



**As one of the major ISPs in Hong Kong, the City Group strives with best efforts, to recruit, train and manage the best talents in the industry, says Mimi Choy, director, Talent Development**

**E**veryone understands that recruiting the right talent for the right job is key to HR's success. But what primarily differentiates one good employer from another is the capacity to groom, manage and retain the best talents. Winner of Hong Kong's first ever HR Awards for Best Retention Strategies in 2007, City Telecom, is one such employer that understands fully well how retaining the key talent is a critical success factor for its business.

"Our outstanding performance is a result of our dedication to continue improving our service quality, advancing towards becoming Hong Kong's leading ISP. We believe happy staff will bring happy customers, thus happy shareholders," says Mimi Choy, director, Talent Development, City Telecom.

She also says City Telecom's talent

acquisition and talent retention strategy shares a common philosophy, which is "We Offer a Career Rather than a Job". Effective talent management is key, especially to the finance department, she emphasises.

#### **The real story**

Choy tells us that as of 20 March 2007, the organisation has become an Authorised Employer of HKICPA. "It is critical for talent in finance departments to achieve their CPA status in future. This benefit is similar to what the Big Four Accounting firms can offer. A comprehensive HKICPA training programme leveraging our in-house experts was thus formulated," she says.

In addition, the finance department offers talent the opportunity to develop into a business manager rather than

an accounts manager. This means that as the talent develops, he/she has an opportunity to learn how to manage and motivate a business rather than "keep the books", she says.

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### **FACT FILE**

#### **City Telecom**

- **Total number of employees:** approximately 2,700 in both Hong Kong and Guangzhou offices (1,420 in Hong Kong & 1,287 in Guangzhou as in June)
- **Year of establishment:** 1992
- **No of offices:** 2 offices in Hong Kong

how we manage to attract talent from other large firms including the Big Four accounting firms. In addition to the career development focus, we strongly emphasise on work-life balance. Whilst we consider careers as being important, we understand that from an employee's viewpoint, their careers are only part of their total consideration and must be put into context next to other non-work priorities such as family, friends, personal endeavours, etc."

an Education Partnership Allowance of up to 30% of monthly salary or 80% of course value, whichever is lower, for every staff to attend courses or enrol in professional membership; half-day Group Reading Session per month for organised groups; staff study of global best business practices; paternity leave for new fathers; sabbatical leave with continued benefits for personal development of up to one year; free telecom services during employment;

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#### Other initiatives

The formation of a SED (staff engagement department) is helping the group to offer different rewards and recognition to retain high-calibre staff, she feels. Formed by the administration department, talent management department, learning and development department and general affairs and control department, it targets the most important customer – internal colleagues in both Hong Kong and Guangzhou, enhancing staff benefits, and treating staff as the most valuable asset and internal VIPs. "We have a series of staff benefits on talent acquisition and retention."

Following the six-month trial run of five-day work since 1 April 2006, CTI Group will launch a five-day week, being amongst the first private companies in Hong Kong to embrace this change. Besides a 'smart casual' dress policy, the company has adopted the government's environmental drive for less air-conditioning wastage.

In addition, there is provision for

life-time broadband, telephone and digital TV services to the value of around HK\$6,000 per year; and company-subsidised health and dental checks for Hong Kong staff, amongst others, Choy shares.

Furthermore, there is a lot of emphasis on training, with extensive investment in staff training, employing 15 training and development professionals.

"What we offer doesn't appeal to everyone. For example, if you want to develop a career as a bookkeeper and not worry about overall business operations, we're the wrong place to join. Whilst we offer a lot of attractions, we're also extremely demanding on performance and impose a mandatory annual 5% staff upgrade plan whereby we assertively invite the bottom 5% of performers to leave our company."

"Our talent truly is our biggest asset. In operating costs terms, talent is our single largest outgoing, dwarfing other categories such as network expenses, marketing, depreciation, etc. Our



Winner of HK HR Awards for Best Retention Strategies

finance department annualised attrition rate went down 78% for 2006 to 6% for 1st quarter 2007. Our company-wide EBITDA margin improved from 18.8% in 1H 2006 to 33.5% in 1H 2007. Whilst there's a range of factors that contributed to this import, I would say that our talent has been instrumental in delivering this profit expansion: 71.9% growth in EBITDA to HK\$188.2m and return to profitability with profits attributable to shareholders of HK\$18.2m," Choy shares.

"As an employer we can't appeal to all talent. We need to clearly define our talent profile and use this to attract and retain the right kind of talent. To retain talent is of utmost importance to the success of the company. With talent, we're able to expand further and be capable to take on more opportunities and challenges. Our participation with MobileOne for Singapore's Next Generation National Broadband Network Project is the evidence," she concludes. **HRM**