MORGAN McKINLEY

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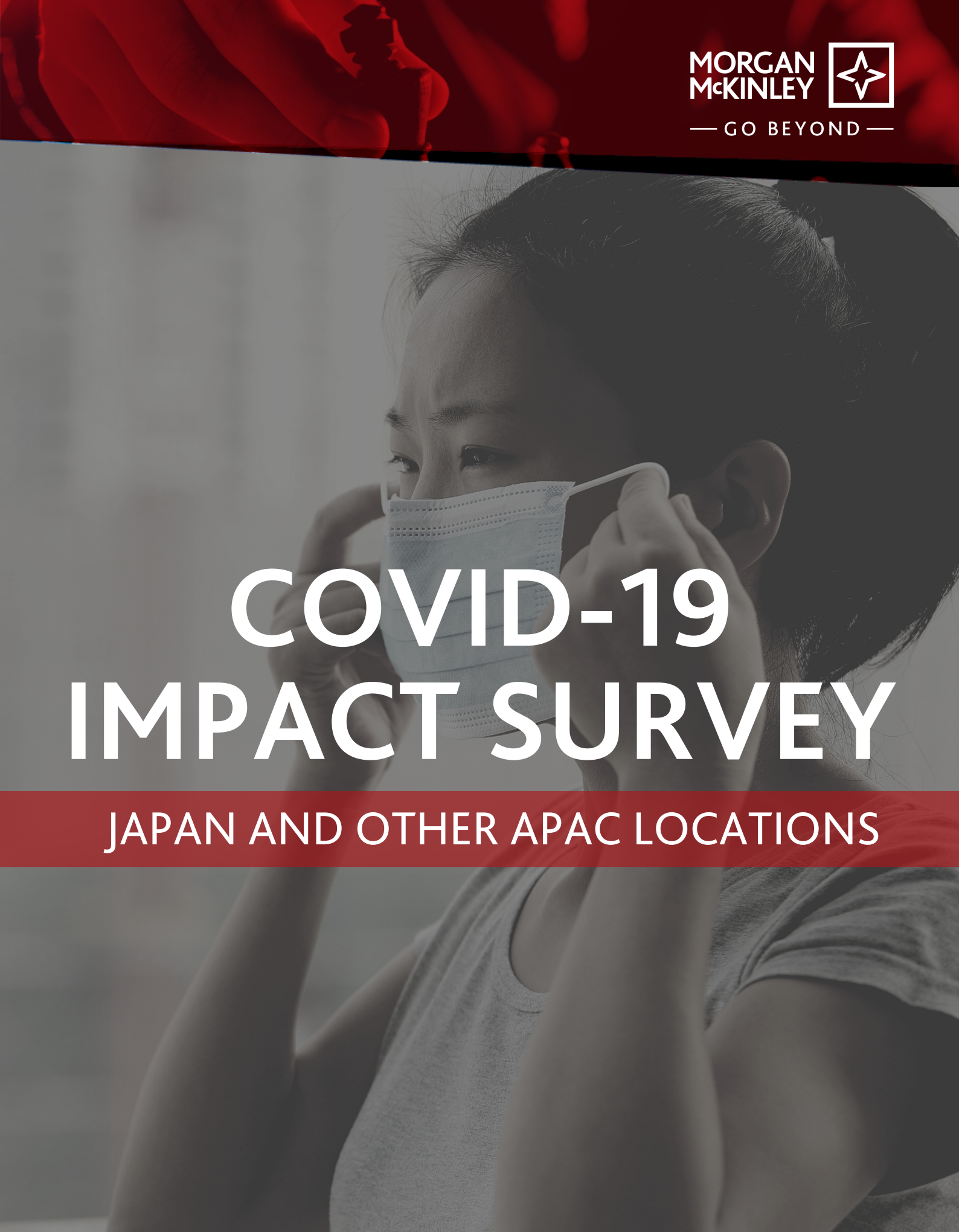

COVID-19 IMPACT SURVEY

JAPAN AND OTHER APAC LOCATIONS

IMPACT OF COVID-19
Survey Results

MORGAN McKINLEY
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As we continue to work in a challenging and ever-changing environment, we want you to know that we are here to support you! Whether that is just a check in, or if you want market information, a need for hiring advice, or a need to help with job-seeking amid the virus disruption, Morgan McKinley is here.

