DIGITAL WORKFORCE COVID IMPACT SURVEY 2020

Digital Talent Development, June 2020
226 Respondents where 59% are from the digital industry

85% Companies have been negatively impacted by COVID-19, close to 2/3 have begun adapting to Working From Home and tech platforms for all work activities.

60% In the longer term (6-12 months), many companies would require assistance in training & recruitment, primarily as part of the company rebuilding post-MCO

58% In the short term (3 - 6 months), salary payments /cashflow remains the biggest concern as most companies are still trying to retain their staff

Staff Retention

44% Companies with no staff retrenchment

34% Companies have excess workers to share - directed the companies to leverage on MDEC's #MyDigitalWorkforce initiatives & to register on GLOW

Key areas for staff retraining

Digital Marketing
Digital Productivity Tools
(includes remote working skills, etc.)

Other noteworthy concerns:
- Wellness & Health
- Hardware & Infrastructure
Total Respondents 226

Digital Industry 59%

MSC (145)
Non-MSC (69)
GAIN (12)
Change of Business Activities due to COVID

- **Almost 60%** of companies have begun adapting to WFH through tech and digital platforms.

**Work From Home (WFH)**: 40%
- Activate Business Continuity Plan: 11%
- Diversification: 12%
- Digital Platform: 19%
- Management/Finance Changes: 4%
- Developing New Products: 2%
- No Changes: 6%
- Cease Operations: 6%

**Changes of Business Activities**
- Partial WFH with work rotation for staff to be in office
- Diversification
- Freeze recruitment
- Salary & work reduction
- Work-for-hire
- Enable Staff to Work as Assoc Partner on Project Profit Sharing Basis
- More focus on eCommerce
- Invest in R&D to build new functions
- Pivotal resources
- Initiate current/post MCO work arrangement plans via digital platform
- Strengthen & enhance skills of staff to adapt to digital platforms and remote work
- Adapt business towards remote working
- Optimize technology usage for all work activities

**Almost 60% of companies** have begun adapting to WFH through tech and digital platforms.
85% of companies surveyed were negatively impacted by COVID; with 67% citing major to critical impact.
Salary Payments and Cash Flow is the biggest immediate concern now; Need to pay attention to other elements of WFH like wellness, health, etc. too

Immediate/Biggest Talent Concern in COVID Situation

- Salary Payment/Cash Flow: 132
- Employee know-how to work online: 34
- Employee Retention: 22
- Adapting to WFH (Wellness, Health, Productivity, etc.): 14
- Business related: 9
- Hardware/Infra Issues: 5

Others
- Fewer new sales generation
- No client contract renewal
- Projects paused
- Pipelines pushed
- Maintaining customers
- Employee missing in action
In the short-term, main focus for companies is to retain their staff. 44% said none of their staff would be retrenched; and 66% with no excess workers to share.

Company Plans (3-6 months)

- Negotiate unpaid leave: 62
- Re-train staff: 61
- Financial Matters (Salary reduction, Cash flow...): 18
- Employee Separation scheme: 18
- Business Related: 17
- Undertermined/No Plans/No Changes: 13
- Recruitment/Retention: 12
- Borrow staff to other companies: 6

Companies with Excess Workers to Share for 3-6 Months

- Yes: 34%
- No: 66%

Number of Staff Impacted (Retrenched, Lay-off, etc.)

- None: 37 (44%)
- 1 - 5: 1 (33%)
- 6 - 20: 1 (14%)
- 21 - 50: 1 (5%)
- > 50: 1 (4%)

# companies (excess employees)

- 37 (< 5)
- 8 (6 – 10)
- 7 (11 – 49)
- 1 (> 50)
Whilst cash flow is the most anticipated issue in the coming year, many companies are also looking at retraining staff.

### Workforce Issues Anticipated Next 6-12 Months

- **Salary Payment/Cash Flow**: 159
- **Employee Retention/Recruitment**: 83
- **Employee Know-How Working Online**: 40
- **Business Related**: 22
- **Employee engagement (Morale/Discipline, etc.)**: 11

### Assistance Required

- **Financial Assistance**: 19
- **Assistance for Laid Off Staff**: 32
- **Recruitment**: 48
- **Training**: 76

### Others
- Adapting to new normal
- Projected more trainings
- Problems hiring expats
- Staff engagement & motivation
- Sustaining business
- Uncertainties of sales, payments, customers, etc.

### Others
- Access to markets
- Better internet connections
Almost 60% of companies have retraining needs for small numbers (< 20 staff)

Current Employee Skillsets

<table>
<thead>
<tr>
<th>Skillset</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business Services (Devp, Sales, Finance, HR, etc.)</td>
<td>9</td>
</tr>
<tr>
<td>Digital Productivity Tools</td>
<td>21</td>
</tr>
<tr>
<td>Administrative Skills</td>
<td>48</td>
</tr>
<tr>
<td>Digital Technical Skills</td>
<td>69</td>
</tr>
</tbody>
</table>

Number of Staff to be Retrained

- None: 32% (32% of companies have no retraining needs)
- 1 - 5: 45%
- 6 - 20: 14%
- 21 - 50: 5%
- > 50: 4%

Training Required

- No Training Needed, 7
- Technical Skillsets, 23
- Digital Productivity Tools (e.g. MS Office), 31
- Office Automation/Remote working, 44
- Digital Marketing, 74

Technical Skillsets
- Fullstack Development
- Data Science
- App Development
- SaaS
- PHP
- React Native
- Software Development
- PDMS
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