

CEO Manpower Conference 2013:

Are Manpower Issues Limiting Business Growth?

What Are The Alternatives?



Thursday, 24th October, 2013, 9:00 a.m. – 2:00 p.m.
Grand Ballroom, Harbour Grand Hong Kong

Programme

9:00 a.m. Welcome Remarks

Shirley Yuen, CEO, Hong Kong General Chamber of Commerce

9:05 a.m. Chairman Keynote Panel

Human Capital & Business Growth: Challenges & Opportunities

Christopher Pratt, Chairman, John Swire & Sons (H.K.)

Raymond Ch'ien, Chairman, MTR Corporation and Hang Seng Bank

(Session Chairman) **Nicholas Sallnow-Smith**, Chairman, The Link; Vice-Chairman, HKGCC Manpower Committee

9:50 a.m. Plenary Panel

Global Outlook: Government Regulations, Markets & People

John Slosar, Chief Executive, Cathay Pacific Airways

Thomas Ho, Chief Executive, Gammon Construction

Douglas Renwick, Country President, Securitas Security Services (Hong Kong)

(Session Chairman) **Professor Stephen Cheung**, President, The Hong Kong Institute of Education

10:55 a.m. ~ COFFEE BREAK & NETWORKING ~

11:15 a.m. Plenary Panel

Building a Better Workforce: Technologies, Trends & Strategies

Agnes Chan, Managing Partner, Hong Kong & Macau, Ernst & Young

Travis Barton, Principal and Talent Consulting Business Leader, Mercer Hong Kong

Sylvia Lee, Managing Director, Oracle Systems Hong Kong

Joy Xu, Senior Vice President & Chief Human Resources Officer, Asia Pacific Region, PepsiCo

(Session Chairman) **Brian Renwick**, Managing Partner, Ward Howell Asia

12:35 p.m. ~ LUNCH ~

1:10 p.m. Luncheon Keynote Address

Carrie Lam Cheng Yuet-ngor, Chief Secretary for Administration

(Session Chairman) **Y. K. Pang**, Deputy Chairman, Hong Kong General Chamber of Commerce

2:00 p.m. Closing Remarks

Nicholas Sallnow-Smith, Chairman, The Link; Vice-Chairman, HKGCC Manpower Committee

2:05 p.m. End of Conference

Presented by:



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The Talent Challenge

In just five years, Hong Kong's workforce will start to shrink, which will be accompanied by economic contraction pains that will be felt by every man, woman and child in the SAR.

在短短五年後，本港勞動力將開始收縮，而經濟亦會隨之緊縮，衝擊全港的市民大眾



Hong Kong is being dogged by labour shortages and the problem is expected to get worse, as Government models forecast the city's workforce will start shrinking as early as 2018.

"From 2018 onwards, our labour force will start to decline. Retirees leaving the job market will outnumber new job takers. This will continue for some time and by 2041, nearly one in three people will be aged 65 or above," Carrie Lam, Chief Secretary for Administration, told a full house at the Chamber's CEO Manpower Conference on October 24.

Companies are already struggling to find workers, and with a shrinking labour pool, businesses will be forced to pay higher wages to attract staff. This will push up the price of everything from a cup of tea to the cost of building a new apartment, and become a vicious self-fulfilling prophecy.

The Chamber has been warning Government for some time about the serious manpower shortages in certain sectors of the economy, and the undesirable consequences that the shortages have on inflation and Hong Kong's competitiveness. In June 2013, reported

private sector vacancies rose by about 10% year-on-year to 77,900. As the total number of people in the labour force, as well as total employment and job vacancy rates continue to set new records, a few sectors have consistently had in excess of 10,000 vacancies over the past 36 months.

Part of the problem is that fewer women are having children, so the overall labour pool is smaller. Another factor is that when many youngsters are old enough to enter the workforce, 33.5% decide to pursue their studies – which is not such a bad thing – but it does further reduce the number of young people entering the workforce every year. However, most young people who do go job hunting are shunning jobs that require hard graft, such as the construction industry, retail and catering, as well as care service sectors.

Shrinking coffers

Over the past 20 years, Hong Kong's annual real economic growth averaged 4%. Around 1% of this growth was attributed to an increase in the labour force, and the remaining 3% due to increased productivity. A shrink-



人才挑戰

ing economy will mean less revenue for Government at a time when it will need to significantly increase expenditure on infrastructure spending and healthcare.

