

STRATEGIC TALENT MANAGEMENT FORUM 2008

**13 November 2008
Sime Darby Convention Center**

***The following slides were used
by the speaker at this event***



Leaderonomics
The Science of Building Leaders

American Express: Talent Management Best Practices

Create

Inspire

Excite

Deliver



Strategic Talent Management Forum 2008
13th November 2008

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Manager, Talent Development
Japan/Asia Pacific /Australia

- American Express Background & JAPA Landscape
- Building Leadership Capabilities at American Express
- Building a strong Business Case for Diversity and Inclusion
- Measures taken to address the multi-generational
- Creating Flexibility for Today's and Tomorrow's workforce
- Diversity Think Tank



- American Express is a leading brand in services, network and travel company founded in 1850
- Spending per card is approx 4x higher than competition
- 62,000 proprietary employees globally (51% outside USA) in 45 countries
- Headquartered in New York

AXP Vision

To become the world's most respected company.

Operating Principles

We must offer a superior value proposition to all of our customer groups.

We must have best-in-class economics.

We must support the American Express brand.



Building Leadership Capabilities at American Express



Putting the right people, in the right place, at the right time and ensuring that each AXP employee is capable and enabled to deliver high performance business results



Vision: Leadership differentiates us and drives top tier growth, innovation & loyalty



Business Outcomes

Growth

- Win/Loss ratios increase
- Top 2 box customer satisfaction climbs

Innovation

- Effective speed to market in product development
- Market mover in identifying & securing new capabilities

Loyalty

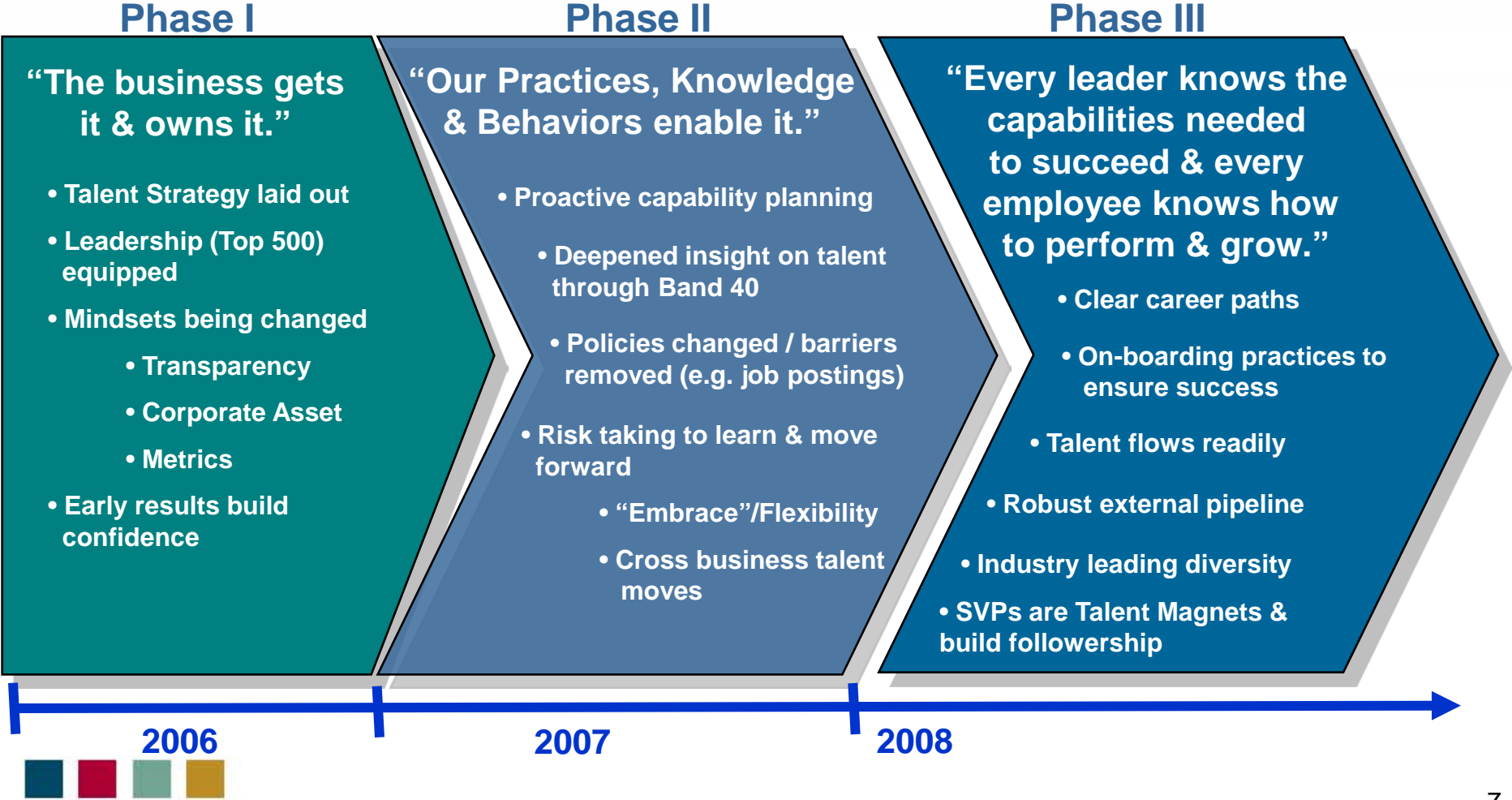
- Intent to stay increases
- Employment brand drives product loyalty

Enablers

- Proactive Talent Management (Talent Management Scorecard)
- Market Reflective Diversity (Diversity Scorecard)
- World Class Engagement (Employee Survey)
- World Class Leadership (Good Faith Actions)

AXP Talent Strategy – A Multi-Year Journey

Talent Management is central to our aspiration of becoming one of the World’s Most Admired Companies. To ensure it takes hold we must ensure a strong bench of diverse leaders who generate growth, innovation, and top tier performance.



