

An aerial view of a modern meeting room. A large, curved wooden table is the central focus, with several people seated around it. Some are using laptops, while others are looking at documents. The room has a dark, tiled floor and two circular pendant lights hanging from the ceiling. The overall atmosphere is professional and collaborative.

# CHINA WORKPLACE ASSESSMENT SURVEY UNDER COVID-19

# FOREWORD

The Coronavirus Disease (COVID-19) outbreak has dramatically impacted businesses across China, resulting in uncertainties and anxieties among professionals. In order to accurately capture China's market sentiments during these troubled times, Michael Page China launched a workplace assessment survey in two phases: Phase 1 (14 to 19 February) was conducted via online surveys; Phase 2 (24 February to 23 March) was conducted via consultant interviews. A total of 3,952 professionals, HRs and employers from various industries participated in both phases.

The main goal was to assess the employers' response to the COVID-19 outbreak, their respective employees' overall satisfaction regarding said response, their confidence level about their future job prospects – and how well employers understood the pandemic's long-term impact on companies and industries.

The one-on-one interviews, which were conducted by Michael Page consultants, allowed us to control the quality of the results, while ensuring a clear and accurate reflection of market sentiments on the ground. Based on the results collected, we now know how professionals feel about the COVID-19 outbreak, how their confidence fluctuated along with the pandemic, as well as how professionals and companies alike have adopted innovative technologies and digital tools to address new work and management challenges.

We hope that this report will prove to be an insightful read, and that you come away with a better understanding of good practices and the current situation across the broader market.

# CONTENT

LOOK AT

How businesses reacted to the pandemic

LOOK FOR

An assessment of the impact

LOOK INTO

The long-term prospects for various industries

# LOOK AT the pandemic period

By the time we released this report, 95% of respondents were back at work, with a few companies even adopting a shift system in response to the pandemic. We raised some pointed questions in the survey, including the satisfaction level of the company's alternative work arrangement, the organization's overall personnel structure and welfare adjustment, as well as the most pressing issues and concerns from the company's management team.

The results provide a general market sentiment towards the COVID-19 outbreak, especially how employees' confidence changed in accordance with the evolving pandemic. Meanwhile, it also addresses some good practices about utilizing digital tools for agile management, which can be taken as reference for the broader market.

1

SATISFACTION RATE

2

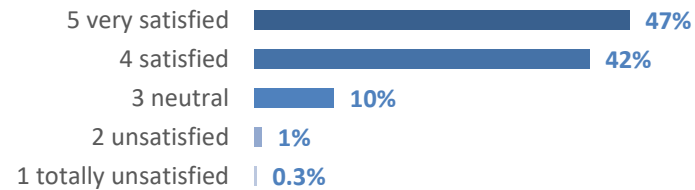
COMPANY ADJUSTMENT

3

CONCERNED TOPICS

## 89%

Are satisfied with company's arrangement



## 63%

Thought their company was well equipped



## 53%

Thought leaders were giving enough guidance



## Are you satisfied with your company's arrangement?

- Most respondents are satisfied with company's arrangement, 47% from which are very satisfied.
- With innovative technology and digital tools being increasingly adopted in the workplace, we can see 63% of respondents believe their companies are well equipped with technology for remote working. Of those who chose "can be improved" or "not good", most were from "Property" or "Logistic" industries.
- Only 3% of respondents were not satisfied with their leaders' guidance during the breakout of COVID-19, which is a strong hint that leaders from companies in China are adaptive, agile, and people-caring when faced with a public emergency.

## Are you worried about company's adjustment?

- With the virus situation evolving, professionals grew more confident in employers, as evidenced from the data in two phases – suggesting they were getting less worried about the negative impact on their companies.
- Professionals from Shanghai and Shenzhen were least worried about the personnel and benefits changes, while those from Chengdu and Suzhou were more worried.
- If we look at the practices from companies, 22% of companies already cut off benefits budgets or postponed their benefits payrolls. 24% of companies cancelled their Q1 remaining hiring plan, while 23% of companies cancelled all plans and started re-planning for the rest of the year. Highly impacted industries included Property, Services and Trade/Consumer.

