

#### PRESS RELEASE

For Immediate Release

# COVID-19 as a Catalyst for Change in Learning and Development Digital Transformation Empowered by Multiple Learning Platforms

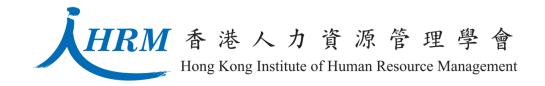
[5 July 2021 – Hong Kong] According to the 2020/21 Training and Development Needs Survey by the Hong Kong Institute of Human Resource Management (HKIHRM), the use of digital learning recorded a surge in the past year. 95% of all the interviewed organisations adopted digital learning technology in 2020, marking the highest level documented for the past decade. Serving as a catalyst, COVID-19 accelerated the development and popularisation of digital learning.

Furthermore, from the surveyed organisations which provided data, the average number of annual training hours per employee and the training budget against total annual base salary in 2020 and were 12.9 hours and 2.5% respectively, both at the lowest recorded level for the past 10 years.

Conducted from March to April 2021, the 2020/21 Training and Development Needs Survey encompassed 128 companies across 18 business and industry sectors, covering approximately 65,400 full-time employees. The survey's objective was to identify training and development needs in general, and the prevailing training and development areas throughout the past year. The key findings are as follows –

### **Digital Learning and COVID-19 Response**

Among all the surveyed organisations, the adoption of digital learning technology registered a surge from 73% in 2019 to 95% in 2020, reaching the highest level on record in a decade.



However, the deployment of digital tools came with its share of challenges. The top 3 challenges when using digital tools to deliver training were:

1	Less interaction between trainer and staff (61%)	
2	Staff not tech savvy enough (45%)	
3	Distractions (40%)	

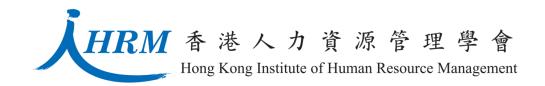
"Thanks to the challenges presented by digital tools, more than one-third of the companies which provided data already resumed training in the physical setting, with 23% saying that they would do so in the second half of 2021. However, the actual spending allocated for digital learning was even 12 percentage points higher than the original budget. In preparation for the future of work, learner driven training had become popular among staff, spanning industries and continents. The trends to watch are digital transformation, use of social learning platforms, hybrid working, flat organisational structure which allows employees greater autonomy, soft skills enhancement, multigenerational workforce, and decentralised workforce which comes with a larger talent pool since technology enables hiring across geographies. L&D professionals had also become content curators to cater for various employee needs and should aspire to create a blended learning experience. As subject matter experts, they remain core to the learning experience," said Dr. Chester Tsang, Executive Council Member of the HKIHRM and Co-chairperson of the Learning and Development Committee.

62% of the 127 surveyed companies introduced new learning contents in response to the COVID-19 outbreak. For the responding organisations which delivered new learning contents, the top 3 were:

1	Health and safety during COVID-19 (55%)	
2	Supporting employees' mental health (53%)	
3	Policy on working from home/remote office (40%)	

#### **Training Hours & Training and Development Budget**

For the companies which supplied data, the average annual training hours per employee in Hong Kong dropped from 14.1 in 2019 to 12.9 in 2020, the lowest recorded level in the past decade.



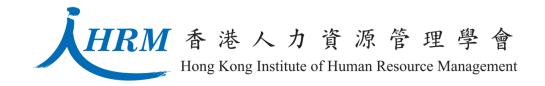
For the responding companies, the training budget as percentage of total annual base salary dropped from 3.0% in 2019 to 2.5% in 2020. The actual spending on training as percentage of total annual base salary was merely 1.3% for last year.

"Due to COVID-19's severe impact on the economy, the training hours and budget was the lowest in the previous decade. This doesn't defy expectations as companies were mainly allocating their resources to handle the public health crisis and ensure business continuity. Nonetheless, organisations need to strive in building key areas for learning and development, including personalised learning which involves customising materials to cater for individual needs, creating an immersive learning experience through technology such as simulation and VR, and collaborative learning. Learning and development will also play an increasingly strategic role in upskilling and reskilling of employees and driving transformation across organisations," said Dr. Tsang.

