



Manpower Update Report

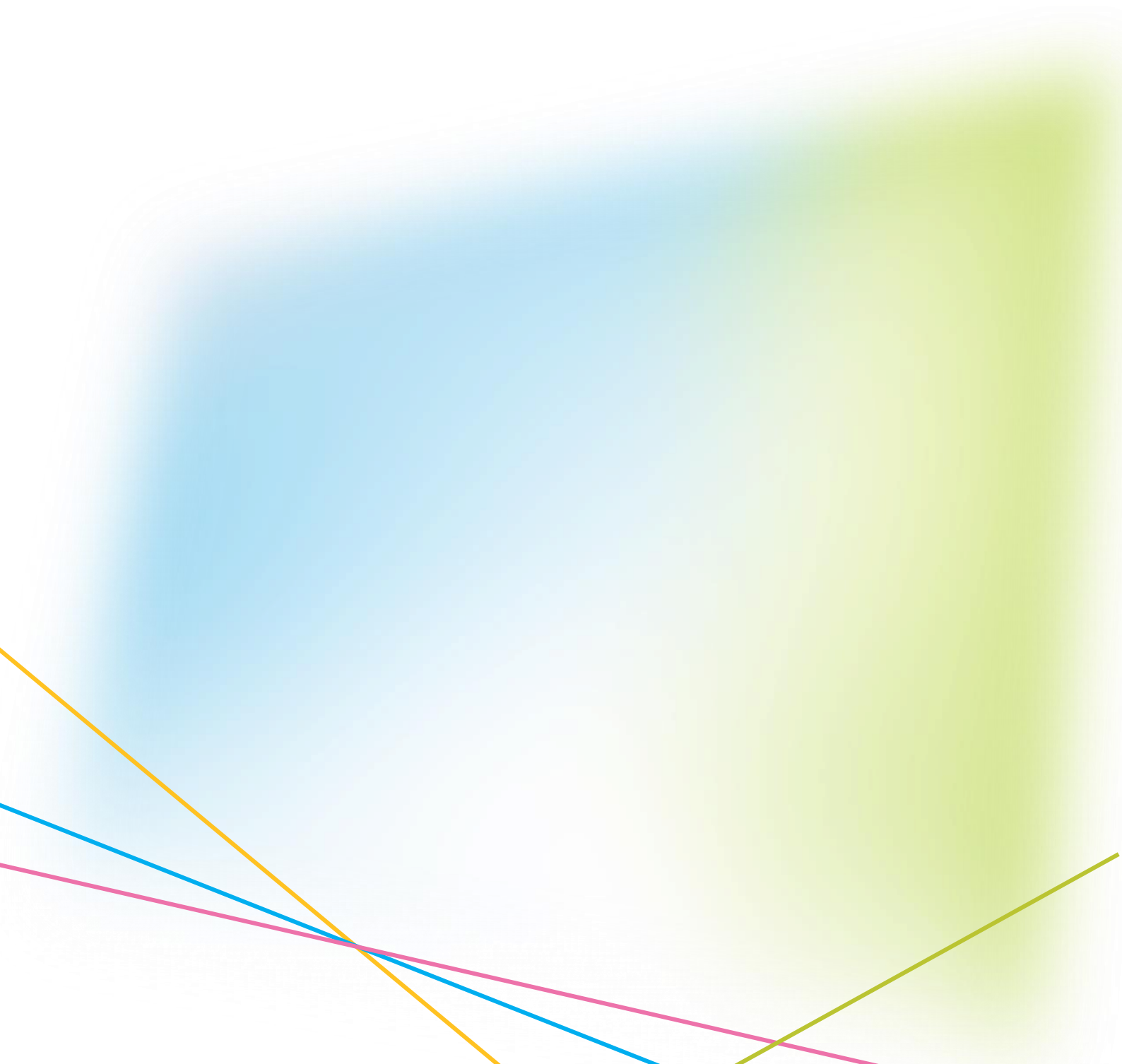
Real Estate Services Industry

2021



ACKNOWLEDGEMENT

The Real Estate Services Training Board (RETB) would like to express its gratitude to the focus group members for their valuable time and insights into the manpower situation in the real estate services industry as well as CPjobs and CTgoodjobs for providing recruitment database of manpower analysis. The views of focus group members and information from major recruitment websites formed an integral part of this report.