AXP Leadership Model

OUR INTENT

Leading the marketplace through innovation
 Brand promise and superior customer service
 through rational and emotional engagement
 Top-tier performance



Leadership at American Express means creating exceptional outcomes for shareholders, customers and employees

Create Our Future

- Develops Winning Strategies
- Drives Innovation and Change

Inspire Our People

- Builds and Leverages Relationships
- Communicates Effectively
- Builds Diverse Talent

Excite Our Customers

- Focuses on the Customer and Client

Deliver on the Promise

- Drives Results
- Demonstrates Personal Excellence

Live the Blue Box Values
 Will to Win / Integrity / Customer Commitment / Quality / Personal Accountability
 Teamwork / Respect for People / Good Citizenship



THE OUTCOMES

Business gains share globally
 Brand is stronger and share price higher
 Employee engagement is second to none
 More opportunities for employees to grow and develop
 AXP among the most admired companies in the world



Leadership & Diversity Training is a key component of our talent strategy



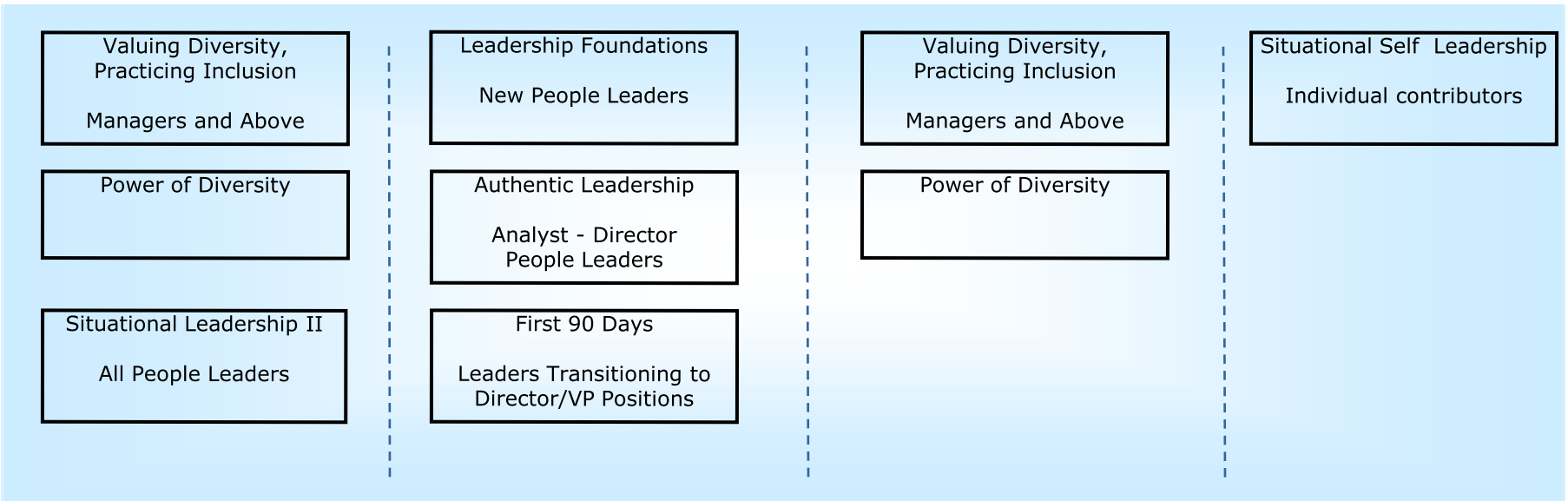
People Leaders

Non People Leaders

Mandated Programs

Mandated Programs

Recommended Programs



Other Blue Box courses (Instructor Led & Web Based) mapped to our competencies

← Leader's Leader Coaching Throughout →



Talent Assessment and the Nine Box

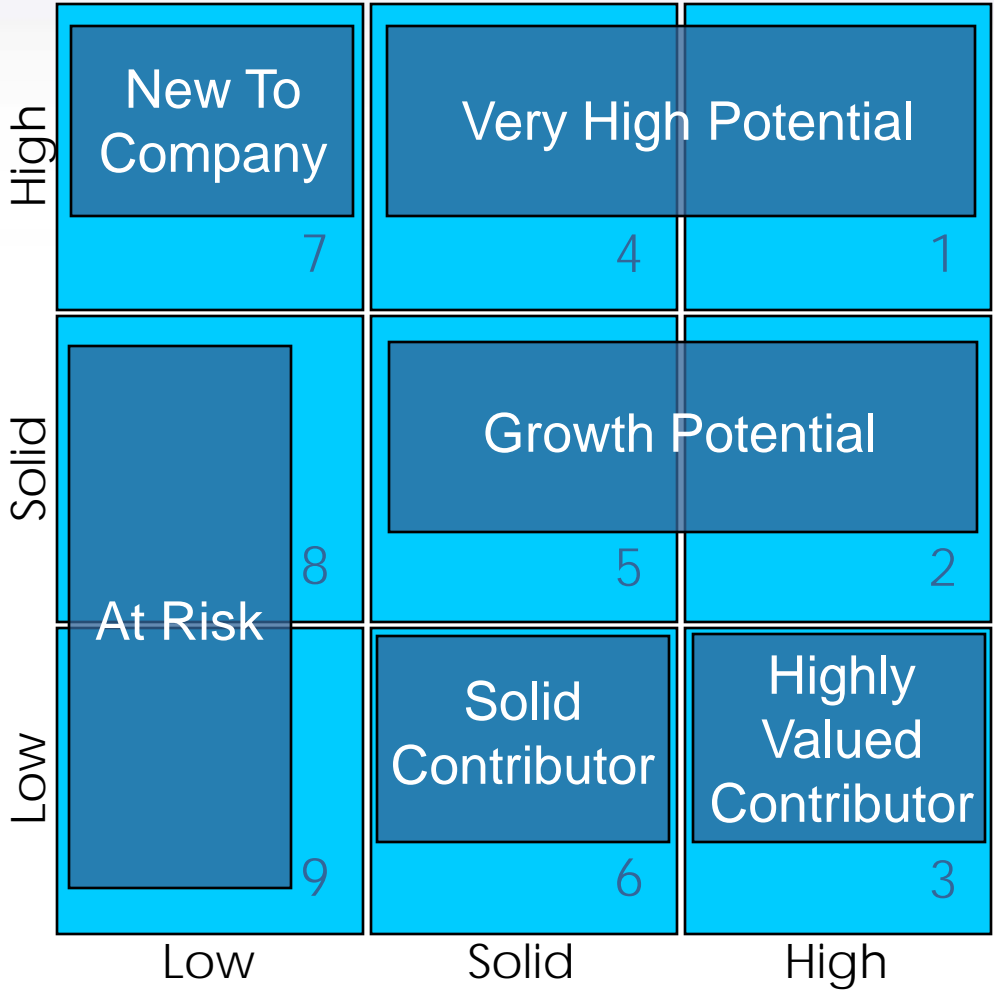
The Nine Box is one part of the entire Talent Assessment Process

Nine Box is a data point used to assess our talent pipeline

Talent Assessment is comprised of Nine Box Assessment, Succession planning, Career pathing, Short term and long term development planning.

