

The Future of Work Arrives Early: How HR leaders are leveraging the lessons of disruption

China

RESEARCH OVERVIEW

Oxford Economics and the Society for Human Resource Management (SHRM) partnered with SAP SuccessFactors to understand the realities of a post-pandemic workplace for both employers and employees in 10 countries.¹ Our research offers a glimpse of the various workforce strategies adopted by organizations in response to COVID-19, including insight into hiring and layoffs, expectations for future employment changes, readiness for remote work, and investment plans around digital technologies.

This brief report highlights research results for **China** and suggests next steps for HR leaders as they plan for the years ahead. The findings show that Chinese employers expect to make major operational and strategic changes in the coming year—but may be overlooking key investments to attract talent and equip employees with technology for remote work.

CHINA'S RESPONSE TO COVID-19

Experiences with COVID-19 vary from country to country, based in some part on the scale of the virus spread, national responses to controlling the pandemic, and local economic realities. The first country to be hit by the pandemic, China has made major strides in successfully containing the virus due to strict lockdowns and regulations, effective contact tracing, and widespread testing.

Much like their peers around the world, Chinese executives in our survey expect greater flexibility around—and employee demand for—remote work. But many may be overlooking the importance of widespread access to reskilling programs and technology and connectivity, areas that will be critical to surviving the long-term effects of the pandemic and staying ahead of competitors.

Understanding regional and local differences will be critical for HR leaders in China and across the world as they make plans for their global workforces.

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¹ Australia, Brazil, Canada, China, Germany, India, Mexico, Spain, United Kingdom, United States. To learn more about the research, including a detailed overview of each country, visit: <http://www.sap.com/human-experience-shrm-oe>

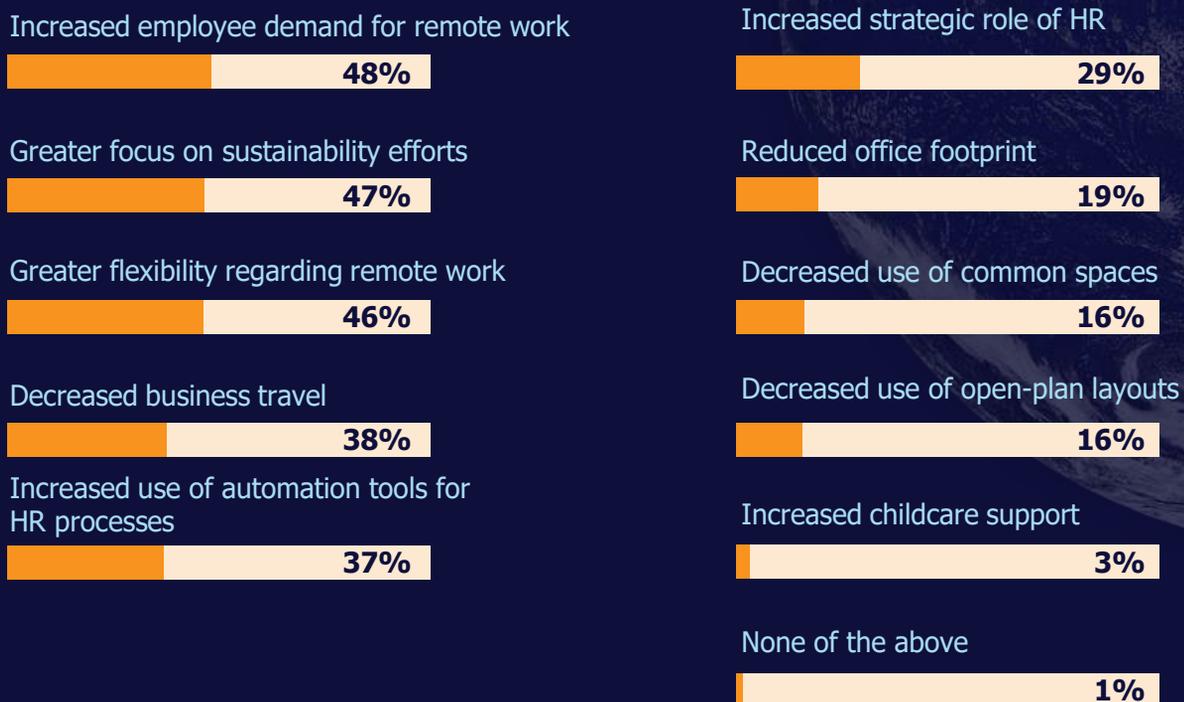
REDEFINING THE WAY WE WORK

Despite confidence in their handling of the pandemic—91% say their organization effectively handled new ways of working in response to COVID-19—Chinese leaders are gearing up for future workplace changes and disruptions.

- Nearly half expect increased employee demand for remote work (48%) and greater flexibility regarding remote work (46%), a trend that is consistent across countries in our sample. But when it comes to sustainability, Chinese leaders might be more forward-looking than (or focused on catching up to) their peers around the world: nearly half (47%) expect a greater focus on sustainability efforts to become a long-term change in the workplace.
- Chinese leaders are aware of the challenges they might encounter in a new work environment that is largely remote—including maintaining productivity (64%), reskilling the workforce to work with new technologies (54%), and establishing a culture that supports more remote employees (40%).
- Many are taking active steps to ease the transition to the new workplace, with an emphasis on worker safety and clear communication. A number of Chinese respondents are checking the temperature of all employees (66%), increasing sanitation and cleaning (63%) and communication with employees (60%), training on new workplace safety protocols, and conducting regular pulse surveys to gather employee feedback (42%).

FIG. 1: Sustainability is a focus for Chinese leaders

Q: Which of the following long-term changes (12+ months) do you expect COVID-19 to have on the workplace? *Top-three ranked*



THE POST-PANDEMIC TALENT CRISIS

In order to attract talent, HR leaders must do more than just accommodate remote working—they will need to tailor their benefits, organizational processes, and business strategies to meet workers' rapidly evolving needs and expectations.

- Chinese respondents expect a variety of issues to become more important to their ability to attract and retain talent, including diversity and inclusion (67%), environmental sustainability (65%), work/life balance (61%), and compensation (57%).
- While these issues are expected to become more important for an increasingly competitive talent pool—30% expect talent acquisition to become a top challenge for businesses—few are investing in benefits (22%), recruiting and onboarding (23%), workforce analytics (18%), or expect an increase in childcare (3%, the lowest in our survey).

FIG. 2: Flexible work will not be the only talent differentiator

Q: To what extent do you expect the following to become less or more important in an organization's ability to attract or retain talent, given the effect of COVID-19?

"Somewhat more important" and "Much more important" responses



MIXED MESSAGES ON TECHNOLOGY

Most Chinese organizations are satisfied with the technology they have for new ways of working—but are they accommodating all workers?

- More than three-quarters (83%) say their company has the technology it needs to navigate the changing work environment, and nearly half (45%) are planning investments in remote collaboration tools.
- Yet just 15% say most of their workers can work remotely *and* have the necessary technology and environment to do so effectively, with finance/accounting workers and HR workers being especially disadvantaged in this area.

Q: Which technologies do you plan to invest in the most over the next 12 months? Top three technologies

45% Remote collaboration tools

38% Learning programs for reskilling and upskilling, as well as new procedures

36% Listening tools/employee surveys