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Introduction

Background

According to its Terms of Reference, the RETB is responsible for determining manpower demand of the industries and recommending to the Vocational Training Council (VTC) the development of vocational and professional education and training (VPET) facilities to meet the assessed training needs.

To enhance the effectiveness and better reflect the dynamics of the manpower situation in various industries, VTC conducts one manpower survey and two manpower update exercises within a four-year cycle.

The RETB completed the manpower survey in 2018 and two manpower update exercises in 2020 and 2021. The 2021 manpower update exercise comprises:

- (a) a focus group meeting to collect views of industry experts on the latest developments of the industry, manpower and training needs, recruitment difficulties, and measures to tackle the challenges the industry faces; and
- (b) desk research to capture recruitment information as well as analysing job advisements including job vacancies of principal jobs, salary offered, academic qualification and years of experience

requirement in the real estate services industry.

Objectives

The objectives of the manpower update are:

- (i) to examine the latest trends and developments;
- (ii) to identify the manpower demand and training needs;
- (iii) to explore recruitment challenges; and;
- (iv) to recommend measures to tackle the challenges the industry faces.

Methodology

Overview

This manpower update report aims to provide qualitative descriptions of the recent developments of the industry through focus group meeting, supplemented by referring to some quantitative data of recruitment advertisements from desk research.

Focus Group Meeting

The focus group members were the industry experts from the sectors of Real Estate Development, Estate Agency, Property Management and Maintenance; and Estate Surveying, Valuation and Consultancy. The focus group meeting was conducted on 29 September 2021 and the topics discussed were supported by the RETB. The meeting was recorded and transcribed to facilitate analysis.

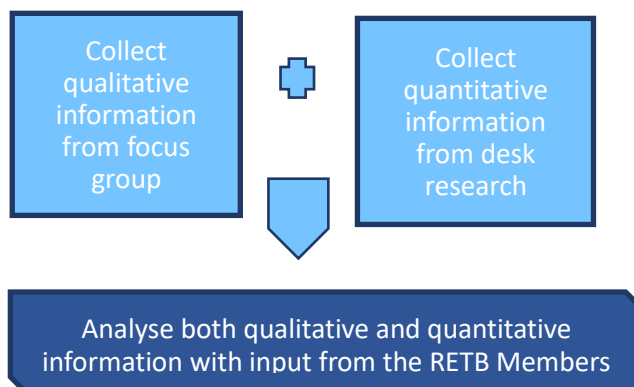
Desk Research

An employment information system was developed to capture the relevant recruitment data consisting of vacancy advertisements, monthly salary ranges and academic qualifications required from major online recruitment portals and the Labour Department. A total of 8,960 recruitment advertisements were collected during the research period from July 2020 to June 2021 and served as

indicative information of the job market trend. Information was mapped against the list of related companies under the Hong Kong Standard Industrial Classification and duplicated records were removed during the process.

Data Analysis

The analysis consists of the following three steps:



Limitations

Different from the extensive quantitative manpower survey conducted in 2018, this manpower update report aims to discover the latest trends of the industry. Desk research that gathered information of job vacancies from advertisements in major recruitment websites and the Labour Department might not be exhaustive without referring to any historical data, those were used as reference supplementary to the observations of the focus group.

