

Money not main driver of performance

New study on financial services industry finds job satisfaction trumps pay rise

A NEW study by the Asian Institute of Finance (AIF), titled "High Performance Work Practices (HPWPs)", which looks at the Malaysian financial services industry, finds that it is crucial for employers to put in place a robust performance management system that is able to measure employee contributions and achievements.

The study, which surveyed more than 2,000 financial services personnel across the Malaysian financial services industry, found that highly satisfied employees, representing more than a third of the total population surveyed, ranked performance management as the top work practice followed by learning and development.

This suggests that for these employees, job satisfaction came from "what they could do" rather than "what the organisation can do for them".

In the study, a focus group of senior HR practitioners across the financial services industry identified five HPWPs relevant to the industry: performance management, learning and development, succession planning, employee involvement in decision-making and payment systems.

With performance management being a key factor among employees, management needs to prioritise having a good performance management system.

The rest of the population surveyed ranked learning and development as the top work practice with performance management next.

Notably, payment systems, or remuneration and incentives practices, was ranked lowest among both highly satisfied employees and the rest of the population surveyed.

This would suggest that it is not all about the money.

In fact, the survey reveals that what financial services industry employees want most is to find meaning in their jobs and to have an effective relationship with their manager.

"With the shortage of talent across the Malaysian financial services industry, organisations need to act quickly to identify and implement HPWPs," said AIF chief executive officer Dr Raymond Madden.

"Although there is no 'one size fits all' model for HPWPs, it is hoped that this study can serve as a basis from which each organisation can map their own optimal work practices. Much has been written about the annual performance review recently, with many organisations abandoning the formal annual review process.

"Our research suggests formalised performance management is key to encouraging HPWPs," he said.

Maybank group chief human capital officer Nora Abd Manaf said the study by AIF could not be more timely because leaders were anxiously responding to the changes that many refer to as the



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4th Industrial Revolution.

"Structure and preciseness in many existing management tools like the typical performance management system have the potential to mislead one into thinking that these provide effective and strong governance," she said.

"But many can now see that these tools need to be transformed because they, in fact, have also been proven to be limiting, and holding back high performers from playing their best game.

"This study gives clear insights into what truly makes high performers tick and validates the progressive efforts pursued by the many who have begun to make their tools 4.0-ready," she added.

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