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1.0

Abbreviation

1.1	Management	CEO
1.2	HOD	Head of Company/Division / Department
1.3	GHCD	Group Human Capital Division
1.4	SP	Succession Planning and Management
1.5	PS	Potential Successor/Successors
1.6	IDP	Individual Development Plan
1.7	SPNF	Succession Planning Nomination Form

2.0

Detailed Definition

2.1

Succession Planning

2.1.1

Defined as a process of identifying the PS for positions which are critical in the Group. The identification of the critical positions would be based on the categorization of the risks (refer 4.4) or as indicated in the Group's Organizational Charts.

2.1.2

The goal is to prepare as many PS, as possible, to be ready to assume higher roles/positions.

2.2

Succession Management

2.2.1

Focuses on the process of grooming the identified PS, within the Group through learning and development programs as well as performance reviews, towards enhancing their capabilities.

3.0


Purpose

3.1

This procedure aims to provide a structured mechanism for SP Program. This policy will cover the SP's guiding principles, framework and procedures.

3.2

PS may be fairly ready to do the job (short-term successors) or seen as having longer-term potential (long-term successors).

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3.3 SP program is required to address the objectives as follows:-

i. Reduce the risk of leadership gap

To ensure the Group is prepared with a plan to support its operational and service continuity with a suitable replacement and whenever the Senior Management, key business leaders/HOD or key/critical positions holders leave their positions.

ii. Ensure talent continuity

To prepare suitably qualified and motivated talents for higher roles and responsibilities.

iii. Create career development paths for progression

To formally chart the career development paths which reflect progression of the staff. Career development paths will aid the process of retaining the PS and assist in recruiting the external qualified PS. PS to be retained and/or be recruited are as follows :

- a. High performers (Hi Pers)
- b. High potentials (Hi Pos)
- c. High professionals (Hi Pros)

iv. Formulate a systematic assessment

To develop a reliable assessment procedure and ensure that these procedures are applied systematically across the Group.


v. Prepare Individual Development Plans

To prepare suitable IDP for selected PS based on Competency Profiling. The IDP would help bridge any skills or competency gaps as well as enhance their current knowledge.


Skills or competency gaps refer to the difference between the current skills or competency levels and the "required levels".

vi. Foster Employee Empowerment


To empower staff to reach their full potentials, advance in their careers and accelerate their learning with the targeted development plans.

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4.0	Scope 4.1 This policy will cover the scope of succession planning and succession management.															
5.0	Identification of Key/Critical Positions 5.1 The focus of the SP would be to prepare the PS for multiple functions/tasks/roles e.g. Operations, Project Management, Finance, Business Development etc. This would facilitate a multiple choice of talents who would be able to fit in several other areas apart from where they are currently serving. 5.2 The respective HODs together with GHCD, must identify the key/critical positions based on the Company/Division/Department's organization chart prior to the nomination of PS. 5.3 SP of these positions will be managed by GHCD together with the respective HODs as part of the Succession Planning Framework . 5.4 The initiation and prioritization of the SP process would be based on the following "position by incumbent" matrix : <div><table><tr><td rowspan="2">POSITION</td><td>Critical</td><td>High Risk : Develop longer-range succession management</td><td>Damaging Risk : Highest Risk : Primary focus of succession</td></tr><tr><td>Others</td><td>Contained Risk : Monitor for changes over time</td><td>Moderate Risk: Regular back-up resource planning</td></tr><tr><td></td><td></td><td>Non-Vulnerable</td><td>Vulnerable</td></tr><tr><td></td><td></td><td colspan="2">INCUMBENT</td></tr></table></div> 5.5 The criticality of the position and vulnerability of the current incumbent are taken into consideration, in determining the risk categories as follows: i. Damaging Risk – where the position is critical and current incumbent is considered vulnerable ii. High Risk – where position is critical but current incumbent is not considered vulnerable.	POSITION	Critical	High Risk : Develop longer-range succession management	Damaging Risk : Highest Risk : Primary focus of succession	Others	Contained Risk : Monitor for changes over time	Moderate Risk: Regular back-up resource planning			Non-Vulnerable	Vulnerable			INCUMBENT	
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		Non-Vulnerable	Vulnerable													
		INCUMBENT														

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	<ul style="list-style-type: none"> iii. Moderate Risk – where position is not critical but the current incumbent is considered vulnerable iv. Contained Risk – where the position is not critical and current incumbent not considered vulnerable
5.6	<p>The criteria to be used to assess the critical positions would be based on the following:</p> <ul style="list-style-type: none"> i. Business contributions of the position, e.g. to what extent does this position impact the organization's ability to achieve its priority and strategic objectives; ii. Stakeholder relations e.g. to what extent does this position impact relationships with key stakeholders or affect the organization's credibility and reputation; iii. Future impact on the organization, e.g. to what extent does this position impact the making of strategic decisions which affect the organization's success in the future or influence strategic choices about the organization's direction in the future; and iv. Uniqueness of the position, e.g. to what extent is this position so unique to the organization, that it will be very difficult to recruit an external candidate successfully.
5.7	<p>A 'vulnerable incumbent' would refer to those key staff who have a likelihood of vacating their positions in the very near future, e.g. within the next 1 to 2 years.</p>
5.8	<p>Amongst the reasons where an incumbent may be deemed as vulnerable are as follows:</p> <ul style="list-style-type: none"> i. The incumbent is approaching his retirement or the expiration of his employment contract period. ii. The incumbent is dissatisfied with current role and may be a "retention risk". iii. There are plans to promote the incumbent to another position and the current position will thus be vacated. iv. The incumbent is "not performing" at his current position.

