Improving Talent Retention in the Singapore Armed Forces

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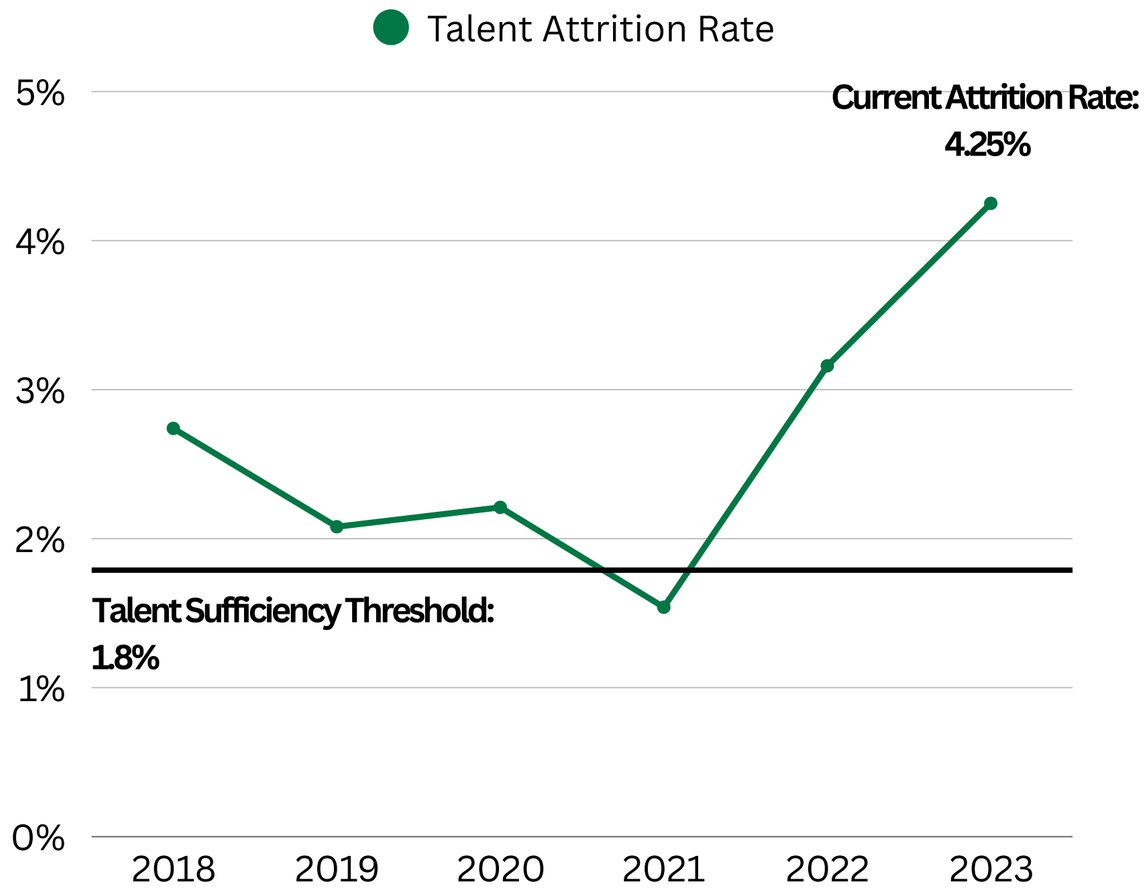
Preface

- I currently oversee Talent Management for the Singapore Armed Forces (SAF).
- One of the key problems that we face today is the **issue of poor talent retention**.
- This assignment aims to **develop a strategy to improve talent retention in the SAF**.
- This is also one of my key focus areas at work.

PREFACE

Problem: Current talent attrition is significantly above talent sufficiency threshold



- **Talent attrition in the SAF has been increasing** over the past five years.
- The **current talent attrition rate is at 4.25%** - double that of the talent sufficiency threshold.*
- Should this rate of talent attrition continue, the **SAF risks having insufficient talent to lead the organisation in the future**.