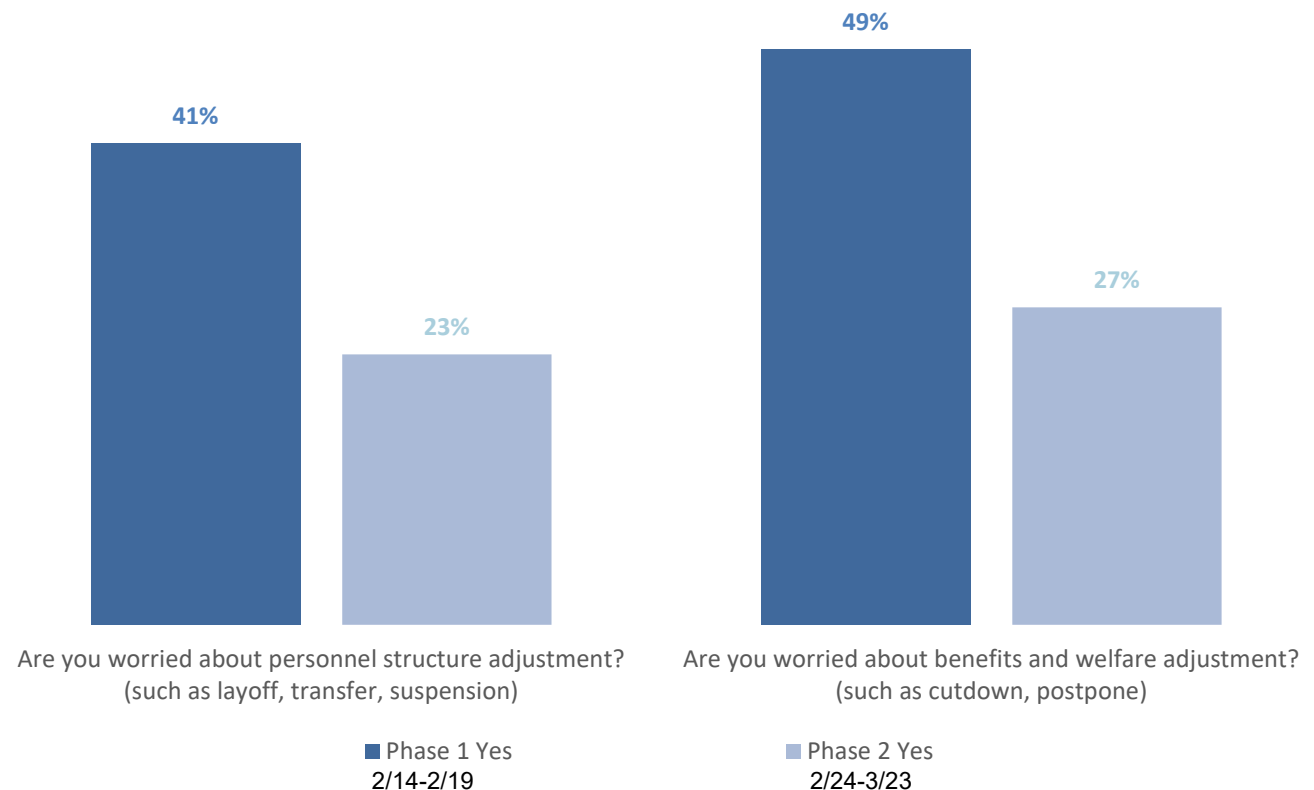
Percentage of people who were worried about personnel changes decreased by

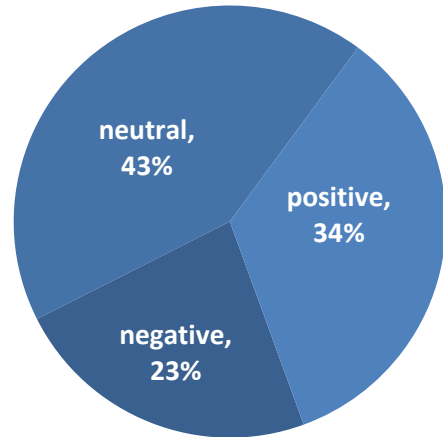
**18%**

Percentage of people who were worried about benefits changes decreased by

**22%**

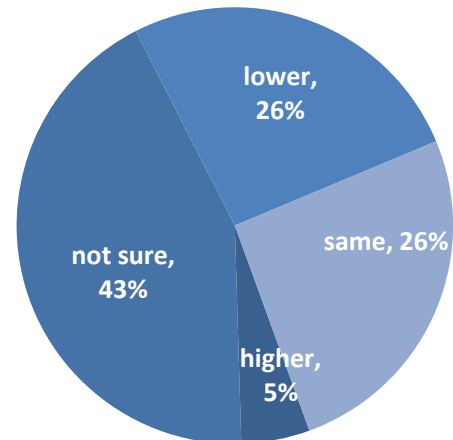
&





## 23%

Held negative attitude towards the impact of the epidemic on hiring



## 43%

of those in HR were still not sure about the epidemic's impact on staff turnover rate.

