



PRESS RELEASE

For Immediate Release

[19 June 2023 – Hong Kong]

**Investing in Talents
Orientation and On-the-Job Trainings - the Keys to Tackling Talent Shortage**

Summary

- 1. Companies Increase Training and Development Budget for Employees Continuously**
- 2. Reskilling and Upskilling to Retain Employees and Build Talent Pool**
- 3. Dual-Track Training Emerges as a Winning Strategy for New Hires**
- 4. COVID-19 Impacts Employee Training**

Based on the 2022/2023 Training and Development Needs Survey conducted by the Hong Kong Institute of Human Resource Management (HKIHRM), 74% of the responding companies had a budget earmarked for employee training and development. The survey revealed that the actual spending on training against employee total annual base salaries increased from 1.9% in 2021 to 2.6% in 2022. The training budget against employee total annual base salaries also adjusted upwards from 2.8% to 3.6% from 2021 to 2022. Furthermore, the average annual training hours per employee in Hong Kong have increased for the second consecutive year, rising to 18 hours in 2022, which is approximately 3.9 hours more than that of in 2021, representing an increase of 28% which also indicating that with the recovery of various industries after the pandemic, companies believe it is necessary to invest more resources in training their employees to enhance their professional skills.

Conducted from February to April 2023, the 2022/2023 Training and Development Needs Survey covered 107 companies across 20 business and industry sectors with 66,624 full-time employees approximately. The objective of the annual survey is to identify training and development needs in general, as well as the prevailing training and development areas during the year 2022. The key findings are as follows –

1. Companies Increase Training and Development Budget for Employee Continuously

The actual spending on T&D against employee total annual base salaries in 2022 recorded an average of 2.6%. The ratios of certain industries have exceeded the average, the banking/financial services sector



topped the list with a ratio of 5.4%, followed by the business services/professional services sector at 4.3%, and the wholesale/import/export/trading sector at 3.3%.

Dr Chester Tsang, Executive Council Member and Co-Chairperson, Learning and Development Committee of HKIHRM, commented, “Despite the signs in slowdown of emigration tides, the talent shortage in various industries in Hong Kong persists. Moreover, with the Hong Kong economy in a period of recovery and business activities increasing, there is an urgent need for manpower across all sectors which led to an increase in companies’ training and development budget to retain and attract talents in order to strengthen their existing talent pool by recruiting and cultivating new employees.”

2. Reskilling and Upskilling to Retain Employees and Build Talent Pool

In 2022, over 95% of the surveyed companies believed that reskilling and upskilling employees was either very important (42%) or quite important (53%).

The top 4 benefits of reskilling and upskilling employees were:

1	Promote talent retention (77%)
2	Prepare for organisation growth (77%)
3	Enhance employee engagement (61%)
4	Reduce skills gap (59%)

Dr Barry Ip, Vice President and Co-Chairperson, Learning and Development Committee of HKIHRM, commented, “Companies are currently facing skills gap due to various factors such as emigration tides, aging population, rapid development of AI technology, and the economy recovery. It is challenging to solely rely on external recruitment to meet operational needs. Therefore, strengthening the existing talent pool, reskill and upskill current employees to ensure companies meeting the demands in an evolving business landscape become urgent and crucial.”

3. Dual-Track Training Emerges as a Winning Strategy for New Hires

As society returns to normal, the training practices of companies is also changing and they tend to adopt the on-the-job training and new employee orientation training to retain and attract talents. In 2022, out of the 102 responding companies, 80% of them preferred to train their employees through on-the-job training, which is 7% higher than the number of companies (73%) that using online learning to train their employees.



The top 3 training practices adopted by companies in 2022 were:

	Training practices adopted in 2022	Training practices will adopt in 2023
1	On-the-job training (80%)	On-the-job training (76%)
2	Digital training (73%)	Digital training (72%)
3	In-house training & development programmes (69%)	In-house training & development programmes (71%)

Under that intense competition for talent, companies have adjusted the priority of their important training areas. In 2022, the most important training area for supervisory/officer/general/frontline staff level was “new employee orientation”, followed by “product/service knowledge” and “ethics/conduct/corporate governance/compliance”. In 2021, the most important training area for this level of staff was “industry-specific technical skills/trends/technology updates”, which has now fallen to the fourth place in 2022.

