

A Hong Kong's Edition “Old Man and the Sea”



Copyright © RCTM 2021

Prof. Randy Chiu, *PhD, SPHR*

Professor Emeritus: Hong Kong Baptist University
Visiting Professor: The Open University of Hong Kong

RCTM The Professionals®

Copyrights Notice

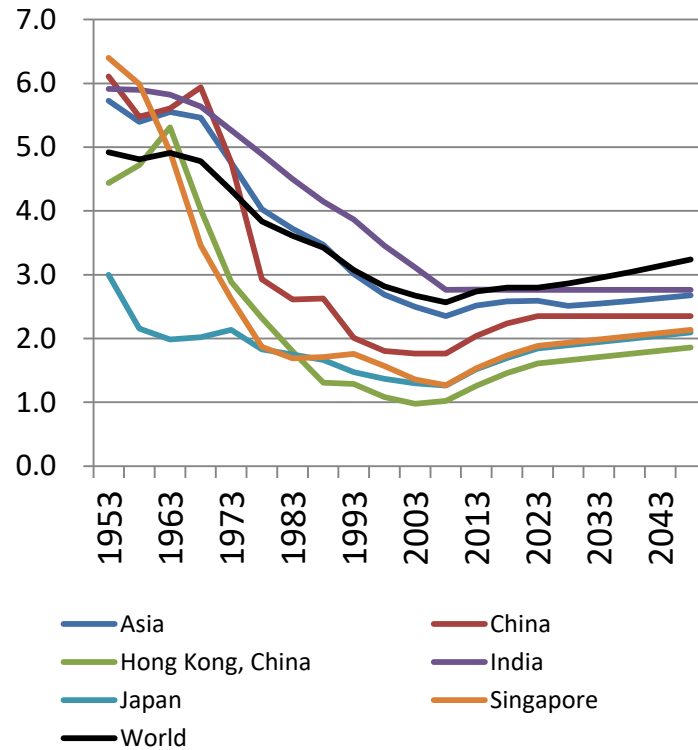
© 2021. All rights reserved.

No part of the contents of this publication (presentation, manual, note, poster, or/and website) or its earlier version(s), including all written material, images, photos, diagrams, and code, may be reproduced, modified, republished, reprinted, distributed, or transmitted in any form or by any means without the prior written permission from RC Talent Management Professionals Ltd.