* Talent sufficiency threshold is the attrition rate beyond which there will be insufficient talent to helm 100% of leadership appointments within the SAF.

PROBLEM

Root Cause Analysis: Applying the PESTEL Framework and conducting surveys

- To understand the root cause of poor talent retention, we use the PESTEL framework to hypothesise possible external reasons for increasing talent attrition
- From there, we conducted two talent surveys (~300 respondents per survey run) and five focus group discussions (~20 participants per focus group discussion) to test the various hypothesis

“PES” Factors were found to be the biggest factors for poor talent retention

<u>Key Issue</u>: Organisational initiatives to inspire, transition and develop talents were not keeping up with shifting external “PES” trends

	Political	Economic	Social
External Trends	Worsening public perception of the SAF	Lengthening of the retirement age in Singapore	Increasing desire for autonomy in career paths among Gen Zs
Key Concerns	Talents were concerned about the poor public perception of their career	Talents were concerned about their post-retirement plans after the SAF’s retirement age of 50	Talents were concerned about the lack of autonomy and flexibility in their career path
Key Findings	**87%** said that they would stay if there was a <u>stronger sense of purpose</u>	**72%** said that they would stay if there were more <u>transferrable skills for transition</u>	**74%** said that they would stay if they had <u>more opportunities for own development</u>

PROBLEM

Overview: Our strategy then seeks to address the three key root causes for poor talent retention

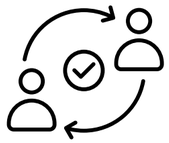
#1: Instilling a sense of purpose through differentiation; #2: Strengthening transition through improving internal capabilities; #3: Ensuring comprehensive development

1

Strengthen the Branding of the SAF Career

To instill a stronger sense of purpose

External Focused



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Strengthen Transition for retiring SAF Officers

To reduce urge to leave prematurely

Internal Focused

3

Strengthen Development of SAF Talents

To provide greater autonomy and flexibility

Internal Focused

OVERVIEW

#1: For branding, we will seek to differentiate the SAF career from other careers...

This will instill purpose in talents and help them see the uniqueness of the SAF career

	Cost Leadership	Differentiation
Broad	**Increase All Salaries** ✗ **Non Profit Organisation** - Limited Resources as Organisation is Not Profit Making	**Differentiate the SAF Career** ✓ **Addresses the Root Cause and Realistic to Achieve** - Focus on Portraying Strong Sense of Purpose
Narrow	**Increase Salaries Just for Talents** ✗ **Government Organisation** - Need to Benchmark Talent Remuneration in line with Whole-of-Government	**Differentiate the SAF Talent Career** ✗ **Does not Address Root Cause** - Root Cause was Focused on Broad External Perception of the SAF Career

#1: BRANDING

#1: Particularly to differentiate the SAF career from other alternate paths typically pursued

Talents have traditionally left to pursue four different career paths - finance, technology, consulting and cybersecurity - typically in the private sector

1

Finance

~20% of talents
E.g. investment banking, sales and trading roles in DBS, Citibank etc.

2

Technology

~30% of talents
E.g. operations, supply chain or strategy roles in Shopee, Grab etc.

3

Consulting

~30% of talents
E.g. human resource or strategy consulting in Accenture, EY etc.

4

Cybersecurity

~20% of talents
E.g. cybersecurity advisor or director in Sans, Crowdstrike etc.