Nine Box assessments are communicated during career conversations; it is important to accurately assess employees with this tool

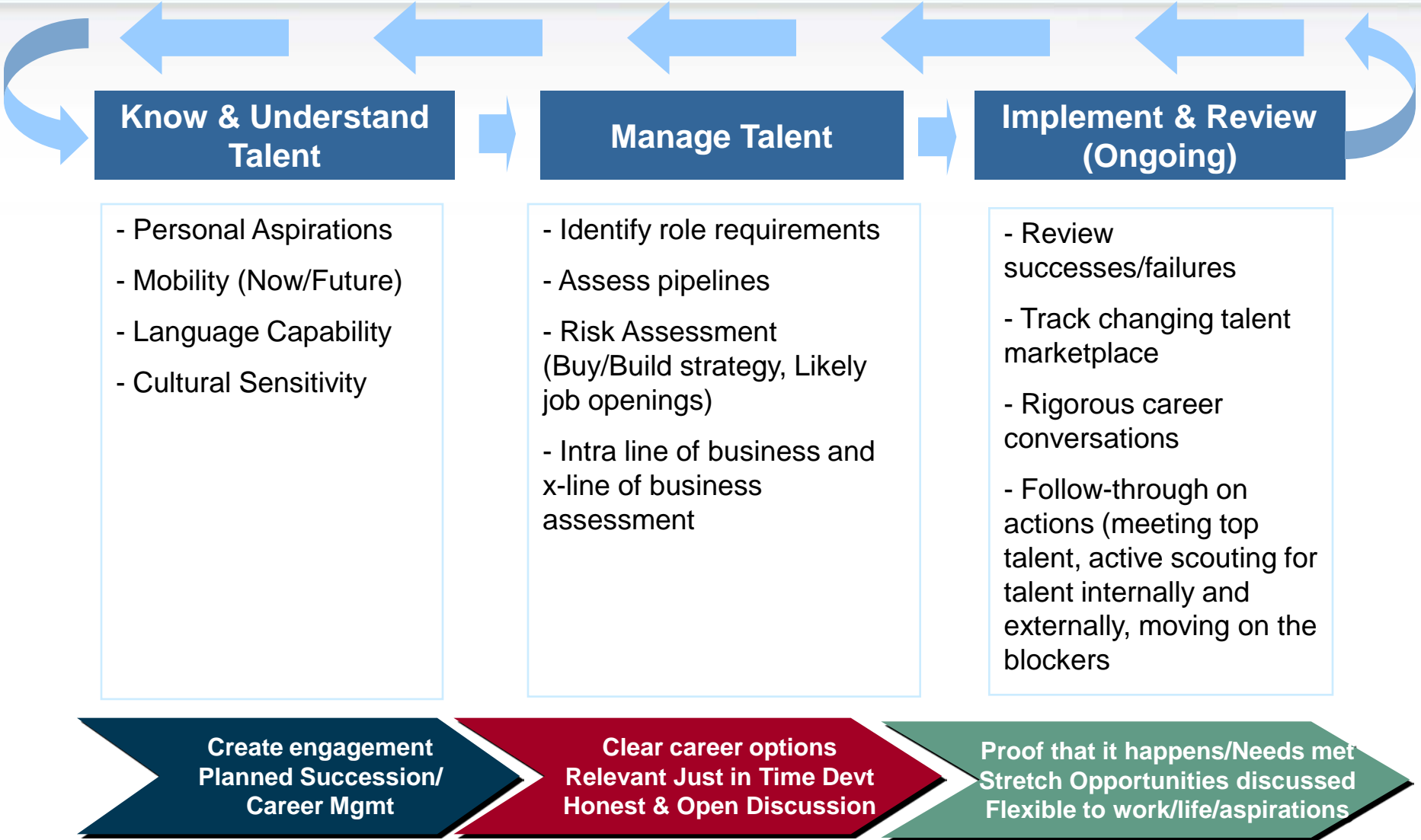
Potential ↑



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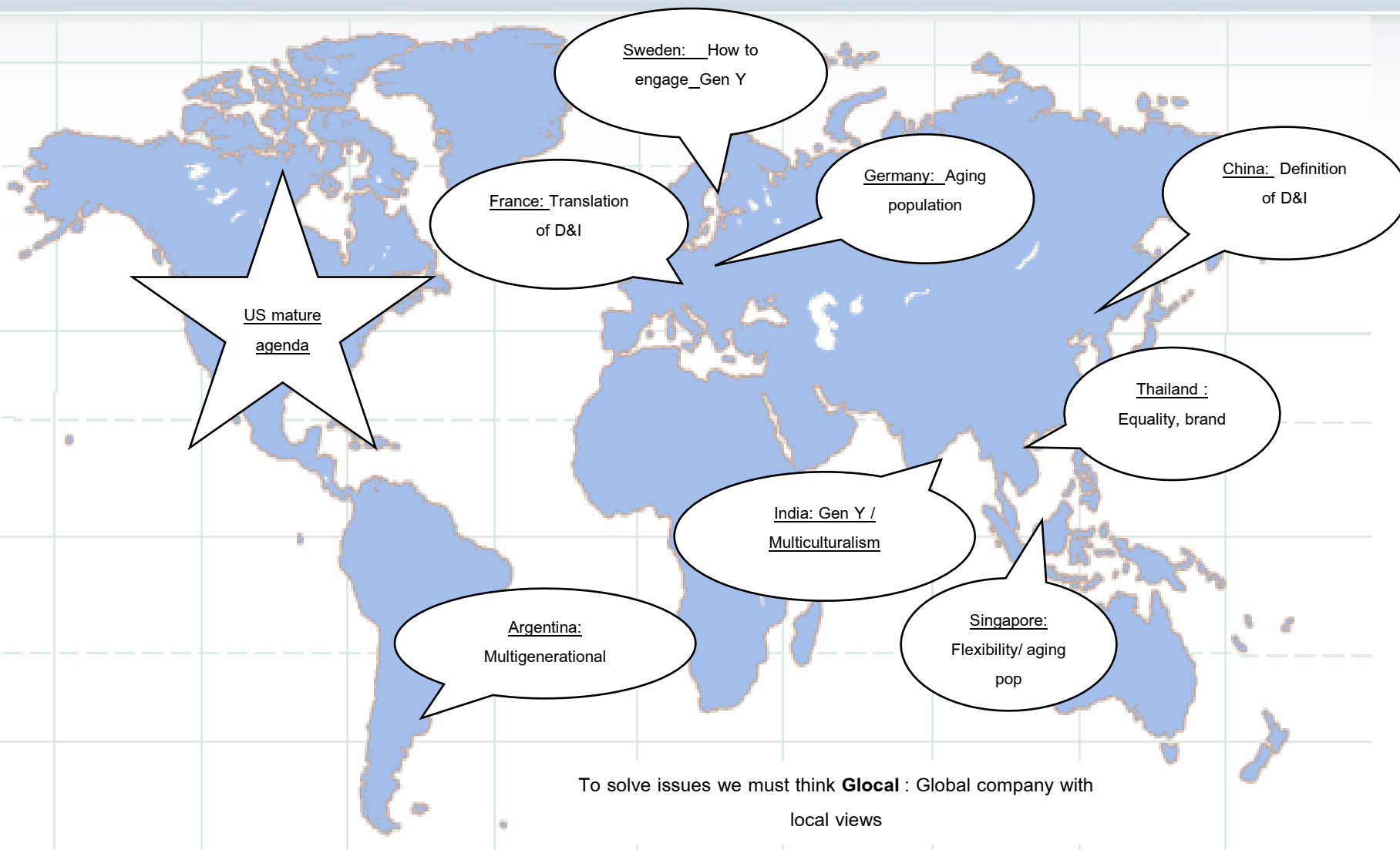
Senior Management plays a key role in Talent Management



