

By Invitation

Seven good habits for S'pore bosses to emulate

Employee engagement in Singapore is weak. To do better, bosses can adopt positive habits to treat workers better, show care.



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For The Straits Times

Each year, I look at the Mercer Index of Employee Engagement in the Asia-Pacific. Fourteen countries are included in the index. Singapore has consistently been ranked 13 out of 14. Japan occupies the last place.

What is employee engagement? An engaged employee is one who is loyal to his company. He believes in the objectives and values of the firm. He is an enthusiastic worker. He is willing to go beyond the call of duty. He feels respected and valued. He feels that he is being fairly compensated. He feels empowered. He is willing to recommend his company to his friends.

In contrast, the disengaged employee is a dispirited employee. He has no enthusiasm for his firm or his work. He does not feel respected or valued. He does what is required and no more. He will jump ship if he is offered a better salary or a job with better prospects.

Employee engagement is important for three reasons. First, an engaged employee is less likely to leave his employer than a disengaged employee. Companies with high employee engagement will have a lower attrition rate.

Second, an engaged employee is a more productive worker than a disengaged one. A Gallup survey found that highly engaged teams are 21 per cent more productive and have 28 per cent less internal theft than those with low engagement.

I suspect that one reason for Singapore's unimpressive productivity increase is its low level of employee engagement.

Third, companies with higher employee engagement are more profitable than those with lower employee engagement. The report of the Singapore Employee Engagement Index stated that "employee engagement is an

important driver of performance and productivity".

Then Finance Minister Tharman Shanmugaratnam, in his 2014 Budget speech, said: "Raising productivity is at the centre of our economic agenda."

He also said "policymakers have shifted to focusing on more progressive ideas, such as digitalisation and the development of stronger human capital".

Causes of the low employee engagement

Why is Singapore's employee engagement the second lowest in the Asia-Pacific?

I think one reason is the bosses of Singapore. It is, of course, true that Singapore has many good bosses, both in the public and private sectors. But I think it is also fair to say, based on anecdotal experience and stories from Singaporeans, that some bosses in Singapore suffer from certain bad habits. I would like to suggest that, to counter these bad habits, they consider doing the opposite, and follow seven good practices.

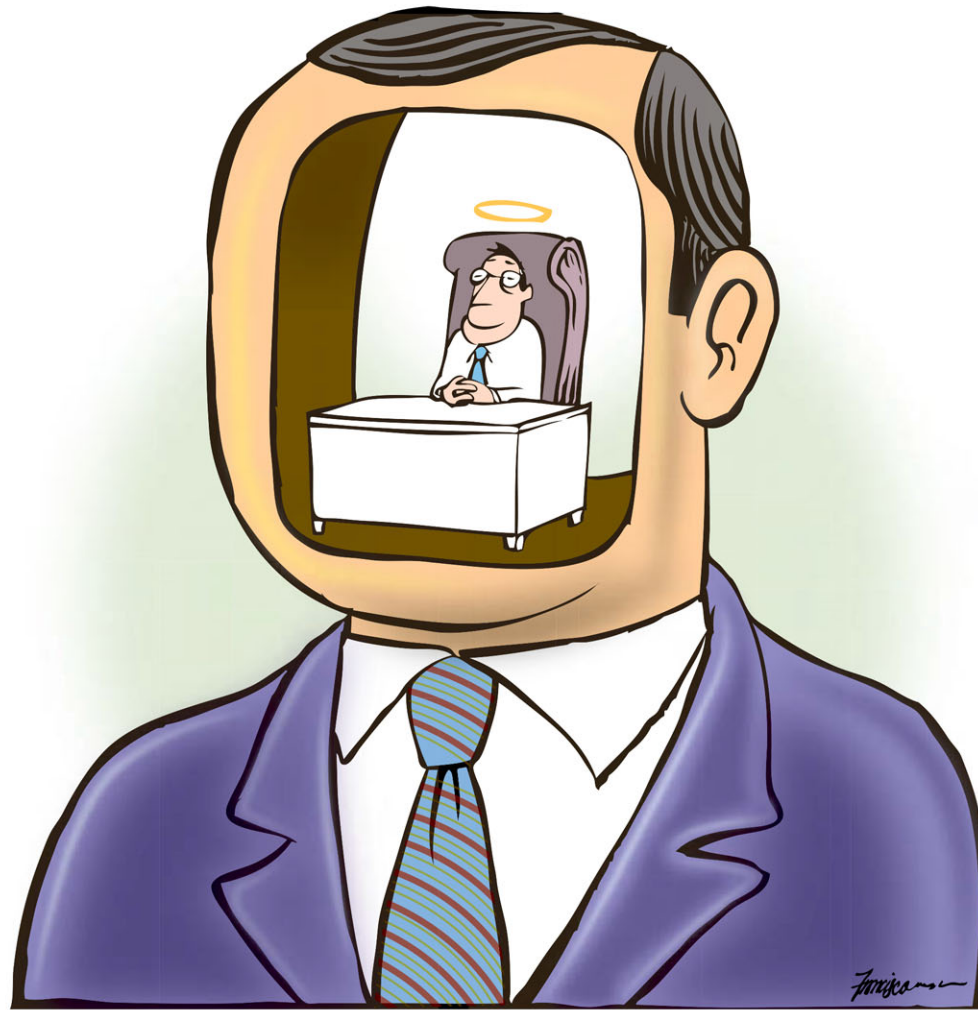
1 INSPIRE LOVE, NOT FEAR

In his treatise *The Prince*, Italian diplomat Niccolo Machiavelli said "it is safer to be feared than loved, if you cannot be both".

I think Machiavelli has many followers in Singapore. You can rule slaves by fear but not employees. A boss who tries to rule by fear will certainly have very disengaged employees. A fearful employee is not an engaged employee or a productive employee.

