

2015 Global Human Capital Trends

China data report

April 2015



Leading in the new world of work

Barriers
between
work
and life
dissolve

Talent
in high
demand

Millennials
make up
50% of
workforce

Global
transpare
ncy
in job
market

Global Human Capital Trends 2015

One of the largest
longitudinal global talent studies

3,300+

Business and
HR leaders

106

Countries

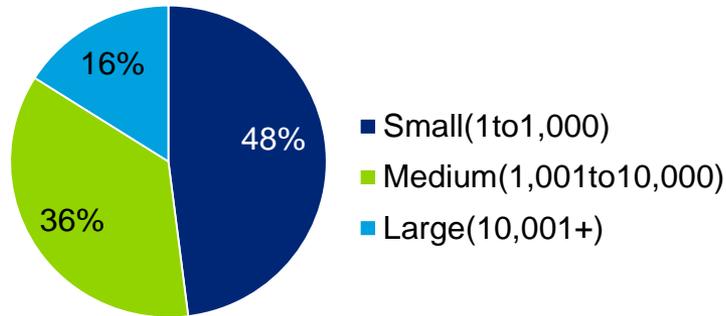


The 10 trends for 2015 fall into four categories

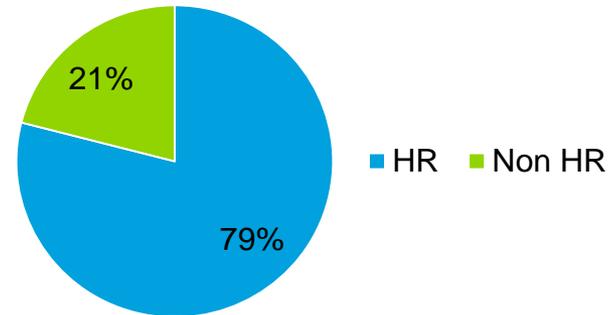
<p>Leading</p>	<p>Leadership: Why a perennial issue? Companies are struggling to develop leaders at all levels and are investing in new and accelerated leadership models.</p>	<p>Learning: Into the spotlight Companies are actively exploring new approaches to learning and development as they confront increasing skills gaps .</p>	
<p>Engaging</p>	<p>Culture & engagement: The naked organization Organizations are recognizing the need to focus on culture and dramatically improve employee engagement as they are facing a looming crisis in engagement and retention.</p>	<p>Workforce on-demand: Are you ready? Companies are taking a more sophisticated approach to managing all aspects of workforce including hourly, contingent, and contract workforce.</p>	<p>Performance management: The secret ingredient Organizations are replacing traditional performance management with innovative performance solutions .</p>
<p>Reinventing</p>	<p>Reinventing HR: An extreme makeover HR is undergoing an extreme makeover to deliver greater business impact and drive HR and business innovation .</p>	<p>Analytics: Stuck in neutral Too few organizations are actively implementing talent analytics capabilities to address complex business and talent needs .</p>	<p>People data everywhere: Bring the outside in HR and talent organizations are expanding their HR data strategies by harnessing and integrating third party data about their people from social media platforms.</p>
<p>Reimagining</p>	<p>Simplification of work: The coming revolution Organizations are simplifying work environments and practices in response to increasing organization and system complexity, and information overload.</p>	<p>Machines as talent: Collaboration, not competition The increasing power of computers and software to automate and replace knowledge workers is challenging organizations to rethink the design of work, the skills their employees need to succeed.</p>	