Considering the current COVID-19 situation across the region, many of our clients have taken BCP measures to keep everyone's health and safety a top priority. We have spoken to a number of our clients over the first 3 weeks of April and conducted a survey to gauge the impacts on their businesses.

Remote working has unsurprisingly significantly increased in Japan, although some may argue that it is still not adopted widely enough. As cost controls shift from a local, or regional to a global stance every decision is now critical for both organisations and their people.

We found some of the data we collected hugely interesting, and wanted to share our findings with you. You will find the Japan results of our survey in the following pages, and we have also added the data from some of our other APAC locations (China, Hong Kong & Singapore) where we have conducted similar surveys. We hope you find this useful and should you need any further information, please do reach out to us.

Distance won't stop us from working and supporting our customers!
From all of us at Morgan McKinley, stay safe and well. This will pass.

Best Regards,

Lionel Kaidatzis
Managing Director Japan

IMPACT OF COVID-19
Survey Results

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JAPAN

IMPACT OF COVID-19
Survey Results - Japan

MORGAN McKINLEY
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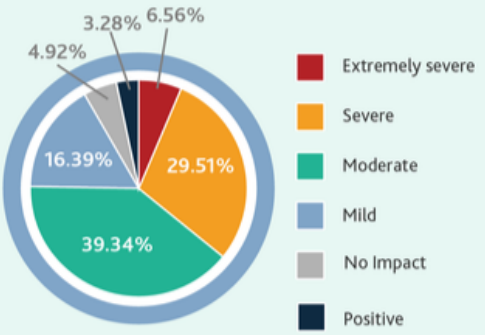
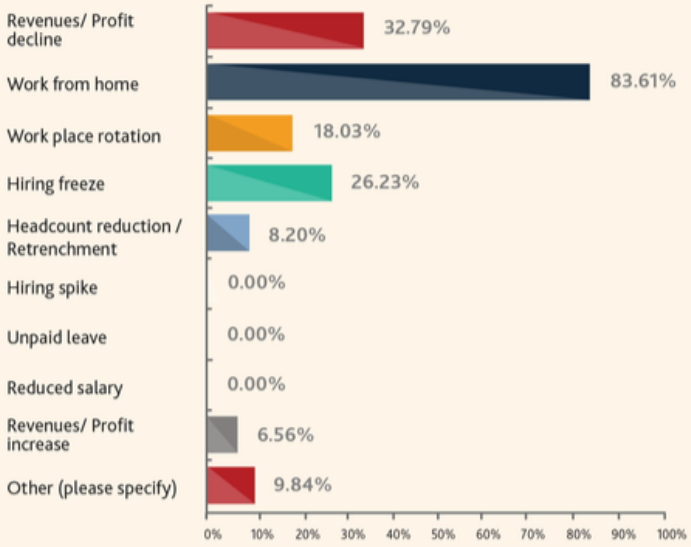
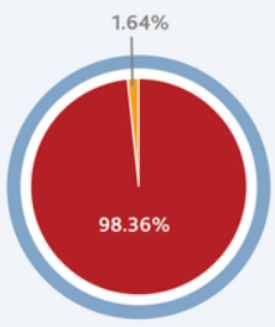
01 How would you describe the impact of the COVID-19 outbreak on your business?



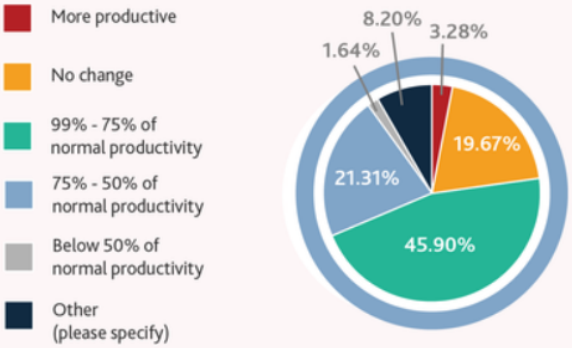
02 What has been the major impact on your business to date?