Findings

Factors Affecting the Development of the Real Estate Services Industry

Impact of COVID-19

Office Market

In order to cut rental expenses amid the pandemic, tenant decentralisation remained an ongoing trend. They may relocate to more cost-effective office locations or downsize their office capacity by compensating for hybrid work arrangements that are likely to continue after the pandemic. Corporates are remains cost-cautious, they may give up high grade office building in favour of more affordable spaces. Their cost-saving policies would prevent a rental recovery in 2021. It is envisaged that corporates would close monitor space utilisation before planning long-term office strategies ahead.

Retail Market

The gradually increasing vaccination rate supported better retail market sentiment. In addition, domestic consumption is expected to be further stimulated by the consumption voucher scheme, driving the local retail sales growth, in particular the Food and Beverage (F&B) related retailers. The F&B related retailers are expected to remain active and show

strong leasing demand. However, the virus mutations will make people more cautious in the years to come. This means that tenants would look for commercial properties with hygienic safety measures such as indoor air filtration technology, building maintenance apps, touchless technology, ease-of-access features, and a specific attentiveness to health and wellness procedures. Nevertheless, the full retail market recovery is yet to be seen under the prolonged cross-border travel restriction.

Residential Market

Developers were conservative in marketing new residential projects at the beginning of this year. However, the sell-through rates of residential projects introduced were generally high. Since the coronavirus pandemic has largely been brought under control and the unemployment rate declined across almost all the major business areas, the sentiment in residential market has improved. Looking ahead, the labour market would show further improvement alongside the improving external environment and receding local epidemic. It is believed that the residential market

could be fully recovered in the post-pandemic as the demand for residential property are still high.

Advanced Technology

Virtual Marketing

In order to stay afloat during the pandemic outbreak, businesses not just to survive but thrive through enhanced websites and digital tools such as mobile applications and advanced product configurations to serve customers. Many real estate agents and commercial property owners are turning to apps and platforms for offering details of their listings. These platforms provide pre-recorded and live-streamed video tours, 3D space renderings, 360-degree virtual tours and refurbished floor plans. Virtual marketing would continue to grow in popularity even after the pandemic.

Big Data

Data analytics and artificial intelligence can be used to manage risks and formulate marketing and promotion strategies because they are able to identify correlations and trends and to predict future scenarios. It also improved decision making about buying real estate, and helped detect ideal zones for real estate developers. To conclude, being able to manage the risks can result in faster decision making, lower operational costs, and efficient portfolio optimization.

Smart Buildings

With the growing application of connected home appliances and greater reliance on the efficiency of the cloud by customers, smart buildings are more attractive and competitive amongst other facilities. The smart trend balanced with a thoughtful offline experience will continue to rise. Nevertheless, technology cannot replace human when it comes to collaboration, empathy, creative problem solving and building innovative ideas and trust.

Government Policies

Change in Lending Policy Guideline

First-time buyers found it difficult to get on the housing ladder due to the sizeable down payment requirement, so developers had increasingly built smaller units allowing for relatively smaller lump sum prices. Following the relaxation in mortgage rules in 2019, units with values below HKD 8 million (previously HKD 4 million), were limited at 90% for the loan-to-value (LTV) ratio. For units with values between HKD 8 and 10 million (previously capped at HKD 6 million), the cap is raised to 80%, mid-sized flats had outperformed in the market. Nevertheless, the continuous surge in housing price has further worsened the affordability of homebuyers. Hence, homebuyers may shift their focus back to small units with smaller lump sum prices to fit in the LTV ratio cap.

Green Buildings

It is no surprise that green buildings continue to grow in popularity to address the increasing global concern for the environment. However, the perception of high investment cost is a challenge, which has hindered the quicker acceptance of the green building concept. To meet the goal of reducing carbon emissions to 36% by 2030 and becoming carbon neutral by 2050, the government had announced an array of measures and incentives to promote and to invest in the development of green buildings. Buildings achieved certain energy saving with BEAM Plus, i.e. the Hong Kong's leading initiative to offer independent assessments of building sustainability performance, will be offered gross floor area concession. Though the energy saving features, sustainable construction methods and materials mean higher costs, the savings and sustainability benefits are worth the investment. Furthermore, the green initiatives will create business prospects and provide job opportunities.