At American Express, we have built a strong
business case for Diversity & Inclusion



Diversity Issues Map – Regional & Market Driven



To solve issues we must think **Glocal** : Global company with local views

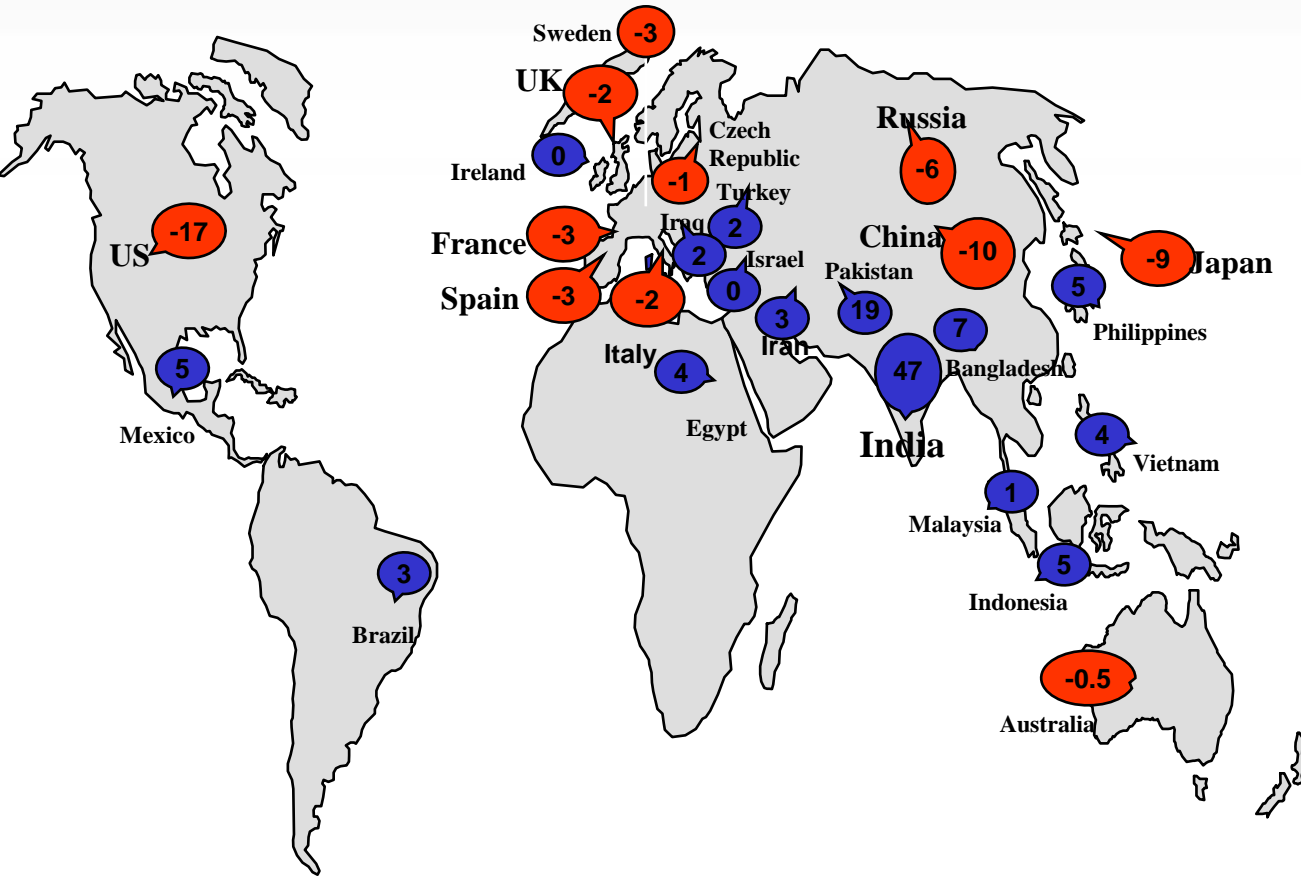


Maps courtesy of www.theodora.com/maps, used with permission."

