietnam's government has moved to implement reforms needed to modernize the economy, increase exports and create jobs for its growing population.

Promotions follow the trend of the region, with only four out of ten formally promoted and five out of ten bumped up a job grade. Despite that, eight in ten have increased job scope and responsibilities. Average salary increase is 24%, the highest in the region. The upper level management have recorded up to 35% increment on promotion.

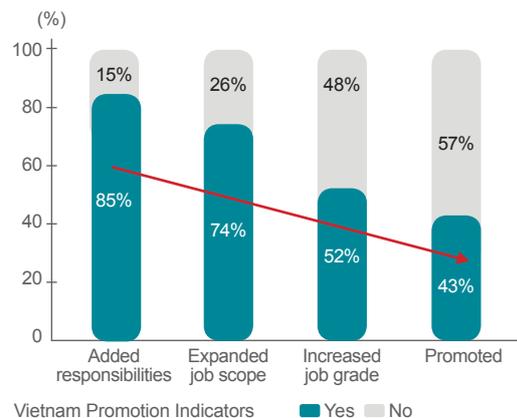
The promotion process and outcome was rated as unfair. Uniquely, Vietnamese employers and employees have rated coaching and mentoring as a key intervention for achieving a promotion. With the Vietnamese economy's fast-paced growth, the learning curve is very steep and hence this is a common method for on the job training.

Those promoted have a stronger affinity and loyalty to the company, while those not promoted indicate a higher willingness to leave. Due to the legacy policies of government-run businesses, Vietnam shows a higher than average hirer policy to promote once a position is vacant.

Promotion strategies for hirers:

- Focus on employee career development via career coaching and mentoring
- Create awareness of career progression paths and explore skill enhancement training opportunities to promote a culture of lifetime learning
- Implement sound promotion strategies and communicate promotion definitions, practices, policies, processes and outcomes
- Manage time to promotion expectation effectively to address gaps in turnover of skilled workers

Promotion indicators



Top 3 interventions for promotions

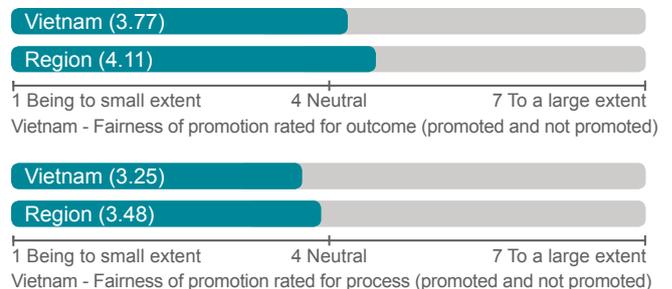
 Employees

- 🔗 More responsibility
- 🔗 Coaching/mentoring
- 🔗 Volunteering for projects

 Hirers

- 🔗 More responsibility
- 🔗 Coaching/mentoring
- 🔗 Taking mandatory training

Promotion practices/fairness



Highlights

24% (average) Highest salary increase for promotions in the region

70% employees Promoted with benefits (highest in the region)

28 months The fastest actual time to promotion in the region.

Factors for promotion (by category)

- | | |
|----------------------|----------------------|
| Employees | Hirers |
| Leadership traits | Leadership traits |
| On-the-job skills | On-the-job skills |
| Performance/attitude | Performance/attitude |
| Circle of influence | Tenure |
| Tenure | Circle of influence |

Top 3 influencers for promotion

- Employees
- Top management
 - Department head
 - Immediate supervisor
- Hirers
- Top management
 - Immediate supervisor
 - Department head

Reward trends

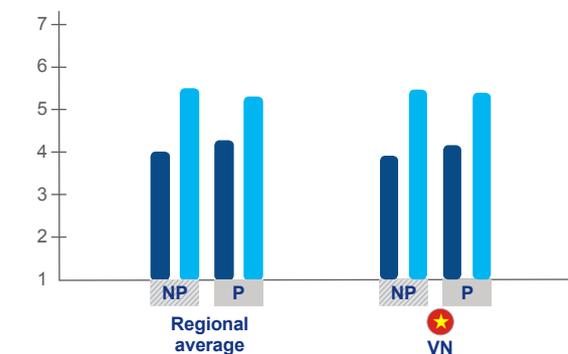
30% Promoted without benefits

Average salary increase is **24%**

Time to promotion



Attitudes towards present company



Vietnam - Feelings towards present company (1 being strongly disagree, 4 neutral and 7 strongly agree)

- NP** Not promoted **P** Promoted
- "Affinity and loyalty to present company"
- "Willing to leave present company"

Hirer's promotion policy

55 out of **100** hirers do not have fixed budgets

20 out of **100** hirers have strict budgets for headcount

22 out of **100** hirers can only promote upon resignation

¹³ According to Mary Anne Thompson, President and Founder of GoingGlobal, www.goingglobal.com

Methodology

Methods and sampling

The following report is based on a survey of employee and hirers regarding job promotions across seven countries: Hong Kong, Indonesia, Philippines, Malaysia, Singapore, Thailand and Vietnam. The purpose of this report is to gain detailed insight into the regional promotion trends covering areas as below:

- What are the expectations and attitudes of employees toward promotion practices? How does it affect morale?
- What are the factors, interventions and influencers that affect promotion decisions?
- What are the salary increases, and additional benefits associated with promotions?
- What are wait times for promotion?
- Hirers promotion policies

This information will provide useful key insights to employers to help them develop and enhance promotion policies and career planning initiatives to attract, engage and retain talent they need. The questionnaire was developed with a HR academic research expert. A standardised format was used for regional deployment with localised language utilised as needed per country. A 7-point scale was used for the Factors and Drivers questionnaire, where 1 was 'strongly disagree', 4 was 'neutral' and 7 was 'strongly agree'.

More than 10,000 respondents and 518 hirers answered the survey, with candidates from a wide range of industries, including fresh graduates and those in top management positions. The questions in the survey were standardised, but translated with descriptions for each market, allowing the survey to be understood in a local context. Surveys were conducted via online survey forms.

Hong Kong
Indonesia
Malaysia
Philippines

Singapore
Thailand
Vietnam

10,389
respondents
and
518 hirers

Fresh grads
Juniors
Supervisors
Managers
Top
management

32
industries

- Definition of promotion
- Factors for promotion
- Interventions and influencers for promotion
 - Fairness
 - Reward trends
 - Attitude towards present company
- Hirers' promotion policy

Promotion
strategies to
engage,
motivate
and retain
top talent

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