

DRIVING THE PEOPLE AGENDA OF THE FUTURE

Insights, opportunities and actions for
unlocking human capital as a catalyst
for business transformation

welcome to brighter



Foreword



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At the heart of every successful business lies one constant: people. In a world shaped by accelerating disruption — from digitalisation to demographic shifts — the ability to harness the full potential of human capital has never been more vital.

Driving the people agenda is no longer just a competitive edge. It is a strategic imperative.

This study presents an urgent and timely call to action. While there is growing consensus among leaders on the importance of the people agenda, this research reveals a sobering truth: many organisations remain stalled between intent and impact.

The findings in this report uncover four powerful drivers to advance human capital practices — strengthening leadership accountability, transforming the HR function, building future-ready capabilities, and unlocking workforce fulfilment. More than a set of observations, this report offers a roadmap anchored by the national HR Progression Model, rich data insights, and actionable strategies for business leaders, HR professionals, and policymakers alike.

This is our moment to redefine how we lead, how we work, and how we grow. HR must evolve from a function that supports strategy to one that shapes it. Business leaders must own the people agenda — not as a compliance task, but as a lever for transformation. And all of us must commit to building organisations where human potential can truly thrive.

I urge you to engage with this report deeply. Reflect on its insights, take stock of your current practices, and use the tools within to move your organisation from aspiration to impactful execution.

The future of work will not wait, and it will belong to those who shape it.

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Preface

In 2024, Mercer conducted a research study on HR Progression in Singapore, commissioned by the Institute for Human Resource Professionals (IHRP) with support from the Ministry of Manpower (MOM).

This study enabled the identification of four key drivers to enhance human capital practices, ultimately leading to improved workforce performance and organisational success.

The four key drivers to enhance human capital practices are:

1**Strengthening leaders' accountability for the people agenda****2****Enabling HR's shift beyond 'Perform' to 'Transform'****3****Levelling up for the next bound of HR****4****Unlocking workforce fulfilment and productivity**

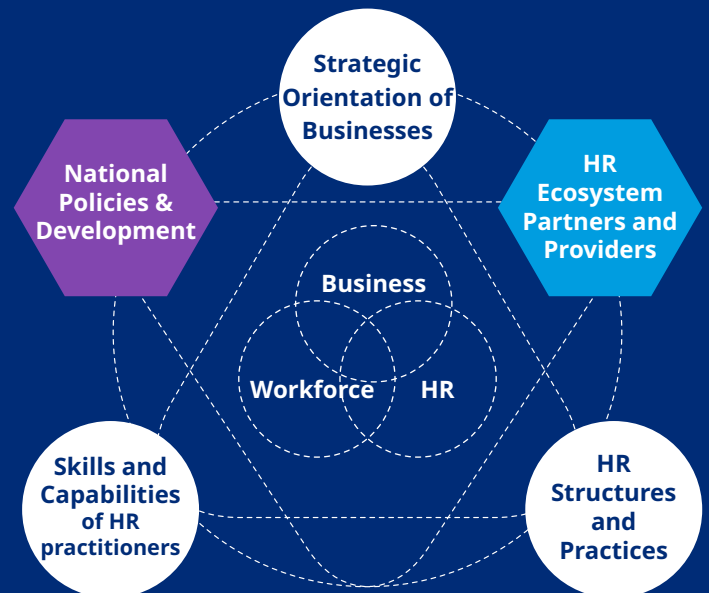
This report serves as a call to action for organisations, business leaders and HR practitioners to reflect on their HR practices, engage in meaningful dialogue about the people agenda, and commit to the continuous improvement of their human capital strategies.



Executive Summary

In the complex and dynamic economic landscape, unlocking the full potential of human capital can offer organisations a competitive edge to accelerate their business transformation for success. At the heart of this transformation lies the progression of HR practices—the ability of organisations to develop and execute strategic, high-impact human capital practices that drive enhanced workforce performance.

This report introduces a national-level HR Progression Model, offering a structured framework for assessing and advancing HR Progression across five key dimensions: ➤



An aggregated assessment of survey responses from 272 business and HR leaders, alongside HR process diagnostic data from 990 organisations, was conducted to evaluate the opportunities for HR Progression in Singapore. These data points formed the basis for identifying four key drivers to advance human capital practices. This analysis was further enriched by Mercer's internal research and additional non-Mercer research sources and offers a comprehensive perspective on four critical drivers that can propel human capital practices forward.



Strengthening leaders' accountability for the people agenda

Advancing the people agenda requires strong partnership between HR and business leaders. While there is a growing recognition among C-suite executives on the importance of the people agenda, there are opportunities to close the gap between expressed commitment and tangible action. Whilst 83% of the thirty C-suite leaders surveyed¹ acknowledge the positive impact of HR on business outcomes, only 50% of HR respondents² report that people-related Key Performance Indicators (KPIs) are effectively used to influence business KPIs. Moreover, only 53% of C-suite leaders surveyed feel that management is actively involved in advancing the people agenda and possesses the necessary skills to do so. To close this gap, organisations need to strengthen accountability and transparency by integrating human capital disclosures and people-related KPIs into both the C-suite and corporate scorecards and redefine measures to show how the people agenda contributes to business. In tandem, investments need to be redirected towards the HR areas that add the most value, while people managers need to be trained and equipped with the skills to develop, engage and nurture their workforce.

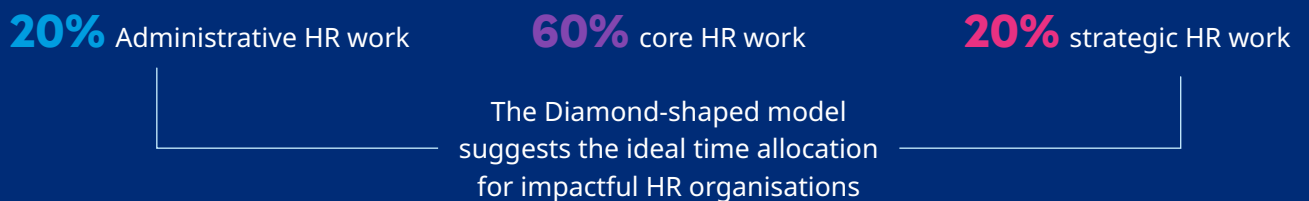
¹IHRP C-Suite Survey 2024, n = 30

²IHRP HR Industry Survey 2024, n = 242



Enabling HR's shift beyond 'Perform' to 'Transform'

According to survey findings, 72% of HR functions in Singapore primarily focus on operational work – higher than the global average of 64%. Data from Singapore's national Human Capital Diagnostic Tool (HCDDT) database indicates that the majority of organisations are achieving lower levels of HR process maturity, where higher scores are observed in core HR tasks such as defining job requirements, HR administration processes and processing of recruitment workflows. In contrast, more strategic areas such as Talent Management & Succession Planning and Employee Value Proposition remain at low levels of maturity. Additionally, 63% of survey respondents report low or no levels of digitalisation across their HR processes. To break this cycle, HR must embrace automation and digital tools, as well as streamline its processes to achieve greater operational efficiencies. HR needs to consider redesigning its structure and resource allocation, shifting from a traditional pyramid model to a diamond shape, in order to focus more time on strategic, value-creation initiatives. Under the diamond model, administrative work should occupy only 20% of HR's capacity, leaving more time for core (60%) and strategic (20%) HR work.



Levelling up for the next bound of HR

As organisations navigate the tumultuous and competitive business landscape, they need an effective and credible HR team to help them strategise on attracting, retaining and developing a productive workforce. Currently, based on the national HCDDT database, only 53% of those who had responded to the Human Capital Perceptions Survey (HCPS) indicated that they believe HR can develop HR strategies and plans to support business needs. This highlights an opportunity for HR practitioners to upskill themselves and build greater credibility with the business. Sustainability reporting, generative AI and critical workforce planning are all top-of-mind concerns for the C-suite. Hence, to remain relevant, HR must take a proactive approach to capability building, particularly in areas such as people analytics, artificial intelligence, commercial acumen, workforce planning, job redesign, and change management.



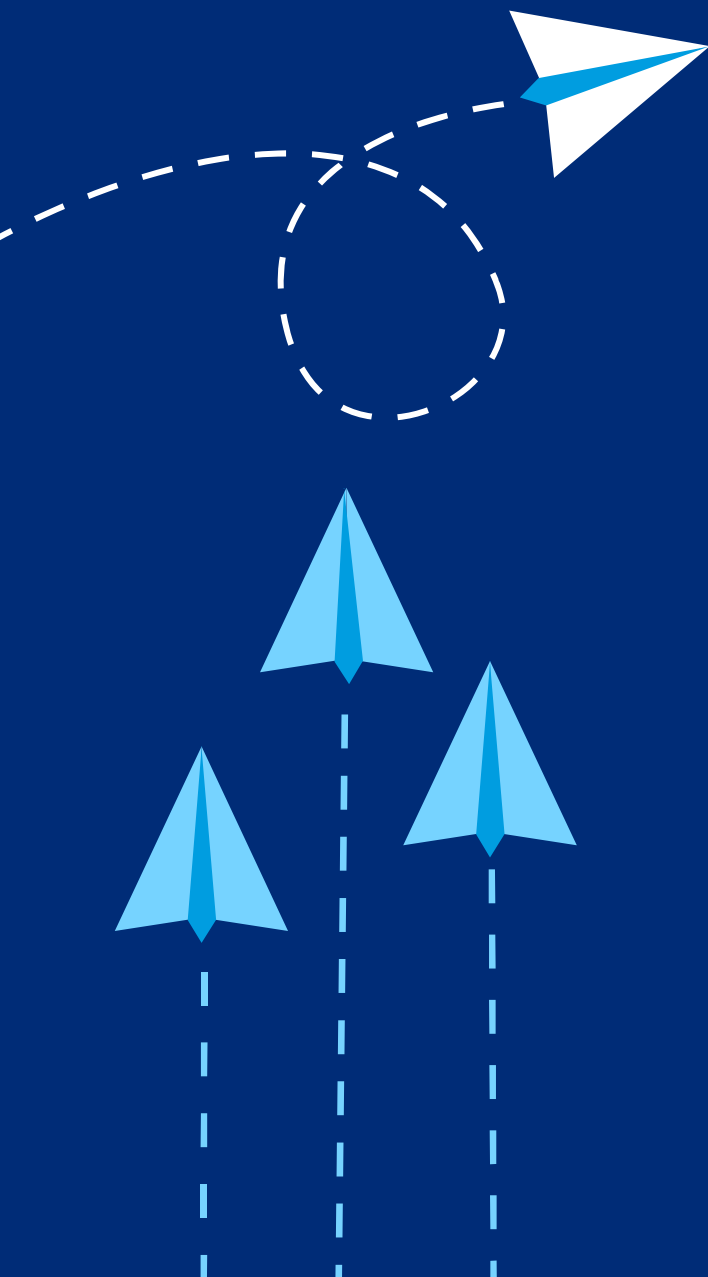
Unlocking workforce fulfilment and productivity

The evolving workforce dynamics such as ageing workers, multi-generational workforce and an increase in gig/fractional work has shifted the power balance, where employees are now demanding more from their employment experience. According to Mercer Global Talent Trends 2024, 54% of employees in Singapore reported they are thriving, as compared to 65% globally. A key component which Singapore lags global counterparts is on employees' ratings for how companies support their career pathway and development needs. From an organisational perspective, the study found that 61% of organisations in Singapore are at a basic Level 1 'Formative' regarding the integration of employee experience into the design and delivery of HR practices, which suggests that most HR processes are not sufficiently designed around the needs, preferences, and experiences of end-users. To close the gap, HR and business leaders need to elevate the employee experience and strongly support the career development of employees, so that the workforce can achieve more fulfilment and productivity at work.