Encouraging couples to have more children might seem to be the solution. Singapore has been investing heavily in campaigns to persuade Singaporeans to have more children. "Despite all the money that they have spent, there hasn't been any increase in the number of women having children. I would imagine if we encouraged people to have more children in Hong Kong the results would probably be the same," Lam said.

There are an estimated 1.6 million economically inactive people living in Hong Kong aged between 15 and 64. If these people could be encouraged to work, many manpower challenges facing Hong Kong would be solved. Some 38% of these are female homemakers. An estimated 240,200 are retirees aged 50-64. These two groups combined represent 875,200 people, most of whom are well educated and experienced talent.

These groups of people, however, have consciously decided to drop out of the labour market for personal reasons, so persuading them to re-enter the workforce

will be a difficult sell. The Chamber has been urging the Government to explore avenues to entice these people back into the workforce. We have also recommended importing labour for certain sectors that have persistently struggled to hire the right staff.

One-way permit holders from the Mainland have averaged around 50,000 per year since the handover. There have been concerns that because most of these arrivals have tended to be unskilled and only possessing basic education, the overall quality of Hong Kong's workforce has declined. As a result, Hong Kong's productivity has been declining. However, Lam said there are no plans to scrap the programme as it would be inhumane to prevent family reunions.





Technology Savvy HR

Human resources managers now have a host of tools at their fingertips to better engage and manage employees

Companies have been investing heavily in IT systems to improve how they recruit, train and manage employees. During the discussion on 'Building a Better Workforce: Technologies, Trends & Strategies,' speakers said for the most part, technologies can take some of the fear and risk out of giving new responsibilities to staff.

One speaker explained how her company had developed a simulation system that puts new managers in certain scenarios to see how they deal with certain situations. The decisions they make will then play out, and at the end of the assignment they will get immediate feedback on how they might have dealt with the situation differently. Because the challenges are based on actual company cases, they can immediately implement what they have learned into their day-to-day work.

"We all learn from experience so this allows our staff to get years of experience in a few weeks. It also gives them a lot more confidence when making decisions," she said.

Another speaker demonstrated how manpower systems can benchmark individual's performance, or within teams or entire departments. The concept is not necessarily to weed out weak staff, but rather to identify which areas they would benefit from receiving training.

Technologies are also making it simpler and more effective to communicate with staff. These can range from designing online newsletters to share company and staff achievements to sending Whatsapp messages to instantly inform all staff out in the field.

It also means that workers do not necessarily need to be chained to a desk in the office. One speaker said most staff in her company work remotely, which brings benefits in reducing office rental costs, but also makes it easier to hire overseas expertise.

Instead, other options need to be considered, along with improving existing labour importation schemes to make them more useful.

New sources of manpower

Certain sectors, such as the construction industry, retail and catering industries, and care service sector, have persistently faced labour shortages for several years.

Importing talent under the General Employment Policy has remained rather low, as has the Admission Scheme for Mainland Talent and Professionals, as well as the Quality Migrant Admission Scheme.

Other economies, like Singapore and Macao, have adopted more flexible import regimes to facilitate infrastructural or development projects, as few people in those cities are willing to take up low-skilled jobs. Under the Supplementary Labour Scheme (SLS), Hong Kong imported 2,415 workers in 2012, compared to 87,300 in Macao, and 884,900 in Singapore.

"We need to look at how we can make the SLS more effective. Compared to Macao and Singapore we have a tiny fraction of imported workers. We need to sit down with labour unions and discuss frankly that there are certain areas that do need importation of labour," Lam said.

The Chamber believes it is time to review the SLS, and consider an importation scheme limited to certain job categories which have persistently had difficulty in filling vacancies, such as care workers in elderly homes and construction workers, with local workers being given priority when hiring.

A speaker at the conference pointed out that overseas, security personnel are occasionally disabled, but are perfectly capable of performing their duties.

