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# Managing a diverse workforce

Singapore Management University Associate Professor Tan Hwee Hoon shares her tips on managing a Gen Y workforce and building trust with employees

**G**ENERATION Y employees, used to describe those in the workforce born in the 1980s and 1990s, are a much maligned bunch. They are typically criticised to be spoilt and selfish, and possess excessive salary expectations. They are always looking to job-hop, even as they crave constant feedback, purpose in work, and time to pursue their own interests outside of it.

Singapore Management University (SMU)'s Tan Hwee Hoon, who trains senior management, executives and human resource practitioners on people management, said the issue of managing Gen Y always comes up in her classes.

"But business owners and senior management should see these issues as opportunities rather than threats," said Prof Tan, who is an Associate Professor of Organisational Behaviour and Human Resources.

"Some of these issues will not go away just because they move on to a different stage in life," she explained.

For example, Gen Y employees will always have a short-term horizon, and are unlikely to stay with a company for over a decade, she said. As they seek challenges, and have a strong desire to continue learning and building their skills, many Gen Y employees move on when they believe they have learnt enough from their current organisation.

As with their need to be constantly challenged, "they will always be impatient and will want to make and see changes; they will also be looking for work-life balance," she added.

## Talent retention

On the thorny issue of job-hopping, Prof Tan said a mindset shift is needed among employers. She suggests that employers should keep in touch with Gen Y employees who leave, and observe their career development, or even keep in close contact and be their mentors.

"The mentality should not be 'goodbye, forever', but rather 'please go if you must, but we'd like to have you back at some point.'" Employers should certainly also not bear a grudge or be bitter about their Gen Y employees' decision to leave.

And even as people come and go, employers should still develop Gen Y employees within the period of time that they are with the company, and keep enabling them to learn.

"Think of it as developing them for the industry. It sounds selfless but there's no other choice. The reality is that people don't stay, whether you like it or not. If you don't develop them, they will leave even sooner," she said.

"If they feel that they are doing just operational work, with no value add to their CVs, or if they feel that they have learnt enough, they will go."

## Opportunity, not threat

Having a short-term horizon and being impatient is not necessarily a bad trait to have, she said.

One area that is under-researched and not well understood is what happens to Gen Y employees when they become managers, Prof Tan said.

On the bright side, Gen Y managers may be more receptive to change.

"They will be more aware of trends and more open to change, and will probably bring some new ideas or disruption to the business. Business owners and those employees who are supervised by Gen Y managers, especially older folks, must understand that. Be proactive, view it as an opportunity, rather than maintain the mentality that 'if it's not broken, don't fix it.'"

But impatient Gen Y managers might not have enough experience to have deliberated through issues thoroughly. Prof Tan therefore suggests that Gen Y managers will benefit from having a mentor or someone in the organisation to serve as a sounding board to help them think through the implications of their business decisions.

The desire for work-life balance is a pervasive issue, she said. "People don't want to work a certain number of hours, or certain types of hours. The idea of a flexible work environment has been advocated by the government in recent years; Gen Y managers are probably in a good position to be a catalyst for change as they are more likely to believe that work can be done wherever and whenever." Being digital natives themselves, Gen Y managers will see less need for 'face time', especially in certain industries, as long as one can be contacted.

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Tan Hwee Hoon, Associate Professor of Organisational Behaviour and Human Resources, SMU Lee Kong Chian School of Business

Given their penchant for work-life balance, Gen Y managers will also be more likely to understand the needs of their employees. This might help to retain talent, she said.

Additionally, their desire for a flatter organisational hierarchy is likely a plus in the current business environment where work is organised more and more around teams.

Meanwhile, organisations can also leverage the technological savviness of younger employees to increase efficiency, she said.

## Building trust

Another area Prof Tan has been researching in the past 10 years is how trust can be built in a culturally diverse workforce.

Prof Tan, who earned her doctorate in Management from Purdue University, joined SMU in 2005. Her interest in trust research started when her work with Chinese entrepreneurs in Singapore showed that trust-building in this region has nuanced differences compared to trust-building in the United States, where the bulk of the research on trust has been done.

She is currently in the midst of a multi-year project grant with the Office of Scientific Research of the United States Air Force together with two other trust researchers, Roger Mayer and David Schoorman. This study, which spans 20 countries, seeks to understand the emphasis of trust-building in different countries and with that, provide individuals from different cultures with a road map on successful trust-building.

Trust is important both ways, Prof Tan said. Employees who trust their supervisors will be more willing to go the extra mile for them. Employees trusted by their supervisors will need less monitoring. More risk can be taken with trusted employees, and managers will have more time to focus on other aspects of work.

Prof Tan said that existing research on the issue shows that trust is built upon three factors: ability (whether the other party can deliver), integrity (whether the other party is honest and reliable), and benevolence (whether the other party has good intentions towards the trustee).

What is interesting is how different cultures build trust by emphasising different factors, Prof Tan said.

The research that she has been involved in showed that in collectivistic societies such as China, India and Turkey, the 'benevolence' factor plays an important role in building trust. This contrasts to places such as the United States, where trust is built by demonstrating an ability to get the job done.

"In China and Turkey, personal and professional lives are not so separate," she said. "Trust comes about not just at work but how the manager backs the subordinate when things go wrong in their personal lives."

For example, a Turkish employee who participated in her research with a Turkish colleague emphasised the importance of what Prof Tan terms as 'personalised generosity' in his boss, who supported him financially and even paid for the hospital expenses of his first child.

In Singapore, a small and medium-sized enterprise (SME) boss she interviewed told her that he visits his employees during Lunar New Year. If he sees his employee treating his parents well, he will trust him more.

"In collectivistic societies, people don't just look at how you behave at work, they also consider what happens outside of work," Prof Tan said. "But in an Anglo-Saxon culture like Australia, people are more able to make the distinction between the personal and the professional."

Ultimately, the takeaway for bosses in collectivistic cultures is that for their subordinates to trust them, they must be competent in their work and also take an active personal interest in their subordinates' well-being.

"You must understand their needs and aspirations ('personal benevolence'), or at least care for them by looking after their professional growth ('professional benevolence')," she said.

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- Curriculum co-designed by 100 business leaders in Asia
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### INFORMATION SESSION

**Date:** 20 July 2016, Wednesday  
**Time:** 7pm to 8pm  
**Venue:** Singapore Management University, Administration Building, 81 Victoria Street, Singapore 188065

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