#1: BRANDING

#1: Vis-a-vis other strategic groups, we will reinforce the importance of security and public service

Key strategic competitor is private non-security-related firms given that the majority of talents flow there

	Public Sector	Private Sector
Security-Related	• **Uniformed Service**: Singapore Armed Forces, Singapore Police Forces • **Security-Related Ministries and Statutory Boards**: Ministry of Defence, Ministry of Home Affairs, Defence Science and Technology Agency, Home Team Science & Technology Agency, Cybersecurity Agency of Singapore	• **Private Security Contractors**: Certis Cisco, Aetos, Ademco, Crowdstrike, Ensign • **Defence Technology and Manufacturing Firms**: Singapore Technologies Engineering, Thales, National Computer Systems, Defence Science Organisation National Laboratories
Non-Security-Related	• **Non-Security-Related Ministries and Statutory Boards**: Ministry of Foreign Affairs, Ministry of Trade and Industry, Ministry of National Development, Central Provident Fund Board, Government Technology Agency, etc.	• **Consulting Firms**: Boston Consulting Group, Mckinsey, Bain, Accenture • **Technology Firms**: SEA Limited, Grab, FoodPanda • **Financial Firms**: Citibank, DBS, UOB, ANZ

#1: BRANDING

#1: Within our strategic group, we will emphasise the external security environment and dynamic career

While less important for talent retention, this is important to improve talent recruitment; potential scholars often weigh between different public agencies

	Dynamic Career	Non-Dynamic Career
External Security	• Singapore Armed Forces	• Ministry of Defence • Defence Science and Technology Agency • Cybersecurity Agency of Singapore
Internal Security	• Singapore Police Force	• Ministry of Home Affairs • Home Team Science & Technology Agency

#1: BRANDING

#2: For transition, we will seek to invest resources and capabilities to grow new core competencies

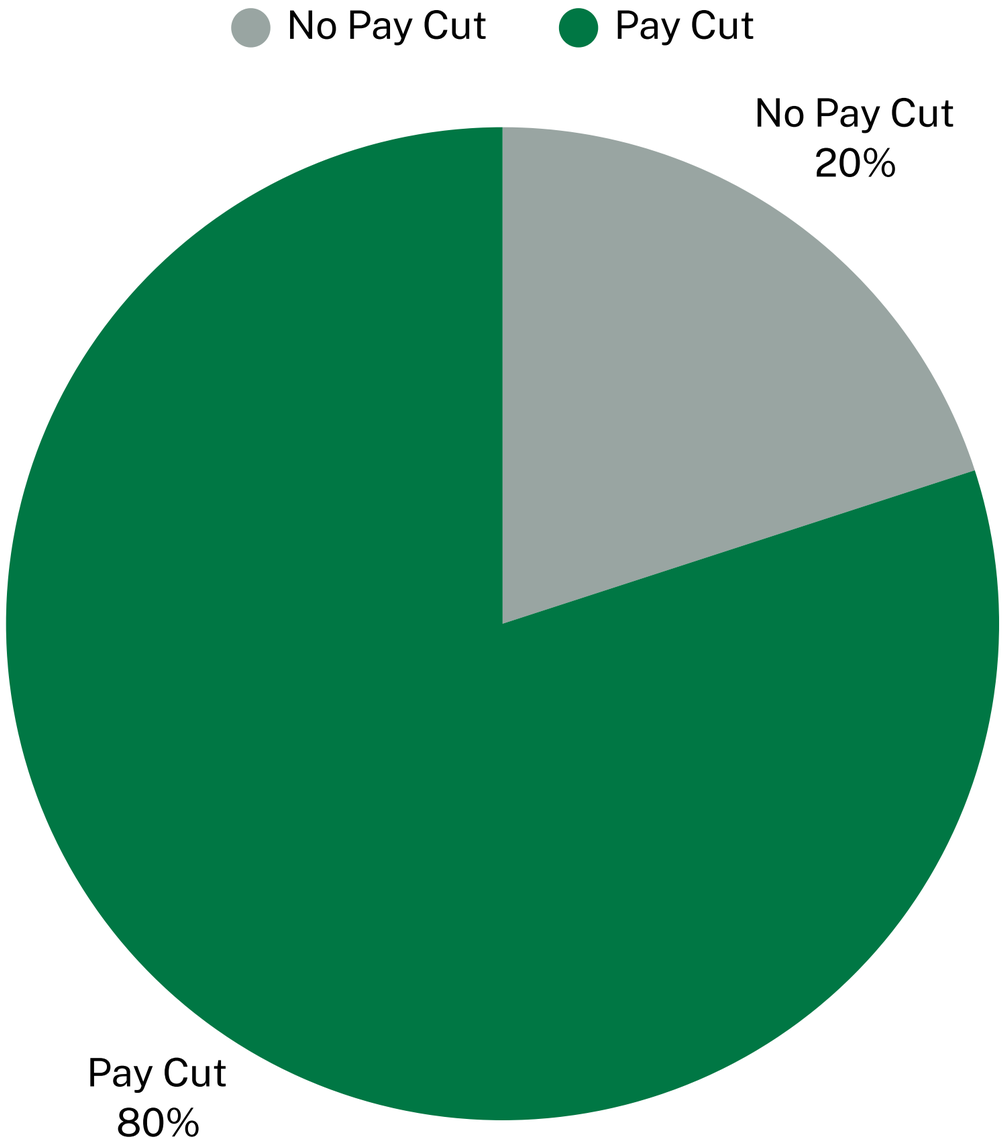
- Current competencies for transition are assessed to be insufficient to deliver organisational outcomes