"For example, in one shopping mall people in wheelchairs were hired to patrol and observe, and report back to the control room via walkie-talkies," he said. "People monitoring security rooms are watching TV screens so

善用科技

現今的人力資源經理隨手就有大堆工具，助其更好地吸引和管理僱員

企業一直大力投資資訊科技系統，以改善其招聘、培訓和管理僱員的方法。在討論「創造最佳的勞動力：科技、趨勢及策略」時，講者表示在大多數情況下，科技能讓企業在向員工分派新職務時，減少疑慮和風險。

其中一位講者解釋，她公司開發了一套模擬系統，可讓新上任的經理體驗不同情境，以測試他們的應變能力。他們所作的決定會影響事態發展，而模擬任務結束後，他們會得到即時的評語，告訴他們假如以另一手法處理會有怎樣的結果。由於這些任務是根據公司的真實個案設定，故他們可在日常工作中學以致用。



她說：「人人都是從經驗中學習，有系統可讓員工在幾星期內獲取多年經驗，並大大提高他們做決策時的信心。」

另一講者展示了人力系統如何評估個人、團隊或整個部門的表現。有關概念並不是要淘汰表現較差的員工，而是要找出他們的弱項重點培訓，從中得益。

科技亦可讓企業更方便有效地與員工溝通，包括編製網上通訊分享公司和員工的成就，以及發送Whatsapp訊息即時通知在外工作的所有員工等。

這亦意味著，員工無需時刻留守辦公室工作。有講者表示，她公司大部分員工都是遙距上班，讓他們節省不少寫字樓租金，亦更容易聘請海外專才。



Building Better Corporations

Boardroom diversity, flexible working hours, and succession planning seen as essential for corporations' long-term health

Businesses like to say they are in touch with their customers and employees, but more and more are starting to walk the talk.

Boardroom diversity is essential in improving the delivery of corporate strategies, and business leaders say they have to be sensitive to shareholders, customers and also employees.

Engaging employees as shareholders in the company and showing that you respect them encourages staff to contribute their ideas and observations.

"If you are not aware of the shifting demographics, and anticipate changes, you will fall behind the curve," said one of the speakers at the Chamber's CEO Manpower Conference on October 24.

"It is important to not surround yourself with friends and cronies, and see who can give you good advice, even if it is not necessarily what you want to hear," he said.

Getting gender diversity at the board level is reasonably easy, but one speaker said retaining female managers has proven to be very difficult. This could possibly be due to family priorities, burnout, or simply a re-evaluation of their priorities. "We are not sure what the reason is, but it is something we are looking into very seriously," he said.

All speakers at the conference lamented that they are having to turn away work because they cannot find the right type of staff, particularly engineers. With a shortage of young skills coming into the market, businesses need to start considering stretching diversity on boards to include seniors. This could simply be encouraging employees to postpone their retirement, or not setting a retirement age for the company.

While retaining such talent brings obvious benefits, one speaker pointed out that one drawback was that older employees don't always embrace changes, which can create difficulties in driving forward new corporate strategies.

Singapore moves very quickly to address shortages in its labour force, either through importation of skills or encouraging youngsters to train in specialized fields.

"Singapore is doing strategic thinking, and they can implement things, whereas Hong Kong moves at a glacial pace. Over the next 20 years, many countries around the world are going to need new infrastructure and there is a shortage of engineers to deliver those projects. If we don't start with young people in planning their career, we will never get any change. We also need to inform young people and inform the parents that there are more career opportunities in Hong Kong than just banking and accounting," a panelist said.



it doesn't matter if they are in a wheelchair, but in Hong Kong there is the perception disabled people cannot do security work."

Long-term planning

Manpower shortages are not limited to menial jobs. Speakers at the conference said there is a chronic shortage of qualified engineers from the aviation sector to construction to security. This shortage did not happen overnight, and speakers feel it is a result of parents encouraging their children to pursue office jobs, changing society, and politicians having no vision beyond their term.

Speakers also felt there is a serious skills mismatch, and that a skills map should be drafted to identify shortages and adjust accordingly. However, some thought, "a skills map will not be of much help in solving the skills mismatch problem; it just will show the state of the problem."

With productivity declining, even in some sectors that have seen major technological advances, speakers called for more emphasis to be placed on hands-on training. Shadowing and apprenticeships are very common in Europe, but very rarely offered in Hong Kong.

Part of the reason behind this is Hong Kong businesses need new staff to hit the ground running. "You cannot expect companies to pay a full wage to people who are not up to full steam, but if you pay less you cannot find any recruits," said a speaker.

One possible solution would be for the Government to subsidise apprenticeships or trainees to raise the overall expertise and skills of youngsters.