Local Public Infrastructure

Following the full Tuen Ma Line commenced in June 2021, the longest railway line in Hong Kong with a number of interchange stations, the connectivity with the rest of the railway network has been greatly enhanced and the travelling time between the New Territories and urban districts has significantly been shortened. In addition, the enhanced

appeal of the new towns had increasingly attracted homebuyers to target residences in suburban areas. With the further development of the northern link, the price gap of residential properties between the New Territories and urban districts is expected to continue narrowing down in the future.

Greater Bay Area

The development of high-quality infrastructure and the upgrading of industry have been the key factors of driving growth in the Greater Bay Area (GBA). In addition, a combined population exceeding 86 million and a gross domestic product of US\$1.7 trillion in the GBA has huge development potential. It also offers many business development opportunities. With the sophistication of the services industries in Hong Kong and Macau coupled with the vitality of Guangdong, it is expected to see a growth in leasing rates and capital values for the real estate industry. Furthermore, it offers precious opportunities for the real estate consultancy companies to undertake various businesses involving transaction, consultancy, valuation and project management etc.

Global Political and Economic Influence

Supported by the strong economic revival in China and gradual improvement of western's economies from lockdown, the

global trade is expected to see a steady recovery in 2021. It is hoped that the recent bilateral talks between China and United States (US) could ease tension and create a condition for the healthy development of economic relations between the two countries.

Nevertheless, the virus mutation and any further disputes between China and US could negatively affect the recovery of the world economy and the real estate market.

Manpower Demand

Demand for Talents

To stay competitive in the dynamic business environment, companies need tech-savvy leaders and employees who can harness innovative thinking, form the right strategies and apply the systems and tools that best fit the needs of the business. Talents with advanced data analytics skills for insight generation, strong competence in applying property technologies for delivering business solutions and customer experiences with agility and creativity will be in strong demand. There is also a quest for talents with effective interpersonal communication skills, attention to details, good people skills for maintaining harmonious relations with clients. Given the increasing demand for transparency on sustainable and socially responsible practices, ESG (Environmental, Social and Governance) talents are sought-after in providing insights and creating long-term values for various stakeholders of companies.

Desk Research

A total of 8,960 recruitment advertisements were captured during the period from July 2020 to June 2021. The top three principal jobs with the highest number of recruitment advertisements in each sector were identified as follows:

Real Estate Development

- 1) Property Officer (272, 11.1%)
- 2) Technician (214, 8.7%)
- 3) Project Manager (192, 7.8%)

Property Management and Maintenance

- 1) Property Officer (1,300, 26.8%)
- 2) Building Attendant (719, 14.8%)
- 3) Technician (441, 9.1%)

Estate Agency

- 1) Real Estate Agent (280, 33%)
- 2) Trainee (219, 25.8%)
- 3) Marketing & Sales Manager (48, 5.7%)

Estate Surveying, Valuation and Consultancy

- 1) Project Manager (21, 18.9%)
- 2) Valuation Officer (18, 16.2%)
- 3) General Manager (13, 11.7%)

Government and Public Sector

- 1) Technician (153, 21.8%)
- 2) Project Manager (88, 12.6%)
- 3) Technical Officer (75, 10.7%)

The distribution of recruitment advertisements by sector and by job level are shown in Appendix I on page 13. The recruitment advertisements sort by job level and on the qualification requirements, experience requirements and salary ranges are shown in Appendix II on pages 14-15.