Demographics – China

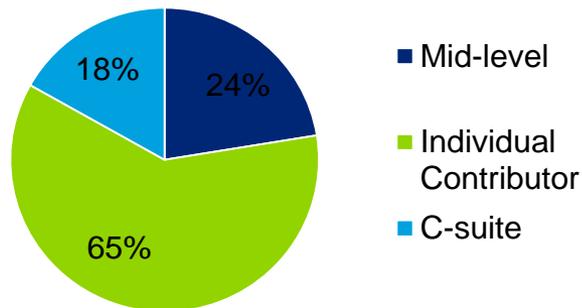
Business scale



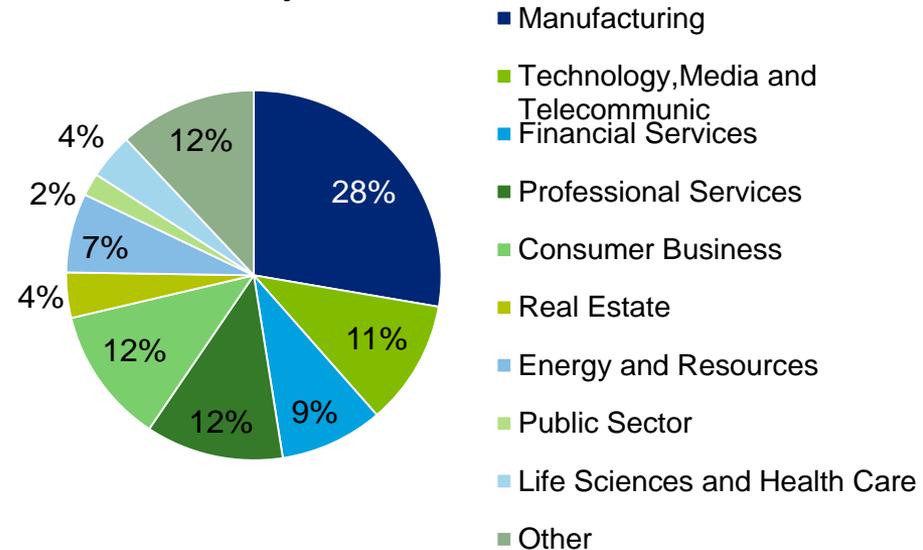
HR or Non HR



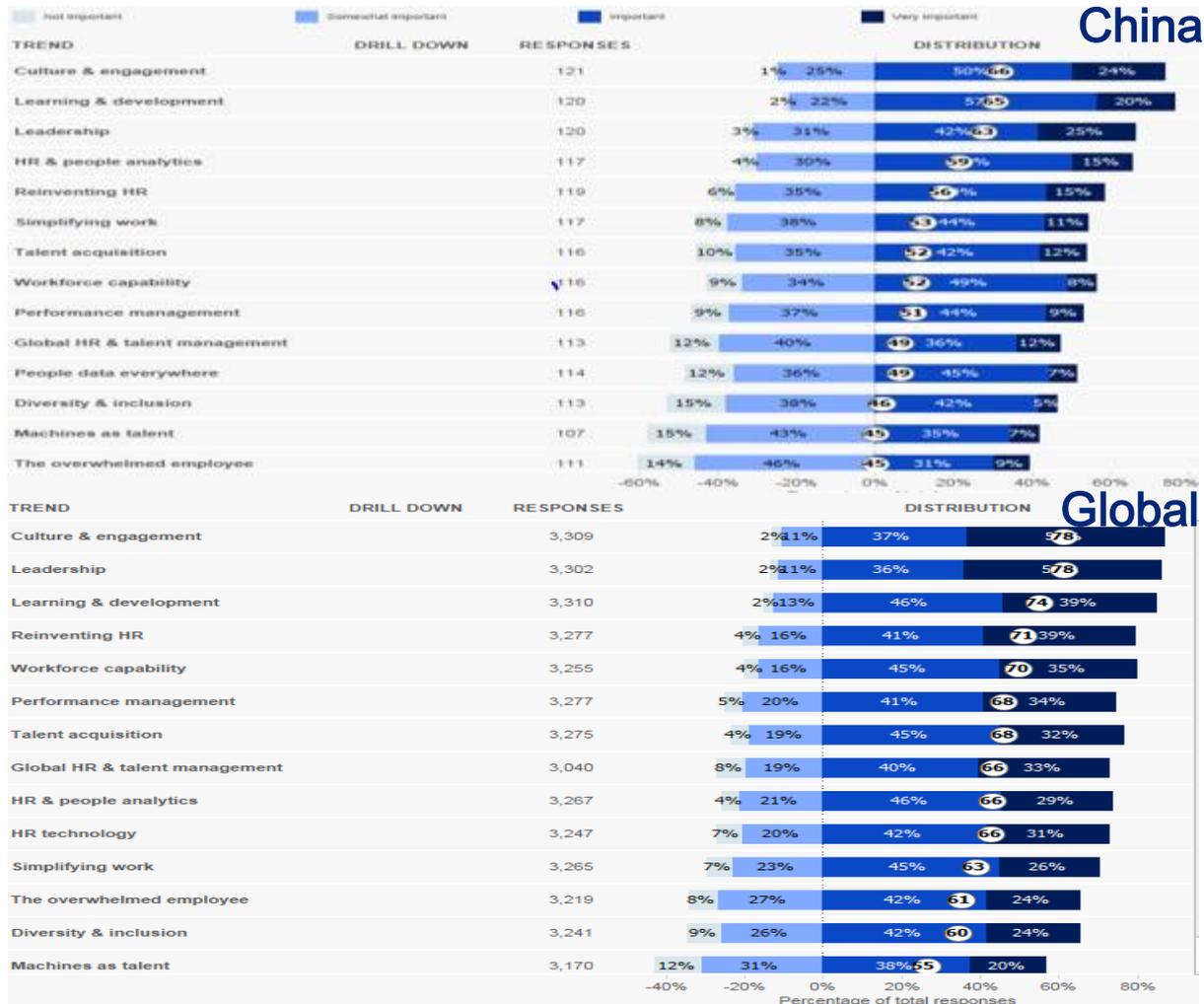