World Growth and Population

Market	GDP real growth	Unemployment rate 07
India	8.5%	7.2%
France	1.8%	8%
Germany	2.6%	9.1%
Singapore	7.4%	1.6%
Sweden	3.4%	4.5%
Argentina	8.5%	7.5%
Spain	3.8%	7.6%
Taiwan	4.4%	3.9%
Thailand	4.4%	2.1%
Hong Kong	5.8%	3.9%

Potential Surplus/Deficit Population in Working Age Group (2020)



● Estimated population deficit (mm)
● Estimated population surplus (mm)



Four Generations in the Workplace

Traditionalists (Born 1925 – 1945) “Loyal”

- ❑ Respect **authority** and seniority
- ❑ Prefer a **formal** relationship with their manager
- ❑ Comfortable with hierarchy and **top-down** management style

Baby Boomers (Born 1946 – 1964) “Optimism”

- ❑ Work **long hours**
- ❑ **Innovative**
- ❑ Tend to **challenge rules**
- ❑ Value **creativity**
- ❑ Focus on **relationship building** and expect others to work the same long hours

Generation X (Born 1965 – 1981) “Skepticism”

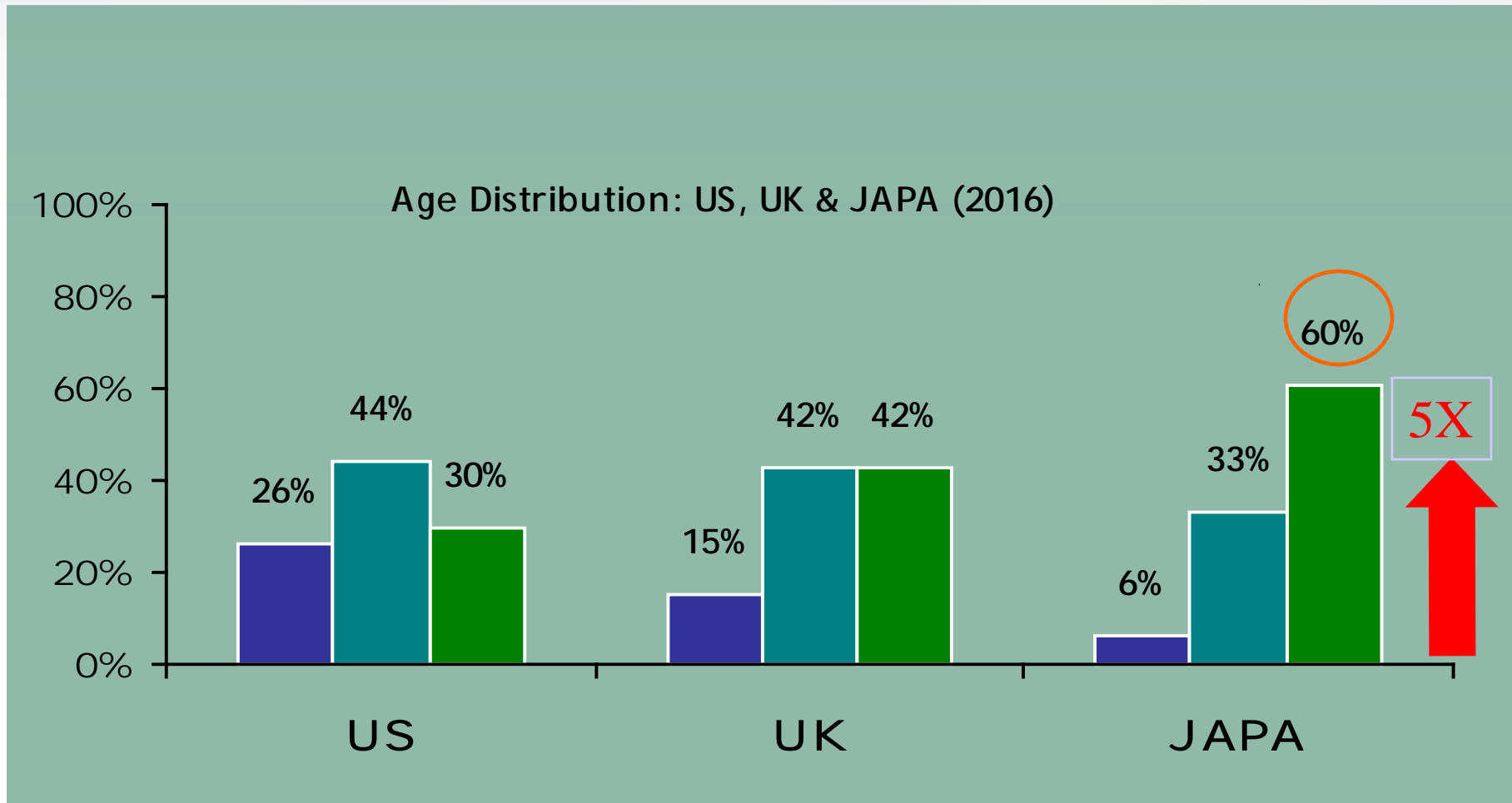
- ❑ **Self-reliant**, resourceful and independent
- ❑ Bring **work-life balance** to the workplace
- ❑ Prefer to **work independently** with minimal supervision
- ❑ Focus on results and are masters at **multi-tasking**
- ❑ Motivated by independence, **growth opportunities** and managers who trust them

Generation Y (Born 1982 – 2000) “Realistic”

- ❑ Want responsibility, recognition and opportunities for **high engagement**
- ❑ Leader is a **guide & mentor**
- ❑ Solutions are **technology-oriented**
- ❑ Strong sense of **social responsibility**
- ❑ Thrive on **short term goals** and **deadlines**

Friction, mistrust, communication breakdown, prevent effective team work and collaboration, impact job satisfaction, retention & productivity.