03 Are you allowing your staff to working from home?



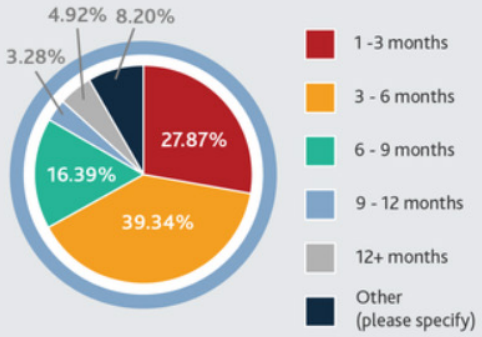
04 What do you think is the effect on productivity when staff work from home?



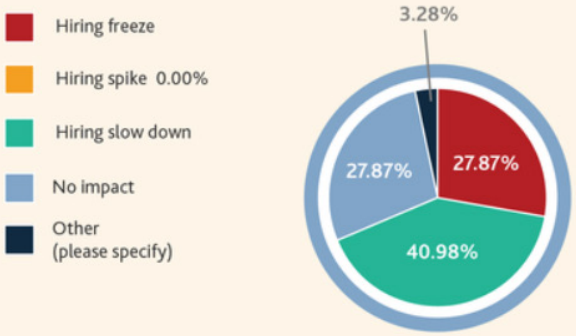
IMPACT OF COVID-19
Survey Results - Japan

MORGAN McKINLEY
GO BEYOND

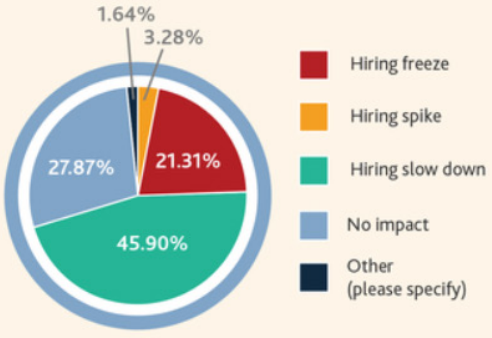
05 How long do you think your organisation will feel the effects of the outbreak?



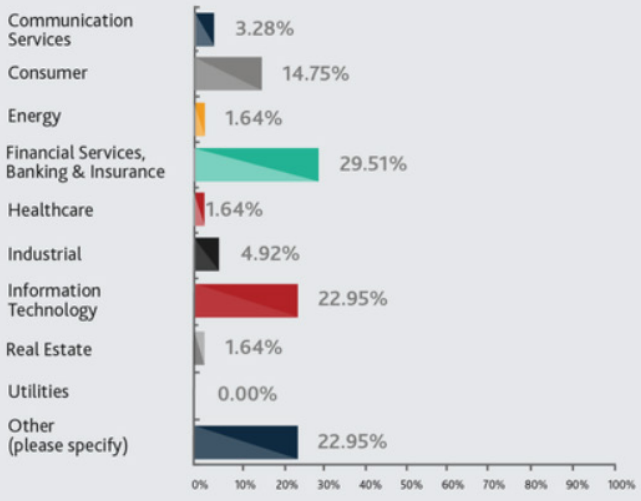
06 What impact has the outbreak had on your hiring specifically?



07 What do you think the likely impact of the outbreak on hiring will be for the rest of 2020 for your organisation?



08 What sector would describe your business?



IMPACT OF COVID-19
Survey Results - Japan

MORGAN McKINLEY
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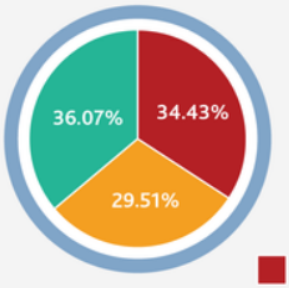
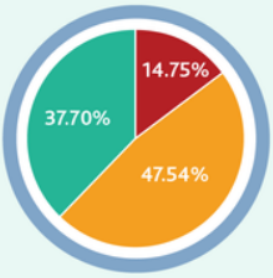
09 Which of the below describes your business?