Job level



Industry



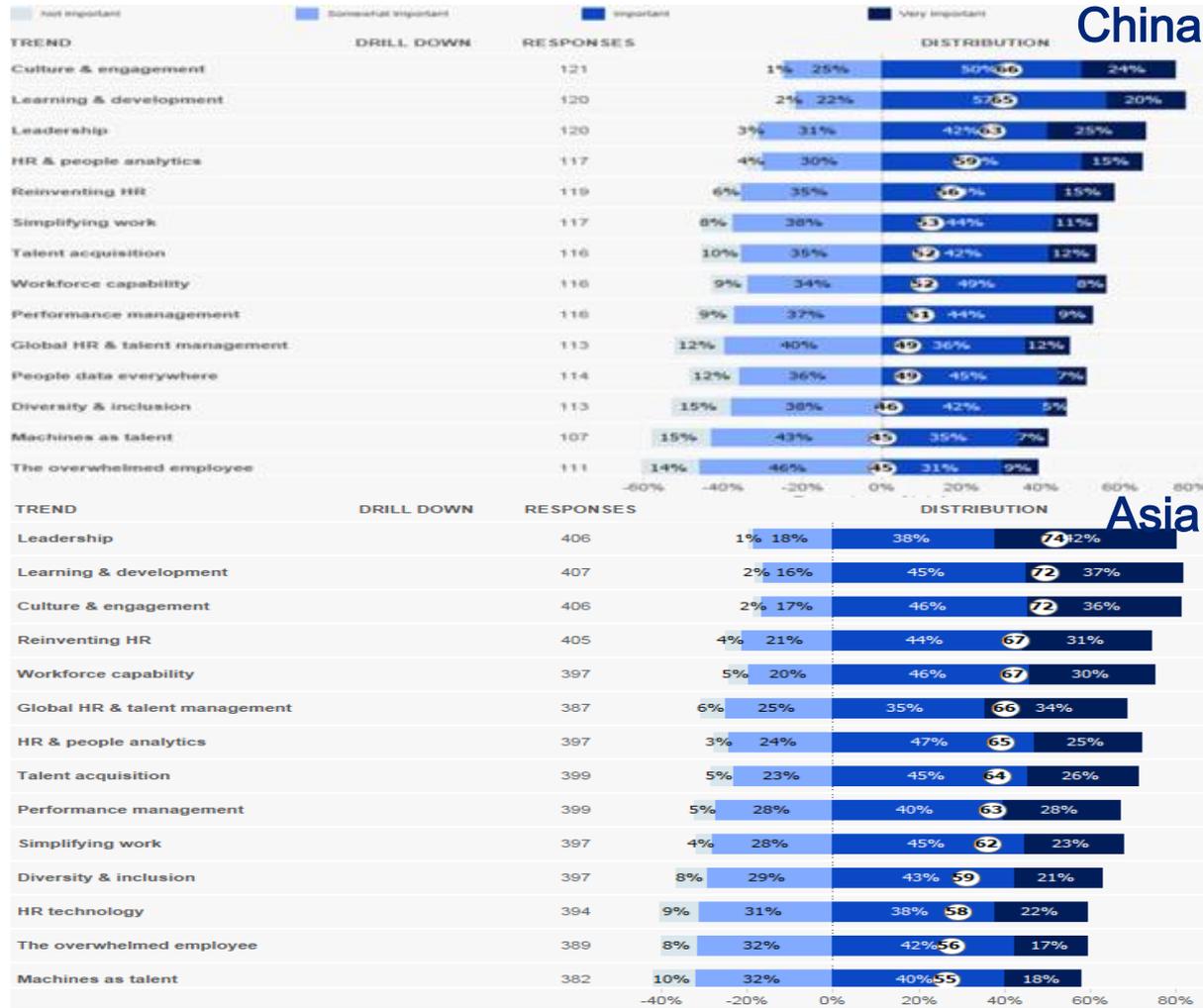
The comparison between Chinese and Global results in relative importance