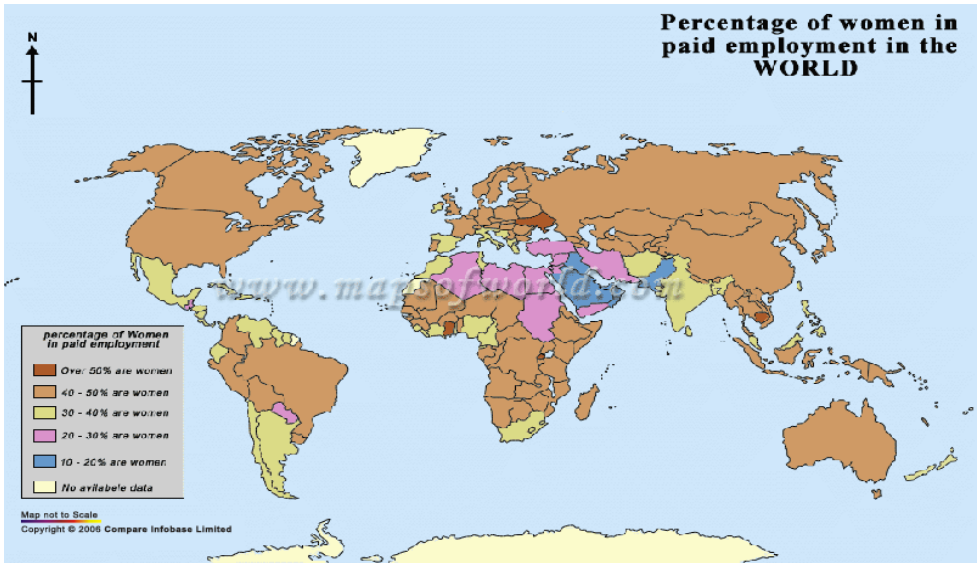
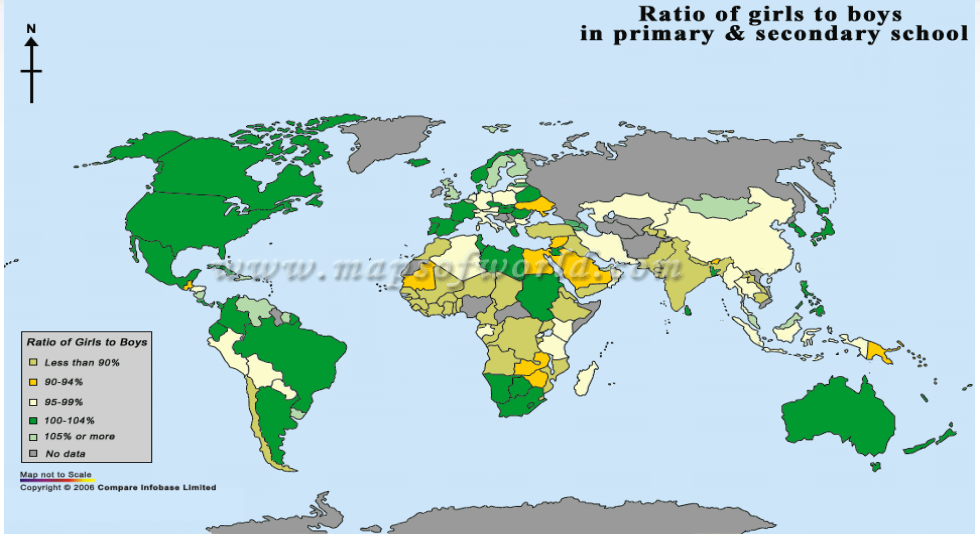




Baby Boomer (Born 1946 – 1964) Gen X (Born 1965 – 1981) Gen Y (Born 1982 – 2000)

Female Talent – Gender still an Issue

Market	% female total pop	AXP Female Executives
India	51%	19%
Singapore	50%	30%
Taiwan	48%	50%
Thailand	51%	33%
Hong Kong	55%	53%



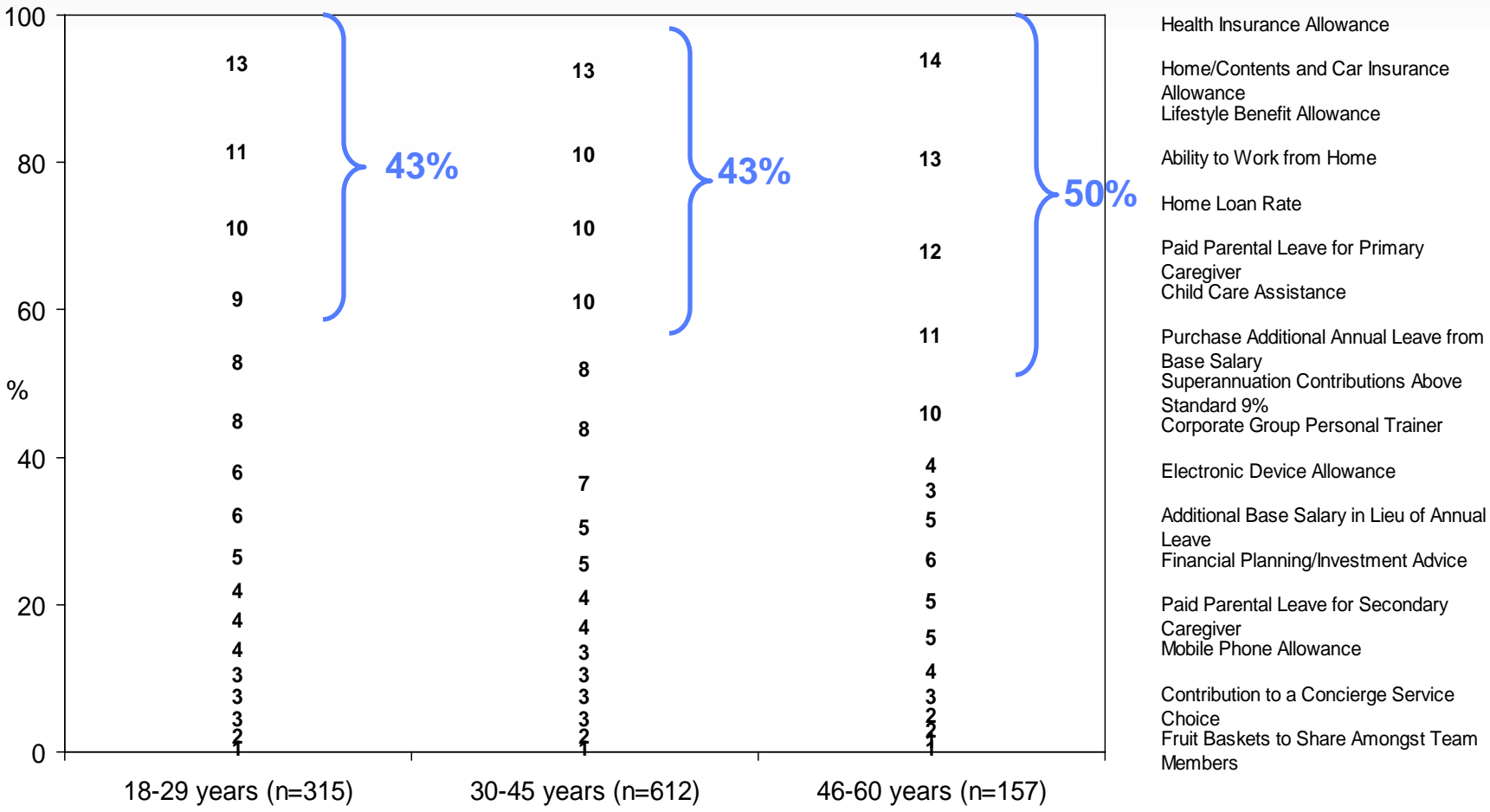
We have taken steps to address the Multi-
generational