Training Needs

Based on the trends and development of the industry coupled with the views from the focus group members, the skill requirements of the industry are listed as follows:

Trade Specific Skills

1.	Building Information Modelling To use the digital visualisation of building data for improving the overall building quality through optimising design and planning, enabling better coordination between stakeholders, sharing information, reducing waste, improving safety and detecting clashes during the earliest stages.
2.	Data Analysis To examine large and varied data sets to uncover hidden patterns, unknown correlations, market trends and customer preferences that can help make more-informed business decision.
3.	Application of Property Technologies To apply the property technologies for enhancing the customer experience, work efficiency and effectiveness, such as the automated rental and purchasing platforms, virtual reality, augmented reality, mobile apps and Internet of Things etc.
4.	Digital Marketing To understand different digital tactics including search engines optimization, social media marketing and advanced skills in video shooting, editing and other post-production skills for identifying target audiences and attracting potential customers.
5.	Project Management To ensure the successful completion of the project is on time and within budget, effective communication, quality and risk management plans are essential throughout a project's lifecycle. Post implementation reviews are also required to improve the conduct of project delivery.

Generic Skills

1.	Change Management To deal with the transition or transformation of an organisation's goals, processes or technologies through a systematic approach with structured procedure to implement strategies for effecting changes.
2.	Digital Literacy To use available software features to create and edit documents, evaluate online information, analyse data and use information communications system tools and equipment to share information digitally with others.
3.	Interpersonal Skill To master effective interpersonal skills like effective speaking, active listening, respect, and patience when interacting and creating connections for developing lasting relationships and avoiding conflicts and misunderstandings.
4.	Design Thinking To generate efficient, feasible and creative solutions to solve problems and turn them into opportunities.
5.	Team Building To build trust, mitigate conflict, encourage communication, and increase collaboration. Effective team building means more engaged employees, which is good for company culture and help enhance the workplace efficiency.

Recruitment Challenges

Many Career Choices

Owing to the socio-economic changes, the young generations have more learning opportunities to attain higher academic qualifications and therefore more career choices. Furthermore, many parents could afford their children to pursue higher education rather than joining the workforce after secondary school education.

Misconception of Industry Image

The lack of understanding and misconception on the prospect of the property management and maintenance sector would affect people's interest in joining the industry. It is hoped that the licensing regime of the property management services could help enhance the professional image and attract more new blood.

Competition for Talents

In view of a massive infrastructure development and an increasing demand for public and private housing, many consultancy firms, developers and contractors have experienced difficulties in recruiting surveying professionals. Hence, companies might poach talents from competitors.

Scant Talents with Multi-skills/Digital Skills

Employers are keen to look for talents with multi-skills, in particular, sound digital skills. Nevertheless, talents with proven knowledge and understanding of digital development with strong data analysis and exploration are scant in the market. This emphasizes the need to address skills shortages in the market and the importance of addressing skill gaps within the existing workforce.

Low Birth Rate and Wave of Emigration

According to the Census and Statistics Department, Hong Kong had recorded the number of births dropped from 61,290 in 2014 to 53,168 in 2019. In addition, it revealed that there were 43,100 births and 49,800 deaths in 2020. This negative natural population growth was largely due to the pandemic and the economic downturn. The number of births in 2021 might drop further. It also noted that the wave of emigration curtails student population. Hence, universities will face big challenges in their new student recruitments and Hong Kong could face talent shortage in entering the job market in years ahead.

Recommendations

Government

Support Companies to “Go Outside”

To encourage the companies to “go outside” for exploring more business opportunities in the Greater Bay Area and Belt and Road, the government should provide companies with more essential information about the market environment and funding support for developing business in these markets.

Re-engagement of Fit Retirees

To support the recruitment, upskilling and reskilling initiatives to re-engage fit retirees in the industry. More relevant training programmes should be mounted by vocational and professional education and training institutes including the Employees Retraining Board.

Promotion of Public Awareness on Green Buildings

To gain awareness from everyone would help smoothen the implementation of green buildings and to make the built environment green and sustainable for future generations. Hence, the government should beef up efforts in promoting public awareness on green buildings and nurture green buildings professionals with necessary skillsets.