- Small - up-to 50 employees
- Medium - up -to 250 employees
- Large - 250 employees and more

10 Do you think the impact in Japan because of the situation will be less or more or the same?

- Less
- More
- The Same



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IMPACT OF COVID-19
Survey Results

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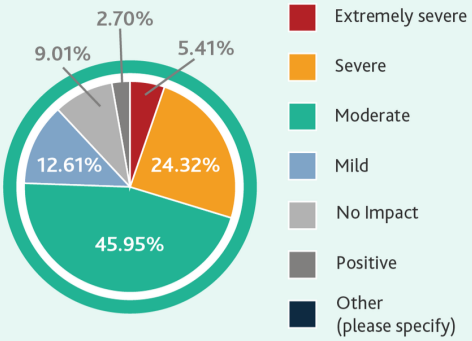
HONG KONG

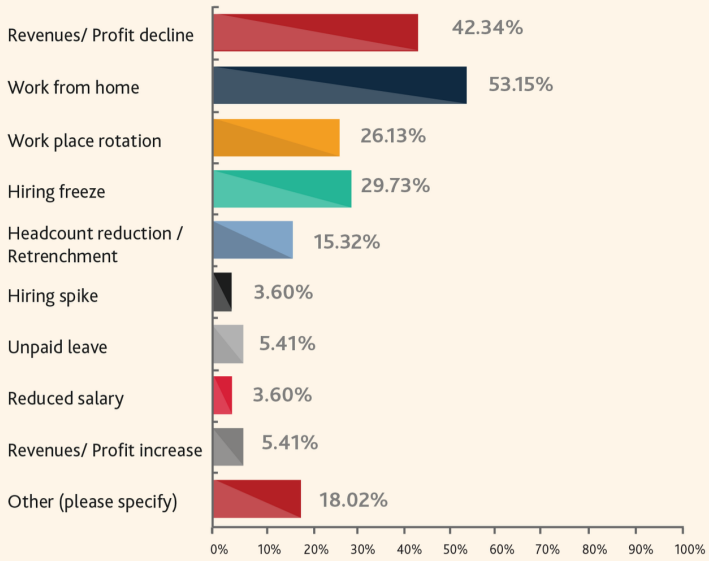
IMPACT OF COVID-19
Survey Results - Hong Kong

MORGAN McKINLEY — GO BEYOND —

01 How would you describe the impact on your business due to the COVID-19 outbreak?



02 What has been the major impact?



Quotes from Our Clients

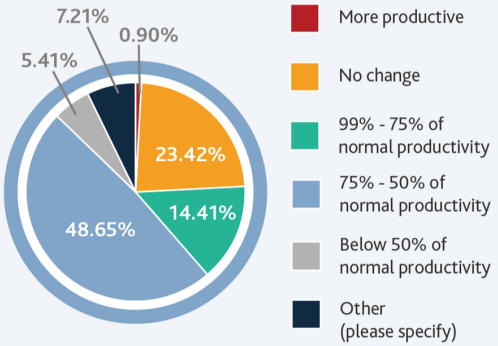
"Everything is slowing down"

"Business is slowed as it is harder to meet clients"

"Have been working from home/ on shifts since CNY"

"Team work has been challenging with everyone working in different locations. Busy with lots of conference calls"

03 What do you think is the effect on productivity when staff work from home?



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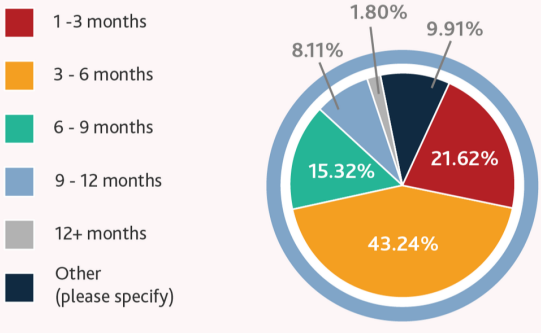
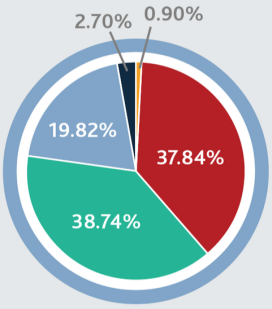