Moving Forward:

A collective effort to progress HR practices

Advancing the people agenda and unlocking the full potential of human capital requires a collective effort from all stakeholders in the HR ecosystem. National agencies, HR vendors and advisors, business leaders, and HR professionals must collaborate and invest in enhancing HR capabilities and practices to foster a resilient and adaptable workforce. By strengthening leadership accountability, promoting HR transformation, building future-ready capabilities as well as nurturing an engaged workforce, organisations can more effectively advance the people agenda to catalyse their business transformation for success.



The people agenda - Navigating a new era of work

Introduction

In a rapidly changing world, the pace of change in the workplace is accelerating, presenting businesses with both significant challenges and remarkable opportunities. This report explores how organisations can effectively leverage their most valuable asset—human capital—to thrive in this dynamic landscape.

A transforming world of work



The modern workplace is at a crucial turning point, influenced by significant changes in the global economy, including economic pressures, rising costs, labour shortages, and market volatility³. Technological advancements, such as Artificial Intelligence (AI) and quantum computing, are transforming job roles⁴, with nearly 80% of jobs expected to undergo fundamental changes⁵. Leaders must adapt their strategies to prioritise technological readiness and human-centred practices while mitigating potential risks.

Businesses must empower their employees to navigate new circumstances with the right strategies, resources, and skills, while fostering innovation and supporting well-being alongside performance. As Environmental, Social, and Governance (ESG) priorities gain traction, workforce sustainability and inclusive workplace well-being become increasingly vital.

The people agenda: A business imperative



Employees increasingly seek purpose, equity, recognition, and a sense of belonging⁶, reshaping the employer-employee relationship⁷. Organisations must shift from reactive to proactive talent management, creating environments that attract top talent and promote inclusivity and innovation. Research shows that organisations with strong people strategies consistently outperform their peers⁸, highlighting the importance of fostering a workplace where employees feel valued and motivated.

This report underscores the urgency of the people agenda, outlining actionable strategies for business leaders, HR practitioners, and employees. By fostering accountability and innovation, organisations—and nations like Singapore—can turn today's workforce challenges into a competitive advantage, ensuring resilience and long-term growth.

³World Economic Forum: Global Risk Report 2024

⁴The Business Times: Quantum computing and AI in the spotlight at Singapore FinTech Festival 2024

⁵OpenAI, OpenResearch, and the University of Pennsylvania (2023)

⁶Mercer Global Talent Trends, 2024 (Employees)

⁷'Work Different' by Bravery, Bonic, Anderson, 2024

⁸Mercer Global Talent Trends Study 2024 (C-Suite)

Exploring HR Progression

Catalysing Business Outcomes through human capital practices

To identify the key drivers to progress the people agenda, a HR Progression Model was designed to assess the current readiness of HR in addressing workforce challenges.

The **progression model** is defined as the extent to which the HR landscape across Singapore is **developed and effective** in enabling **organisational outcomes**, creating a **national workforce** that is highly **productive, adaptive, and resilient**.

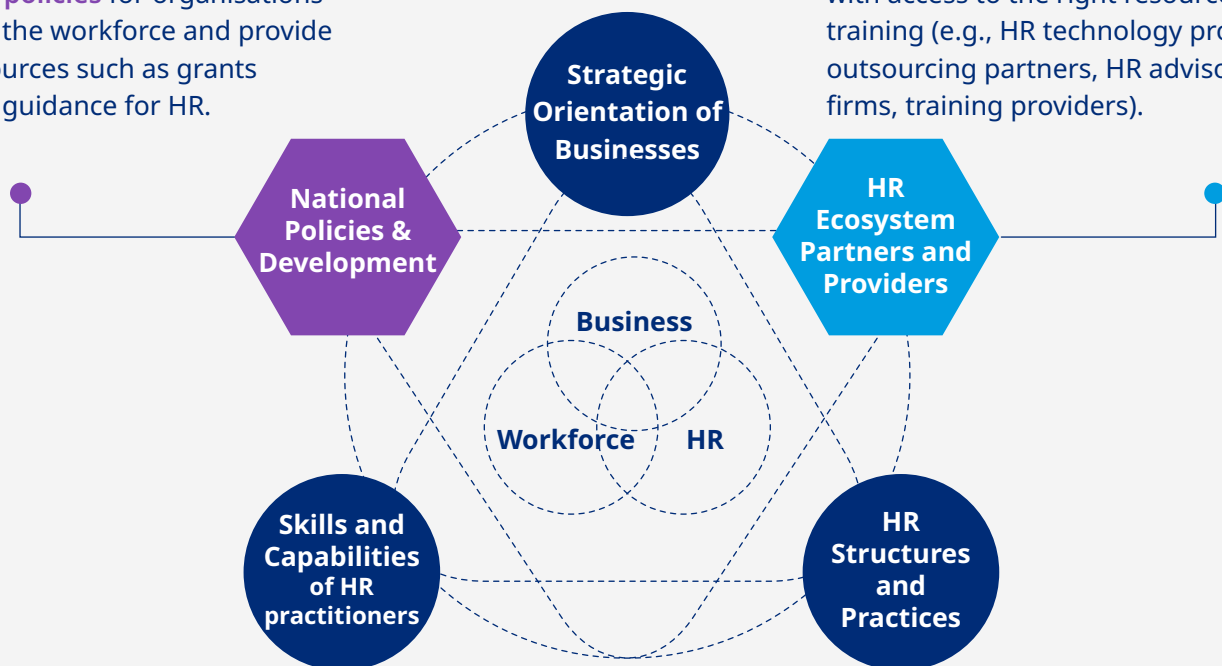
The HR Progression Model was developed to evaluate the readiness of HR at a national level with Singapore as a case study, enabling the progression of the people agenda in a rapidly evolving landscape.

The key actors in the national HR landscape include:

The HR Progression Model

National Institutions lead the charge on **national priorities and policies** for organisations and the workforce and provide resources such as grants and guidance for HR.

HR Ecosystem Partners and Providers enable HR functions and practitioners with access to the right resources and training (e.g., HR technology providers, outsourcing partners, HR advisory firms, training providers).



People Champions are the accountable parties for driving and executing the people agenda in organisations:

- HR functions
- Business leaders
- Line managers/People managers
- Individual HR practitioners

These actors are represented in the following five dimensions of the HR Progression Model:

Dimension 1	National Policies & Development	• Role of national policies and initiatives • Coverage of national policies and initiatives
Dimension 2	HR Ecosystem Partners & Providers	• Vendor landscape offering and uptake of services • Perceived quality of portfolio offerings from partners
Dimension 3	Strategic Orientation of Businesses	• Alignment to organisational objectives • HR's strategic role and positioning • HR impact and recognition
Dimension 4	HR Structures & Practices	• Structure of HR functions • Portfolio of HR services • Quality of HR processes
Dimension 5	Skills & Capabilities of HR practitioners	• Clarity on HR requirements • Possession of HR skills • Active capability building

A combination of primary and secondary data sources gives an indication where HR in Singapore stands today to uncover opportunities to advance both HR Progression and the wider people agenda.



Primary Data Collection

- 30 Singapore C-Suite Leaders Surveyed (IHRP C-Suite Industry Survey)
- 242 Singapore HR Practitioners Surveyed (IHRP HR Industry Survey)
- 55 unique organisations engaged in workshops for qualitative data collection



Secondary Data Collection

- IHRP Human Capital Diagnostic Tool (HCDDT) data
- IHRP Certifications assessment data
- IHRP People Manager Validation Survey data
- Mercer Global Talent Trends 2024 survey data



These data points provided the foundation for identifying four key drivers to enhance human capital practices in Singapore. The following section builds upon the data collected in this study, further enriched by Mercer's internal research and additional non-Mercer sources, to present a comprehensive perspective on the four drivers that can facilitate HR progress. Detailed analyses and write-ups on the Model are available in the appendix of this report.

Four Drivers to advance human capital practices

In review of the five dimensions that examined the progress of HR, the following four key drivers were identified to transform and advance human capital practices.



Driver 1

Strengthening leaders' accountability for the people agenda

This driver explores the intersection between the intention and actual priorities of business leaders concerning the people agenda. It outlines the importance for **businesses to account for people-related KPIs and to invest budget to advance the people agenda.**



Driver 2

Enabling HR's shift beyond 'Perform' to 'Transform'

This driver underscores the upside for HR to be more efficient by embracing technology and streamlining various HR processes. This frees up time for **HR to shift towards higher-impact strategic work.**



Driver 3

Levelling up for the next bound of HR

This driver emphasises the next phase of HR evolution, outlining the ambitions and essential skills that HR professionals should possess, in order to effectively support **business transformation.**



Driver 4

Unlocking workforce fulfilment and productivity

This driver examines the changing dynamics and expectations of the workforce. Business and HR leaders can **elevate the employee experience and support career development** for greater workforce fulfilment and productivity.

The following sections examine these drivers in depth, explore their implications based on study findings, and recommend actionable steps for implementation.





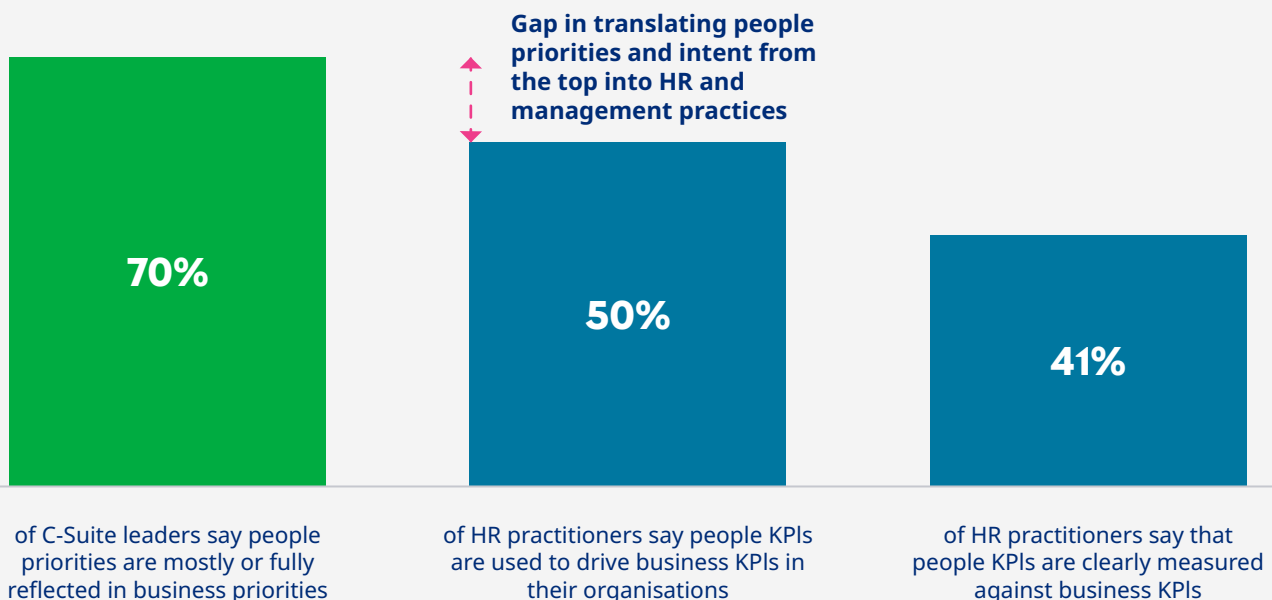
Driver 1: Strengthening leaders' accountability for the people agenda

Advancing the people agenda of tomorrow is a shared responsibility between HR and business leaders as people practices become increasingly central to organisational success. While HR traditionally leads people initiatives, business leaders play a crucial role in championing human capital practices that drive business outcomes. This driver explores business leaders' role in human capital practices and suggests opportunities to align intentions and actual practices.