Survey to understand benefit needs of our multi-generations



Australia employees benefit survey shows not much difference in preference



Customise Brand Identity to Different Demographics

Amex New Visual Identity for hiring and attracting new card members

External Brand → *Young and Affluent Life Style*

Hiring image → *Work Style that complement Life Style*

I-You-WE



← **WE – Management is about leadership and team**

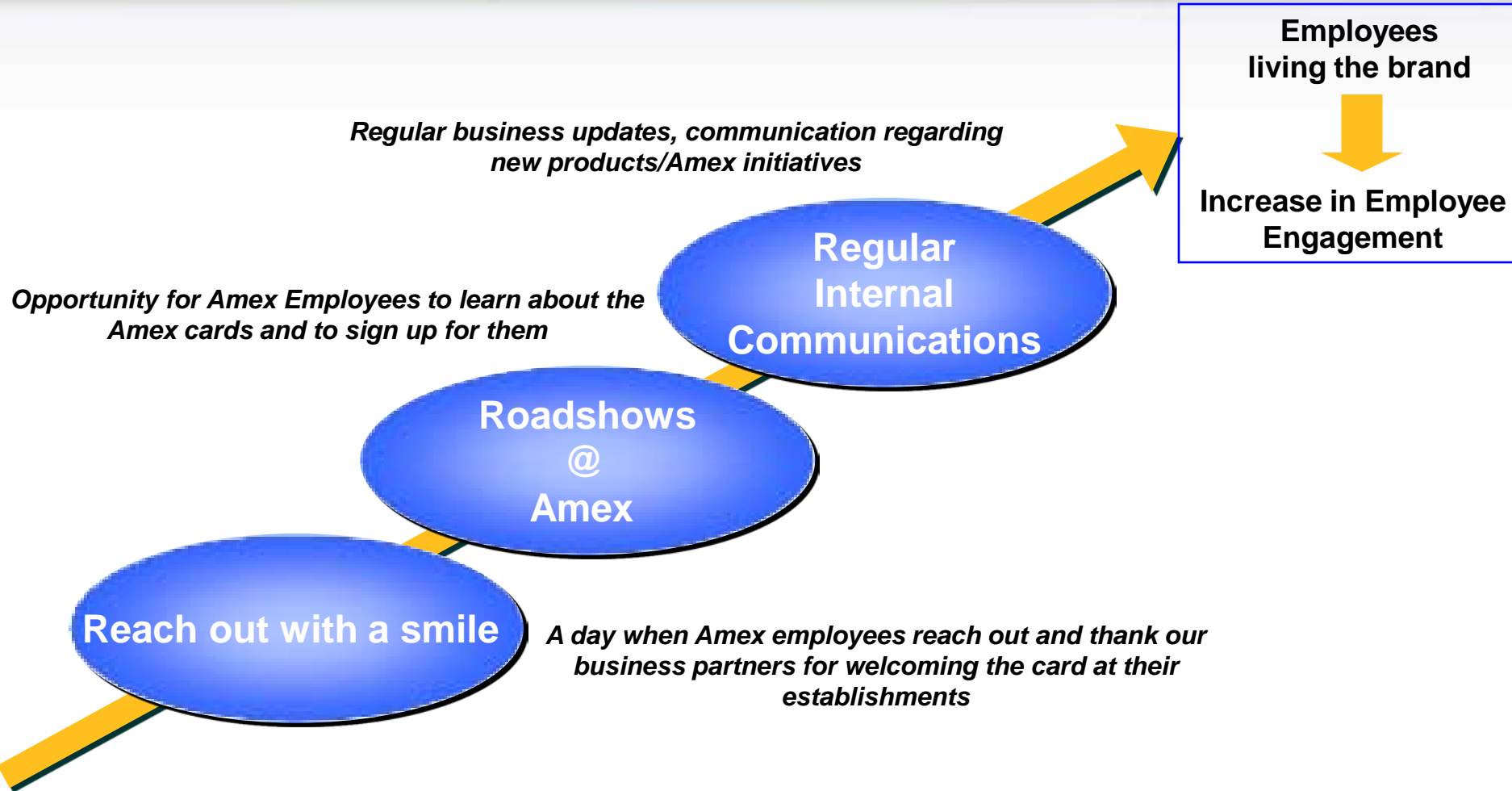
← **You – Grooming environment for the college graduate**

← **I'm Amex – Our front office staff**



Branding from the Inside Out

Making Advocates of Employees



Employees are the most widely used and credible channel to attracting new talent



We have identified ways to create Flexibility for
Today's and Tomorrow's workforce



Project Embrace at American Express

INTRODUCING WORKPLACE FLEXIBILITY FOR TODAY AND TOMORROW'S WORKFORCE

Embrace is an HR initiative chartered with creating new ways of working, which excite, engage, and enable our people and deliver great business results and shareholder value.

Why do we need Workplace Flexibility?