IMPACT OF COVID-19
Survey Results - Hong Kong

MORGAN McKINLEY — GO BEYOND —

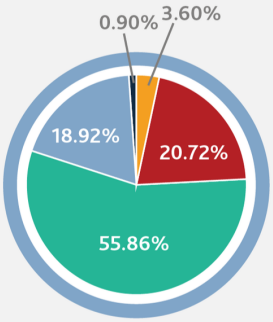
05 What impact has the outbreak had on your hiring specifically?



- Hiring freeze
- Hiring spike
- Hiring slow down
- No impact
- Other (please specify)

06 What do you think the likely impact of the outbreak on hiring will be for the rest of 2020 for your organisation?

- Hiring freeze
- Hiring spike
- Hiring slow down
- No impact
- Other (please specify)



Quotes from Our Clients

"No hiring plan/ headcount freezed in H1"

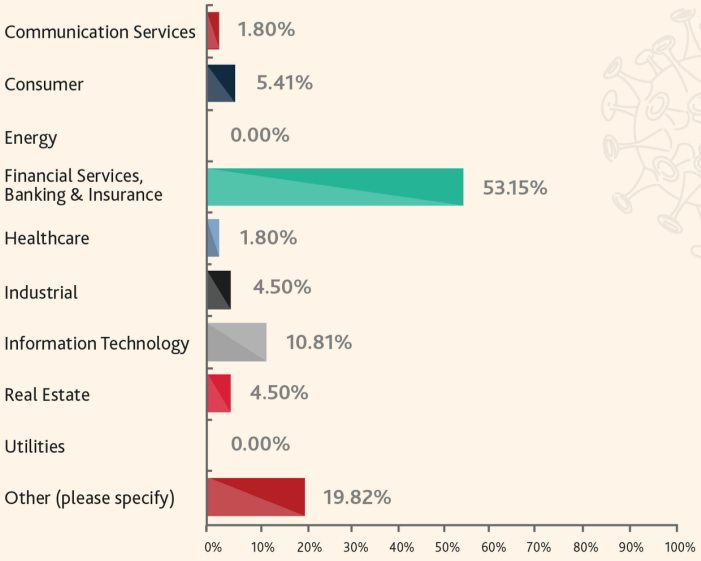
"Might have recruitment plans in the beginning of Q3"

"No one (potential candidates) is willing to move at this stage"

"Mainly replacement headcount, they are proceeding but much slower"

"It is less likely to have new headcounts"

07 What sector would describe your business in?



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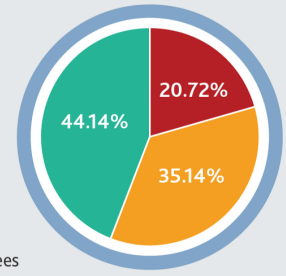

- Small - Up-to 50 employees
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IMPACT OF COVID-19
Survey Results