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	5.9	The prioritization exercise is necessary to provide the required focus particularly in identifying the PS for the key/critical position.
	5.10	The key/critical positions will be also be determined based on its impact and criticality, through the HOD's and GHCD's observations.
	5.11	Based on the decision by HOD and GHCD, the list of proposed key/critical positions will be forwarded for review and approval by the Management.
	6.0	Nomination Of Potential Successor
	6.1	A few methodologies will be used to ensure that a good talent nomination profile is determined.
	6.1.1	Superior's Recommendation
	i.	Superior will have to, at least, nominate two (2) PS each from within the Company/Division/Department, or externally (if any) for the talent pool. The names of these PS should be stated in the SPNF .
	6.1.2	GHCD's Recommendation and Review
	i.	GHCD is allowed to recommend the eligible candidates for talent pool, even though their names were not nominated by the Immediate Superiors.
	ii.	GHCD will have the right to review all the nominations made by the Immediate Superiors so as to ensure that only suitable and qualified nominations are made.
	6.2	It is proposed that an extensive selection of PS be identified by the HODs so as to ensure that the best suited candidates are considered to fill the key/critical positions.
	6.3	A candidate may be identified for more than one (1) position, if his/her qualification and experience are relevant to the requirements of the respective positions.
	6.4	Where there are no suitable candidates that can be identified from within the Company/Division/Department, a concept of "forced identification" should NOT be adopted just for the sake of nominating a candidate. Instead, it should be noted that suitably qualified external candidates, may be considered for the position.

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	<p>6.5 Nomination of external candidates is to provide a balance of internal and external candidates in line with the requirements so as to ensure that the best candidate is selected for the right position, as well as to bring in new ideas, knowledge and experience.</p>
7.0	<p>Talent Profiling & Categorization</p> <p>7.1 Talent Profiling</p> <p>7.1.1 Once the list of PS is finalised, the Talent Profiling will be formulated for each individual talent.</p> <p>7.1.2 The Talent Profiling will act as a “report card” of each individual PS where the following information will be included:</p> <ul style="list-style-type: none"> i. Personal details of the PS including details on qualifications and previous employment history. ii. The training/development programs attended during employment with the Group. iii. The Performance ratings for the past years. <p>7.2 As per other “report cards” the Talent Profiling would provide the necessary background information of the PS and would be used as a tool to track his/her progress throughout the whole process.</p> <p>7.3 The PS shall be further evaluated based on the following two (2) key indicators to determine their suitability to the position:</p> <p>7.3.1 Performance - based on the annual SPA ratings whereby the candidate must have shown consistent performance over the years with at least a rating of three (3) and above for the last two (2) years.</p> <p>7.3.2 Potential - assessed by using the following clusters of competencies :</p> <ul style="list-style-type: none"> i. Job/Functional Competencies - involving the expected job competencies in the Behavioral and Technical aspects. <ul style="list-style-type: none"> a. Behavioral competencies refer to personal attributes or characteristics that describe how a task is being carried out i.e. motives, attitude and values etc.

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b. **Technical competencies** would include knowledge, skills and practices required for successful accomplishment of an assignment /task.

- ii. **Core Competencies** – basic/general competencies that are normally required in any given assignment/tasks e.g. communication, integrity etc.
- iii. **Leadership Competencies** – leadership skills and behaviours that contribute to superior performance.
- iv. **Relationship Management** – involving customer/stakeholder focus, interaction skills; and
- v. **Organizational values** – involving elements such as work ethics, team work etc.


7.4 Weightage of Competencies

- 7.4.1 Weightage of Competencies is determined to differentiate the importance of each competency as well as to ease the process of identifying the suitable development plans for these PS.
However, the weightage may vary from one level to another, so as to cater for the different needs of each level.

