

PPEARL CLIENT SUCCESSES

One of the country's biggest FMCG organisations faced the need to establish a more agile and empowering shop-floor workforce in response to rising competition.

PPEARL partnered with the organisation's change management team to recommend the best method to assess candidates for the new supervisory role.

CASE 3

BACKGROUND

The fast moving consumer goods (FMCG) industry is characterised by tight profit margins and the need to increase cost efficiency in order to maintain competitiveness. It is critical in this business that all phases from production to sales be closely managed to turn cents into profit. This situation is no different in Malaysia where FMCG organisations everywhere continuously seek to reinvent themselves to achieve cost competitiveness whether through technological advances in the shop floor, supply chain management, or through human capabilities.

One of the country's biggest FMCG organisations faced the need to establish a more agile and empowering shop-floor workforce in their factories in response to rising challenges from

local and global markets. The vision is to be world class manufacturing with the capacity to produce products at a faster and cheaper rate but with higher quality. This FMCG has presence in over 80 countries with about 500 factories worldwide, employing about 250,000 employees internationally.

THE CHALLENGE

In Malaysia itself, the organisation employs over 3500 personnel and manufactures and markets over 350 products. The organisation was established nearly a century ago locally and has more than 7 factories in Malaysia to serve the local and selected regional markets.

In early 2005, this FMCG's senior management team made a deci-

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sion to reorganise the structure of the shop-floor workforce. This reorganisation required the need to up skill their production staff for them to be in line with their vision. This involved a holistic change process in re-educating and enhancing of skills for the respective categories within the production organisation and a shift in the mindset within the managerial and leadership roles as the role evolves through the structure. The new role brought several implications to the organisation; the production team needed to know if the incumbent line leaders could rise up the challenges and requirements of the new role and if not, new candidates needed to be brought in.

PPEARL was commissioned to partner with the organisation's change management team in

order to propose and recommend the best method to assess internal and external candidates for the new role.

THE SOLUTION

Working closely with senior management and HR, a robust assessment system was designed through the following actions:

› A comprehensive evaluation of the job description for the new production supervisory role was carried out by PPEARL in order to examine the knowledge, skills and abilities needed by this group of leadership.

› Based on the evaluation, a set of ability tests were recommended to be used by the organisation in assessing the most suitable internal and external candidates for the new role. These ability tests

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were to be 1 stage of the multi-stage selection process.

› With the battery of ability test decided, the organisation subsequently ran recruitment advertisements in the major media channels in Malaysia. PPEARL conducted the assessment using these test batteries for the first batch of external candidates in early 2006.

› PPEARL compiled and analysed the results from the assessment in order to provide the organisation with information from which the HR and senior management team could decide the cut-off or 'selection' pass mark to move candidates on to the next phase of the selection process.

› Based on the final decision made by the client PPEARL used

the results to recommend candidates who were qualified to the second stage.

THE RESULTS

The use of a more objective and psychometric approach as part of this change initiative brought several key results. Some of the highlights of the results are:-

› An objective, standardised process to select the most qualified candidate for the new production supervisory role was established. Ability tests constituted one of the first few stages of the process.

› The validity and the psychometric nature of the ability tests provided transparency to the decisions made by the change management and senior management team with regards to the incumbent shop-floor workforce.

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› With the success of the initial assessment conducted in 2005, PPEARL conducted over 12 sessions of assessments for the organisation through year 2006. The total number of candidates assessed in total amounted to about 600 candidates from Malaysia all together.

› The organisation was able to restructure in less than a year, through an objective process that focused on business needs while balancing the sensitive issues surrounding the re-organisation.

ABOUT PPEARL

PPEARL is a HR consultancy with offices in Singapore and Malaysia. We partner with our clients to design effective and efficient HR solutions that are aligned with their unique business strategies and objectives.

We at PPEARL believe every individual plays an integral part towards an organisation's success regardless of their role. Our team of experienced consultants have the skills and tools to uncover those talents and bring out the best in every individual.

We can identify where people should be placed so that they are motivated to grow and perform to their maximum capacity.

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