Best Employers
Regional Case Study –
American Express

Crediting Success to its Leader-centric Approach
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Case Study - American Express: Crediting Success to its Leader-centric Approach

American Express is a global services and payments company that has built its business success on a reputation for trust, reliability and service excellence. It has more than 62,000 employees in 130 locations worldwide. In the broader Asia region, it operates in Australia, Mainland China, Hong Kong, India, Indonesia, Japan, Korea, Malaysia, New Zealand, Singapore, Taiwan, Thailand and the Philippines. Across these geographies, the 164-year old company has garnered recognition for being an employer of choice, including being named an Aon Hewitt Best Employer four times in a row.

"We are extremely proud to be recognized as an Aon Hewitt Regional Best Employer," says Timothy Chia, Human Resources Manager, Asia Pacific. “This award supports us in attracting and retaining top talent, which is a top priority for American Express. For current employees, the external validation drives even further engagement.”

American Express aims to provide customer service to a standard that drives business growth and innovation in services and efficiency. The company has developed a consistent set of human resources practices geared towards equipping employees with the leadership skills and tools they need to deliver customer service excellence. These practices emphasize a leader-centric model that holds people leaders accountable and responsible for their direct reports. At the same time, employees are expected to take charge of their own development.

“At American Express, we firmly believe that the employee can take a strong lead in driving their own career,” says Alex Kershaw, HR Director, Singapore, Indonesia and the Philippines

A Leader-centric Focus

American Express uses a leader-centric focus to build the leadership qualities of people leaders and create a strong culture of leadership that informs the performance management process and leadership development strategies.

The leader-centric strategy is built around frequent mentoring – with senior leaders acting as mentors to support individual careers and build closer relationships – close and regular communication throughout the company, and a work environment that encourages innovation.

Based on the belief that a strong leadership culture is essential, the company’s leadership development programs are put together taking account of feedback gleaned from parts of its internal employee Pulse survey as well as input from individual markets, HR business partners and business leaders.

Employee Value Proposition

The employer value proposition at American Express offers a challenging workplace with a highly respected global brand, a collaborative and results-oriented working environment, and a strongly leader-centric culture that offers career progression opportunities.

The company’s model includes a strong employer brand, leadership-oriented development, and progressive diversity and inclusion initiatives.
Leadership Development

The company builds consistent leadership behavior and capability across the region using a combination of programs. The success of its leadership development program is reflected in the figures: 91% of senior leadership positions were filled internally in 2014 in this region, and very few high potential employees left the company in the last year.

Career Development: Global Rotation Program

Selected employees get regular opportunities to work in other markets through the Global Rotation Program, which was launched in 2002. The program offers high-performers rotation opportunities in a range of roles across the business.

The program includes some fresh MBA graduates as well as seasoned managers. Candidates are typically sent on three to four rotations, each lasting six to eight months. A central team monitors their performance in each rotation according to an agreed set of goals and deliverables, and assesses their future potential based on each rotation.

“The Global Rotation Program is a once-in-a-lifetime opportunity. Living in a new country, experiencing a different line of business, and pushing yourself in more ways than you could imagine. I learnt more in my six months of GRP than I had in the two years prior – learning about the company, building new skills, but most importantly, learning about myself.” Amy Malpass Hahn (Home Country: Australia)

“It was an excellent opportunity to build networks/relationships, hone project/time management skills and increase cultural sensitivity/awareness!” Linda Lai (Home Country: Singapore)

“This experience gave me more confidence in my abilities. To achieve the desired result in a short period of time meant further development of my project management skills. This is definitely something I will benefit from in any role going forward.” Markeeta Waugh (Home Country: Australia, Sydney)

In Japan, American Express has used its reputation as an employer of choice to engage Japanese women – a key workplace demographic in Japan – by having its women leaders speak at a Tokyo event for women in finance, and participating in group mentoring sessions with Deutsche Bank and Bloomberg.
Healthy Living Program

American Express launched its Healthy Living program in 2009 and it now covers 93% of employees. American Express’s research – gleaned from internal data and external insights – found that healthy employees are the most engaged. Employees with nine health risks scored 33% on engagement, compared with employees with two health risks, who scored 97%.

The Healthy Living Program aims to promote good health and healthy lifestyles for all employees and their families, improve productivity and control long-term health costs.