7.5 Interview Session

- 7.5.1 An interview session, may be conducted to help assess the competency levels of the PS as well as their readiness to assume the higher position.
- 7.5.2 The corresponding panel of interviewers will be as follows:

Position	Panel of Interviewers
Senior Management / Business Head	BOD / Top Management
Management (Manager Level)	Senior Management
Assistant Manager	Management
Senior Executive/ Executive	Management / Assistant Manager
Non – Executive	Executive and above

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7.6 Categorization & Readiness

7.6.1 Upon completion of the interview, the PS shall be categorised based on the following:


Readiness Level	Description
Readiness 1	Able to replace incumbent or assume duty immediately or within next 1 year
Readiness 2	Possesses competencies to replace incumbent's duties within next 2 to 4 years
Readiness 3	Possesses competencies to replace incumbent's duties within next 5 years and above

7.7 Final List of PS


7.7.1 The final list will be submitted to the Management for consideration and approval.

8.0 Individual Development Plan

- 8.1 Upon Management approval on the final list of PS, an **Individual Development Plan (IDP)** detailing all development activities, that the PS would have to undergo, would be formulated.
- 8.2 The IDP is basically a tool to assist in the career and personal development of the PS.
- 8.3 The IDP may not be restricted to internal and external training programs only, but would also include initiatives like mentoring and coaching, on-job-attachments etc.
- 8.4 The development activities, in the IDP, will be discussed and agreed upon by the PS's Immediate Superior, HOD and GHCD.
- 8.5 The IDP would then be relayed to PS as part of the communication process.
- 8.6 The IDP progress would be monitored, reviewed and updated at regular intervals.
- 8.7 The IDP may be implemented on a continuous basis whereby it may commence prior to the PS assuming the future role or upon assuming the role.

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	GHCD will report to the Management on a periodical basis on the status of PS, which may include the development progress.
9.0	<p>Developmental Activities</p> <p>9.1 The talents identified as PS has to accept the development activities prepared for them and to manage it accordingly. The PS would also be required to ensure that the project(s) assigned is successfully completed while meeting the objectives of their annual Key Performance Indicators (KPI).</p> <p>9.2 If a PS is selected for any of the development activities, the Immediate Superior should make arrangements to ensure that the PS's duties, in the office, are handed over accordingly.</p> <p>This would ensure that business requirements are met and that workflow is not disrupted.</p> <p>9.3 The PS would also be participating in engagement sessions such as:</p> <p>9.3.1 Periodic meetings with GHCD</p> <p>The meetings with GHCD are aimed towards tracking and monitoring the progress of each PS. The continuous tracking and monitoring are needed to ensure the effectiveness of the SP Program.</p> <p>9.3.2 Engagement sessions with Management</p> <p>This session would provide an avenue where the Management's expectations as well as the company's strategic and business directions could be relayed to the PS, since the PS are the company's future "drivers". The sessions would also provide an opportunity for the PS to present their ideas and voice concerns.</p> <p>9.3.3 Training Sessions with External Speaker/Consultant</p> <p>The sessions conducted are to ensure that the PS's knowledge and motivation levels are always at the "peak".</p> <p>9.3.4 Personal mentoring/coaching sessions with HODs and Superiors</p> <p>The personal mentoring/coaching sessions are meant to achieve the following:</p> <ul style="list-style-type: none"> • to accelerate learning • to reduce skills/competencies gap(s)

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- to be an avenue for knowledge transfer from the assigned mentor(s)/coach(s) to the PS
- to ensure that the knowledge, skills and experience of the mentors/coaches are “transferred” to the successors and not “lost” with the departure of the mentors/coaches.

9.3.5 On-Job attachment to other relevant division/department

On-Job attachment would be the avenue where the PS is able to get the “real field” and “hands-on” experience of a particular job. However, this initiative is to be conducted depending on the necessity and suitability.


- 9.4 The respective Immediate Superior's support is required to ensure that the IDP designed for the PS can be effectively implemented. This includes releasing the PS to participate in any of the identified development activities that may require their full-time commitment.

10.0 Assessment

- 10.1 Assessments will be conducted on a continuous basis, throughout the program, to determine the competency and readiness level of the PS.

- 10.2 Three (3) level assessments will be conducted :

Level	Assessment	Description
1	Pre	Conducted during the Validation process of PS, where the current competency levels and the present status of PS is measured. It will also help to determine their competency gaps i.e. between current and expected levels.
2	During	Continuous assessment conducted throughout the implementation of the program to track all development progress.
3	Post	Conducted to evaluate/measure the progress/achievement of the PS i.e. in terms of competency gaps (pre vs post).

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	10.3	The assessment would also indicate whether further development programs are required or the PS is ready to assume the key/critical position when required.									
11.0	Review Of Succession Planning And Management										
	11.1	The list of PS will be reviewed at the beginning of each year after the SPA and Promotion Exercises. This is to ensure that the list is updated based on the PS existing performance.									
	11.2	GHCD will continuously liaise with Immediate Superiors on the progress of the PS and in identifying other potential talents to be placed in the Talent Pool.									
12.0	Submission To Management										
	12.1	The final list of PS along with their initial 'report cards' will be submitted to the Management for their consideration and approval.									
	12.2	GHCD will submit the updated succession plan chart as well as its progress to Management, for notification.									
	12.3	The Management will also be informed of the action plans taken or to be initiated in line with the SP program.									
13.0	Appendix										
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