"That could be a possible solution, but would need tripartite cooperation between businesses, Government and individuals to take that forward. Companies in France and Germany feel it is their duty to provide training to young people, so if we can start something like that in Hong Kong, we could enrich the quality and productivity of staff here." ❀

打造更傑出企業

董事會多元化、彈性上班時間和繼任人規劃，被視為企業長期穩健的必要元素

企業經常說他們與客戶和僱員保持緊密的聯繫，但愈來愈多公司開始坐言起行。

董事會多元化對推進企業策略非常重要，而商界領袖表示，他們要對股東、客戶和僱員反應敏捷。

向僱員獎勵公司股份，並對他們表示尊重，可鼓勵員工分享想法和觀察所得。

在總商會10月24日的「CEO人力資本大會」上，一位講者表示：「假如你未有察覺人事變化及推測未來動向，你將會遠遠落後。」

他說：「切勿只讓好友圍繞著你，要物色能給你建言進策的人，即使這些建議未必合你心意。」

在董事會實施性別多元化似乎相當容易，但有講者表示，要留住女性管理層絕非易事。這可能是基於她們以家庭為重、心力交瘁，又或純粹重新安排她們的優次。他說：「我們不肯定當中的原因，但非常重視這個問題。」

會上所有講者都慨嘆，由於未能找到合適的員工，故他們經常要推掉工作，當中以工程師最為渴市。有見市場缺乏年青一代加入，企業要開始考慮把董事會多元化政策，延伸至高級管理層，包括鼓勵僱員延遲退休，或取消公司的退休年齡規定。

儘管保留這些人才能帶來顯著效益，有講者卻指出，其中一個弊處是年長的僱員不容易接受轉變，因此或會較難推動新的公司政策。

新加坡在解決勞工短缺的問題上反應迅速，不論是輸入技術專才還是鼓勵年青人參與專業培訓，都成效顯著。

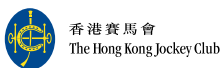
一位專題小組討論成員說：「新加坡採取策略思維，且能有效施政，但香港卻反應遲緩。未來20年，全球多個國家將需增設大量基建，但卻缺乏工程師推行有關項目。假如我們不從年青人入手，協助他們訂立事業大計，我們將永遠停滯不前。我們也要告訴年青人和他們的父母，香港除了銀行和會計業，還有很多就業機會。」

The Chamber would like to thank the following sponsors for making the conference possible:

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香港一直備受勞工短缺所困擾，隨著政府預測本港的勞動力將於2018年開始收縮，預料有關問題將進一步惡化。

政務司司長林鄭月娥蒞臨總商會10月24日舉行的「CEO人力資本大會」，全場座無虛席。她說：「從2018年起，勞動力將開始下降。離開就業市場的退休人士將比投入職場的生力軍為多。這個趨勢將持續一段長時間，而到了2041年，全港近三分之一人口將達65歲或以上。」

企業正苦苦尋覓人手，而隨著勞動力萎縮，他們將被迫加薪來吸引員工。這將推高物價，從品嚐一杯茶到興建一幢新住宅的成本，都會受到牽連，並成為一個惡性、自我應驗的預言。

長久以來，總商會一直忠告政府若干行業正面對嚴重的勞工短缺，以及其對通脹和本港競爭力所帶來的不良影響。2013年6月，據報私營市場的職位空缺按年升約一成至77,900個。鑒於總勞動人口、總就業率及職位空缺率續創新高，部分行業在過去36個月持續錄得逾10,000個空缺。

部分問題在於愈來愈少婦女生育，令整體勞動人口減少。另一原因是，儘管許多年青人已屆投身職場之齡，但當中有33.5%決定繼續升學，雖然這並非壞事，但卻會進一步減少每年投入職場的年輕人數目。然而，大部分年輕的求職者都拒絕從事刻苦辛勞的工作，例如建造業、零售及飲食，以及護理服務業。

庫房收入減少

過去20年，香港每年實質經濟增長平均為4%，當中約1%來自勞動力的增加，其餘3%來自生產力提升。經濟收縮意味著政府收入減少之際，卻要大幅增加基建和醫療開支。

鼓勵夫婦生育更多子女似乎是解決方案。新加坡一直積極投資各式各樣的運動，以說服當地人生育更多子女。林司長說：「儘管他們在這方面大灑金錢，惟擁有子女的女性人數卻未有增加。我估計，假如我們鼓勵香港市民增加生育，結果大概亦會一樣。」