Contact: randychiu@rctmprof.com

World and Asia

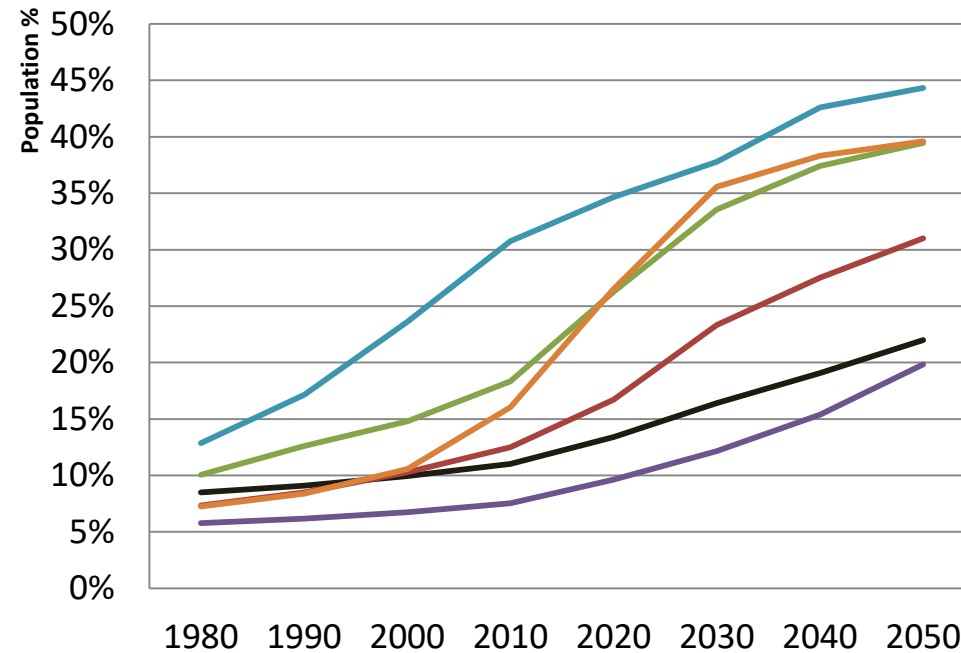
Fertility Rate



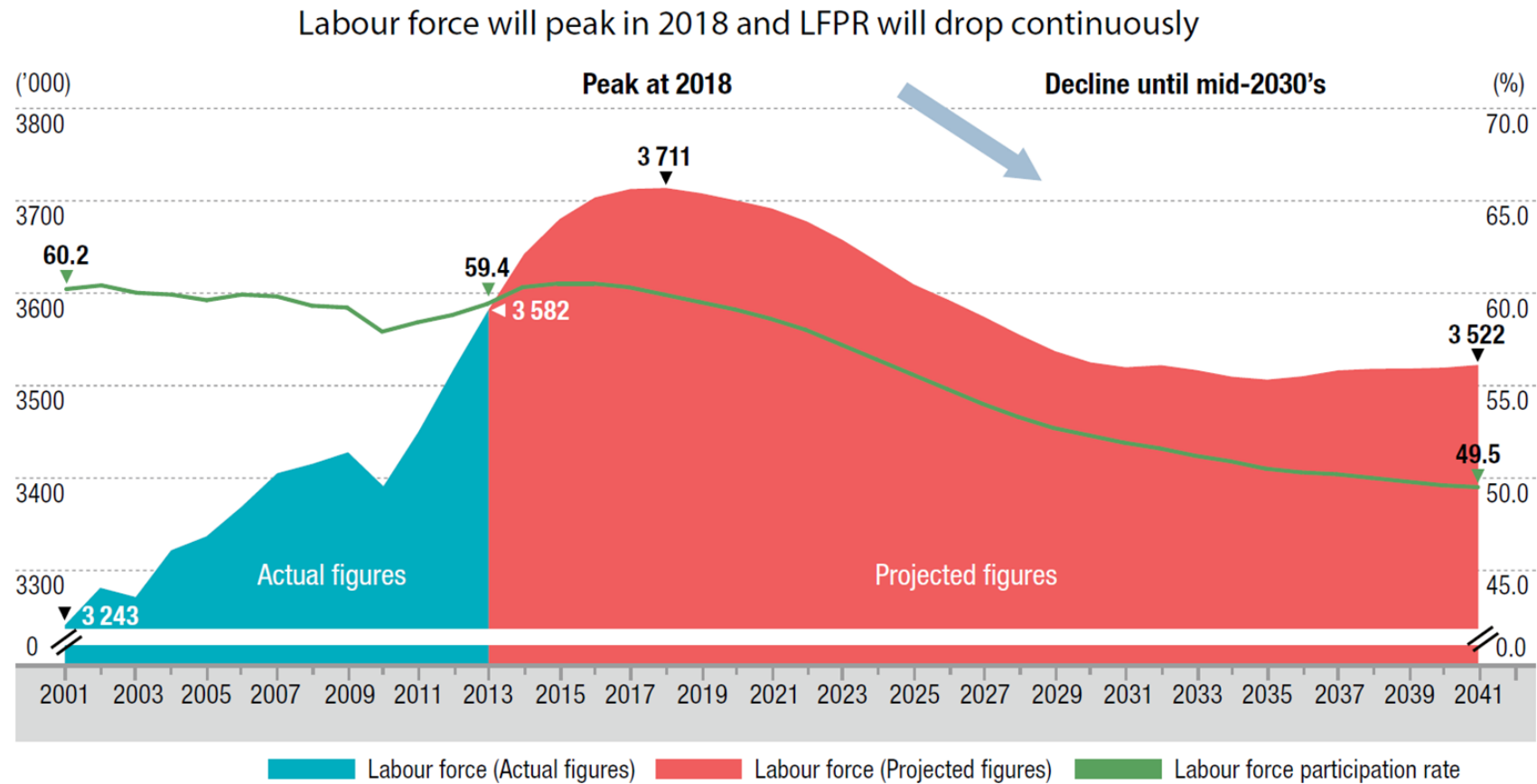
Source: UN World Population Prospects, The 2010 Revision

