

# Business Review

## People

2007 was a year of tremendous expansion for the Group. We have been very successful in supporting this growth due to our ability to attract, engage and develop the best international talent across our markets.

### Attracting and retaining the best talent

Standard Chartered saw a 19 per cent net increase in the number of employees in 2007 to 70,000, as we stepped up recruitment to support our business growth. Attracting and retaining the best talent, driving performance and engagement and building leadership capability are critical priorities for the Group.

There were particularly strong increases in the number of employees in many of our core strategic markets. For example, we recruited almost 3,000 employees in India, just under 1,000 in Pakistan and over 1,000 employees each in China, Hong Kong and Singapore. We expect to continue hiring in these growing markets in the coming years.

We are very proud of our deep history and local knowledge across our markets. We are particularly proud of the diversity that we have worked very hard to promote. Our employees represent over 100 different nationalities and we have maintained an approximately equal gender balance across the Group.

In 2007, we focused on increasing the proportion of women at senior levels. To date, the shift has been particularly strong in Asia, where 45 per cent and 31 per cent of

the senior management positions in China and Hong Kong, respectively, now are represented by women. Globally, 20 per cent of all senior managers are women.

Leveraging local knowledge is one of the key components of our success and we have extended this approach to our recruitment strategy. In 2007, we launched a global employee referral programme. This has been very successful with more than 36 per cent and 37 per cent of new hires in China and India, respectively, referred to the Group by current employees.

We also re-launched our internal job posting guidelines in 2007. The number of positions advertised internally has since increased from 26 per cent in 2006 to 67 per cent in 2007. This provides greater visibility of career opportunities to our current employees and also allows the Group to further develop its internal talent pool.

In 2007, we exceeded our International Graduate intake targets and hired more business school graduates as Management Associates. We place a strong emphasis on these diverse individuals as they are a key part of our leadership pipeline.

Alongside attracting talented individuals, we continue to focus on creating the right

environment to retain employees. This process begins from the day an individual joins the Group. Since launching the Right Start induction programme in 2006, the percentage of employees leaving the Group within a year of joining has decreased by five per cent.

As part of our efforts to retain talented staff, we continued to provide an inclusive environment for our people. In 2007, a new flexible working framework that includes working flexible hours and part-time working was piloted in Ghana, Singapore, the UK and the US. The Group also launched the work@home programme at its Shared Services Centre in Chennai, India. Over 100 employees have already enrolled themselves into the programme.

In 2008, the Group will extend the policy to another six to eight countries. We will also work towards including other kinds of flexible working arrangements to help our employees enjoy a healthy and manageable work-life balance.

The Group has been researching the root causes of attrition and the drivers of retention in some of our core markets. Our integrated approach offers a more proactive strategy towards attrition and was launched in India, China and the UAE in 2007.



### Training academies to nurture talent

We believe in the continuous training and development of our people, so we are investing in training academies in India, China and Taiwan. We want to become the employer of choice by providing outstanding talent training.



### Bringing in the best to Standard Chartered

Over 330 International Graduates joined the Bank in 2007, representing 34 nationalities. Of the new recruits, 42 per cent are women. We also recruited 57 Management Associates from business schools during the year.



# Leading the way through our talented and diverse teams

Making Standard Chartered a great place to work

## Leading the way through our talented and diverse teams



### Bringing emerging women leaders together

In 2007, we organised the Global Women's Forum in Dubai, bringing together over 100 emerging women leaders from across 37 countries. The Forum focused on gender diversity with regard to customers, community and workplace. During the year, we focused on increasing the proportion of women in senior positions. To date, the shift has been particularly strong in Asia, especially among the senior management in China and Hong Kong.

Women in senior management

**20%**



### A great place to work

As part of our efforts to retain talented staff we continued to provide an inclusive environment for our people. In 2007, a new working framework that includes working flexible hours and part-time working was piloted in Ghana, Singapore, the United Kingdom and the United States. We also launched the work@home programme at our Global Shared Services Centre in Chennai, India. We also implemented a five-day working week across Asia.