The need to 'Walk the Talk'

Over 80% of C-suite leaders engaged as part of this study said they prioritise aligning HR with business strategy¹⁷, and 83% view HR's impact on business outcomes positively¹⁷. Additionally, 70% of C-suites engaged as part of this study shared that people priorities are mostly or fully reflected in their business priorities⁹. This clearly shows a recognition of the importance the people agenda holds amongst C-suite leaders in Singapore, in line with global sentiments. However, only 50% of surveyed HR practitioners report that people key performance indicators (KPIs) are actively used to drive business KPIs¹⁰, highlighting a disconnect. This disparity offers an opportunity for organisations to bridge the gap between leadership aspirations and HR practices to ensure effective implementation of people strategies to drive meaningful business outcomes.

Comparison between C-suite leaders and HR practitioners' perceptions of the people agenda



⁹IHRP C-Suite Industry Survey 2024

¹⁰IHRP HR Industry Survey 2024

¹⁷PwC: Board diversity disclosures in Singapore

Limited budget and involvement of leaders in the people agenda are key reasons for gap

Investment to drive people initiatives can help close the distance between leadership aspirations and HR practices. A challenge highlighted by 53% of C-suite leaders engaged as part of this survey identified budgets as a key obstacle¹⁷. Examining Mercer's Global Talent Trends Study 2024, only 20% of survey respondents in Singapore plan to increase HR budgets as compared to 25% globally¹¹. According to Gartner research, organisations allocate an average of just 0.76% of revenue to HR function, lower than finance (1.30%) and IT (3.25%)¹². To achieve their workforce ambitions, business leaders should consider strategic investments in HR initiatives that can impact innovation, strengthen people practices, and enhance employee experience.

53%

of C-suite leaders identified budgets as a key obstacle in their operations.

Mercer's Global Talent Trends Study 2024, only

20%

of survey respondents in Singapore plan to increase HR budgets as compared to 25% globally.

Business leaders and people managers need to be equipped and actively involved

Leaders and people managers are instrumental in nurturing talent, shaping organisational culture, driving team performance¹³, and fostering employee engagement¹⁴. Their active engagement is vital for creating an inclusive workplace that boosts employee engagement and retention (to be further explored in Driver 4). 53% of C-suite leaders surveyed feel that management is actively involved in advancing the people agenda and possesses the necessary skills, with a further 30% undecided¹⁵. This significant proportion of undecided senior leaders presents an opportunity to increase executive commitment, participation and capabilities in championing workforce initiatives.

¹⁰IHRP HR Industry Survey 2024

¹¹Mercer Global Talent Trends Study 2024 (C-Suite)

¹²Gartner: 2024 HR Budget and Efficiency Benchmarks

¹³CIPD: People Profession 2030: how people managers will play a central role in the future world of work

¹⁴Center for Creative Leadership: Navigating the New Normal: Accelerating Leadership Success in Asia

¹⁵IHRP C-Suite Survey 2024



Looking ahead

The current landscape highlights several opportunities for business leaders to act on the people agenda of tomorrow within organisations. Firstly, business leaders must own the accountability to drive this agenda, by incorporating and tracking people metrics within business leader and corporate scorecards. Furthermore, people managers need to be trained and equipped to more effectively manage and engage their teams.

Several recommendations could be implemented to address these gaps.



Organisations have an opportunity to establish more accountability of business leaders:

To advance human capital practices, business leaders can make a head start through integration of **human capital disclosure and people-related KPIs** into the C-suite and corporate scorecards. This facilitates increased dialogue and reporting at the C-suite level, generating awareness, competence, and accountability amongst business leaders towards the people agenda.

The importance of the people agenda is also gaining attention from **investor communities**, who increasingly see a greater share of a company's value derived from its people¹⁶ offering an opportunity to expand reporting of **human capital metrics for board disclosure requirements** as well. Current SGX disclosure requirements primarily focus on diversity and topline employment information¹⁷. Metrics such as engagement indices, critical skills supply, or talent mobility insights could be added to track their impact on the business. Furthermore, there is an opportunity to align these metrics with guidance already published in markets such as **Hong Kong, Europe, Australia, and the UK**¹⁸.



Organisations should consider redefining measures to show how progress on the people agenda contributes to business outcomes:

To drive meaningful change, business leaders, people managers, and HR are encouraged to move towards evaluating more outcome-based measures instead of traditional metrics. These metrics must align with business goals to demonstrate HR's contribution to organisational results and facilitate informed decision-making.

Examples of this people KPI evolution include:

- Moving from reporting pure employee turnover and absenteeism rates towards developing a more comprehensive **employee engagement index** (e.g. employee net promoter score, job satisfaction, alignment with company values, work-life balance ratings, perceived opportunities for growth, and etc.)
- Moving from time and cost per hire metrics towards **quality of hire** scores such as performance, organisation fit assimilation, and retention. Improving talent fit and retention can significantly improve Return on Investment (ROI), by managing recruitment costs and training expenses, which are typically high due to high turnover.
- Moving from tracking training hours per employee towards **assessing skills application, talent mobility rates** or improvements to **business performance metrics** (e.g. sales growth and customer satisfaction) post training.

¹⁶Buckingham, Marcus. "Harvard Business Review: Designing Work That People Love."

¹⁷PwC: Board diversity disclosures in Singapore

¹⁸HK Stock Exchange Rulebook; European Sustainability Reporting Standards; ASX Corporate Governance Principles; UK Corporate Governance Code; US SEC



Organisations have the opportunity to uplift people managers to execute on the people agenda:

To enable this, organisations must **define and develop the skills and mindsets** of effective people managers, who represent leadership and uphold organisational values¹⁹. People managers need to be empowered, who in turn, need to empower their teams.

Key capabilities include hiring, engaging, providing support and guidance to grow their team's performance, skills, and careers²⁰. Organisations need to understand **the capability gaps** and offer upskilling opportunities through training, playbooks, and **development pathways** to clarify the importance and expectations of managing people well.



Organisations and HR investments need to be redirected towards the HR areas that add the most value:

Organisations and HR must strategically **redirect investments** towards HR areas that provide the most value for advancing their people agenda. Investing in integrated HR data systems aligned with **business metrics** will provide accurate, real-time workforce information, enabling data-driven workforce planning and talent development. HR must operate efficiently and possess the right skills to leverage this data. Without this alignment and investment, organisations risk remaining in a cycle of ambitious discussions and not seizing the opportunity to translate human capital investments into tangible outcomes.

¹⁹CIPD: People Profession 2030: how people managers will play a central role in the future world of work

²⁰IHRP People Manager Survey 2024



Case study

Unlocking workforce potential through investments in human capital at Singtel



Singtel recognises that workforce transformation with sustained investment in people development, is critical to navigating global disruptions and achieving long-term resilience and growth. As part of its broader transformation, the company launched People28, its workforce strategy that directly supports Singtel28, Singtel Group's mid-term growth plan introduced in 2024. While Singtel28 drives smart capital management, sustained performance, and growth, People28 ensures its workforce is equipped, empowered, and engaged to bring this vision to life.

At the heart of People28 is the B.I.G. framework-Belonging, Impact, and Growth-a compelling culture and people value proposition that guides how Singtel Group companies such as Singtel Singapore, Optus, NCS and Digital InfraCo develop, support, and grow their talent. The B.I.G. culture is embedded into leadership, people policies and practices, and the daily employee experience.

To enable real mobility and self-directed development, Singtel has implemented significant policy changes that remove traditional barriers to internal movement. Employees can now apply for job openings at any grade, with no minimum tenure required, and regardless of their performance rating. These changes reflect a bold shift from tenure-based, manager-gated progression to one that trusts and empowers individuals to take ownership of their careers.

This evolution in people practices is grounded in the belief that personal and professional growth happens through work immersion, social learning, and continuous education. Employees are encouraged to explore different roles and projects—not just for promotions, but for exposure, skill-building, and discovering new passions. Whether through lateral moves, gig work, or stretch assignments, this approach enables incremental confidence-building and experience accumulation, often leading to unexpected talent discovery.

To support this, Singtel launched the B.I.G. Marketplace as an AI-powered, next-generation “Opportunity Engine” that matches employees to internal roles, projects, and development experiences. It encourages career exploration and mobility across domains and geographies within various operating companies in the Group. The B.I.G. Marketplace supports a modern, skills-based approach to careers, serving as a platform for multi-domain career progression and experiential learning. The platform empowers and enables employees to own their development and career conversations. Beyond that, the B.I.G. Marketplace promotes the “internal-first” hiring mindset and supports skills-first talent management, giving current talent priority access to opportunities before external recruitment.

Beyond platforms and AI tools, it is also about culture and policy alignment, redefining what growth looks like and who owns it. Singtel HR has redesigned the operating model to uplift HR professionals from administrative roles to strategic business partners, enabled by automation and focused on engagement, consulting, and talent development.

This cultural shift, paired with strategic technology investments, is delivering clear outcomes. Singtel's employee engagement score is significantly above global and industry benchmarks. Over 75% of employees report a strong resonance to B.I.G., and more than 30% of roles are filled internally. These metrics reflect a thriving internal talent marketplace, where a culture of internal mobility, career ownership, and shared responsibility for growth are being shaped.

Case study

Redefining work through FLEX experiences at Unilever



Unilever, a global leader in consumer goods, is at the forefront of redefining the future of work through its innovative FLEX Experiences programme – which was rolled out in 2020. This initiative aims to create a flexible and diverse organisation that attracts top talent while inspiring employee passion and commitment. By prioritising development and engagement, Unilever is fostering a pioneering culture that aligns with its strategic goals.

The FLEX Experiences programme is driven by the C-suite, ensuring that leadership is actively involved in enabling employees to acquire new skills and participate in various projects. This approach has led to the reprioritisation of 530,000 worker hours (equivalent to 241 full-time employees) towards over 3,000 critical projects, showcasing Unilever's commitment to agility in a rapidly changing market.

Recognising the need to rethink traditional roles, the FLEX Experiences initiative allows employees to explore new job opportunities and engage in project-based work, breaking down silos and promoting collaboration across departments. Employees can dedicate approximately 15-20% of their time to support projects outside their primary roles, fostering a culture of skill-sharing and innovation. A key component of this initiative is U-work, described as a "responsible alternative to the gig economy". This model offers full-time contracts for employees to engage exclusively in project work. While initially aimed at working parents and caregivers, it has also attracted part-time students, entrepreneurs, and those easing into retirement.

An internal platform facilitates talent mobility by allowing managers to post project requests, enabling employees to apply for roles that match their interests and skills. Since the initiative's launch, Unilever has seen a 60% increase in the use of its online learning platform, underscoring its commitment to continuous development.

The business relevance of these initiatives is evident and referenced by the CEO in earning reports, highlighting how agile ways of working have allowed the company to redeploy both temporary and permanent resources to support strategic priorities. This flexibility has not only enhanced productivity but also contributed to improved financial performance, positioning Unilever favourably in a competitive landscape.

FLEX in facts and figures:

- **4,200 projects posted by businesses across the globe**
- **60% of projects resourced cross-functionally and cross-geographically**
- **700+ projects sourced in 90 days**
- **27,000 Unilever employees using FLEX**
- **530,000 unlocked hours, reprioritised for critical projects**
- **90% of employees learned something new and would do it again**
- **82% of project owners were highly satisfied and would do it again**



Driver 2: Enabling HR's shift beyond 'Perform' to 'Transform'

In today's dynamic business environment, HR must align workforce needs with business objectives, taking on new responsibilities and promoting a culture of innovation. Yet, many HR functions are bogged down by operational tasks, limiting their strategic impact. To address this, HR must focus on improving efficiency without compromising the employee experience. This involves refining structures, optimising operations, enhancing processes, and leveraging technology to unlock value-adding work and drive meaningful change.

A look at HR practices in Singapore today

In our research study, 74% of HR respondents in Singapore²¹ reported that operational work forms the core of their responsibilities. This aligns with Mercer's Global Talent Trends data revealing that 64% of global and 62% of Singapore respondents feel HR's capacity is tied up in operational work²². Over the past seven years, there has been only a modest reduction of 5-7% of this operational workload globally²³.