Country	1953	2008	2018	2028	2038	2048
World	4.9	2.6	2.8	2.9	3.0	3.2
China	6.1	1.8	2.2	2.4	2.4	2.4
Hong Kong, China	4.4	1.0	1.5	1.7	1.8	1.9
India	5.9	2.8	2.8	2.8	2.8	2.8
Japan	3.0	1.3	1.7	1.9	2.0	2.1
Singapore	6.4	1.3	1.7	1.9	2.0	2.1

Age 60 and above



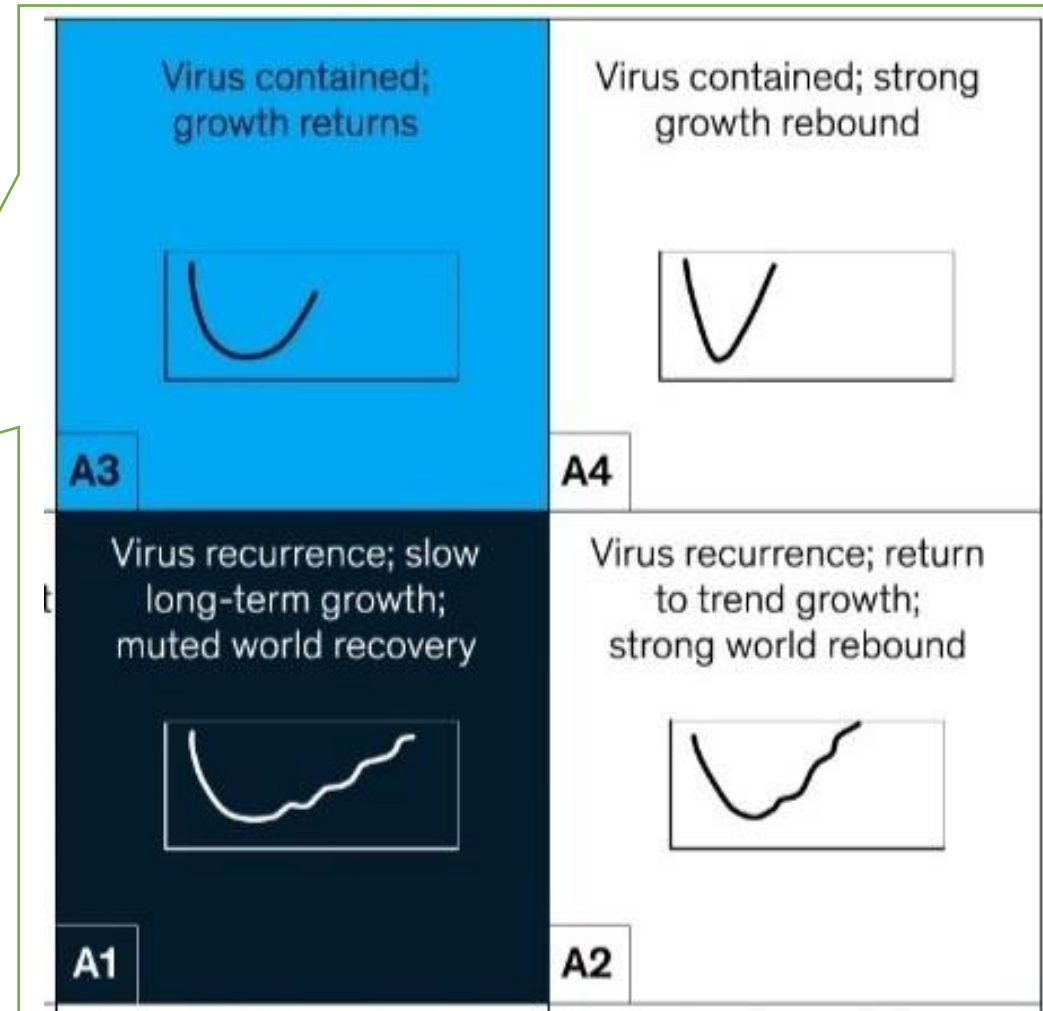
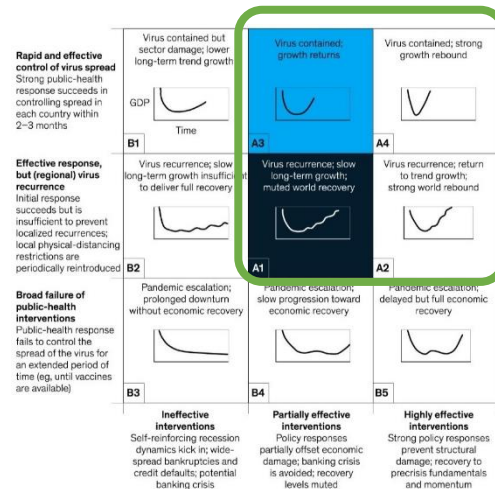
Labour Force Participation