## Observations from HR

- There were some uncertain sentiments around hiring. Most HR respondents found it hard to say whether the impact on hiring and existing staffs was positive or not.
- 43% of those in HR were not sure whether turnover would increase, compared with the last year.
- Some in HR regarded it as a “good chance to attract talent”, while many others predicted it would be tougher for hiring, as senior talent would be more patient and prudent during this period.
- Among them, more in HR from Trade/Consumer and Property industries thought they would be negatively affected, while more from Pharmaceutical and IT/Internet industries thought there would be positive effect.

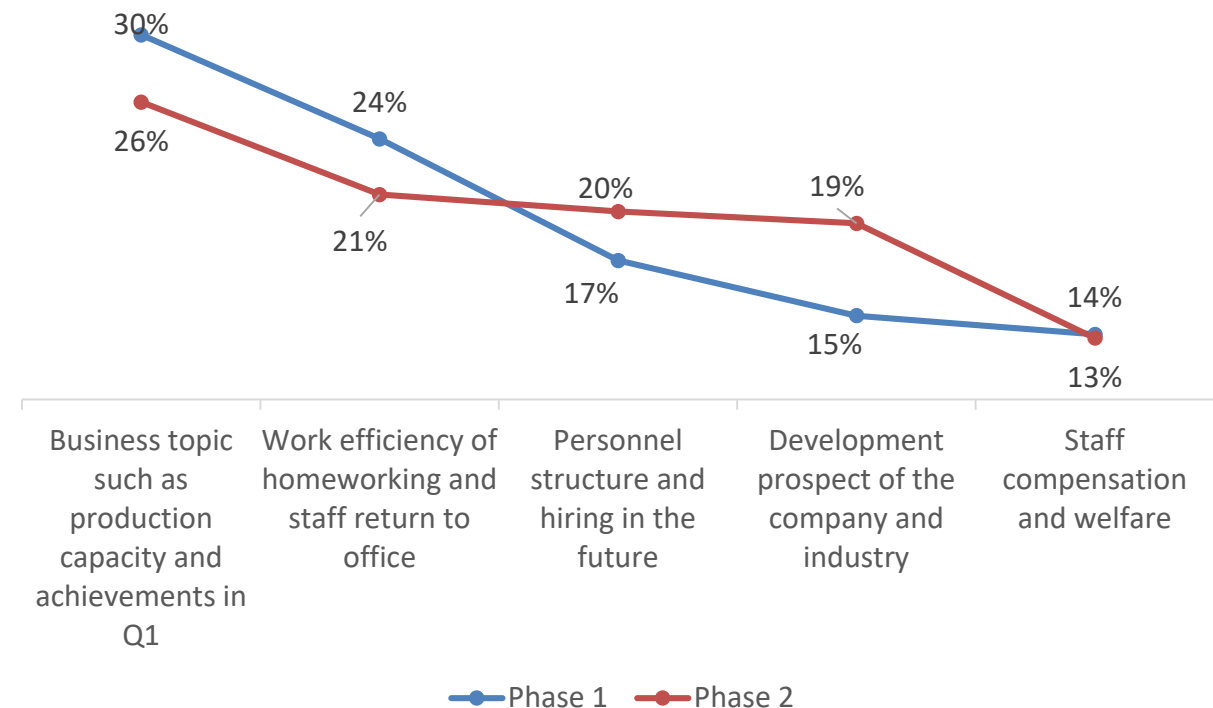
## Most concerned topics

- In both phase one and phase two, the topics of most concern were the same: production capacity and achievements in Q1, followed by remote working efficiency.
- In phase two, people started to divert some of their attention from immediate or short-term impact on themselves and their companies, into the long-term impact, such as “company’s personnel structure” and “development of company and industry”.
- Besides the above, other topics included:
  - Care for Wuhan staff
  - Salary payroll and labor policy
  - Global situation
  - How to conduct interviews online effectively

# Q1 Business Capacity Remote Working Efficiency

## Personnel Structure and Hiring in Future Development of Company and Industry

### Staff compensation and welfare





# LOOK FOR an assessment of the impact

The COVID-19 outbreak has impacted the economy of the whole of Mainland China, with numerous social and economic implications for organizations. In the short run, employees' attitudes towards looking for new jobs will likely change.

With the virus being contained in China thus far, employees' confidence levels have risen. However, with the escalating situation in other parts of the world, even this positive sentiment is subject to change. In this section, let's take a look at the possibility for employees to change jobs, future outlook of various industries, as well as how companies plan to return to normal operations.