Dr Tsang explained: “The current job market is highly competitive, and companies are seeking to hire new employees or those with limited industry experience to meet their talent gap. To help these employees adapting to their new roles more effectively, employers are making significant investments in training resources for “new employee orientation” and “product/service knowledge”. This strategic investment not only accelerates the onboarding process but also increases a sense of belonging for new employees.”

Dr Ip highlighted: “According to the survey, the median proportion of companies providing talent development programmes in 2022 was 63%. In the engineering sector, 100% of companies provided talent development programmes, while the construction, manufacturing, non-governmental companies and social services, and property management sectors each had a proportion of 75% respectively. These figures reflect different degrees of talent shortage in these sectors, and it is essential for companies to utilise talent development programmes flexibly to meet the needs of their operational development.”

4. COVID-19 Impacts Employee Training

Of the 107 companies which provided data in 2022, 64% introduced new learning contents in response to the COVID-19 outbreak.

The top 3 learning contents introduced in response to the COVID-19 outbreak were:

1	Health and safety during COVID-19 (73%)
2	Supporting employee mental health (55%)



3	Policy on working from home / remote office (52%)
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Affected by the pandemic, the trend of training employee by means of online learning technologies is at a rise. According to the surveyed 107 companies, 98 companies (92%) stated that they have already incorporated technology into training, far exceeding the average of the past decade (70%). Of the 98 companies that have incorporated digital learning technology into training programmes, more than half (51%) of their digital learning budget was allocated towards instructor-led training, which is significantly higher than the budget allocated to digital learning tools (38%).

Dr Ip believes that the pandemic has prompted companies to increase online learning and training programmes, allowing employees to learn relevant skills anytime, anywhere, and stay competitive.

The top 3 types of digital learning platforms were:

1	Webinars/virtual classrooms (76%)
2	Training videos (62%)
3	Digital learning portal/e-learning library (53%)

Conclusions

Dr Ip indicated that the top three important training areas for senior management employees are all related to strategic management, reflecting an emphasis on change management and innovative thinking in companies. It is also the primary goal of employee training and development at present. Under the influence of factors such as the Great Resignation and the pandemic, the workplace environment is full of changes. Management must solve problems for the companies, formulate appropriate strategies, and flexibly respond to challenges.

Dr Tsang said: “To fill the talent gap caused by the Great Resignation and the pandemic, companies are willing to invest a lot of resources in employee training in 2022. Through dual-track training, employees' professional skills can be enhanced and reshaped, thereby consolidating and expanding the talent pool. Through this training method, new employees can receive basic training, and existing employees can also receive advanced training to meet the ever-changing market demands.”

Please click [here](#) for the photos of Dr Barry Ip, Vice President and Co-Chairperson, Learning and Development Committee of HKIHRM and Dr Chester Tsang, Executive Council Member and Co-Chairperson, Learning and Development Committee of HKIHRM.

2022

Summary of Findings 重點概要



COMPANIES' INVESTMENT IN EMPLOYEE TRAINING AND DEVELOPMENT 企業在僱員培訓及發展的資源投放

% of companies with training budget
提供培訓預算的企業比率



74%

Average Actual Spending on training & development
budget as a % of total annual base salary
培訓實際開支佔員工全年整體基本薪酬的百分比

2.6%

Average number of annual training hours
per employee was
僱員全年人均培訓時數為

18 Hours
小時

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2022

Summary of Findings 重點概要



RESKILLING AND UPSKILLING 僱員技能提升及技能重塑

95%

of the companies stated that it was very and quite important to
reskill and upskill employees
的受訪企業認為僱員技能提升及技能重塑非常及十分重要