Note: Excluding foreign domestic helpers

Source: General Household Survey, Census and Statistics Department

COVID-19 and Economic Rebound



Anticipated Outflux of Younger Talents

- Net migration rate is 3.485 per 1000 in 2021, 3.654 (2020), 3.823 (2019) and 3.992 (2018)
- Net migration rate in 2020 is 39,800 people.
- Estimated over 120,000 left Hong Kong in 2021 so far.
- CUHK, October 2020 finds 35% of Age 15-30 planning to emigrate to other countries
- Youth IDEAS, March 2021 reports 24.2% of Age under 35 wish to leave for overseas
- OUHK, July 2021 finds 20.2% of Age between 19-26 would choose to leave



The Story: “Old Man and the Sea”

- Self-identity and independence
- Life Integrity and pride
- Inheritance and sustainability
- Generational respect and trust

We are all in the same boat and facing the same sea

Continuing Employment of the Elders

- Filling up positions left by early retirees
- Passing down and sustaining work experience
- Developing and responding to the silver hair market
- Combining human wisdom and artificial intelligence
- Stabilising domestic consumption ability
- Relieving pressure from increasing dependence ratio
- Diminishing the negative effects of aging in GDP
- Creating shared value

Options of Flexible Work Arrangement

	Options	Examples
Working time	Part-time (wind down)	remain in current post but reduce the no. of hours/days working
	Flexi-time	allows employee to adjust or reduce the working hours subject to employee needs and agreement with employers within certain set limits
	Shift work	Work rosters
	Compressed workweek	4/10: work 4 days, 10 hours per day with 1 day of the workweek off
	Job sharing	share workload with others and reduce working time
	Phased/gradual retirement	starting from age 45, employee can begin to reduce $\frac{1}{5}$ of the working hours, $\frac{2}{5}$ for those who are 50 and so on until fully retire from paid work
Work location	Home working	regularly spend time working from home
	Mobile working/teleworking	work all or part of their work at a location remote from the employer's workplace (regular or full-time basis)