Training Institutions

Update the Programme Content and Refresh the Skills and Knowledge of Teaching Staff

To manage information exchange swiftly with industry partners to update the programme content, in particular the knowledge about ESG, the socio-cultural environment and ecosystem of the GBA, associated with flexible learning modes, so as to equip students with updated trade specific skills and generic skills to uphold the professionalism of the industry. Industrial attachments are also suggested for serving teaching staff to refresh their trade skills and knowledge.

Diversification of Learning Opportunities

Training providers should provide more diversified learning opportunities to nurture all-rounders and to collaborate exchange activities and industrial attachment opportunities with industry partners in the GBA and overseas whereupon students and teachers would benefit from.

Referrals Via Alumni

To refer alumni of vocational and professional education and training institutes for networking and employment purposes.

Employers

Adaptability to Change

Changing with the business world helps businesses to survive and sustain their competitive edge. Since up and downs are common in economic conditions, employers must adapt to change accordingly and adopt effective change management communication strategies for helping employees stay resilient in the face of disruption and change.

Right Talents in the Right Roles

Apart from providing training incentives to employees for learning multi-skills and knowledge, employers should match the right talents to the right roles with due recognition for identifying future leaders and enabling talent mobility. In addition, employers should consider re-engaging capable retirees into the workforce.

Adopt Agile Working Arrangements

Staying agile in the face of disruption is absolutely essential in uncertain economic or business conditions. Employers should pair agility with innovation as it allows companies to face challenges by developing new and innovative solutions, accommodating the needs of employees and enabling complexity in the face of disruption.

Employees

Pro-learning Mindset

Employees should cultivate a pro-learning mindset for being more supportive of change, more productive, more resilient and more innovative in the dynamic working environment. They should also expand their vision and take advantage of the business prospects under the Greater Bay Area and Belt and Road.

Make Use of Training Incentives

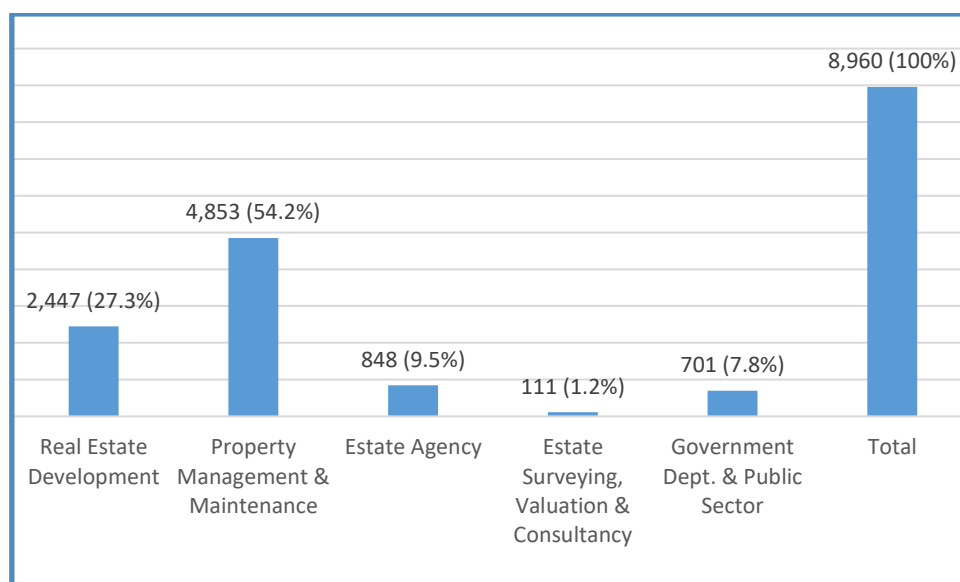
Employees should construct a career and learning development plan to facilitate continuous growth and career mobility with awareness of local, regional and international issues as well as ride on employers' support and various government funding to enrich themselves with multi-skills and new competencies.