現時，估計有160萬名非從事經濟活動的人士在港居住。若可鼓勵這些人口投入勞動市場，本港面對的眾多人力挑戰便可迎刃而解。在這群人當中，約38%為家庭主婦，而50至64歲的退休人士估計有240,200人。這兩個組別的人口合計起來達到875,200人，當中大部分為高學歷、富經驗的人才。

然而，這兩組人基於個人理由而決意離開勞動市場，因此要說服他們重返職場並非易事。本會一直促請政府探討如何吸引這批人重投職場。假如不奏效，我們亦已建議為長期面對人手短缺的若干行業輸入勞工。

回歸以來，持單程證來港的內地人平均每年約有50,000人。有人關注到，這些新移民大多沒有特殊技能，而且只有基礎學歷，拖低了本港勞工的整體質素，結果令香港的生產力一直下降。不過，林司長表示沒有打算撤銷有關計劃，因為阻止家庭團聚並不人道。

反之，我們應考慮其他方案，例如優化現有的輸入勞工計劃，使它們發揮更大的效用。

勞動生力軍

若干行業如建造業、零售與飲食及護理服務業，近年一直面對勞工短缺問題。

About the CEO Manpower Conference

HKGCC's biennial CEO Manpower Conference engages CEOs of leading corporations and senior government officials in off-the-record discussions on pressing issues and challenges affecting their businesses and Hong Kong. The Chamber will study the suggestions from the conference, which will be used as the basis of suggestions to Government to help drive manpower planning in Hong Kong forward.

關於「CEO人力資本大會」

香港總商會兩年一度的「CEO人力資本大會」雲集頂尖企業的CEO和政府高官，就一些影響商界和香港的迫切議題和挑戰進行閉門討論，集思廣益。總商會將綜合會上所得的建議，作為向政府出謀獻策的基礎，以協助推進本港的人力規劃。



會上，一位講者指出在外地，偶爾會見到殘疾人士擔任保安員，但他們完全能勝任有關工作。

「舉例說，有商場聘用輪椅人士執行巡邏和監察，並以對講機向控制室作出匯報。」他說：「負責監察保安室的員工只需注視電視屏幕，因此坐輪椅與否也沒有關係，但反觀香港，人們總認為殘疾人士不能擔任保安工作。」

長遠規劃

人力短缺不限於體力勞動的工種。多位講者指出，航空、建造以至保安業都長期缺乏合資格的工程師。這個現象並非在一夜之間發生，講者認為這可歸因於父母鼓勵子女從事文職工作、社會轉變，以及從政者缺乏任期以外的長遠願景。

他們亦表示，市場出現了嚴重的技術錯配，當局應擬訂一份「技能分布圖」，以確定哪些行業面對技術短缺，並作出相應調整。然而，有意見認為「技能分布圖只能反映問題的情況，對解決技術錯配幫助不大。」

隨著生產力下降——即使連部分取得重大技術進展的行業亦然，講者建議企業加強見習培訓。工作影子和學徒計劃在歐洲很普遍，但在本港卻少之又少。

部分原因是香港企業要求新員工一入職便迅速進入狀態。一位講者表示：「你不能期望企業向資歷尚淺的員工支付全薪，但少付工資的話，又無法招募員工。」

其中一個可行的方案，是政府向學徒或見習生提供資助，以提升員工的整體知識和技能。

「這是可行的方案，但需要商、官、民三方合力推進。在法國和德國，企業會自覺有責任為年青人提供培訓。假如香港能夠著手推出類似的計劃，員工的質素和生產力定必能夠提升。」

透過「一般就業政策」輸入的人才數目持續偏低，而「輸入內地人才計劃」及「優秀人才入境計劃」亦然。

新加坡和澳門等其他經濟體已採用更靈活的輸入制度，以促進基建或發展項目，因為這些城市只有很少人願意從事低技術工作。在「補充勞工計劃」（SLS）下，香港於2012年輸入了2,415名工人，而澳門則有87,300人，新加坡則為884,900人。

林司長說：「我們需要研究怎樣令SLS變得更有效。與澳門及新加坡相比，本港的外勞比例甚低。我們要與工會團體好好坐下來，坦誠地討論某些領域確實需要輸入勞工。」

總商會認為，現在是時候檢討SLS，以及考慮為長期難以填補空缺的若干工種引入有限度的輸入勞工計劃，例如安老院護理員及建築工人，但大前提是要確保本地工人優先就業。