Top 3 benefits of reskilling and upskilling employees
前3位僱員技能提升及技能重塑的好處

77%

Promote talent retention
有助保留人才

77%

Prepare for organisation growth
為機構的發展作準備

61%

Enhance Employee Engagement
加強員工敬業度

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2022

Summary of Findings 重點概要



RESKILLING AND UPSKILLING 僱員技能提升及技能重塑



Top 3 Effective Means of Bridging Knowledge Gaps between Experienced & New Staff
前3位彌補資深員工和新進員工知識差距的有效方法



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2022

Summary of Findings 重點概要



LATEST TRAINING PRACTICES AND TRENDS 最新培訓模式和趨勢

92% of the companies adopted digital learning technology
的受訪企業採用網上學習科技培訓

Top 3 types of digital learning platforms were
前3位的網上學習平台類型



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2022

Summary of Findings 重點概要



MAJOR TRAINING AREAS FOR EMPLOYEES AT DIFFERENT STAFF LEVELS 不同職級僱員的主要培訓範疇

Senior Management 高層管理員工	Middle Management/ Professionals 中層管理員工/專業人士	Supervisory/ Officer/ General/ Frontline Staff 督導級/主任級員工/ 一般/前線員工
		
1 Strategic Management - Strategic Thinking 策略管理- 策略思維	1 Working with Others - Building Effective Teams 建立有效團隊	1 New Employee Orientation 新僱員入職培訓
2 Strategic Management - Change Management 策略管理- 變革管理	2 Working with Others - Influencing & Negotiation 與人合作 - 影響力及協商	2 Product / Service Knowledge 產品 / 服務知識
3 Strategic Management - Business innovation 策略管理 - 商業創新	3 People Management - Coaching / Mentoring & Managing Performance 人事管理 - 教練技巧 / 師導培訓及績效管理	3 Ethics / Conduct / Corporate Governance / Compliance 道德 / 操守 / 企業管治 / 合規

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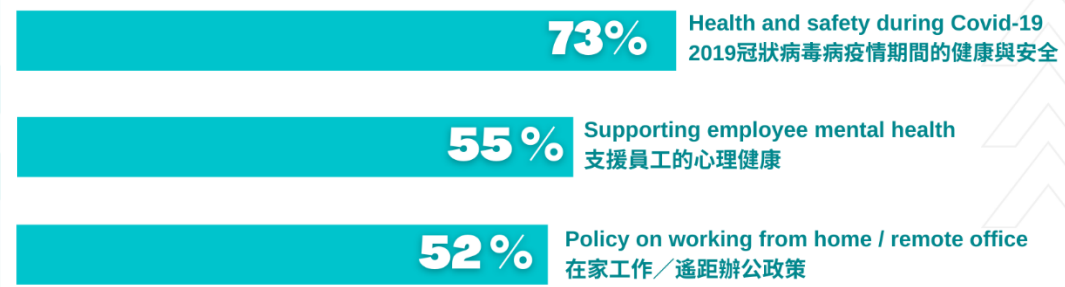
2022

Summary of Findings 重點概要



NEW! **64%** of the companies introduced new learning contents in response to COVID-19 Outbreak
的受訪企業為應對2019冠狀病毒病所推出的新學習內容類型

Top 3 new learning contents were
前3位的新學習內容類型



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About Hong Kong Institute of Human Resource Management

As the most representative HR professional body in Hong Kong, the Hong Kong Institute of Human Resource Management (HKIHRM) has a membership close to 5,000, of whom around 520 are corporate members. Founded in 1977, the HKIHRM aims at enhancing HR professional standards, and increasing the HR profession's influence. Serving HR practitioners and SMEs, the Institute organises a wide range of professional programmes, including annual conference, seminars, awards programme, and multi-level training. It also provides various membership services, surveys, and an online journal. The HKIHRM is a member of the Asia Pacific Federation of Human Resource Management.

<http://www.hkihrm.org>