1

New Opportunity

2

Attitude

3

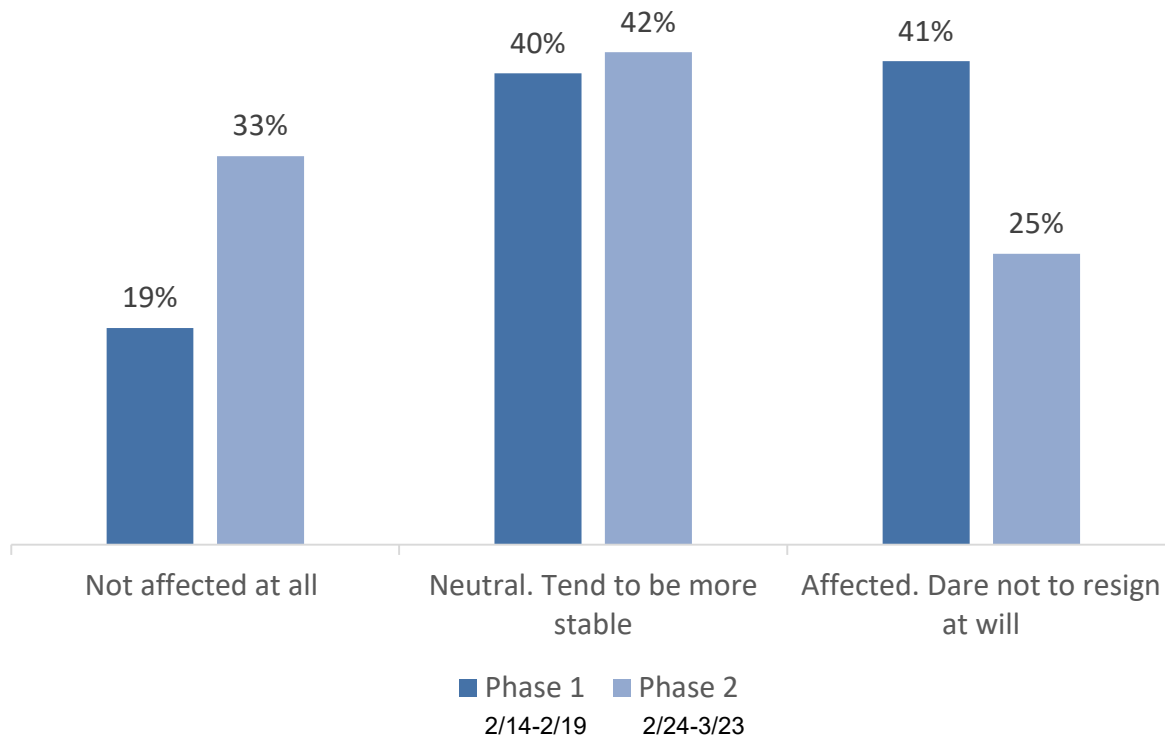
How long will it effect

25%

People think it will be risky to resign

33%

People think they are not affected



## Will the epidemic affect your decision on changing your job?

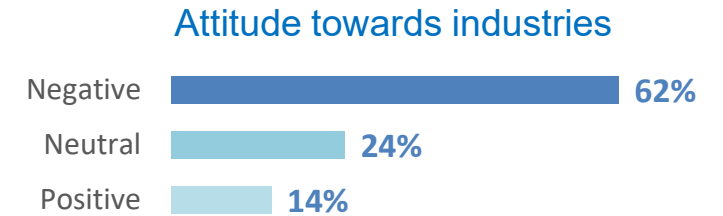
- The epidemic no doubt casts negative effects on most people at the beginning: as 41% of respondents thought it risky to resign and find new opportunities in phase one. After one month, when the situation gets clearer and more positive, people were more neutral and more positive, with only 25% of them thinking they were affected.
- People from pharmaceutical and financial industries were most confident in changing jobs, especially those in pharmaceutical, with 44% of them thinking they were not affected, and 15% of them believing there were more opportunities in the market.
- As a contrast, logistics/transportation, services-related industries and property were highly affected. Around 30% of respondents from each area believed it risky to change jobs.
- Employer branding and personal development became key terms when professionals spoke about their future career development. Companies with stronger employer branding felt in a better position within the future talent market.

## Attitude towards the future

- People showed negative sentiments towards COVID-19's impact on both industries and companies. If looking at the two numbers, we can tell that compared with company development, people were more negative towards industry development.
- In detail, 37% of respondents said that their companies were affected in Q1 resulting in decreases in profit, while 5% of them revealed they were suffering huge losses, and thus both groups of people held very negative attitudes. 47% of respondents believed they were doing quite well and would keep being well in future.
- Professionals from the pharmaceutical industry were the most positive. 63% of them thought their companies were doing well. Businesses in trade/consumer and logistics/transportation industries were suffering losses, only 36% and 33% of respondents from each industry said companies in good health, while 8% and 7% believing they were in a difficult situation.