The dominance of operational work appears linked to how HR teams are structured. 85% of respondents classified their HR functions as operating at the lower levels of progression, specifically Levels 1 ('Formative') and 2 ('Evolving') in terms of the nature of their work and team composition²⁴. 60% reported that their team consists predominantly of generalists, tasked with performing a wide range of responsibilities across various HR functional areas²⁹. This presents significant challenges for smaller organisations (42% of those surveyed)²⁹, where HR duties often rest on a single individual or are combined with other roles. The impact is evident across organisations of all sizes, where senior HR practitioners in Singapore voiced being caught up in reactive, day-to-day tasks²⁵, with limited time for strategic activities. Mercer's global data²⁶ from working with larger organisations shows that typically 50-60% (54% on average) of HR's capacity is dedicated to administrative work, while strategic initiatives receive only 13% of time (up slightly from 10% in 2018). Similar patterns emerge in Singapore, where a 2021 survey²⁷ found 51% of HR's time dedicated to operational work and just 22% on strategic efforts. While a certain amount of operational work will always be required, HR must seek ways to redirect its capacity towards more value-adding work.

Boosting efficiency by streamlining and improving HR processes

Enhancing HR efficiency to redirect priority to value-adding work requires HR to rethink its operations and elevate process maturity.

Process maturity across HR practice areas²⁹



- HR Operations
- Talent Attraction
- Employee Engagement

High Maturity

- Compensation & Benefits
- Talent Management & Succession
- Employee Value Proposition

Low Maturity



The national HCDT²⁸ administered by IHRP reveals that the most mature HR process areas overall are²⁹ HR Operations, Talent Attraction, and Employee Engagement, which are not necessarily those with the greatest strategic impact to address future demands of increasing talent constraints and fast-evolving business and workforce skills requirements. In contrast, critical areas such as Talent Management & Succession Planning and Employee Value Proposition remain at low levels of progress³⁰. Maturity of other critical areas such as Strategic Workforce Planning, Learning & Development and Organisation Culture come up in the middle.

Driver 2

In global benchmarks³¹, HR Operations also ranks as the top area for process improvements. This indicates a gap in prioritising operational efficiency over strategic functions that drive performance and success. To progress overall HR processes, organisations in Singapore must refine their operational processes while growing in holistic and strategic areas such as talent management, succession planning, employee value proposition and compensation & benefits.

Case study

Leveraging diagnostic insights to transform HR practices at DLE



In October 2022, DLE M&E embarked on the national HCDT assessment as a “health check” for its HR processes. The tool identified lower-than-expected scores in key areas of the HR value chain, including Strategic Workforce Planning, Learning & Development, Talent Management, and Succession Planning. These findings aligned with previous data indicating high talent attrition rates in parts of the organisation.

Armed with these insights, DLE Leadership initiated a transformation of its HR practices to be more employee-centric, beginning with a departmental restructure. They appointed a new leader for the team, who was familiar with organisation but also drove new ways of working, focused on improving collaboration and alignment with the organisation's strategic objectives. In addition to the restructuring, DLE also redesigned processes across the HR value chain to further elevate the employee experience by introducing structured onboarding, coaching for junior team members, and intentional engagement sessions for team members.

Harnessing technology to optimise processes

Digitalisation offers significant opportunities to optimise processes, boost employee experience, and gather valuable data. Despite 91% of survey respondents indicating that they have access to HR technology, 63% indicate low or no levels of digitalisation across their HR practices³². This challenge is not unique to Singapore – globally, only 19% of organisations reflect that they have a holistic digital HR agenda in place³³. This suggests underutilisation of available tools or lack of access to appropriate technologies that could facilitate meaningful transformation.



Globally, only

19%

of organisations reflect that they have a holistic digital HR agenda in place³

²⁵IHRP HR Industry Engagement Session 2024

²⁶Mercer HR Operations Scanner Benchmark Data

²⁷IHRP HR Priorities Survey 2021 (1026 Participants: 732 HR Professionals, 294 business leaders)

²⁸The IHRP HCDT is a national framework for workforce optimisation that measures human capital (and HR) in its capacity to support business goals.

²⁹IHRP HCDT data

³⁰IHRP HR Industry Survey 2024

³¹Mercer Process Maturity Benchmarks

³²IHRP HR Industry Survey 2024

³³BCG: Digital Acceleration Index

Beyond the mere adoption of HR technologies, organisations must develop a comprehensive digital HR strategy that is in alignment with broader HR objectives. Such a strategy should focus on integrating technology into everyday HR practices and ensuring that teams possess the right mindset and capabilities to leverage these tools effectively. The current state of digitalisation across HR functions in Singapore reveals significant untapped potential, highlighting the opportunity of unlocking capacity through greater digitalisation.

Degree of digitalisation across HR practice areas and most prevalent HR technologies³⁸



Looking ahead

By investing in and effectively utilising HR technologies, organisations can free up valuable time and resources, allowing HR practitioners to concentrate on strategic initiatives that drive business success and enhance efficiency.

To address the identified gaps, several strategic recommendations focus on leveraging digitalisation, simplifying processes, and adapting HR to the evolving world of work.



HR needs to do more with less through digitalisation:

To alleviate the administrative burden on HR teams, organisations should prioritise digitalisation meaningfully, enabling HR to do more with less. This involves understanding how to design and utilise technology for the collection and tracking of the necessary data, building a digital-first mindset, and rethinking how processes can be improved with digital tools. Digitalisation enhances data security and accuracy by centralising information in secure systems, reducing risks associated with paper-based processes. It enables HR to work with data more effectively.

Many HR departments face challenges due to a lack of budget and capabilities to utilise advanced tools and technologies effectively. Without adequate funding, HR teams struggle to invest in necessary training, resources, and infrastructure, limiting their ability to leverage these tools for strategic initiatives. This gap hinders operational efficiency and prevents HR from evolving into a strategic partner that drives business success. Smaller organisations may need to explore innovative, cost-effective solutions to automate their processes in the interim, such as using free or low-cost online forms for data collection or simple automation tools to streamline workflows.

To generate senior management buy-in for HR technology investments, **HR must build a compelling business case for digitalisation by demonstrating potential ROI.** This could involve presenting case studies of successful digital transformations or showcasing advanced HR technologies, such as AI-supported recruitment or performance management software that can streamline operations and enhance employee engagement.

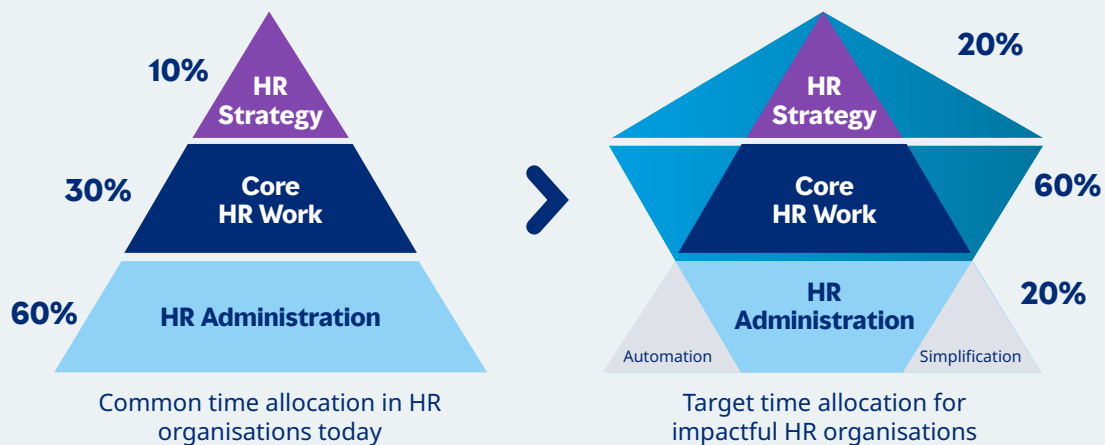


HR needs to upgrade its structure for effectiveness:

To realise its evolving ambitions, HR must cultivate the necessary capacity to operate effectively - often without increasing headcount. This transformation requires a fundamental shift in HR's structure and resource allocation, moving from a traditional pyramid model to a diamond shape³⁴. By leveraging automation and simplification, HR can significantly reduce the amount of administration required, thereby freeing up valuable time and resources for core and strategic HR work.

Efficiency is a critical success factor to enable HR to shift beyond 'Perform' to 'Transform'. Beyond automation and process simplification, HR leaders must ensure their service portfolio and delivery meets the needs of business leaders, people managers, and employees. This can be achieved through job redesign and skills-based practices, homing in on simplifying processes and prioritising high-impact areas like Talent Management, Succession Planning, and Strategic Workforce Planning.

HR's required capacity shift from a pyramid to diamond-shaped model

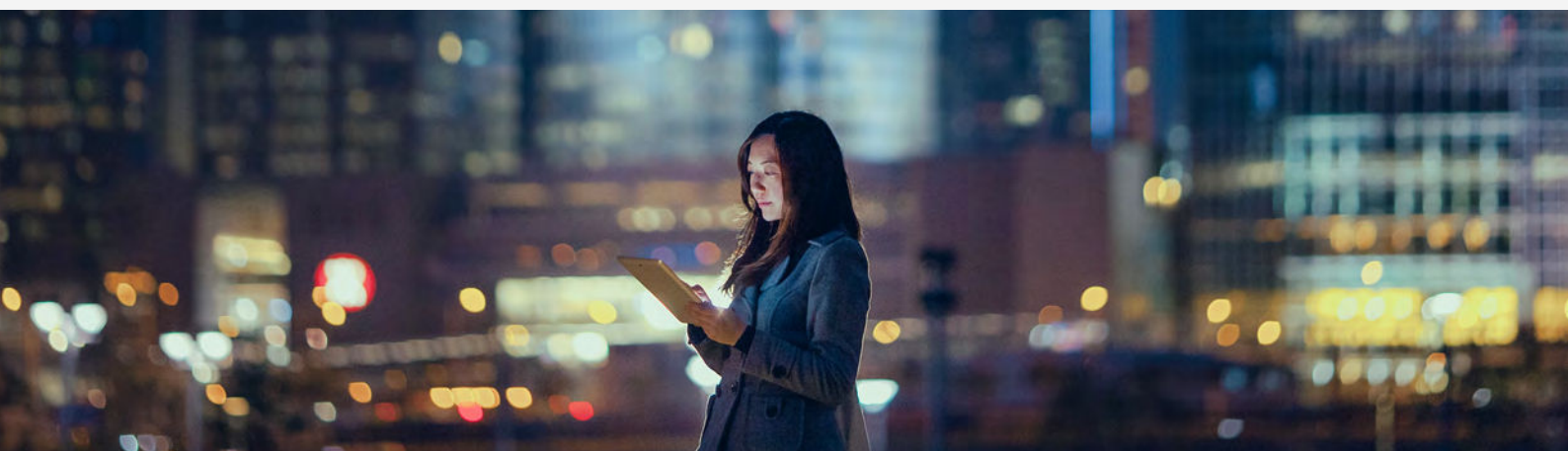


A digital-first approach is key, providing intuitive access to HR information and services, reducing manual intervention, and establishing intentional personal touchpoints. While technology implementation serves as a valuable lever in this journey, a shift in ways of working is equally important.

Leading HR organisations dedicate less than 25% of their capacity to administrative work³⁵, focusing instead on leadership support, employee experience, people insights, and job redesign. HR roles should evolve to support exceptional people leaders and provide strategic advisory, with new roles like Employee Experience, Digital HR, and People Analytics Expert emerging.

³⁴Mercer: HR is still trapped in transactions (2023) and point of view on HR Transformation

³⁵Mercer: HR is still trapped in transactions (2023) and point of view on HR Transformation



Case study

Redesigning the HR function: Mandom Corporation Singapore's strategic redesign to enable HR growth and efficiency



Mandom Corporation Singapore recognised the need to evolve its HR function to address challenges across talent attraction, talent management, and to revamp the HR processes within the function. Traditionally focused on transactional tasks, the HR function needed to shift towards becoming a strategic partner to drive organisational growth and enhance employee engagement. To facilitate this transformation, Mandom proactively engaged Workforce Singapore's support for Job Redesign under the Productivity Solutions Grant (PSG-JR) to revitalise its HR function.