# **Major Training Areas for Employees**

The table below indicates the respective major training areas for employees at different staff levels in 2020 –

Staff Levels	2020 Major Training Areas
	Strategic Management – Strategic Thinking
Senior	Strategic Management – Change Management
Management	Strategic Management – Business Innovation
	Strategic Management – Business Development/ Channel & Sales
	Management/ Organisational Development
	People Management – Coaching / Mentoring & Managing
	Performance
	People Management – Coaching / Mentoring & Managing
Middle	Performance
Management	Working with Others – Building Effective Teams
	Ethics / Conduct / Corporate Governance / Compliance
	Working with Others – Influencing & Negotiation
	Industry Specific Technical Skills / Trends / Technology Update



Supervisory/
Officer/
General/
Frontline Staff

- New Employee Orientation
- Working with Others Communication / Interpersonal skills
- Ethics / Conduct / Corporate Governance / Compliance
- Product / Service Knowledge
- Customer Service

Dr. Barry Ip, Vice President of the HKIHRM and Co-chairperson of the Learning and Development Committee, said, "As senior management were gearing up for post-COVID times, strategic thinking and change management were top training areas for them. Resilience and agility management, and mindfulness training to help employees cope with stress, personal changes, and uncertainties topped the C-suite's agenda. Since working from home had become a norm, middle management needed to acquire skills such as building effective teams and managing their performance."

# Training Practices and Business Drivers of Employee Training and Development in 2021

For the companies which provided data, the top 3 types of training practices for 2021 are:

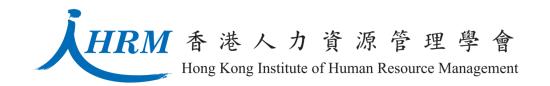
1	On-the-job training (77%)	
2	In-house training and development programmes (73%)	
3	External conferences, workshops and events (62%)	

The top 3 commercial factors stated by the responding organisations for workforce's training and development this year are:

1	Building leadership bench strength and pipeline through talent management (51%)
2	Enhancing leadership and people management competencies (50%)
3	Digital transformation/disruption (38%)

## Commentary

"COVID-19 has heightened the workforce's awareness of physical and mental health. HR professionals should seize the chance to protect employees' physical and mental health, empowering them to keep contributing to their organisation and society. To retain talents,



employers need to keep doing what they can to maintain their employees' wellbeing. From online yoga sessions to in-office counselling services, companies can offer a vast range of wellness programmes that help staff stay in shape, so that they can capture the opportunities for self and organisation growth in the next normal," said Dr. Ip.

"For the surveyed companies, close to 80% of them admitted that their delivery of employee training was at least somewhat disrupted by COVID-19, while almost 70% of the organisations which stated that the outbreak had affected training acknowledged that all levels of employee were affected by the situation. HR professionals should ensure business continuity and enable their organisations to overcome uncertainties under the next normal. They need to support the C-suite in their development as agile leaders with a growth mindset and the ability to think outside the box and listen to various opinions, for them to promote a work culture marked by resilience when confronting adversity. The impact of the public health crisis must not be underestimated – employers should keep in mind the need to tailor employee training based on the individual circumstances of their workforce," concluded Dr. Tsang.

Please click <u>here</u> for the photo of Dr. Chester Tsang, Executive Council Member of the HKIHRM and Co-chairperson of the Learning and Development Committee.

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# Media Enquiry

Corporate Communications Department Ms Ada Kwong/ Ms Natalie Yip

Tel: (852) 2837 3816/26 Fax: (852) 2881 6062 Email: pr@hkihrm.org

#### **About HKIHRM**

As the most representative professional human resource institute in Hong Kong, the Hong Kong Institute of Human Resource Management (HKIHRM) has a membership of around 5,300, of whom over 500 are corporate members. Founded in February 1977 as a non-profit organisation, HKIHRM aims at developing, maintaining and enhancing professional standards in HR management, as well as increasing the value and influence of the HR profession. HKIHRM organises a wide range of professional programmes, including multi-level training, conferences and exhibitions and an awards programme. It also provides various membership services, conducts surveys, and publishes an official journal. The HKIHRM is a member of the Asia Pacific Federation of Human Resource Management, which is one of the continental federations under the World Federation of People Management Associations. For more information, please visit our website at <a href="http://www.hkihrm.org">http://www.hkihrm.org</a>