

PRESS RELEASE

For Immediate Release

**Training and Development Hours Contract to 10-Year Record Low
Digital Learning and Virtual Facilitation on the Rise**

[25 August 2020 - Hong Kong] Training and development was a top priority for companies in Hong Kong in 2019, according to a recent survey by the Hong Kong Institute of Human Resource Management (HKIHRM). Among the responding organisations, as much as 70% had a budget earmarked for employee training and development last year.

However, the average training hours dropped to a 10-year record low of 14.1 hours.

On the technological front, 2019 saw the provision of digital learning programmes soaring to 73% of the responding organisations, marking the highest level on record over the past decade.

The HKIHRM conducted the 2019 Training & Development Needs Survey online from mid-January to end of April 2020. Covering 114 companies, the survey examined the significance of training and development from the perspectives of employers across business sectors. Furthermore, information on training and development budgets and practices was gathered and analysed. The key findings are as follows:

Training Hours

Among the companies which provided information on training hours, the average training hours per employee were 14.1 hours in 2019, dipping by 2.8 hours from 2018 and registering the lowest figure since 2010.

Training and Development Budget

70% of the responding companies stated that they had a budget in place for employee training and development in 2019. The figure exceeded the corresponding figure recorded in the prior year by a margin of 3.5 percentage points. In 2019, the average training and development budget amounted to 3.0% of the total annual base salary, dropping from 3.3% in 2018 and reaching the lowest level in the previous six years.

In 2019, the training budget allocated to management staff and non-management staff for responding companies were 47% and 53% respectively.

Major Training Areas for Employees

The table below shows the respective major training areas for employees at different staff levels in 2019:

Staff Levels	2019 Major Training Areas
Senior management	<ul style="list-style-type: none"> • Strategic Management – Change Management • Strategic Management – Business Innovation • Strategic Management – Strategic Thinking • Crisis Management



Middle management/ professionals	<ul style="list-style-type: none"> • People Management - Coaching/Mentoring/Managing Performance • Ethics/ Conduct/ Corporate Governance/ Compliance • Working with Others – Building Effective Teams
Supervisory/ Officers/ General/ Frontline Staff	<ul style="list-style-type: none"> • New Employee Orientation • Product /Service knowledge • Industry Specific Technical Skills/ Trends/ Technology Update • Customer Service

Chester Tsang, Executive Council Member of the HKIHRM and Co-chairperson of the Learning and Development Committee, commented, “As COVID-19 shows no signs of abating, strategic management and crisis management will continue to be major training areas for senior management. Navigating invisible risks is a key focus for the C-suite in these extraordinary times.”

Digital Learning

In 2019, the provision of digital learning programmes documented a surge from 62% in 2018 to 73% of the responding organisations, the highest level on record since 2010.

Among the responding companies equipped with digital learning programmes, 44% increased their earmarked budget while 51% maintained it at the same level. A modest 5% cut their spending.

The top three digital learning tools were:

- (1) Training videos (58%)
- (2) Webinars/ virtual classrooms (42%)
- (3) Digital learning portal/ e-library (41%)

Barry Ip, Vice President of the HKIHRM and Co-chairperson of the Learning and Development Committee, commented, “In the COVID-19 crisis, digital learning and virtual facilitation embody the opportunity for growth in training and development, allowing employees to enhance interaction with the trainer and other participants during the learning process while working from home. As a result, this could strengthen employee engagement and enhance team collaboration.”

Training Practices

The survey found that in 2019, training practices that leverage internal resources were still prevalent. The top three training initiatives were:

- (1) On- the-job training (80%)
- (2) In-house training & development programmes (76%)
- (3) External conferences, workshops and events (70%)

Key Business Drivers in Formulating Training Plan for 2020

The top three factors indicated by the surveyed companies in formulating the training plan for 2020 were:

- (1) Enhancing leadership and people management competencies (61%)
- (2) Building leadership bench strength and pipeline through talent management (39%)
- (3) Reinforcing corporate culture with training programmes to achieve strategic business (37%)

Barry Ip and Chester Tsang concurred that “by strengthening leadership and people management competencies, whether through physical or virtual teams, corporate culture can evolve under an uncertain outlook.”

Commentary

Barry Ip said, “The average training hours were at a 10-year low in 2019 and the training and development budget dropped at the same time. This was mainly due to the social activities which unfolded in the second half of 2019. Against a backdrop of work from home as the new normal in COVID-19 in 2020, it is projected that the usage of digital learning and development would rise this year, its growth being the highest among training practices. Digital learning will be a continuous trend and need for most companies under the new normal.”

Chester Tsang said, “In 2019, strategic management and crisis management were among the key training areas for senior management level employees, while coaching was the most popular type of talent development programmes. There were changes of importance in the training areas of middle management, with people management topping the list. These testified to the significance of growth mindset and learning agility, decision making and talent management in leading teams through a year of economic and social turbulence.”

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Media Enquiry

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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 <http://www.hkihrm.org>