Can S’pore business chiefs steer today’s multinationals?

Consultants think many lack depth of foreign exposure but acknowledge that is changing

By MATTHEW PHAN

[SINGAPORE] Local business leaders are smart and savvy but lack the overseas exposure needed to run the sprawling operations of today’s multinationals.

So say human resource consultants based in Singapore, though other observers of the corporate world disagree.

In his recent National Day Rally speech, Prime Minister Lee Hsien Loong said that many Singaporeans are starting to study, live and work abroad, prompting the government to set up an Overseas Singaporean Unit to keep in touch with them.

His speech “echoes the fact-type we do have talent–professional”, said Annie Koh, dean of Singapore Management University’s office of executive education.

“See, many countries are trying to pinch our talent to run their companies,” she said.

Yet, the impending departures of Lee Hsien Yang and David Lim from SingTel and NOL respectively have induced the two companies to look worldwide for their successors.

Their search is a necessary part of corporate governance and “may show up the value of an individual in the company, when benchmarked against global alternatives”, Prof Koh said.

Elisa Hukins, principal consultant of Human Capital Advisory Services at Mercer HR Consulting, said: “There are top Singaporean leaders, but there are fewer of them in the market. If the individual has only had Singaporean experience, it’s a significant leap to have them lead in the region or globally. I’m not saying they cannot but that we have not really tested them in that capacity.”

“It is not only Singaporean experience that is needed”, because “the tough experiences leaders need to go through are very often offshore”, she said.

Foreign exposure also gives managers the track record to move into increasingly global leadership positions, she added.

Still, it is unlikely that Singaporeans will be appointed to top positions at foreign-based MNCs anytime soon, according to Tan Suee Chieh, president of Asia Pacific operations at SHL, a consultancy that uses psychological tests to assess executives.

“I don’t see why they cannot, since there have been very able executives of multiple origins, but I can’t see it happening in the future. We do not have a large talent pipeline to staff MNCs all over the world.”

Ms Hukins said that there was “definitely” a shortage of management talent in Singapore, particularly in key senior roles, middle management and specialisations like sales.

She acknowledged that companies across the world face the same problem, but pointed out a few issues specific to local managers. For one, “Singaporeans tend not to want to go and work elsewhere, or to be a very mobile group of people; it’s good because it keeps talent here, but it limits us”.

Another problem is the “reluctance to be in the leadership spotlight”, she said.

“We are ambitious, but do we see ourselves leading global enterprises? There are as yet relatively few who aspire to do that.”

Local leaders also lack the creativity needed to lead and influence the market”, according to Joshua Yim, founder of search firm Joshua Consulting Group, whose clients include General Electric, Philips and CapitalLand.

He noted that some national icons are headed by foreigners, such as DBS’s Jackson Tan, OCBC Bank’s David Conner, StarHub’s Terry Clentez and M1’s Neil Montefiore.

Speaking up for local leaders, Prof Koh said that “the gap to find the right talent to lead in the global arena will not be as bad in the years ahead”.

“Many Singaporean managers have started working overseas in the last couple of years. When Eileen Goh announced she’s stepping down from Standard Chartered, the person taking over had been working in China the last few years. Increasingly, the pool of Singaporeans working outside the country will increase and that makes them more attractive to drive global companies. She also said that many local firms have invested in management programmes in the last three years, and SHL is customising more training programmes to meet the managerial needs of specific companies.

Mercur’s Ms Hukins thinks that this is true of some “enlightened organisations” but leadership development programmes in many Asian countries “tend to be more academic and ad hoc, rather than experiential and in line with an organisation’s strategy”.

Ms Hukins, Prof Koh, and SHL’s Mr Tan concurred that Singapore companies can improve by developing talent more systematically.

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Prof Koh said: “Get managers to move out of comfort zones, to acquire experience across functions, businesses, countries and into subsidiaries or joint ventures. The learning to be global cannot take place in a classroom.

Singapore also needs more “complete” leaders, said Ms Hukins. Traditionally, Singapore has concentrated on developing “head capabilities” like business acumen, largely through classroom-type training. Leaders now need to complement this with better management of employees and customers on an emotional level to create and harness energy across boundaries.

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