The job redesign project aimed at enhancing the value contribution of the HR Executive role, offering insights into employee expectations and existing employee motivations. Key components of the job redesign included the development of competency frameworks, outlining clear career pathways and growth opportunities within the organisation and providing guidance on enhancements to the learning and development curriculum for Mandom. This facilitated improvements within the talent attraction strategy and boosted talent retention. Beyond enhancing career development opportunities within the organisation, the project involved a review of existing talent management and succession planning frameworks, ensuring Mandom could effectively nurture its talent pool and equip future leaders. Today, Mandom continues on the journey to inculcate the culture of learning in its employees and are proactively looking at digitalising the HR function as well.

The redesign of the HR function significantly transformed the responsibilities of the HR team, allowing the team to move away from administrative tasks and focus on strategic initiatives. With the redefinition of HR roles, Mandom enhanced operational efficiency and empowered employees to thrive in their careers. This strategic shift achieved efficiencies and fostered a culture of growth and ownership across development amongst employees in the organisation. This illustrates the critical role that strategic HR practices play in organisational success. By proactively leveraging the support of available grants, Mandom demonstrated the value of investing in HR transformation efforts as a strategic enabler for organisational excellence.



Driver 3: Levelling up for the next bound of HR

As organisations face a complex and dynamic landscape, HR must transform from an operational powerhouse to a strategic partner. To adapt to evolving business challenges, HR practitioners need to evolve their mindset and skills, supporting organisational transformation, unlocking growth opportunities, and creating tangible outcomes.

This driver explores the future direction for HR, emphasising the need to embrace critical responsibilities confidently. This is based on findings around Strategic Orientation of Businesses, HR Structures and Practices, and Skills and Capabilities of HR practitioners, aiming for the ambitious Level 4 ('Pioneering') across the board.

Organisational transformation necessitates HR to rethink its role in the organisation

In today's dynamic business landscape, organisations are transforming to meet new challenges and opportunities. Research from Bain indicates that approximately one-third of large organisations are engaged in some form of business transformation at any given time³⁶, driven by the need to adapt to shifting market dynamics, enhance financial performance, and maintain a competitive edge³⁷.

A crucial factor in the success of these transformations is how effectively organisations centre their strategies around their people. A survey involving over 400 executives³⁸ revealed that the strongest predictor of a transformation's success is the organisation's ability to identify and prepare critical roles for the future.

Moreover, the rise of artificial intelligence and automation in the workplace underscores the necessity for organisations to evolve with their employees in mind. With estimates suggesting that up to 80% of current jobs may be impacted by Generative AI³⁹, organisations must rethink human-machine interactions, fostering an environment where human skills and productivity are augmented by technology⁴⁰.

"AI won't replace humans; humans who use AI well will replace those that don't."

Karim Lakhani, Professor, Harvard Business School

Additionally, the growing emphasis on social sustainability compels organisations to prioritise their employees. A significant 46% of C-suite leaders surveyed recognise sustainability as a critical risk if neglected, with improving sustainability metrics and accountability ranking as a top priority⁴¹. This shift calls for fair hiring practices, the cultivation of an inclusive culture, and the addressing of systemic biases.

With this focus on human capital, HR should seize the opportunity to rethink its role within the organisation, from focusing on operational tasks to the next bound of HR - ensuring that the needs and aspirations of employees are actively supported throughout the transformation journey, while partnering business leaders to drive sustainable transformation.

³⁶Bain: 88% of business transformations fail to achieve their original ambitions; those that succeed avoid overloading top talent

³⁷McKinsey: What is business transformation?

³⁸Bain: 88% of business transformations fail to achieve their original ambitions; those that succeed avoid overloading top talent

³⁹OpenAI OpenResearch, and the University of Pennsylvania

⁴⁰Mercer: The future of human resources: Who will care for the human at work? (2024)

⁴¹Mercer Global Talent Trends Study 2024 (C-Suite)

To support organisational transformation, HR practitioners must first possess the right skills

In this era of significant changes, HR's role is elevated to review human-machine teaming with AI, support critical role preparation for transformation, and drive social sustainability initiatives. However, this raises critical questions: Are HR practitioners equipped to meet these demands, and do they fully understand what is required?

To navigate this evolution effectively, HR practitioners need a robust framework to identify essential skills, including digital, AI-related, and analytical skills, as well as business acumen and soft skills like communication and empathy. In 2016, a national HR certification framework was developed for Singapore, which IHRP continuously updates and refreshes to incorporate emerging skills. HR practitioners can reference the IHRP Body of Competencies to keep current on future-ready capabilities.

Top skills HR practitioners want to build and find challenging to build⁴³



Top Skills HR Practitioners want to Build

- #1** Leading Change/Transformation
- #2** AI-related skills
- #3** Soft skills (e.g. general emotional intelligence)
- #4** Advanced Analytics



Most Challenging Skills to Build

- #1** Leading Change/Transformation
- #2** Advanced Analytics
- #3** AI-related skills
- #4** Commercial Acumen

However, building these capabilities can be challenging. HR practitioners express a desire to enhance their skills in change management, AI, and advanced analytics, but find these areas particularly challenging to develop⁴². Notably, the development of HR/people analytics ranked second last across the organisations surveyed.

Advancing people analytics practices and building the required skills to do so is especially important, as 47% of organisations surveyed in Singapore cite the need for workforce insights as a significant challenge⁴³. In fact, data literacy skills are not just required for HR practitioners but are in fact becoming a prerequisite for all practitioners regardless of industry⁴⁴.

Currently, 53% of HR practitioners surveyed reported having none or only somewhat articulated people KPIs, and only half use their people KPIs in decision making⁴⁵. Compared to other regions, Mercer's Global Talent Trends data show Singapore lagging slightly behind in prioritising HR data and analytics capabilities (i.e. 40% of organisations in Singapore, compared to 45% in Asia and 44% globally, focusing on these areas per their 2024 agenda⁴⁶). Without robust data and analytics, HR will struggle to offer value-added insights to the business, hindering effective workforce risk management and evidence-based strategic decision-making.

⁴²IHRP HR Industry Survey 2024

⁴³Mercer Global Talent Trends Study 2024 (HR)

⁴⁴Randstad: Work Monitor Report 2024

⁴⁵IHRP HR Industry Survey 2024

⁴⁶Mercer Global Talent Trends Study 2024 (HR)



Results from the HCDT Perception Survey⁴⁷ show that 53% of respondents agree that HR has the ability to develop HR strategies and plans that support business needs, and 49% agree that HR is able to advise and drive human capital development in close collaboration with the business.

Globally, research by the Academy to Innovate HR (AIHR) found that almost 60% of HR practitioners are falling behind in terms of efficiency and impact, with less than half being capable of improving efficiency and driving business value through skilled use of technology and data (41%). Furthermore, less than half of these HR practitioners are skilled in business acumen (45%)⁴⁸.

The capability gaps in HR practitioners are similarly reflected in the analysis of the IHRP HR Certification data⁴⁹. Junior and entry level HR practitioners scored relatively lower in “Plan”, “Data Analytics & Insights” and “Technology & Ops Excellence” competency areas. Whilst mid-level and senior level HR practitioners fared better for “Plan”, a gap is still observed for “Data Analytics & Insights”.

These findings underscore the urgent need for HR practitioners to equip themselves with the right skills to effectively navigate new complex responsibilities. They must embrace a whole new mindset to bring new ambitions and expectations to life⁵⁰, and to take a much more strategic and proactive approach in collaborating with their business counterparts. HR practitioners can start by increasing their familiarity with the upskilling resources available such as certifications, skills badges, development pathways and training. Whilst 88% of HR practitioners surveyed were aware of the resources that could help them, 42% of these respondents were unsure if these available resources were relevant to their practices and careers.

⁴⁷IHRP HCPS Data

⁴⁸AIHR: The current state of HR competencies

⁴⁹IHRP Certification Data 2022-2024

⁵⁰McKinsey: Today's industrial revolution calls for an organisation to match



Looking ahead

These insights emphasise the urgent need for HR to evolve its ambition in the next bound and proactively prepare itself to contribute greater tangible value to the business. HR should take on a leading role in transformation work, partnering business jointly to nurture a more agile, innovative, and resilient workforce capable of thriving in a competitive landscape.

The following recommendations outlines ways for HR to level up to deliver to its strategic mandate:



HR needs to focus on critical, high-impact areas to support business transformation:

Enhancing people analytics capabilities and insights is at the forefront of repositioning HR to focus on more strategic high-impact workforce and business initiatives. Embedding analytics capabilities requires considering which roles and individuals within the existing HR function or other parts of the organisation might be most suitable to achieve quick gains. There are multiple alternative ways that can be pursued to move forward on the people analytics journey:

- a. Leverage existing resources:** One quick way to accelerate the buildup of analytics skills is to identify and leverage existing capabilities that already exist within the organisation. HR can tap the expertise of internal data experts to support on an HR project, so that knowledge transfer benefits in pairing the technical expertise with people-centric perspectives .
- b. Introduce mentorship to build analytics skills:** Mentorship programmes can connect employees experienced in data analytics with those looking to develop these skills, targeting both junior and experienced HR practitioners. Mentors share their expertise in data analysis and interpretation, helping HR practitioners leverage analytics effectively. This fosters relationships between HR and other departments, breaking down silos and promoting a more integrated approach to workforce management.



HR practitioners need to build future-proof skills:

To future-proof the health of their careers, HR practitioners must prioritise their own continuous upskilling and reskilling efforts, particularly in building digital literacy and HR technology expertise. This can be achieved through IHRP skill badges, certifications and courses offered by training providers. Although the importance of this focus has been recognised, effective implementation has lagged. HR practitioners should also familiarise themselves with HR technology⁵² and incorporating AI-powered HR solutions in their work.

In addition to analytical and digital skills, HR practitioners should also focus on capabilities around strategic HR competencies such as change management, commercial acumen, workforce planning and job redesign. A multi-pronged approach, balancing theory with practical experiences, will help HR practitioners stay abreast of best practices, ensuring they remain relevant in a rapidly evolving environment. The IHRP Body of Competencies⁵³ offers a structured framework and link to resources to ensure HR practitioners in Singapore possess the skills they need to meet current and emerging challenges. The Job Redesign Centre of Excellence (JRCoE⁵⁴) offers resources and solutions for business and workforce transformation.

⁵¹McKinsey: How to be great at people analytics

⁵²e.g. with resources from hrtech.sg such as the hrtech Market Map

⁵³IHRP Body of Competencies; IHRP BoC

⁵⁴JR CoE: Job Redesign Centre of Excellence (JRCoE) - Institute for Human Resource Professionals

Moreover, staying informed about the future of work by following thought leaders such as Josh Bersin, David Green and Dave Ulrich in the HR space, along with other business influencers such as Adam Grant and Daniel Pink will enable HR practitioners to stay abreast of business and HR topics. Joining as members of local associations such as Singapore Human Resources Institute (SHRI), Singapore National Employers Federation (SNEF), National Trades Union Congress (NTUC), Singapore Business Federation (SBF), and Association of Small & Medium Enterprises (ASME) can provide valuable networking and industry sharing opportunities. The IHRP also has a strong community of 9,000+, and growing, certified HR professionals, who often come together for peer sharing and networking, as well as collaborations to develop useful resources and tools for the HR and business community.

Amidst the emphasis on technical skills and industry trends, it is crucial to prioritise the human element in change. Soft skills like empathy, communication, and relationship-building are vital for fostering a supportive workplace culture. By harnessing these human elements, HR practitioners can create a more impactful and meaningful approach to organisational transformation, ensuring that the workforce feels valued and engaged throughout any changes⁵⁵.