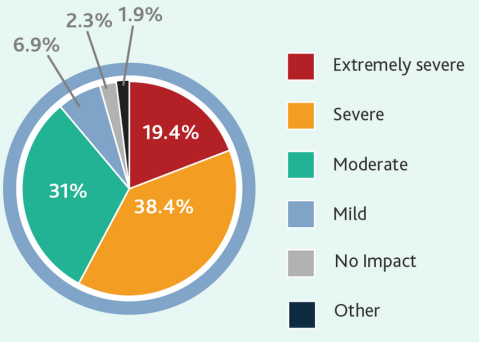
MORGAN McKINLEY
GO BEYOND

SHANGHAI

IMPACT OF COVID-19
Survey Results - Shanghai

MORGAN McKINLEY — GO BEYOND —

01 How would you describe the impact of the COVID-19 outbreak on your business?



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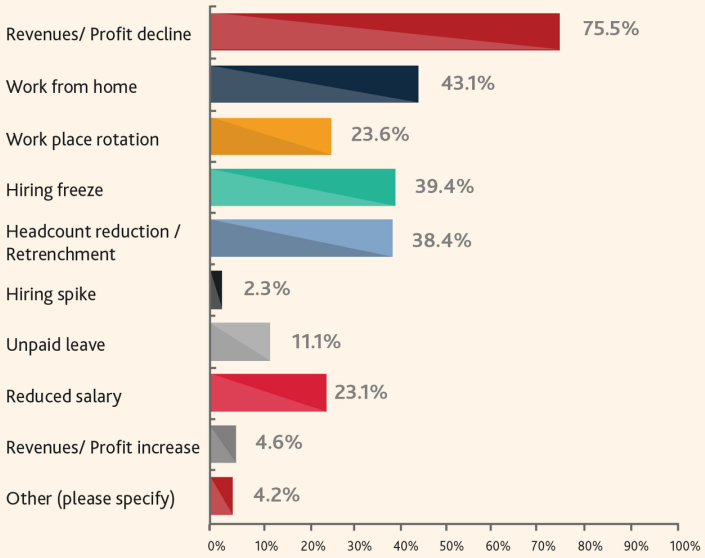
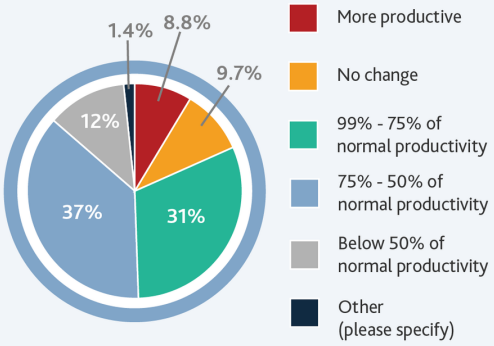
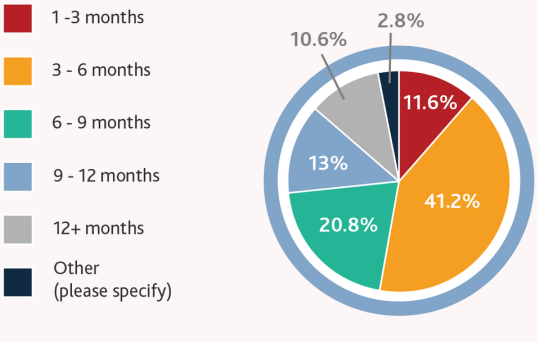


03 How do you think work volumes and productivity will be impacted with people working from home?



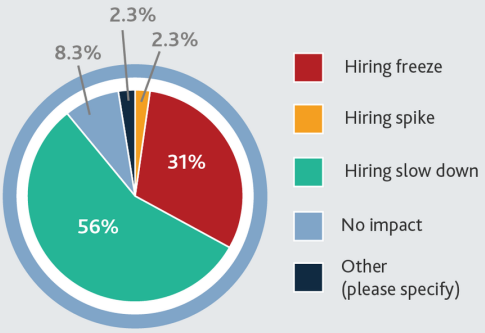
04 How long do you think your organization will feel the effects of this pandemic?



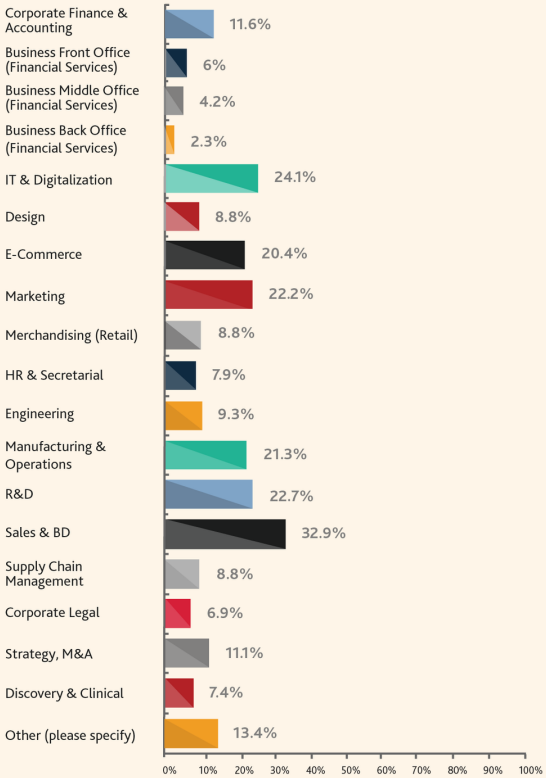
IMPACT OF COVID-19
Survey Results - Shanghai