1:200

Ratio of Career Advisors to SAF Talents for Career Transition

80%

Percentage of SAF Talents who Experience Pay Cuts After Retirement



#2: TRANSITION

#2: This is particularly with the goal of making career transition a core competency

Resources

- Increase ratio of career advisors to SAF talents from 1:200 to 1:50
- Increase funds available to transiting talents from $10,000 to $20,000
- Increase transition leave for transiting talents from 3 months to 6 months

Capabilities

- Restructure the Career Transition Resource Centre to provide better support to transiting talents, with a focus on digitalisation, and additional manpower)
- Establish Memorandum of Understandings with Whole-of-Government agencies, private companies and recruiters to facilitate transition for SAF talents

Core Competencies

- Ability to ensure that 100% of SAF talents find a job within 3 months after retirement
- Ability to ensure that 100% of SAF talents enjoy a higher salary upon transiting

Creates network effects where SAF talents who successfully transit can pull additional SAF talents in

#2: TRANSITION

#3: For development, we use the five theoretical perspectives to ensure a holistic development path

Perspective	Current Challenges	Key Shifts
Transaction Cost Economics	Talents have high transaction costs in going for courses in terms of the administrative hassle	Use digital tools to reduce administrative costs of arranging courses for talents
Behavioural Theory of the Firm	Talents are only scheduled for courses at the last minute before key appointments	Introduce developmental framework to more proactively assign courses to talents
Resource Based View	Talents are scheduled for courses that may not be relevant to them	Focus on sending talents only to courses which are VRIN in nature
Knowledge Based View	Talents do not have avenues to benefit from tacit knowledge that their seniors and superiors have	Introduce mentorship to SAF talents to leverage tacit knowledge
Resource Dependence Perspective	Talents often regard internal courses as less effective given the lack of formal accreditation	Strengthen accreditation and transferability of internal courses

Collectively, these strategies will also help to reduce threats from buyers, substitutes and rivals

Factor	Threat	Reason	Addressed By	Priority
Threat of New Entrants	**Low**	• Not possible to have another military formed in the country.	[redacted]	**Low**: Not an area of concern
Bargaining Power of Suppliers	**Low**	• Conscription ensures that the SAF has access to all male talents.	[redacted]	**Low**: Not an area of concern
Bargaining Power of Buyers	**High**	• SAF talents have low switching costs in changing careers.	• SAF talents will have higher opportunity costs of leaving because it means giving up transition and developmental opportunities.	**High:** Greatest and most immediate impact on talent's desire to leave
Threat of Substitutes	**High**	• SAF talents have many possible external career paths.	• SAF talents will see other career paths as less comparable with the improved branding on the purpose of an SAF career.	**Moderate:** High impact, but takes long to cultivate and materialise
Industry Rivalry	**High**	• High rivalry exists across public and private agencies for talent.	• Impact of rivalry will be reduced as SAF will be focused on competing within our niche.	**Moderate**: Low degree of control and influence over rivalry