⁵⁵RGF Professional Recruitment – The Importance of Soft Skills: Why Employers Value Emotional Intelligence and Communication

Case study

HR making an impact on business transformation at Chye Thiam Maintenance through job redesign



Chye Thiam Maintenance Waste Resources (CTMWR) aims to create a cleaner, safer, and more efficient waste management system. In line with its business transformation goals, the organisation undertook a job redesign initiative that focused on modernising operations, standardising processes, and improving efficiency in waste collection, transportation, and disposal. The goal was to ensure different waste streams are handled using best practices to minimise environmental and health risks. Key initiatives included upgrading fleet and equipment, introducing new workflows, deepening investments in automation, and putting a greater emphasis on attracting and upskilling talent. This impact was felt across five key job roles within the CTMWR team, including waste sorters, administration, and drivers.

HR played a key role in driving the success of the job redesign transformation by aligning transformation goals with business objectives. They engaged stakeholders to manage resistance to change through transparent communication, phased implementation and bridging the skills gap through targeted recruitment and internal training programmes.

CTMWR pilot tested new technologies before full-scale rollout to troubleshoot potential issues early on. Employees were upskilled in data analytics to help them adapt, while cybersecurity measures were also strengthened (including encryption and security audits). HR played a key role in bridging the skills gap by targeting recruitment efforts to attract specialised talent and implementing internal training programmes to develop future-ready skills among existing employees.

The HR team sought creative strategies to navigate the budget constraints to secure management buy-in for the business transformation project. Government grants and subsidies were secured to offset investments, and cost-saving initiatives (e.g. route optimisation, waste reduction strategies) were also prioritised. This job redesign initiative has strengthened HR's ability to drive transformation and build its credibility as a strategic partner to support CTMWR's business transformation moving forward.



Driver 4: Unlocking workforce fulfilment and productivity

The dynamics of workplace relationships have fundamentally shifted. While organisations once dictated employment conditions and workplace policies, Singapore's tight labour market – driven by an ageing population and the rise of the gig economy – has tilted the balance of power. Employees are demanding more from their employment experience⁵⁶. This section explores why prioritising employee experience is crucial for organisations in Singapore, highlighting the significant roles that HR, business leaders, and people managers play in creating a positive and desirable work environment.

Employee experience: The key lever for organisations in an evolving employment landscape

To attract and retain talent, organisations must elevate the employee experience. A 2023 report by Society for Human Resource Management (SHRM) highlights that employees with a positive employee experience are 68% less likely to consider leaving⁵⁷. Mercer defines Employee Experience as the intersection of an employee's expectations, their environment, and the events which shape their journey within the organisation. Creating a positive experience requires a personalised, human-centric approach to designing policies, processes, and interactions, often grounded in comprehensive employee listening efforts to uncover needs and collect ongoing feedback⁵⁸.

One key component of the employee experience is clarity on development and career paths at the company. Data from Mercer studies reflect that employees in Singapore report a lower rating vs. global counterparts⁵⁹ on understanding the possible career pathways at their company, feeling they can reach their full potential at their company and believing that their company is meeting their needs.

Comparison between employees in Singapore and globally on their perceptions of their organisations



According to Mercer's APAC 2024 Norms data, engagement scores in **Singapore (73%)** are marginally lower than APAC and **globally (77%)**⁶⁰. The data, which reflects employee engagement across components like "pride", "recommend" and "stay", suggests that Singapore has opportunities to enhance its employee experience to match or exceed regional and international standards.

⁵⁶Work Different by Bravery, Bonic, Anderson, 2023

⁵⁷SHRM: The Case for Employee Experience

⁵⁸ Mercer: Building employee experience that drives and rewards talent

⁵⁹ Mercer APAC Norms Data 2024

⁶⁰ Mercer Asia Norms 2024

The business case for good employee experience

Positive employee experiences boost engagement. A Mercer | Kincentric study found that companies with more engaged employees are 2.2 times more likely to achieve above-average financial performance and 2.6 times more likely to receive above-average customer satisfaction ratings⁶¹. Gallup also reports that highly engaged business units experience

81% less absenteeism and **14%** increase in productivity, leading to better operational efficiency⁶².

Conversely, disengaged employees can significantly impact an organisation by decreasing productivity⁶³, lowering the quality of work⁶⁴, and impact the customer experience⁶⁵. Thus, good employee experience not only impacts attraction and retention, but also enhances financial performance through higher customer satisfaction and operational efficiency.

Employee experience needs co-ownership from business leaders, people managers and HR

Whilst HR plays an important role in building positive employee experiences, it is imperative that business leaders and people managers also co-own this responsibility. They shape a positive employee experience by fostering an inclusive and supportive workplace culture, setting the tone for communication, collaboration, and recognition. By engaging with their teams, providing feedback, and encouraging development, leaders empower employees to reach their full potential. They also advocate for well-being and support work-life balance.

Per Mercer's Global Talent Trends, 60% of organisations in Singapore are only at a basic level (Level 1) when it comes to embedding the employee experience (EX) in the design and delivery of HR services⁶⁶. This was similarly highlighted during IHRP's Industry Engagement Sessions with senior HR practitioners in Singapore, with participants highlighting that there is still a lot of focus on processes and not enough on end-user experience⁶⁷. This underscores how the prevailing focus within organisations remains heavily on the management of HR processes instead of addressing employees' needs and aspirations.

⁶¹Mercer | Kincentric Study 2023

⁶²Gallup: Employee Engagement vs. Employee Satisfaction and Organisational Culture

⁶³Gallup State of the Global Workplace: 2021 Report

⁶⁴Harvard Business Review: The Impact of Employee Engagement on Performance 2019

⁶⁵McKinsey & Company: The Importance of Employee Engagement 2020

⁶⁶Mercer Global Talent Trends 2024 (HR)

⁶⁷IHRP Industry Engagement Session



Looking ahead

The current landscape offers significant opportunities for organisations in Singapore to enhance employee experiences, especially in career growth support. By prioritising employee experience and addressing desires for purpose and growth, organisations can create a more engaging and fulfilling work environment that drives individual and organisational success.

Several recommendations are put forward to seize this opportunity:



HR and organisations need to embed employee experience as a key design criterion:

Creating meaningful employee journeys requires an employee-first mindset, moving beyond traditional HR designs. This involves continuous listening and feedback through surveys and sessions, enabling timely adjustments to enhance satisfaction and engagement. HR should embrace a user-centred approach, embedding employee feedback into decision-making, refining value propositions, and designing workflows with the end-user in mind in close collaboration with the business. User journey mapping helps identify and enhance critical experiences for diverse workforce segments, such as flexible work for parents, career development for early-career professionals, and wellness programmes for those nearing retirement.

By analysing key touchpoints - from recruitment to onboarding, performance management, and career development - and what matters to different groups, organisations can better understand the needs and pain points of their workforce, ensuring insights lead to impactful improvements. Aligning HR strategies with employee needs and embedding employee experience as a core design principle cultivates a supportive and fulfilling work environment, boosting engagement and retention while driving overall success.



Organisations need to create career frameworks and development opportunities

Career frameworks should align with both employee's aspirations and organisational goals. A well-structured framework clarifies potential career paths for employees and fosters a culture of growth and development through regular and frank conversations about career health⁶⁸ and ambitions. This involves identifying the skills required for various roles, creating competency frameworks, and aligning training and development programme accordingly, so that employees have clarity on the skills needed for advancement and can access development opportunities that align with their growth aspirations⁶⁹. As employees feel more empowered in their professional development, overall engagement and productivity increase.

Additionally, moving beyond traditional linear career paths is essential. Employees increasingly seek opportunities to diversify their experiences and develop a broader skill set⁷⁰. By facilitating non-traditional career paths—such as lateral moves, project-based roles, and short-term assignments organisations can create personalised development opportunities. This empowers employees to explore diverse possibilities, uncover hidden talents, and demonstrate their capabilities in new areas. Ultimately, this enhances individual growth and contributes to a more agile and resilient organisation, equipped with a capable workforce that can swiftly respond to market shifts and demands.

⁶⁸WSG: Embracing career health

⁶⁹MIT in partnership with Mercer – Skills Powered Organisations in the Age of AI

⁷⁰SHRM: Employees Want Additional Opportunities for Career, Skills Development (2022)

Case study



How OCBC's AI Career Growth Companion creates more scalable, personalised impact for employees

At OCBC's flagship Grow Your Way with Mobi learning festival, they launched MOBI, a transformative tool that enables employee's growth by helping them identify their skills, career aspirations, and access growth opportunities for personal and career development.

With MOBI, managers gain broader access to the vast talent pool within OCBC, enabling them to proactively identify and nurture talent. Additionally, employees and managers are empowered to take charge of their personal and career development through MOBI's intuitive features, such as creating skill profiles with ease, reflecting on career aspirations and accessing personalised learning recommendations to bridge skill gaps.

The scalability afforded by AI ensures that HR can effectively support employee growth while maintaining operational efficiency and a superior, consistent employee experience.

HR took the lead in transforming mindsets from a focus on roles to a focus on skills, the HR team actively championed MOBI on the ground to showcase HR's commitment on being a partner to employees in their upskilling and reskilling journeys. Through HR's efforts in conducting MOBI roadshows, employees across the organisation now have a greater understanding and clarity of internal resources and opportunities available for mobility and career progression within OCBC. The HR team at OCBC successfully integrated technological innovation with human support to foster a culture of continuous learning and strengthen its own strategic impact.



Business leaders and people managers play a key part in career development:

Developing career philosophies, frameworks, and tools requires strong support from business leaders and people managers. As key intermediaries, they bridge the gap between organisation and employees, conveying employee needs upward whilst communicating career development opportunities downward. They are at the forefront of career conversations, driving initiatives on the ground.

These leaders can also collaborate closely with HR to co-create people development initiatives tailored to their teams' needs. This involves frequent one-on-one meetings to understand career ambitions and chart clear paths towards these goals, while working with HR to identify progression ladders centred around current capabilities and future skills requirements.

Moreover, their advocacy is crucial for the success of people initiatives. By highlighting the benefits of career frameworks, addressing employee concerns, and encouraging staff to leverage development opportunities within the organisation, they become powerful champions of professional growth within the organisation.

Conclusion

Where do we go from here?

Reshaping human capital practices and the role of HR is crucial for organisations to thrive in today's dynamic environment. The exploration of HR Progression reveals challenges and opportunities in executing the people agenda. A united effort from business leaders, HR leaders, practitioners, and employees is needed.

Business leaders should seize the opportunity take accountability for the people agenda, partnering with HR to translate this drive into on-ground practices. Increased human capital reporting and dialogue at the C-suite and Board level can enhance awareness, competence, and accountability among business leaders towards the people agenda. People managers should also be adequately trained and equipped to nurture individual talent and better engage their teams.

HR leaders and practitioners must adopt a transformative mindset, shifting focus from operational tasks to strategic and impactful HR work. This involves building an agile, innovative, and resilient workforce, embracing new responsibilities, and progressing on a digitalisation journey. HR teams should prioritise high-impact areas such as Strategic Workforce Planning, Talent Management, Employer Branding, Change Management, and Job Redesign. Future-proofing capabilities and reskilling are crucial for transitioning into high-impact areas effectively. Collectively, HR needs to embrace a new mindset of their role in the organisation and engage in a culture of continuous improvement and innovation both at a team and individual practitioner level.

Organisations that neglect an employee-first mindset risk losing their talent to competitors who prioritise career development and well-being. The employee experience must be embedded as a key design criterion in all aspects of the employee journey. Anchoring the people agenda, aligning human capital strategies with business objectives, and unlocking the potential of employees through talent investments is vital.

All stakeholders must work together to unlock the full potential of human capital, build a resilient workforce, and drive sustainable organisational success. We invite you to complete a quick self-assessment quiz to how your organisation is tracking on your HR Progression journey. The recommendations and resources found in this report can help catalyse your organisation's transformation journey ahead.



Interested in progressing your HR function?

This quick quiz can provide helpful insights into areas of strengths and opportunities for improvement in HR function today.



Read each question carefully and select the option that best represents your organisation.