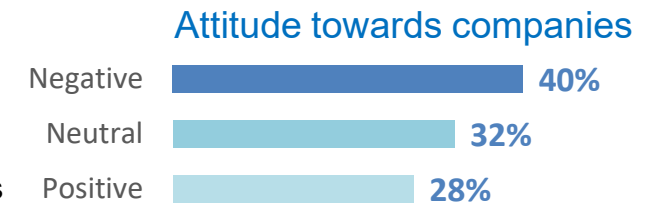
# 62%

Held Negative Attitude toward effect on their current industries



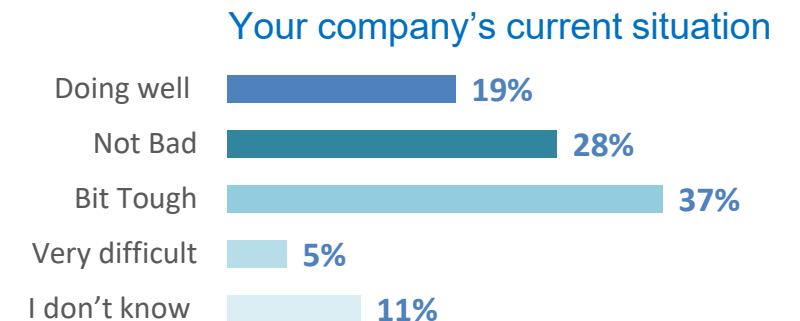
# 40%

Held Negative Attitude toward effects on their current companies



# 37%

Said their companies found the situation a bit tough

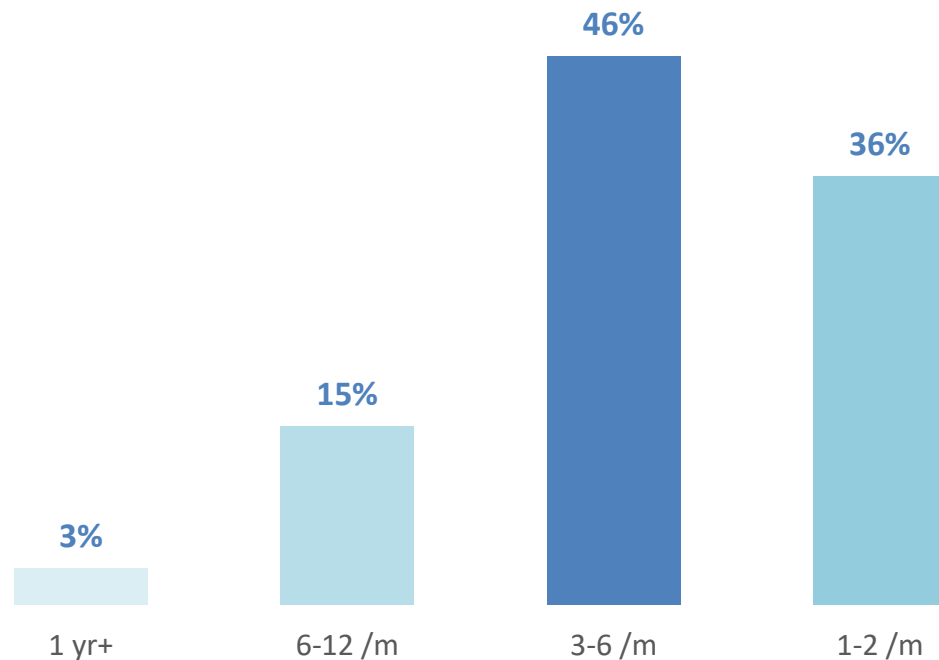


# 36%

Thought their companies would take 1-2 months to recover

# 3%

Thought their companies would take over a year or more



## How long will it take to recover?

- Most people thought they needed 3-6 months to recover, while 18% of respondents thought it would take more than half a year.
- People from pharmaceutical industries were more confident in a recovery, with 45% of them thinking it would take 1-2 months to recover. Other positive industries included financial and engineering industries. People from energy and services-related industries were the most pessimistic.
- Some voices said they were going through a very tough time, both from an operation and labor point of view. Statements from services industries even predicted that the tough period would last throughout the year, “unable to perform as well as last June”. Meanwhile, IT industries remained positive with some noting that “it’s a clear positive sign, as remote working is highly demanded”.

# LOOK INTO the industries

Depending on their specific industry, professionals had different confidence levels regarding the road ahead. With nearly 4,000 respondents from different management levels across various industries, our report gives a comprehensive overview of how companies have been impacted, how employers and employees alike felt about their companies and their respective industries at large, as well as predicting the long-term impact of the COVID-19 outbreak. We believe that the responses will help us gain a deeper understanding of China, which remains one of the most active and dynamic markets in the world.