very important=100 important=66.66
somewhat important=33.33 not important=0

- The top three trends for China, in order of the importance index, are Culture and Engagement, Learning & Development and Leadership. It is consistent with the Global trends.
- In the ranking, Culture & Engagement overtakes Leadership for the first time to become the number-one priority in China and around the world. It accounts for 74% Chinese and 87% global respondents cite Culture & Engagement as “important” or “very important”
- To gain better understanding of all results, we quantify the degree of importance on each item by hundred-mark system. According to our weighted average analysis of quantified data, the grade point averages among all Chinese results are 10% lower than those of Global. 6

The comparison between Chinese and Asian results in relative importance



- Culture & Engagement, Learning & Development and Leadership are the three most important issues in China and Asia.
- We carry on the similar approach as before to analyze the average point of every item in China and Asia checklists. Like our study above, the Asia obtains 10% percent higher average point among each items than that of China.

very important=100 important=66.66
somewhat important=33.33 not important=0

The comparison between Chinese and Global results in capability gap

China



Global



- When comparing Chinese results with Global ones, it is clear that the capability gap of each items in China are significantly lower than Global ones. The result indicates most Chinese companies haven't realized the importance of these issues.
- The gap in *Culture & engagement*, *Leadership*, *Learning & development* and *HR & people analytics* are four most biggest divergences between China and the World.

The comparison between Chinese and Asian results in capability gap

China



- Although all Chinese data remains below the counterparts of Asia, the divergences are slightly closed than those between China and the world.
- The biggest two capability gap differences exist in Leadership and Reinventing HR.