When I was a very young lawyer, I once worked for a brilliant boss who had a bad temper. He would shout at his staff for the smallest mistakes. The staff lived in fear of him. One day, I plucked up the courage to confront him. I told him that he should stop shouting at his staff. I also told him that he should show more appreciation and kindness towards his hard-working staff.

I expected him to sack me but he did not. Things got better after that. Singapore bosses should not aspire to be feared if they want better workers. Instead they should aim to be loved.



2 DELEGATE, NOT CONTROL

Some bosses can be control freaks. They want to micro-manage the work of the company. They do not know how to delegate. Under such a regime, employees feel disempowered. They do not have opportunities to grow.

Singapore's hierarchical culture and risk-averse mindset may be breeding grounds for control-freak bosses. Some bosses are reluctant to delegate because they think it will diminish their power. Other bosses are reluctant to delegate because they have no confidence in their subordinates and are fearful of the consequences in case they make mistakes.

No boss can perform well without knowing how to delegate well, as they need to rely on others to get things done. Good bosses should delegate rather than rely on control.

3 BE GENEROUS WITH PRAISE

One bad habit of many Singapore bosses is that they are generous with criticism but stingy with praise. There is something in our culture that makes parents reluctant to praise their children and employers to praise their employees.

When I started working in the public sector 51 years ago, I was told that if the boss did not scold me, it meant that I was doing well.

The result is that employees are frequently scolded by their bosses for their mistakes and shortcomings but seldom praised for their good work. The annual appraisal system does not help, with bosses often not giving

feedback on their staff's work until appraisal time, when they mark down their staff's performance. Singapore's bosses can be more generous with praise and stingier with criticism. Employees need psychic income as well as monetary compensation.

4 PAY WORKERS WELL

I was once an independent director of a bank. On one occasion, we were considering the compensation package for our chief executive officer. The director of human resources proposed a salary of \$7 million and asked the board whether it was enough. I asked him what the median income of the company was. He said he did not know.

It would be a good practice for every HR director and every CEO in Singapore to know the median income of his own company.

The situation in Singapore is that the CEOs of many companies are paid multiples – as much as 50 to 100 times – more than the average employee.

To be sure, this is not excessive compared with America, where the CEO-to-median pay ratio is 278.

Such a disparity in income between the top and the median is one reason for the global movement by the 99 per cent against the top 1 per cent. We should watch out before this movement arrives on our shores.

I have a friend who owns several restaurants. I once asked her whether she had trouble recruiting employees and retaining them. She answered in the negative. She explained that she paid her employees wages that are slightly

higher than the market rate and they also had a share in the company's profits. As a result, she had very engaged employees. I would like to see the practice of profit-sharing adopted by more companies. It used to be the norm in Singapore, during my father's time. It would be a good practice to return to in today's society.

5 DO NOT TREAT PEOPLE AS INVISIBLE

The fifth bad habit of some bosses is to treat their employees as "invisible people". How many bosses know the names of the cleaning, security or canteen staff?

Employees want to be respected by their employers, no matter how humble their jobs. There is a famous story of then US President John F. Kennedy visiting the National Aeronautics and Space Administration. He met a man who worked there as a cleaner. When Mr Kennedy asked him what he did, he replied that he was trying to put a man on the Moon. This is how an engaged employee felt about his humble job. He felt that he was a member of a team and the team's mission was to put a man on the Moon.

A good employer should try to know the names of his employees. A good employer should show respect for every employee, including the tea lady and the cleaner. If the employer treats his employees well, they will more than repay him with loyalty and high performance.

6 SHARE CREDIT

No worker likes a boss who claims credit for the work of his

employees. A good boss should behave as the leader of his team. If members of the team have put in an extraordinary performance, the boss should acknowledge their achievements and not claim credit for their contributions.

As a boss, I do my best to give credit to the other members of my team. I often feel that I do not need the recognition but the younger members of the team do. It is the duty of a good boss to mentor his younger colleagues and to help them make progress in their careers.

To give a personal example, I was the leader of the Singapore delegation which negotiated the free trade agreement with the United States. In my speeches, I always praised the contributions of the other talented members of the delegation, such as Mr Ong Ye Kung, Mr Ravi Menon, Mr Daren Tang, Ms Neo Gim Huay, Mr Rossman Ithnain, Ms Valerie D'Costa, Mr Minn Naing Oo, Mr Ong Yen Her and Mr Loh Ah Tuan.

7 CARE FOR WORKERS' WELFARE

Many bosses have a transactional approach to their staff and show no interest in the welfare and aspirations of their employees.

A good boss is interested in the welfare of all his staff. If any of them is going through a family crisis or facing a major health problem, the boss should take a personal interest in that employee and try to be helpful. A good boss should also try to mentor his employees and help them in their career development.

I know of a case where an employee's child was in critical condition in hospital. The boss took time off from his work in order to be at the hospital to give comfort and support to his employee. The child eventually recovered.

The concern shown by the boss was deeply appreciated, not only by the mother of the sick child, but by all the employees of the company. It raised the morale of the staff to have a boss who cared.

Conclusion

The Ministry of Manpower, the National Trades Union Congress and the Singapore National Employers Federation should be concerned at the low level of employee engagement in Singapore. In my view, the root cause is not the employees but the employers.

We need to get our bosses to adopt positive habits. Get them to stop using fear, to praise more and scold less, to delegate rather than control, to share credit, to pay workers better and to care more for their welfare and make them feel valued.

If we do not try to persuade our bosses to stop bad habits and adopt good ones, we will remain 13th out of 14 in the Mercer Index.

Given the well-documented link between employee engagement and productivity, the future of Singapore's economic competitiveness will depend, in part, on the ability of bosses to harness our workers better.

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