Pharmaceutical/Healthcare

IT/Technology/Internet

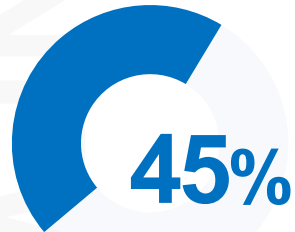
Financial Services/Finance/Banking

Engineering/Manufacturing

Logistic/Supply Chain

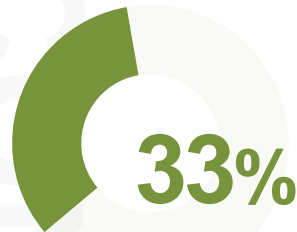
Property/Construction

# Pharmaceuticals / Healthcare



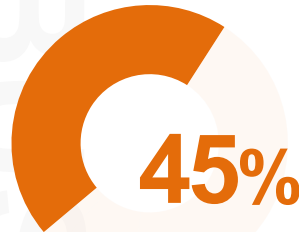
Of people felt no major effect on looking for a job

23% felt negative  
32% felt stable



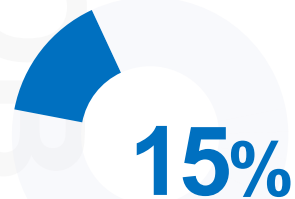
Of people felt positive about their industry

26% felt negative



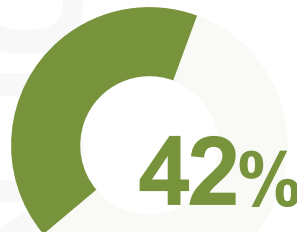
Of people thought it would take 1-2 months to recover

43% 3-6 months  
10% 6-12 months  
2% more than a year



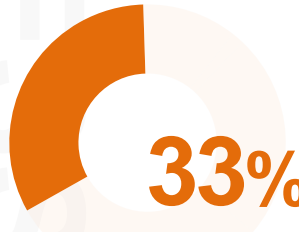
Of people saw more opportunities in the market

45% wait and see  
29% company is strong  
3% too risky to leave



Of people felt positive about their company

17% felt negative



Of people thought the business was doing well

31% quite good  
24% a bit tough  
2% very difficult

- To some extent, Healthcare was the most affected industries – but from a positive view.
- In most of our survey questions, people from healthcare industry displayed very positive signs. Most of them thought the market had more opportunities, their companies were doing well, and they felt positive towards the future of their industry.

## Far-reaching effect according to respondent

“

- Under such circumstance, I think the government will invest more in Healthcare related industries. There will be more attention and support.
- I think it will have a positive impact on some sub-industries
- It has accelerated the process of new drug development in foreign countries. If necessary, China can provide more clinic and cash support.

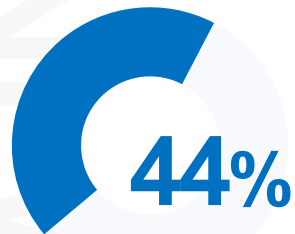
”

“

- Forecasted revenue calls are down 10-15%. Global hold a preservative attitude, rather than extremely pessimistic. There were delay in many projects. It will take at least 2 quarters to recover.
- Headquarters have suspended all Global positions. I doubt that the newly established factory can start operations as planned.

”

## Financial Services / Banking



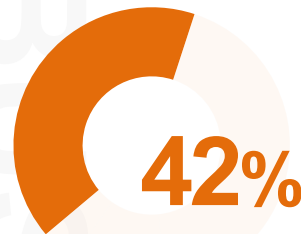
Of people felt no major effect on looking for a job

23% feel negative  
33% feel stable



Of people felt positive about their industry

46% feel negative



Of people thought it would take 1-2 months to recover

43% 3-6 months  
11% 6-12 months  
4% more than a year

- Financial services, banking and insurance industries also emerged more positive. 42% people thought they would recover within 1-2 months. Less than 20% people felt the epidemic would have negative effects on their companies.
- Generally companies in the industries also shows positive sign that more than 65% of people think their companies are doing quite well under such circumstance.

### Far-reaching effects according to respondent

“

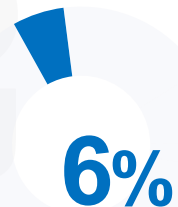
- Mainly short term effect. I believe that there won't be great long-term effects. Sales team is highly effected, but company is running well currently.
- It will be important to move all events to digital platforms, so Technology would be the key element of success.