Embrace Emerging Skills

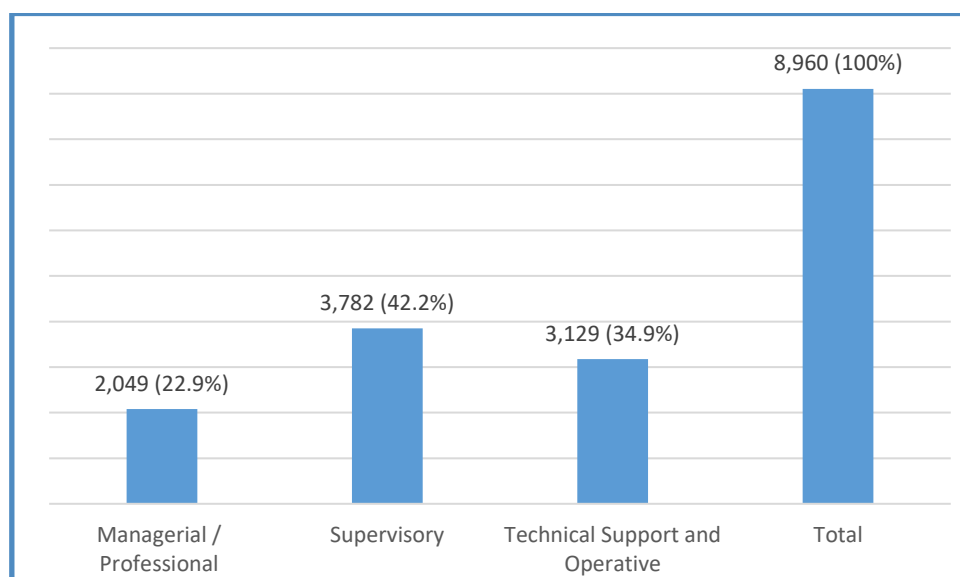
Employees should learn more digital skills and apply the property technologies for staying productive and innovative. In addition, they should manage changes with soft skills training, enforce their interpersonal skills while raising design thinking and generating innovative business solutions capabilities.

Desk Research
From July 2020 to June 2021

**Real Estate Services Industry - Number of Recruitment Advertisements
(by Sector)**



**Real Estate Services Industry - Number of Recruitment Advertisements
(by Job Level)**



Desk Research
From July 2020 to June 2021

**Real Estate Services Industry - Number of Recruitment Advertisements
(Qualification Requirements by Job Level)**

Job Level	Qualification							
	Post Graduate	University Degree	Sub-Degree / Higher Diploma / Higher Certificate	Diploma / Certificate / Apprenticeship	Upper Secondary (F.4-F.6/7)	Lower Secondary (F.1-F.3)	Primary	Total
Managerial / Professional	16	1,468	272	88	41	-	-	1,885
Supervisory	19	953	1,070	892	425	20	3	3,382
Technical Support and Operative	-	93	248	600	1,008	132	103	2,184
Total	35	2,514	1,590	1,580	1,474	152	106	7,451

**Real Estate Services Industry - Number of Recruitment Advertisements
(Experience Requirements by Job Level)**

Job Level	Year of experience						
	Less than 1	1-2	3-4	5-6	7-8	More than 8	Total
Managerial / Professional	11	66	175	582	405	488	1,727
Supervisory	76	1,038	1,074	521	70	35	2,814
Technical Support and Operative	295	782	221	106	21	17	1,442
Total	382	1,886	1,470	1,209	496	540	5,983

Real Estate Services Industry - Number of Recruitment Advertisements (Monthly Salary Range by Job Level)

Job Level	Monthly Salary Range							
	< \$10K	\$10K - \$15K	\$15K - \$20K	\$20K - \$30K	\$30K - \$40K	\$40K - \$60K	> \$60K	Total
Managerial / Professional	-	1	1	7	3	2	12	26
Supervisory	-	27	80	50	12	6	1	176
Technical Support and Operative	73	138	129	93	1	3	-	437
Total	73	166	210	150	16	11	13	639