The program is offered in all markets with more than 50 employees and covers India, Japan, Hong Kong, Taiwan, Malaysia, Singapore and Australia in Asia Pacific. Each market develops a program tailored to local market needs and lifestyles, after conducting analysis of national health data and partnering with local health experts. Offerings focus on nutrition, preventative health care and mental well-being. Examples include lunchtime yoga classes, fruit and nut sales on the first Wednesday of each month, and mental health workshops. In India, Japan and Taiwan, the company also runs on-site health clinics.

Flexible Working: “Blue Work”

American Express’s work flexibility program is based on the nature of each employee’s work. An initial survey found that many employees were spending 50% or more of their time outside the office. From that, the idea of introducing flexible working arrangements was born.

The Blue Work program identifies four types of workspace: Hub, Club, Roam and Home. Hub-based employees have jobs that require face-to-face time in one of the company’s office locations. Club employees go into a hub office no more than three times a week, either because they work part-time or because they work some days from another location, such as home or another American Express work site. When Club employees check into a hub office, they are allocated a space to use that day.

“Our employees find that working in Blue Work spaces increases collaboration and innovation among team members, who are seeing each other more frequently in shared space,” says Alex Kershaw.

The flexibility offered by the Blue Work program has helped American Express attract employees from millennials to women. Management communicated extensively with employees to advocate the benefits of flexible working, such as saving commuting time.
Reward Blue – Company-wide Rewards & Recognition Program

American Express’s rewards and recognition program is designed to engage, motivate and recognize based on three pillars: praising employees for their work, rewarding meaningful results and celebrating loyalty.

Praise is delivered through non-monetary, personalized e-cards and e-buttons that are designed and sent by colleagues via the company’s online portal. Employees can nominate colleagues for Blue Awards, and awarded colleagues can redeem a gift of their choice from a gift catalogue according to the Blue Awards they have collected. In markets where the gift catalogue is not available, Blue Awards are converted into local currency and paid out to award-winning employees.

Loyalty is recognized according to service milestones and celebrated with a crystal award and a congratulatory message from the CEO, as well as gifts.

The company also runs employee appreciation month and global competitions, including competitions built around world sporting events in which markets play against each other and progress to the next round based on their participation level and engagement in Reward Blue.

“These competitions not only help increase awareness of Reward Blue, but also help drive team recognition and camaraderie,” says Dushyant Ajwani, Compensation and Benefits Manager for Southeast Asia. “The senior leadership are strong advocates of recognition and they consistently reinforce the message.”

Regional Variations: Tailoring HR Solutions to Business Priorities

After examining the different business environments in its markets, American Express develops tailored HR strategies on a country-by-country basis to serve the business needs of each country. One example was the targeted strategy formulated in Malaysia to hire Japanese-speaking customer service staff.

“We need to hire fluent Japanese language speakers as credit risk analysts to serve Japanese card members,” says Carolina Bogado, HR Director, Malaysia and Thailand. “We know that there are 14,000 Japanese nationals living in Malaysia. We also know that there are 70,000 who speak Japanese at various proficiency levels. We developed a targeted sourcing strategy, which is a blend
of traditional methods, and leveraging Facebook and other Internet-based approaches, such as forum pages that are popular with Japanese speakers.

The strategy met its target with all positions successfully filled.

The company adapts its HR practices to meet the employee composition in different markets. In Mainland China, for example, where the company has less than 100 employees, American Express is not using strategies such as moving talent across businesses because of the early stage of its market in the country. To respond to the varied and fast-changing market conditions across the mainland, the company conducted a compensation and benefits benchmarking study to understand the external marketplace and to ensure its benefits program is up to the standard of other best practices companies.

The wide differences between Tier 1, 2 and 3 cities have encouraged a different approach to the company's workforce strategic management in Mainland China.

“The key question we're trying to answer here is, ‘how do we attract the brightest and the best talent in China by customizing our compensation and rewards to be as competitive, if not more, than the rising Chinese companies,’” says Angela Zhang, HR Director Mainland China. “It is important for us to think global yet be able to act local in response to the talent landscape.”

Summary

Amid the challenges of operating in a highly competitive industry and across multiple markets in various stages of development, the American Express leadership-centric model has resulted in the service excellence that has made the company a leader in the financial services sector.

Starting with a powerful employee value proposition, American Express has built a network of human resources programs and strategies that are centered on the theme of leader-centricity.

Adhering to its employee value proposition, performance management tools speak directly to employee empowerment and career opportunities. The Healthy Living program brings together productivity and employee well-being, demonstrating to employees that the company cares about their health and encouraging them to show the same care to American Express customers. Flexible work options offer employees work-life balance while also meeting business needs.

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