PROS

There could be unintended consequences to our solution sets, but the impact can be mitigated

Potential Unintended Consequences	Elaboration	Mitigation
Increased rivalry for talents with public and private agencies	• Increased efforts by the SAF in retaining talents could spark increased rivalry for talents with public and private agencies, who invest even more to recruit SAF talents	• Develop positive working relationship with public and private agencies for the transition of SAF talent following retirement instead of recruiting mid-career
Public reputation of parachuting paper generals	• Organisation-initiatied transition could lead to poor public optics that the SAF has special access to senior leadership positions without its talents having the competencies to back it up	• Ensure that talents are matched to the right jobs which they can contribute positively; leverage public communications to portray these positive contributions
Perception of elitism by non talents	• Development of talents may result in non-talents feeling left out, or that the SAF is perceived to support an elitist culture where talents are given more opportunities than non-talents	• Ensure that development of talents is kept low profile, raise the baseline level of development opportunities for non talents

CONS AND MITIGATION

~Thank You~

External Analysis - PESTEL

Factor	Analysis
Political	• Government policies on National Service (NS) shape career pathways. • Military budget allocations affect pay, benefits, and incentives. • Geopolitical threats may increase operational demands, affecting work-life balance.
Economic	• Higher private-sector salaries create incentives for SAF personnel to leave. • Economic downturns may reduce alternative job opportunities, temporarily reducing attrition. • Cost of living increases (e.g., housing, inflation) may lead to dissatisfaction if salary increments lag.
Sociological	• Changing career preferences: Younger professionals seek flexibility, purpose-driven work, and better work-life balance. • Generational shifts: Millennials and Gen Z may value autonomy over long-term service commitments. • Public perception of military careers: If SAF is seen as rigid or hierarchical, it may deter retention.
Technological	• Automation & AI may reduce demand for certain military roles, affecting career progression. • E-learning & VR training could enhance career development but may also make civilian transitions easier (reducing retention).
Ecological	• Sustainability concerns: A push for eco-friendly policies in defense may affect career satisfaction for those in logistics and engineering. • Disaster relief & climate change operations increase SAF's role, potentially straining personnel.
Legal	• Military service contracts lock in personnel but may create resentment. • Employment laws may influence SAF’s ability to offer civilian transition programs or hybrid work options.

EXTERNAL ANALYSIS

External Analysis - Key Success Factors

Factor	Analysis
Compensation & Benefits	• Competitive pay adjustments aligned with market trends. • Housing, education, and family support perks.
Career Growth & Learning	• Fast-track leadership roles. • Partnerships with universities for advanced degrees. • Reskilling & second-career pathways.
Work Culture & Well-Being	• Work-life balance initiatives (hybrid work where possible). • Recognition & rewards for long-serving personnel who demand better work-life balance, career flexibility, and higher pay, forcing SAF to offer competitive incentives.
Post-Service Transition Support	• Military-to-civilian transition training. • SAF Alumni Networks & job placement programs. • Corporate & government secondment opportunities.

EXTERNAL ANALYSIS

Internal Analysis - Resources and Capabilities

Strength

Superfluous Strengths

- Institutional knowledge (warfare strategy, crisis management)
- Organizational culture (discipline, teamwork, mission-driven identity)
- Defense infrastructure (camps, training grounds, military academies)
- Crisis Response & Tactical Decision-Making (adaptability and problem-solving)
- High-Performance Culture (discipline, resilience, and teamwork)

Key Strengths

- Technical & Cyber Expertise (specialized knowledge in cybersecurity, AI, and engineering)

Key Weaknesses

- Government funding and budget allocation (compared to private sector)
- Strong brand & reputation (SAF as a pillar of national defense)
- Military leadership development (structured training, command experience)
- Advanced technology (AI, cybersecurity, drone capabilities)

Importance