Asia

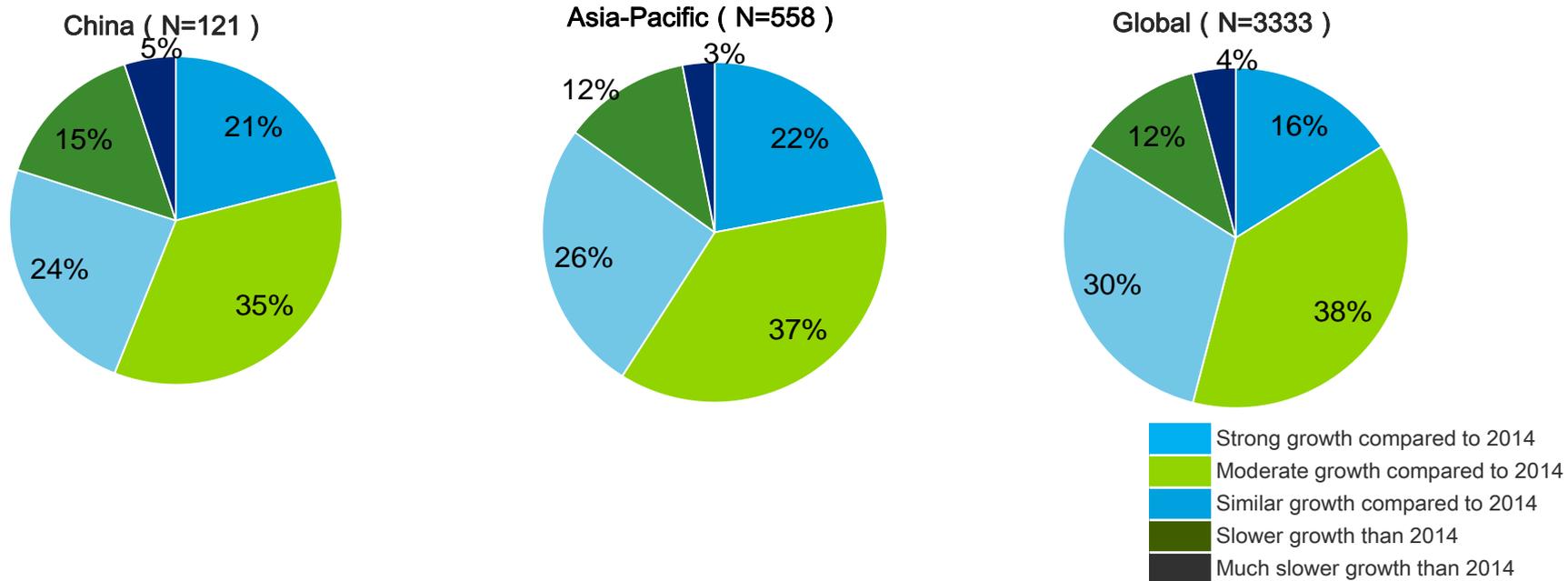


2015 Business outlook

China has more positive expectation than the world

- Although economic recovery is taking hold in many regions, global organizations are cautiously optimistic about the boost and remain fraught with risk.
- 56% Chinese respondents are looking for growth in 2015, less than 59% in Asia-Pacific, slightly higher than 54% in Global.
- 21% of Chinese respondents expects strong growth compared to 2014, reflecting great confidence in Chinese economic.