Each answer indicates the number of points collected besides the option you selected.

Tally your scores at the end for an indication of your HR team's overall progress level.



1. How aligned are your people strategies with senior leadership's priorities?

☐	Little to no congruity between HR strategies and the priorities of senior leadership.	1
☐	Some alignment between HR strategies and senior leadership's goals, but significant gaps remain, and measurable outcomes are limited.	2
☐	HR strategies are closely aligned with leadership priorities, actively supporting key strategic initiatives, with relevant KPIs demonstrating impact.	3
☐	HR strategies are fully integrated with senior leadership's goals, significantly contributing to the organisation's strategic priorities, with comprehensive KPIs in place to measure effectiveness.	4

2. Is HR perceived as a strategic partner by senior leadership in your organisation?

☐	HR is not viewed as contributing to organisational strategy.	1
☐	HR is acknowledged for making occasional contributions to organisational strategy.	2
☐	HR is regularly consulted on people-related matters and contributes to organisational strategy.	3
☐	HR is seen as a key driver of organisational strategy, particularly from a people perspective.	4

3. How does your HR function balance operational and strategic responsibilities?

☐	Primarily Administrative: Most work performed by HR consists of routine administrative tasks, with minimal involvement in strategic planning or initiatives.	1
☐	Emerging Balance: The HR function is beginning to find a balance in the type of work it spends time on, managing operational tasks alongside initial strategic responsibilities.	2
☐	Balanced Approach: The HR function effectively manages both operational and strategic activities, ensuring that neither is overlooked.	3
☐	Strategic Focus: The HR function prioritises strategic initiatives while optimising operational tasks for maximum efficiency, particularly in routine activities.	4

4. How would you describe your HR processes?

	Largely manual, fragmented, and often inefficient, lacking regular enhancement efforts.	1
	Some processes are automated and standardised, but significant improvements needed.	2
	Most processes are efficient, well-documented, and adaptable to evolving business needs.	3
	Processes are highly automated, agile, and continuously optimised to address future challenges.	4

5. How clearly are your HR role requirements defined and implemented?

	Our HR role requirements are poorly documented and/or inconsistently communicated.	1
	Our functional HR role requirements are partially documented and communicated, but gaps exist in implementation and clarity.	2
	Most of our HR role requirements are well-documented, regularly updated, and effectively communicated, ensuring alignment with current organisational needs.	3
	Our HR role requirements are thoroughly documented and actively communicated, aligned with state-of-the-art practices and future organisational needs, and implemented effectively.	4

6. Is your HR function equipped with the right capabilities to handle future workforce challenges?

	Our HR function possesses limited capability to address future workforce challenges, lacking critical skills and resources beyond traditional HR knowledge.	1
	There are some upskilling efforts for the HR function in place, with an emerging focus on preparing practitioners for future workforce needs, but significant gaps remain.	2
	Our HR practitioners are actively engaged in ongoing development initiatives aimed at enhancing future-readiness of the HR function and adapting to evolving workforce challenges.	3
	All of our HR practitioners are well equipped and consistently lead workforce transformation efforts, demonstrating a strong capability to navigate and address future challenges effectively.	4

7. How does your HR function work with and leverage the offerings of external HR partners and providers (e.g., HR advisory, tools, solutions, and services)?

	Minimal Utilisation: Due to a variety of reasons (e.g., budget), the available offerings are underutilised. Where we are leveraging tools or advisory, it is primarily focused on transactional needs (e.g. payroll solutions) and/or solutions have limited adoption across the organisation.	1
	Selective Engagement: There is some targeted adoption of solution and/or advisory offerings in strategically relevant HR areas, but overall utilisation remains limited.	2
	Broad Adoption: Offerings on both the solution and advisory side are widely adopted and integrated into HR practices to improve our HR performance, demonstrating measurable impact.	3
	Strategic Integration: There is widespread adoption of HR advisory and solutions with a continuous review and enhancement process in place. Strategic utilisation is evident in key areas, significantly enhancing HR effectiveness and organisational outcomes.	4

8. How well does your organisation deliver a positive workforce experience?

	Inconsistent Experience: The workforce experience is inconsistent, with minimal focus on employee engagement and satisfaction.	1
	Fragmented Efforts: Some enhancements have been made, but they are siloed and lack a cohesive, strategic approach to improving the overall workforce experience.	2
	Coordinated Focus: Delivering a positive workforce experience is a key focus for the organisation, supported by well-coordinated initiatives that effectively address engagement, well-being, and productivity.	3
	Strategic Priority: The workforce experience is heavily emphasised within organisational strategy, with a strong commitment to creating and sustaining a culture of engagement, purpose, and high performance.	4

9. How effective are your people managers in driving the people agenda within the organisation?

	People managers show little interest and/or capability to support the people agenda.	1
	People managers demonstrate some capability and interest in driving the people agenda, but efforts to improve this are inconsistent and lack a strategic focus.	2
	People managers are generally effective in driving the people agenda, actively engaging their teams and aligning people initiatives with organisational goals.	3
	People managers are highly effective in driving the people agenda, consistently demonstrating strong leadership, fostering a positive culture, and achieving measurable outcomes in team engagement and performance.	4

10. How aligned are your HR practices with national and tripartite workforce priorities?

	There is no to minimal alignment with national and tripartite workforce priorities, and HR is largely unaware of these priorities.	1
	There is a basic awareness of national and tripartite workforce priorities; however, no efforts have been made to align HR practices or strategic direction accordingly.	2
	There is good awareness of national and tripartite workforce priorities, with ongoing efforts to align HR practices and actively contribute to these priorities.	3
	HR practices are fully aligned with national and tripartite workforce priorities, effectively shaping workforce strategies in accordance with relevant policies and initiatives.	4

Your Score

As a general indication, the questionnaire points to areas of strengths and opportunities to improve the progress of your HR practice. Typical expressions across organisations can be found below:

Formative  10 - 17	At this foundational level, HR is primarily centred around administrative tasks, with significant emphasis on routine operations. HR role requirements are often unclear, leading to ambiguity in responsibilities and expectations. HR processes are predominantly manual, resulting in inefficiencies and a lack of responsiveness to workforce needs. Workforce experience is not a priority, and employees may feel unsupported and disengaged. Additionally, overall HR capabilities is limited, hindering the department's ability to contribute effectively to organisational goals.
Evolving  18 - 25	HR begins to adopt a more functional approach, exploring opportunities to support the business in various capacities. While some automation is introduced, and a selection of external vendors is utilised, these efforts are not yet comprehensive or strategically aligned. There are sporadic HR upskilling initiatives, but they tend to be siloed and lack a cohesive strategy. Efforts to enhance workforce experience are present but not integrated, resulting in a fragmented approach that does not fully leverage HR's potential to drive organisation success. There are some use of data and metrics to track people-related KPIs.
Progressive  26-33	HR demonstrates strong alignment with senior leadership, ensuring that HR strategies and initiatives are closely linked to the organisation's overall objectives. Processes are efficient, well-documented and designed to facilitate smooth operations. The HR team structure is designed to effectively balance its functional responsibilities with strategic contributions, engaging in continuous upskilling to adapt to evolving business needs. Employee experience initiatives are well-coordinated across the organisation, fostering a positive workplace culture and enhancing employee engagement and satisfaction. The HR team has a clear articulation of people-related KPIs and utilises data-driven insights to implement strategies that accelerate workforce and business transformations.
Pioneering  34 - 40	There is a seamless integration between HR and senior leadership, characterised by a collaborative approach to decision-making and strategy development. HR processes are highly automated, significantly reducing manual intervention and increasing efficiency. HR practitioners are future-proofed, equipped with the skills and knowledge necessary to navigate the complexities of the modern workforce. HR strategies are not only aligned with organisational goals but are also shaped in accordance with national priorities, ensuring that the organisation remains competitive and responsive to broader societal trends and challenges. This level represents a proactive and dynamic HR function that drives innovation and organisational excellence through data-driven insights and evidence-based strategic advisory. People-related KPIs are embedded into the C-suite and corporate scorecards to reinforce business leaders' accountability for the people agenda.



We recommend identifying priorities to uplift your organisation's HR function based on your answer patterns. Especially for questions with a score of 1 or 2, the recommendations below can provide helpful starting points. More details on the recommendations can be found in the relevant drivers within the report and resources linked.

Interpretation of your score:

1. Indicates significant gaps in your HR practices. Focus on these areas for immediate improvement.
2. These areas show potential but require further development to align more closely with organisational goals.
3. You are performing well in these areas, but there may still be opportunities for enhancement.
4. Excellent work! These areas are well-aligned with organisational priorities and should be maintained.

Recommendations to enable progression:

Q1	How aligned are your people strategies with senior leadership's priorities?	Driver 1 – Looking ahead: Redefine how progress on the people agenda is measured
Q2	Is HR perceived as a strategic partner by senior leadership?	Driver 3 – Looking ahead: Focus on critical, high-impact areas to support business transformation
Q3	How does HR balance operational and strategic responsibilities?	Driver 2 – Looking ahead: Upgrade HR's Effectiveness
Q4	How would you describe your HR processes?	Driver 2 – Looking ahead: Do More with Less through Digitalisation <i>Reference: Human Capital Diagnostic Tool</i> (https://ihrp.sg/for-organisation/)

Q5	How clearly are HR role requirements defined and implemented?	Driver 2 – Looking ahead: Upgrade HR's Effectiveness <i>Reference: Job Roles outlined in SkillsFuture Framework (https://www.skillsfuture.gov.sg/skills-framework/hr)</i> <i>Reference: Job Redesign Playbook for HR (https://myhr.sg/guest/contentdetails?id=5e46927c-cd21-4fb9-99e3-9243b833cc8bon)</i>
Q6	How equipped are your HR practitioners to handle future workforce challenges?	Driver 3 – Looking ahead: Future-proof HR skills <i>Reference: IHRP Body of Competencies (https://www.ihrp.sg/boc/)</i> <i>Reference: IHRP Certification (https://ihrp.sg/certifications-overview/)</i> <i>Reference: HR Job Transformation Map (https://www.wsg.gov.sg/home/employers-industry-partners/jobs-transformation-maps/jobs-transformation-map-hr-jobs-in-singaporengapore)</i>
Q7	How do you utilise HR partners and provider offerings?	Driver 2 – Looking ahead: Do More with Less through Digitalisation <i>Reference: IHRP Digital Transformation Playbook (https://myhr.sg/guest/contentdetails?id=254beab0-adde-488f-ac22-a699e131ef36ook)</i>
Q8	How well does your organisation deliver a positive workforce experience?	Driver 4 – Looking ahead: Embed Employee Experience as a Key Design Criterion; Create Career Frameworks and Development Opportunities
Q9	How effective are your people managers in driving the people agenda within the organisation?	Driver 1 – Looking ahead: Uplift people managers to execute on the people agenda
Q10	How aligned are your HR practices with national and tripartite workforce priorities?	Driver 3 – Looking ahead: HR to focus on critical, high-impact areas <i>Reference: HR Industry Transformation Plan (https://www.mom.gov.sg/employment-practices/hr-industry-transformation-plan)</i> <i>Reference: SG Industry Transformation Plan (https://www.mti.gov.sg/FutureEconomy/Industry-Transformation-Maps)</i> <i>Reference: NTUC-SNEF PME Taskforce Report (https://www.snef.org.sg/wp-content/uploads/2021/10/NTUC-SNEF-PME-Taskforce-Report.pdf)</i>

Appendix: Exploring HR Progression in detail

Understanding the HR Progression Model

The **progression model** is defined as the extent to which the HR landscape across Singapore is **developed and effective** in enabling **organisational outcomes**, creating a **national workforce** that is highly **productive, adaptive and resilient**.

A model for HR Progression is designed to evaluate the maturity and readiness of HR at a national level to advance the people agenda in a rapidly evolving landscape. This model⁷¹ adopts a holistic approach, and takes into account the maturity of organisational HR practices, specific workforce considerations, and national enablers to HR maturity and competitiveness.