- 

Competitive Advantage
The best companies realize that only by having flexible business and employee models can they leverage their talent, skills and knowledge for competitive advantage in the market place.
- 

Generational Transition
Evolving societal values and employee demographics will bring about new relationships between employees and organizations, and drive the need for creative options for engaging and retaining talent.
- 

Globalization
As more employees are required to work across boundaries and timezones and with offshore partner companies, workplace flexibility becomes an essential way of doing business.
- 

Work-life Integration
Work-life integration plays an increasingly critical role in recruitment, retention, and employee engagement strategies in many employment market places.
- 

Sustainability and the Environment
Social, environmental, and economic performance must be viewed holistically for both short and long-term organizational success.
- 

Technology
Transparent connectivity will enable work to be performed anytime, anyplace and anywhere.

Examples of Workplace Flexibility

- Phased Retirement**
Phased Retirement allows eligible employees the option to continue their career with American Express, while transitioning to the next phase of their life.
- Flexible Locations**
Workplace flexibility allows virtual work and telecommuting from home or satellite locations.
- Full Time Flexible Schedules**
Examples include flexible working hours, compressed work weeks, and customized arrangements of shift and break schedules.
- Project Resource Teams**
The PRT is an innovative work model designed to enable high performing employees to work on strategic projects while having fully customized schedules, reduced work hours, and the ability to work from home.
- Reduced Working Hours**
Examples include reduced work week, part time, job share, and special leave programs such as sabbaticals, parental leave, and seasonal work.
- Future Flexible Work Solutions**
Please submit your questions and ideas about Workplace Flexibility to your RL or TDL and learn more about flexible Work policies on AmexWeb.

Project Resource Team



Phased Retirement: A Solution for Knowledge Retention

- **Business Imperative:** Potential brain drain as retirement eligible employees grows at a faster pace than incumbent workforce.
- **Solution:** Design a program that allows select employees to phase from full-time work to full-time retirement while transferring knowledge and relationships to successors.
- **Current business partners:** AET and Tax

WorkStyles: A Solution for Flexible Locations

- **Business Imperative:** Drive for innovation and recognition as an employer of choice is undermined by our traditional mindset about where and how work gets done.
- **Solution:** Create innovative work environments to support new flexible business models.
- **Current business partners:** Global Real Estate and Technologies

Home	Roam
Hub	Club

Project Resource Team: A Solution for On-Ramping and Off-Ramping

- **Business Imperative:** Broaden adoption across the organization and introduce collaboration tools to enhance productivity and share best practices.
- **Solution:** Continue to broaden adoption and deliver self-funding flexible working model that allows employees to reduce work hours for a defined period of time.
- **Current business partners:** OPEN, CCSG, B2B (add'l roll outs planned for '08)

Global Flexibility Framework: A Solution to Enhance Work/Life Integration

- **Business Imperative:** Drive employee engagement by leveraging strengths as a flexible employer (see survey) and support the EVP.
- **Solution:** align flexible work policies and tools in top 10 international markets to create consistency of voice.
- **Current business partners:** Global Employee Relations Council



 Diversity Council Flexibility Sub-Committee outputs in 2007

- Flexileave in Singapore - 6 days multi-purpose leave
- Summer hours - Australia/Hong Kong/India
 - A few hours more each day gives one day per month free
- Sunshine Friday
 - No meetings after 4pm – time to finish work on time on Friday
- Caregivers
 - Workshops to promote good parenting practices
- Opportunity to work from home when relevant
 - All staff provided with laptops and mobile technology

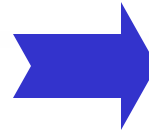




AXP as a driver of the diversity agenda in JAPA

Point of Departure

- In JAPA Diversity is not perceived as a business advantage
- Unclear definition of Diversity & Inclusion in JAPA
- One size fits all approach is not applicable across JAPA markets



Point of Arrival

- Robust definitions of Diversity across markets – focusing on flexibility & inclusion
- Genuinely diverse employee-base drives business results
- Leverage diverse population to enhance shareholder and customer experiences

- AXP identified opportunity to drive innovative practice through collaboration with 12 other JAPA multinationals
- Partnered with CSR not-for profit to create and launch think tank with 2-year ongoing agenda.
- Focus on creating energy and delivering innovative alternatives to address global and local issues
- Engaging our corporate global clients in a non traditional business way and building our brand



AXP Launch Partner of DIAN (Diversity & Inclusion Asia Network) 1st Meeting in Singapore

Key highlights

AXP:

- Hosted the **Launch event** in Singapore 15-17th April
 - Focus of 1st meeting: sharing best practices on **Singapore and Asian leadership**
 - **Funded** the Network's first initiative, report due April 2009
 - Quantifiable and qualitative research on women in senior leadership positions in Asia:
 - Singapore, India, Japan and China
 - X participating member companies
- Access to other diversity professionals and thought leaders
 - Access to leading diversity practices in the region
 - **Opportunity to collectively shape development of diversity in Asia**
 - **Building our Brand as leading Employer of Choice**



DIAN Next Steps and 2 Year Agenda

● Clear deliverables and network in place to share best practices

Meetings 2008	Host	Location	Meetings 2009
15- 17 April – Asian Leadership	Amex	Singapore	Japan
16 -18 June - Gender	Cisco	India	Korea
6-7 November – Deliverable	Merrill Lynch	Hong Kong	China

Network Deliverable

Focus: Diversity Benchmark for Asia.

- 1) Data tracking the participation of women in your companies at different levels
- 2) Interviews with selected women in senior management.

Four key geographies: China, India, Japan and Singapore.

American Express sole sponsor with US\$20,000

Delivery date : 15th April 2009

Ongoing sharing of best practices with Network Members :

Communications (internal & external) / Women leadership trainings and tools

Cultural and leaderships styles training / LGBT issues / Disability – hiring , recruitment and training / Work Life balance – how to effective and efficient



Event leveraging Network Launch



Co-Sponsor:



Partner:



Two main panels:

- 1st on gender
- 2nd on Diversity Training

Total attendance: 83 people (MNCs and SMEs)

95% would like to experience more similar seminars

Key takeaways from the audience:

- Learning how flexibility is part of D&I
 - Building Diversity Awareness Strategies and training resources
 - Amex and Cisco D&I programs insights
 - Getting contacts for diversity issues
 - Personal comments from speakers on Work Life Balance during panel Q&A.
 - Training techniques and speakers' personal experiences

Replicable model for other markets

Suggested : India, Japan and Hong Kong