”

“

- For the long term, small-sized companies will need stronger financial support from the government, and we have concerns whether the current risk management model can cover the negative influence from bad debts.

”



Of people saw more opportunities in the market

58% wait and see  
18% company strong  
9% too risky to leave



Of people felt positive about their company

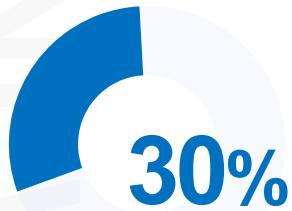
19% felt negative



Of people thought the business was doing well

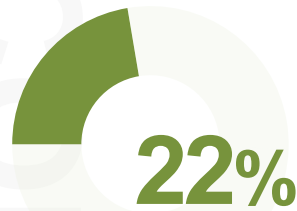
43% quite good  
19% a bit tough  
4% very difficult

## Technology / IT / Internet



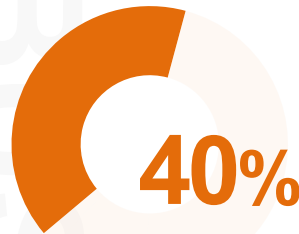
Of people felt no major effect on looking for a job

22% felt negative  
48% felt stable



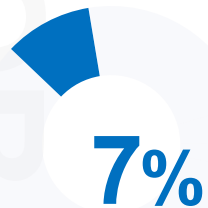
Of people felt positive about their industry

49% felt negative



Of people thought it would take 1-2 months to recover

46% 3-6 months  
12% 6-12 months  
2% more than a year



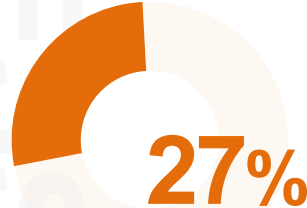
Of people saw more opportunities in the market

52% wait and see  
23% company strong  
4% too risky to leave



Of people felt positive about their company

26% felt negative



Of people thought the business was doing well

29% quite good  
29% a bit tough  
4% very difficult

- Generally, IT, Technology & Internet employees and employers emerged as positive. 40% of people saw a recovery in 1-2 months, with 46% thinking it would take 3-6 months. 2% of people thought it would take a year.
- Due to the quarantine, there were more opportunities for companies in the industry to develop their business.

### Far-reaching effect according to respondent

“

- For the E-healthcare industry, the effect is positive. Currently we have already reached the goal set for Q1 in early March. During the situation, a lot more people chose to purchase medicine online, which triggers the development of our industry.
- More people turn their offline daily routine to online. I think that there won't be huge effect, but the habit will last for a long time.

”

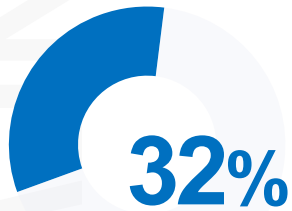
“

- No huge effect, aside from the efficiency of working.
- We are in the tourism business and we are greatly effected. It will be a hard time for us until June.

”

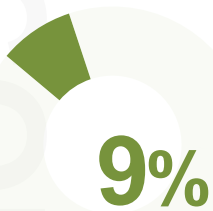


## Engineering / Manufacturing



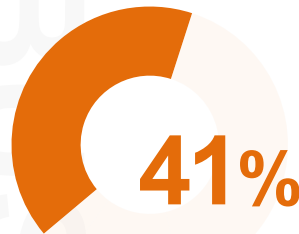
Of people felt no major effect on looking for a job

24% feel negative  
44% feel stable



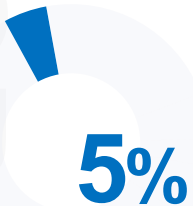
Of people felt positive about their industry

61% feel negative



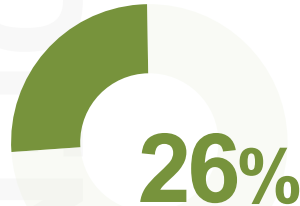
Of people thought it would take 1-2 months to recover

41% 3-6 months  
14% 6-12 months  
4% more than a year



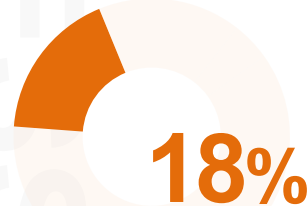
Of people saw more opportunities in the market

58% wait and see  
22% company strong  
5% too risky to leave



Of people felt positive about their company

37% felt negative



Of people thought the business was doing well

20% quite good  
41% a bit tough  
5% very difficult

- Engineering & Manufacturing suffers a lot during the situation.
- In most “attitude” questions, most of industries employees still feel negative towards future development. Some people said that their companies were extremely suffering the profit loss and production delay.