MORGAN McKINLEY — GO BEYOND —

05 What do you think the likely impact of the outbreak on hiring will be for the rest of 2020 for your organisation?



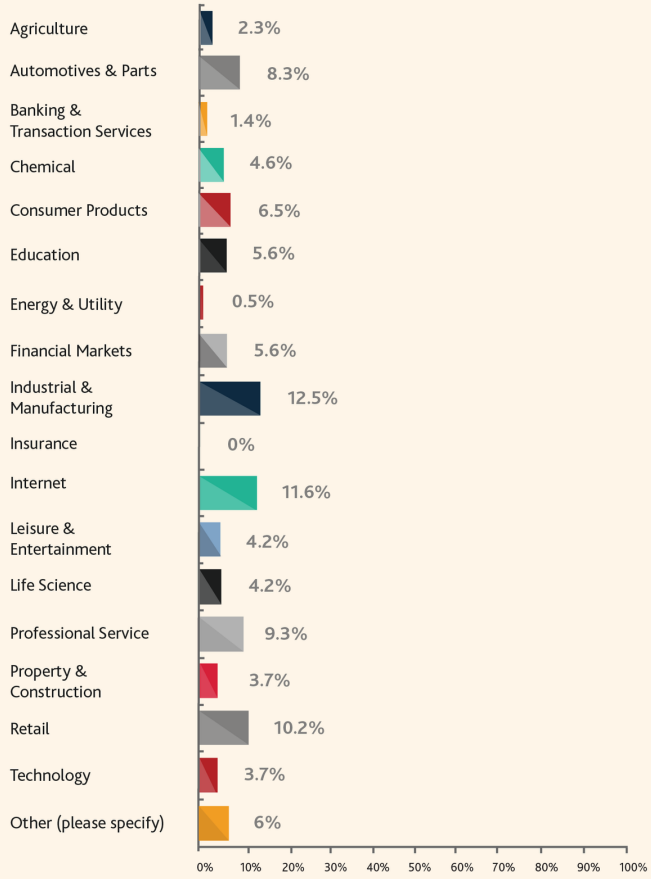
06 Which areas in your business will continue to hire?



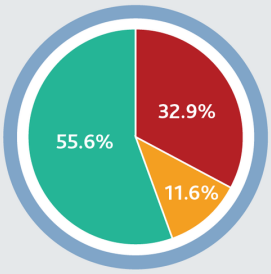
IMPACT OF COVID-19
Survey Results - Shanghai

MORGAN McKINLEY
— GO BEYOND —

07 What sector would describe your business in?



08 What's your Enterprise Nature?

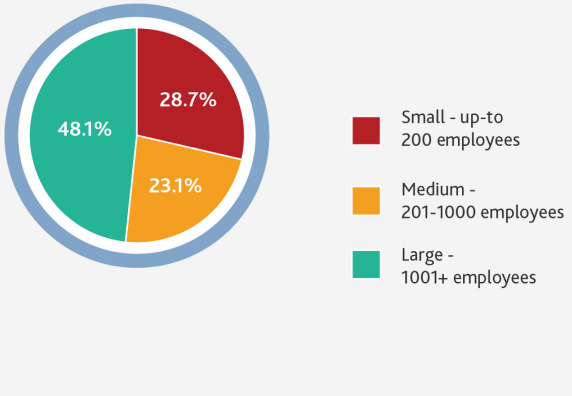


- Chinese Local Enterprise
- Sino-Dpreign Joint Venture
- Wholly Foreign-Owned Enterprise