Working week launched across Asia

**5-day week**



### Building our management skills

The Great Manager Programme is our scalable approach to building management skills. We delivered this programme to 5,500 people managers. Almost 90 per cent of the managers surveyed have made changes or intend to change the way they manage and engage their teams as a result of the programme. The programme was conducted through numerous communications, an intranet site and a number of podcasts.

Managers participating in the Great Manager Programme

**5,500**



**Engagement**

Standard Chartered's brand promise, 'Leading by Example to be The Right Partner', means living the Group's core values. Our five values – Creative, Responsive, International, Courageous and Trustworthy – form the basis of how we keep our employees engaged with our strategic business objectives. The values are the heart and soul of the brand and are what makes Standard Chartered a great place to work, setting us apart from our competitors and powering our success.

2007 marks the seventh year we have measured employee engagement across the Group. Despite adding more than 10,000 employees last year, we achieved a 95 per cent voluntary response rate to our annual Q12 engagement survey and the Group's overall engagement score rose for the seventh consecutive year.

We believe that employee engagement is strongly linked to having great people managers. Our Great Manager Programme was launched in 2007 and 5,500 people managers across the Group have participated so far. The programme is a scalable approach to building management skills and is delivered to support the Group's people management calendar.

The programme was conducted through numerous communications, an intranet site and podcasts. Almost 90 per cent of the managers surveyed indicated that they have made or intend to make changes to the way they manage and engage their teams as a result of this programme.

Almost 76 per cent of managers now have a goal around people management included in their performance objectives.

**Performance**

The Group's approach towards rewarding employees is closely aligned to performance.

We launched a new on-line performance and compensation management system which will help us meet the challenges around decision making as we grow and help reinforce the links between performance decisions and reward allocations.

The invitation for the Group's 2007 Sharesave scheme closed with a record 17,500 applications, a 40 per cent increase on 2006. Approximately 40 per cent of the eligible staff now participate in the scheme. This supports our goal of encouraging wider share ownership across the Group.

**Talent management and development**

Standard Chartered's 'strengths-based' philosophy is one of the cornerstones of our approach to talent management. By identifying and leveraging an employee's talents into strengths, and then creating the environment in which these strengths can flourish, we enable our employees to do what they do best, every day.

One way Standard Chartered helps individuals identify their strengths is through the use of an on-line self-assessment system. They are then supported by in-house experts who develop action plans to improve their effectiveness. To date over 7,000 employees have participated in this process with the assistance of almost 240 strengths coaches.

Overall, more than 16,000 learner days of classroom induction were completed in 2007. In addition, the launch of Learning@SCB brought together the Group's various on-line learning tools and programmes under a single web location.

This site has received about 106,000 visits, 52 per cent of which were return visits.

We have significantly increased our focus on executive development and had one-and-a-half times as many leaders attending internal core programmes in 2007, as compared with 2006. In particular, 250 of our existing leaders undertook a tailored leadership development process focused on building the capabilities of our leaders in key growth markets.

Identifying and developing our future leaders remained firmly on the Group's agenda in 2007. The percentage of high performing, high potential junior and middle management employees rose by 26 per cent and 37 per cent respectively.

We now have in place executive succession plans for over 220 critical leadership roles, including focused development plans for those identified as successors. This succession pool represents 41 nationalities across all markets at the middle management level, indicating its diversity.

2007 was a year of tremendous expansion for the Group and we have been hugely successful in supporting this growth, in terms of attracting, engaging and developing talent. The progress made in 2007 has put us in an even better position to nurture further growth and success in 2008.



**Facilitating language capabilities**  
We broadened our communication capabilities by launching a centralised service for translation into Korean, Chinese, Thai and Bahasa Indonesia to reach out to a larger number of employees.



**Group Women's Council**  
The Group Women's Council was formed in January 2007 to drive the gender diversity strategy. The 10-member Council represents our businesses and geographic footprint.