Options of Flexible Work Arrangement

	Options	Examples
Organization of career	Bridging job	step down to a different role or position to reduce the level of responsibility by negotiation with employers but remain employment, i.e. consultant, mentor
	Project-based	issue project-based contract which the requirements and duration of the job will be indicated clearly
	Secondment	temporary transfer to another job or post to other organization
	Career breaks	or sabbaticals, are extended periods of leave (normally unpaid), i.e. further education, travel
	Career on/off ramps	exit the workforce as a temporary career break, i.e. to care for family
	Retraining	for a new position, may involve on-the job training or returning to school
	Cross-training	develop skills not directly related to the current job; rotate on occasional or regular basis

Company considering

Business nature	<ul style="list-style-type: none">• “labour intensive” vs “non-labour intensive” industries
Acceptance among employees	<ul style="list-style-type: none">• from youngster to elder generation
Job nature (task duties)	<ul style="list-style-type: none">• physical and functional requirements• high level of education or professional skills required
Administrative cost	<ul style="list-style-type: none">• calculate the staff cost? pension?
Manpower planning	<ul style="list-style-type: none">• current & projected workforce staffing needs?• no. of employees approaching retirement?• sufficient workforce to support flexible work arrangement?
HR system support	<ul style="list-style-type: none">• performance management system? fairness / equality of the assessment• compensation and benefits? esp. medical coverage?

Employees considering.....

Profile

- Age: Increasing longevity
- Health: subjective & objective health, e.g. any chronic illness? → continued good health and vitality?
- Means of living (income/saving): maintain income for basic expenses, supplement pensions
- Competences: e.g. able to meet the company's standard / fulfill job requirement?
- Performance

Intention

(a matter of individual choice)

- Psycho-social influences: attitudes towards retirement decision
- e.g. want challenging and stimulating work opportunities? → growing rejection of traditional retirement concept
- Enjoy working → Continue to be productive?

Expectation

(a matter of culture and attitude)

- Psycho-logical expectations: individual's value and belief system
 - e.g.: want to be physically & mentally engaged and socially connected in the society
 - Influenced by local economy and Chinese work ethics
 - Possible maintenance of social status if being employed
-

HR considering

- Conduct internal research (demographic analysis)
 - Understand the workforce's pattern
 - E.g. access the flexibility and career needs of the targeted employees
- Create a multidisciplinary task force
 - Include the mature employees to discuss the needs and flexibility
- Evaluate the elements that should be considered
 - How the organization might use the flexibility on the work arrangement for elder employees
- Exchange information about what each other are expected
 - retirees possess freedom of choice (not solely decided by employers)
 - negotiation and consensus between employer and employee → mutual agreement
- Develop and communicate the available and feasible options for targeted employees
 - Working time; Workplace; Organization of Career
- Create a flexible workplace culture

Impact to HRM Procedures

HR Function	Details
Manpower Planning	<ul style="list-style-type: none">• Institute phased retirement scheme• Implement succession planning
Recruitment	<ul style="list-style-type: none">• Rehire retirees and may offer consultants or advisors positions• Readiness in providing flexible work arrangements & family-friendly employment initiatives• Offer fair employment package and remunerate older employees fairly
Performance Management	<ul style="list-style-type: none">• Build up positive performance management environment• Have both formal and informal performance discussion• Review the performance of all employees

Impact to HRM Procedures

HR Function	Details
Training	<ul style="list-style-type: none">• Organise technology training for older employees• Pair a young employee with an older one for specific tasks• Assign mature employees to work on special projects, to mentor and coach younger employees• Plan for the transfer of knowledge, skills and experience back into the business
Staff Relations	<ul style="list-style-type: none">• Communication• Recognition• Maintain and balance relationship between different age groups

Managing Life-long Career

- Mindset Change
- Keep employees clear to their options
- Value experience and capabilities of mature employees
- Be fair to employees of all age groups
- Maintain fair reward system and performance management
- Proper manpower allocation and workplace flexibility in order to offer flexible working options
- Regular review on retirement policy