2015 Business Outlook

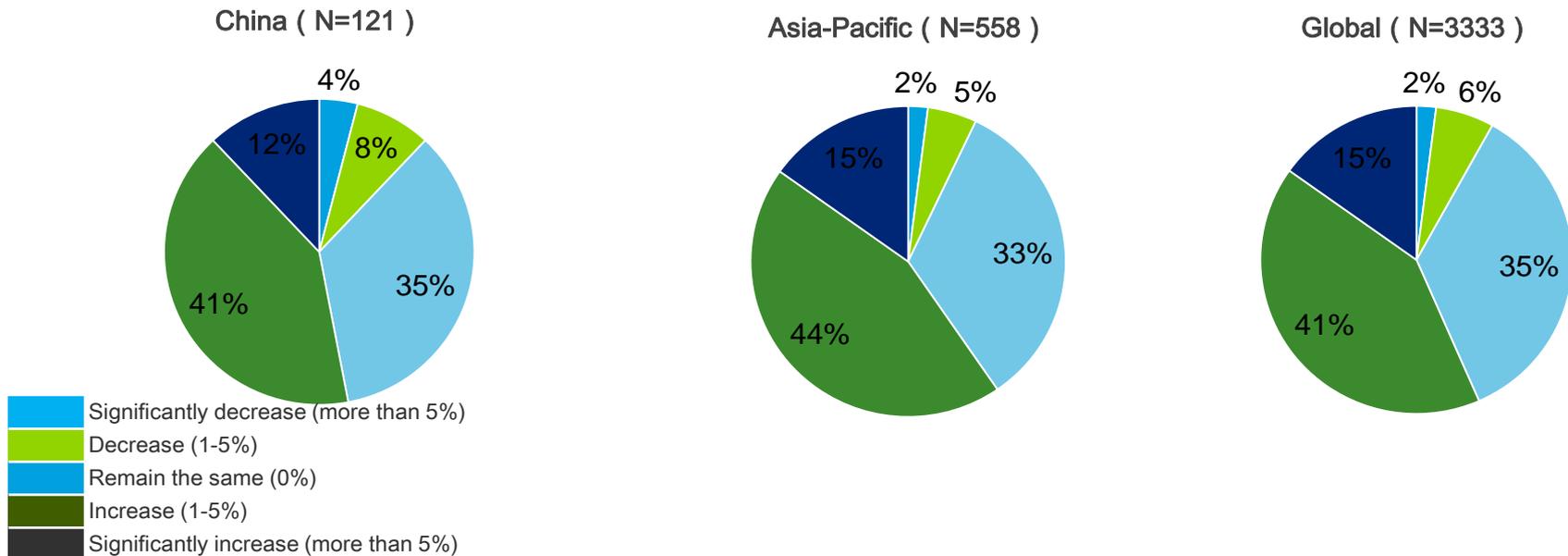


HR investment in next 12-18 months

Over half of the company will increase the HR investment though Chinese investment remains below the Global

- 56% respondents think they will increase investment in the HR, while 8% will decrease the investment.
- Comparing the most executives in Asia and Pacific are looking for an increase investment, half Chinese executives are expecting an increase, which is lower than both Asia-Pacific and global.
- Chinese lower investment doesn't indicate their ignorance in HR. The reduce in 2015 might be explained as a reasonable retracement of significant increase in 2014 since 70% Chinese respondents said they would boost investment in our last-year report.

2015 HR investment in next 12-18 months

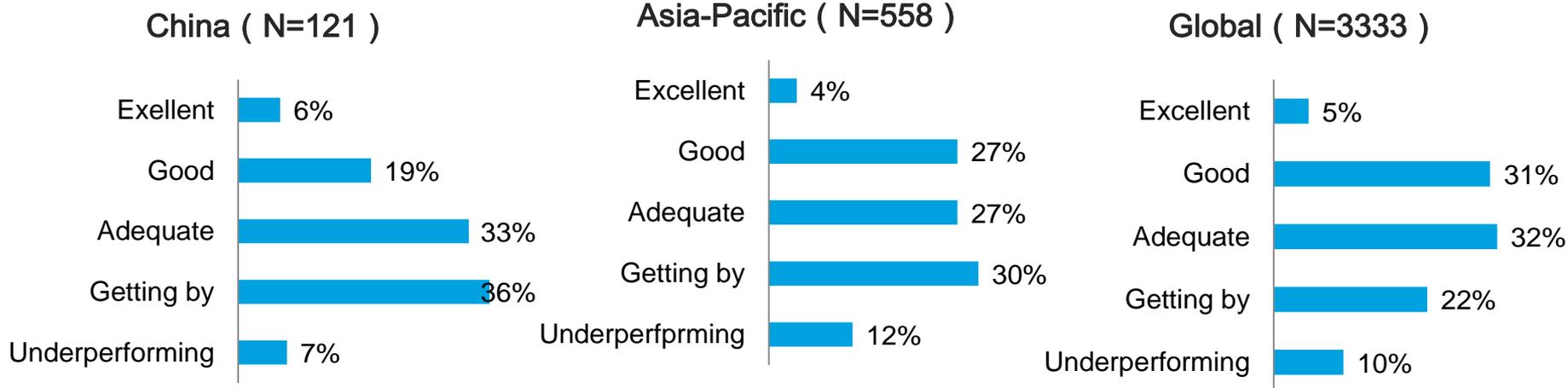


HR and talent program report cards

The situation of China is even worse than that of Global

- According to the self-assessment of respondents of their HR and talent programs, the Global respondents awarded themselves a grade point average of 1.99, which was higher than Chinese result 1.83. 43% of the Chinese quantified their performance as “*Underperforming*” or “*Getting by*”, while 32% global respondents scored themselves in these two levels.
- Comparing these data with last-year data, the percentage of respondents, accessing themselves as “*Underperforming*” or “*Getting by*”, has been decreased 12%.
- The negative evaluation in our report is not an overall denial. It reflects the huge challenge in building a highly competitive HR department to satisfy the trends of “new world of work”. It also means more attention need to be paid in creativity, bold leadership and a fundamental reimagining of the practices HR leaders have used for years.

2015 HR and talent program report cards



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