A progressive HR landscape enables two outcomes which are critical for responding to the challenges of the current external landscape:

- **Enhanced Workforce Productivity:** Greater alignment of workforce practices to business objectives, unlocking productivity to drive economic growth and support transformation in organisations.
- **Resilient, Adaptable Workforce:** Employees are enabled in their capabilities to thrive in an environment where they are ready to evolve for the future.

While many studies have explored HR Progression at the organisational level, often highlighting HR processes and policies, this approach may overlook the wider influence of the HR ecosystem on the people agenda. This new model aims to provide a more holistic perspective by:

- Taking a macro view of the HR landscape and ecosystem, including the roles of various actors within and outside organisations at the national level.
- Highlighting the impact of HR Progression on tangible business outcomes.
- Focusing on the evolving role of HR in addressing emerging challenges and future aspirations that extend beyond established practices and metrics.
- Drawing insights from relevant national data to identify strengths and opportunities for improvement, providing the insight needed to inspire action.

To fully understand the opportunities for progression in HR today, it is essential to consider the key HR ecosystem and influencing environmental factors. This includes governance elements, vendors and service providers, and the operational landscape established for organisations and their HR teams.

⁷¹ Based on original research and analysis performed by Mercer, as of June 2024

Understanding HR progression - A Singapore Case Study

Like most of the world today, Singapore stands at the crossroads of societal, economic and technological transformation, where the workforce is central to driving sustainable business performance and national competitiveness. Given Singapore's limited natural resources and highly educated population, people are a key asset for both employers and the nation. However, challenges such as an ageing workforce and low birth rates are expected to intensify.

In response to these volatile circumstances, HR must work closely with business leaders to leverage its strengths and seize new opportunities. To understand the current state and identify areas for progress, a study was conducted to assess the level of progress in HR, leveraging survey and research data from a set of Singapore organisations.

The key actors in the national HR landscape

National Institutions lead the charge on **national priorities and policies** for organisations and the workforce and provide resources such as grants and guidance for HR.

HR Ecosystem Partners and Providers enable HR functions and practitioners with access to the right resources and training (e.g., HR technology providers, outsourcing partners, HR advisory firms, training providers).



People Champions are the accountable parties for driving and executing the people agenda in organisations:

- HR functions
- Business leaders
- Line managers/People managers
- Individual HR practitioners

- Non-assessed dimension
- Partially-assessed dimension
- Fully assessed dimension

Development of HR Progression Model

80+

Research resources

- Studies on HR and national progress
- Models and assessment tools
- Relevant thought leadership



Iterative Consultations

- 5 Global Mercer Subject Matter Experts
- 5 Cross-disciplinary Steering Committee Members
- 48 HR Practitioners (including IHRP Master Professionals)

⁷² Exemplary sources: World Economic Forum: HR 4.0; HR Assessment Dimensions and HR Operating Model thought leadership from e.g. BCG, Mercer, Gartner, PwC, Deloitte

⁷³ NTUC, SUSS, Tsao Foundation (2024): Population ageing and slowing workforce growth

⁷⁴ Ministry of Manpower: What is tripartism

Dimension 1	National Policies & Development	Government entities and the tripartite system in Singapore foster alignment between organisational and national priorities, integrating HR practices with workforce development goals while balancing business outcomes with sustainable workforce practices. Comprising of the Ministry of Manpower (MOM), the National Trades Union Congress (NTUC), and the Singapore National Employers Federation (SNEF), Singapore's unique tripartite system shapes policies that promote innovation, skills development, and sustainability. It provides a platform for policy makers, employers, employees, and unions to collaborate on labour relations and policymaking.
Dimension 2	HR Ecosystem Partners & Providers	HR technology providers, outsourcing partners, HR advisory firms, and training providers collaborate with government entities, organisations, and HR practitioners to continuously improve HR practices. In a progressive ecosystem, these actors ensure access to resources and digital solutions that elevate HR capabilities, aligning with market needs and national priorities.
Dimension 3	Strategic Orientation of Businesses	Progressive strategic orientation of businesses refers to HR's partnership within organisations, strategic orientation of businesses and aligning people strategies with overarching business objectives. Additionally, business leaders actively drive the people agenda and take accountability for its success. This integration fosters collaboration and performance, ensuring HR is a key contributor to organisational transformation and success.
Dimension 4	HR Structures & Practices	Progressive HR structures and practices enable efficient and effective HR functions, with the right roles, structure, streamlined and technology-enabled processes. HR proactively supports strategic initiatives with progressive ways of working, enabling value-added support to the business by proactively anticipating and responding to workforce needs.
Dimension 5	Skills & Capabilities of HR practitioners	A progressive HR ecosystem supports the continuous building of skills and capabilities of HR practitioners, resulting in an HR workforce that is capable to tackle current and emerging challenges. HR practitioners are committed to their professional development, equipping them with the future-ready skillset and progressive mindset to drive organisational performance.

Examining HR Progression in Singapore today

The model was developed based on research and iterative consultation with a diverse set of experts, as well as a survey conducted with a set of Singapore-based C-suite leaders and HR practitioners. This mix of primary and secondary data sources served as the basis for the evaluation and gives an indication where HR in Singapore stands today to uncover opportunities to advance both HR Progression and the wider people agenda.



Primary Data Collection

Survey of

30 Singapore C-suite leaders from unique organisations

242 Singapore HR practitioners

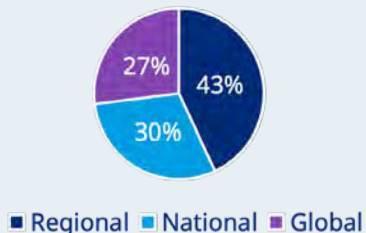
Workshops with

55 unique organisations across HR partners, training providers, industry associations, HR practitioners and IHRP Master Professionals, including SNEF and NTUC

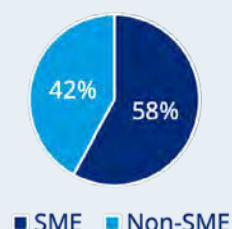
SME vs. Non-SME



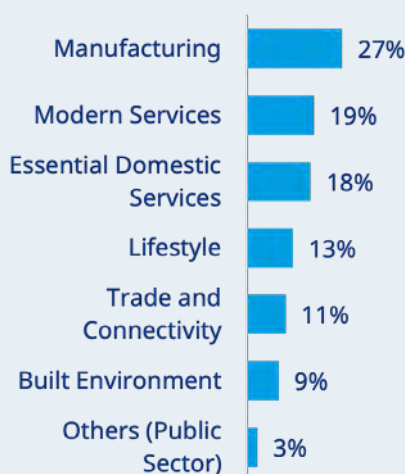
Geographic Orientation



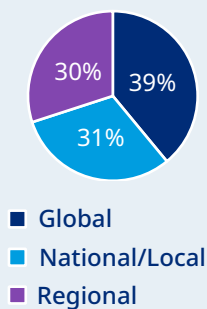
SME vs. Non-SME



Industry Cluster



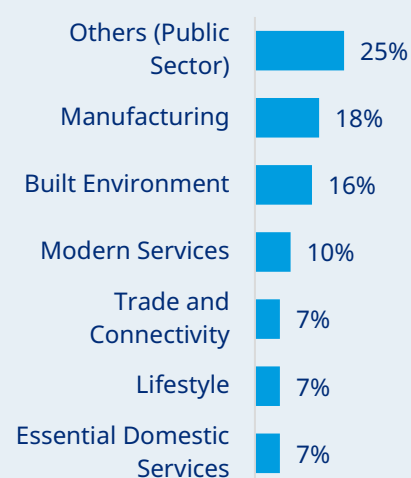
Geographic Orientation



13 Sessions with 74 individuals

- 48 HR Practitioners (including IHRP Master Professionals)
- 9 Industry Associations
- 7 HR Vendors & Advisors
- 7 Institutes of Higher Learning (IHLs)

Industry Cluster



Industry Associations



*Note: SME refers to small and medium enterprises.

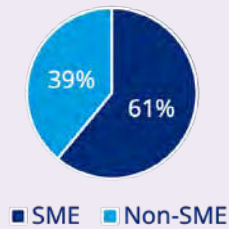


Secondary Data (Main Sources)

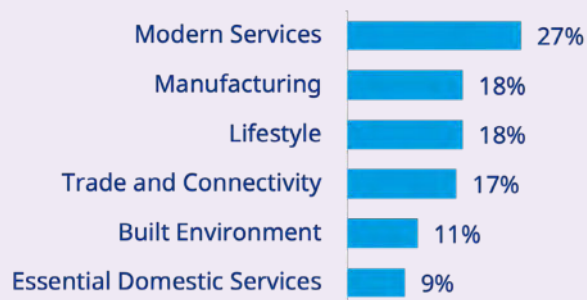
IHRP Human Capital Diagnostic Tool (HCDT)

990 organisations across 3 years of diagnostic assessments

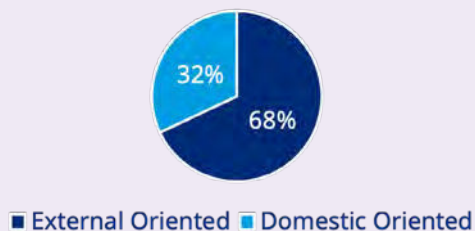
SME vs. Non-SME



Industry Cluster



Geographic Orientation



IHRP Certifications

- 5584 IHRP Certification Assessments

IHRP People Manager Validation Survey

- 182 HR Practitioners, people managers and business leaders in the IHRP People Manager Survey

Mercer Global Talent Trends 2024

- 845 C-suite leaders (220 in Asia)
- 1920 HR leaders (558 in Asia)
- 9440 employees (2849 in Asia)

Singapore's continues to mature and enable progression

Singapore's HR practices continue to evolve, standing at Level 2 ('Evolving') across all dimensions of the model, indicating that while foundational HR practices are established, there is significant potential for growth and enhancement. This assessment is based on primary data from Singapore-based C-suite and HR leaders, alongside secondary data from local organisations. Although a range of progression levels exist within the HR community, Singapore's overall positioning remains at Level 2, highlighting the need for unified measures to advance the HR landscape in response to evolving workforce and business demands.

Each dimension of HR Progression in the model and its respective elements were explored, assessed and rated on a spectrum of four maturity levels:



Level 1 Formative 	Strategies, policies, and processes are primarily aimed at ensuring smooth operations, but their inconsistent implementation across stakeholder groups and HR functions, along with disjointed operations at both national and organisational levels, leads to siloed ecosystems.
Level 2 Evolving 	Strategies, policies, and processes are aimed at achieving operational excellence, with some areas evolving to incorporate leading practices, while principles and implementation approaches show greater consistency and alignment across stakeholder groups and HR functions, though barriers to communication and cross-collaboration still exist.
Level 3 Progressive 	Strategies, policies, and processes are developed to address emerging trends such as digitalisation, skills and well-being, with consistent application of key principles across stakeholder groups and HR functions, while alignment beyond the organisational level fosters effective collaboration to achieve common people priorities.
Level 4 Pioneering 	Strategies, policies, and processes are designed to effectively address emerging trends and continuously adapt, with consistent application and improvement of key principles across stakeholder groups and HR functions, resulting in a seamlessly aligned ecosystem at both national and organisational levels that delivers on common people priorities.

Note that Dimension 1: National Policies & Development was not assessed but was explored as a context setting narrative. A key summary of what each level entails can be found on the next page.

Conclusion of dimension-level findings

The analysis across the 4 assessed dimensions reveals that HR in Singapore is currently focused on operational excellence rather than strategic business outcomes. Key barriers to advancing HR include outdated viewpoints from both Business and HR, insufficient investment, lack of leadership buy-in, and misalignment between HR and business strategies. which are further discussed in the four Drivers to advance human capital practices in Singapore within the report above.

⁷⁵IHRP Institute of Higher Learning Industry Engagement Session 2024



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