### Far-reaching effect according to respondent

“

- In short term, there will be delay in product delivery. In the long run, if there will be more government support, there will be more good news with more opportunities.
- Good news mixes with bad news. There will be more opportunities, but the pressure on cost management will be severer. Digitalization will have larger potential.

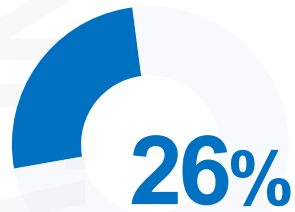
”

“

- There will be higher barrier for cross-border commerce and shipping. There are already companies facing threat of closing. The industries will be more diversified.
- The industry is closely related with other industries such as logistics. There will be more delay due to the effect.

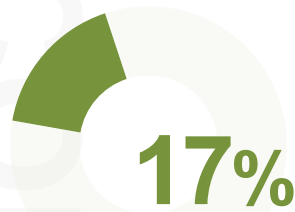
”

## Logistics / Supply Chain



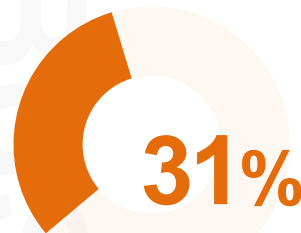
Of people felt no major effect on looking for a job

31% feel negative  
43% feel stable



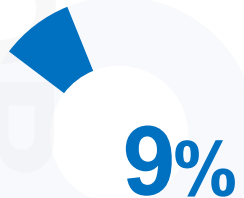
Of people felt positive on their industry

66% felt negative



Of people thought it would take 1-2 months to recover

43% 3-6 months  
26% 6-12 months



Of people saw more opportunities in the market

66% wait and see  
14% company strong  
3% too risky to leave



Of people felt positive on their company

53% felt negative



Of people thought the business was doing well

20% quite good  
47% a bit tough  
7% very difficult

- Logistics & Supply Chain also suffered a lot of pressure under the circumstances.
- Among the attitudes towards their company and industry, more than half of people felt negative. Only 16-17% people were positive. People tended to be more stable and to wait-and-see what the situation would be.

### Far-reaching effect according to respondent

“

- Airlines are a special industry, as we bear big social responsibility. The virus situation might increase the CSR requests.
- More focus will be put on B2B business. And more companies are turning their focus to this kind of business. Contracting will be and has already been used at an operation level.

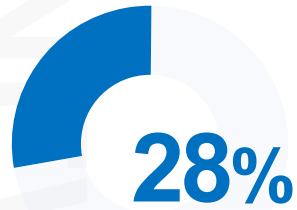
”

“

- Not clear yet. There are a lot of delays in projects according to our plans.

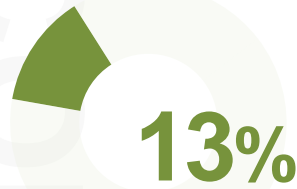
”

## Property / Construction



Of people felt no big effect on looking for a job

29% felt negative  
43% felt stable



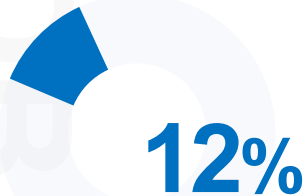
Of people felt positive on their industry

63% felt negative



Of people thought it would take 1-2 months to recover

43% 3-6 months  
28% 6-12 months  
1% more than a year



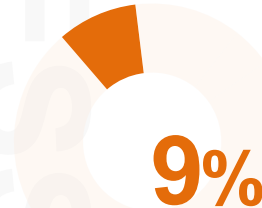
Of people saw more opportunities in the market

59% wait and see  
15% company strong  
6% too risky to leave



Of people felt positive on their company

38% felt negative



Of people thought the business was doing well

33% quite good  
41% a bit tough  
5% very difficult

- Overall, the Property and Construction industry was tremendously affected.
- More people from the industry were worried about company adjustments such as layoffs, or benefit cutdowns. 64% people thought the effect was negative, which is one of the highest among all industries.

### Far-reaching effect according to respondent

“

- The traditional industry currently looks good. There will be short-term effects. But for the long run, there won't be major changes.
- Remote working will be more popular than before. Joint offices or shared offices should be positive, providing there is no disturbance from the epidemic.

”

“

- We will be more prudent on investment and development. Pace of increment will be slowed down.
- The impact is tremendous. Sales volumes decreased a lot.
- There is almost no income for Q1. Almost all roles are suspended.
- A lot of projects were suspended. A major effect on cash flow. It will take time to recover.

”

PageExecutive

MichaelPage

PagePersonnel

PageOutsourcing

Part of  
PageGroup