IMPACT OF COVID-19
Survey Results - Shanghai

MORGAN McKINLEY
— GO BEYOND —

09 Which of the below describes your business?



IMPACT OF COVID-19
Survey Results

MORGAN McKINLEY
— GO BEYOND —

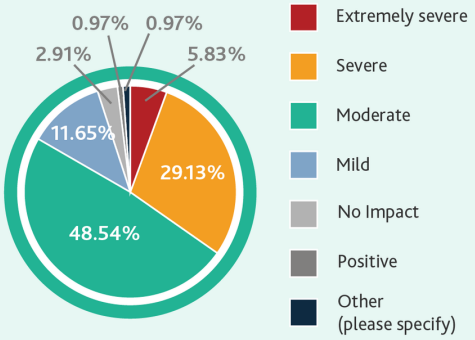
SINGAPORE

IMPACT OF COVID-19
Survey Results - Singapore (FS)

MORGAN McKINLEY — GO BEYOND —

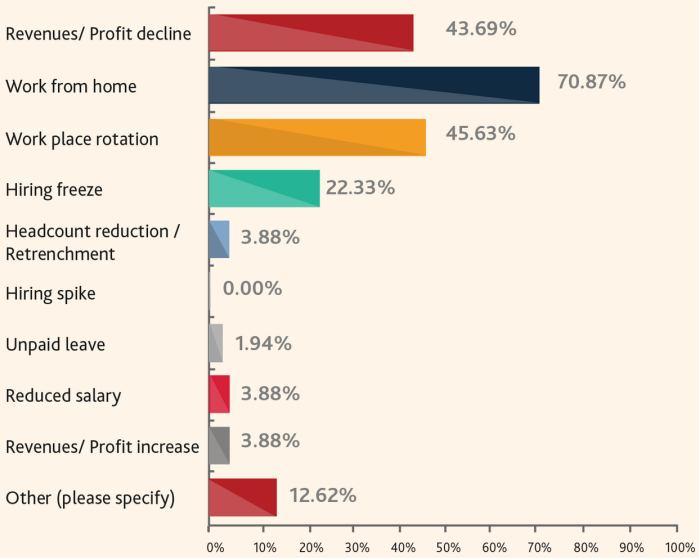
FINANCIAL SERVICES

01 How would you describe the impact on your business due to the COVID-19 outbreak?



48% of our clients feel a moderate impact while 35% feeling a severe or extremely severe impact on their business

02 What has been the major impact?



70% of our clients are already on a Business Continuity Plan by working from home or on rotation basis.

44% of our clients observed a decline in their Revenues/ Profits

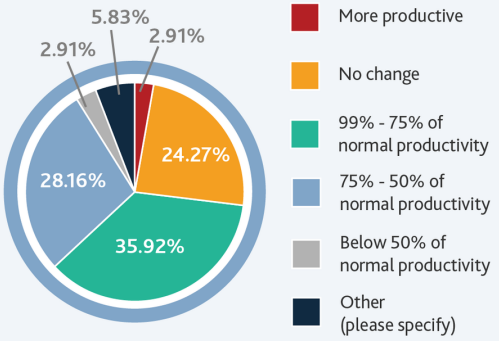
22% of our clients have frozen their hiring plans while 4% have already observed headcount reductions

4% of of our clients are implementing reduced salary measures

IMPACT OF COVID-19
Survey Results - Singapore (FS)

MORGAN McKINLEY — GO BEYOND —

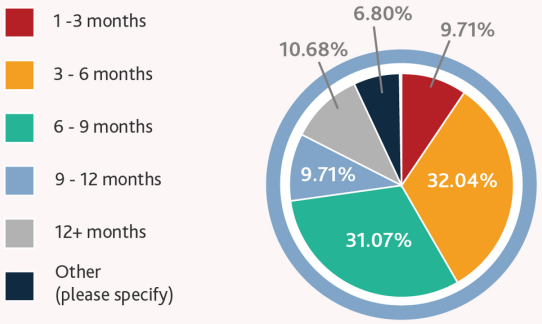
03 What do you think is the effect on productivity when staff work from home?



67% of our clients think there is a drop in productivity when staff work from home, almost half of these clients think the drop is between 50-75% of normal productivity

Only just over 24% of clients think there is no change in productivity

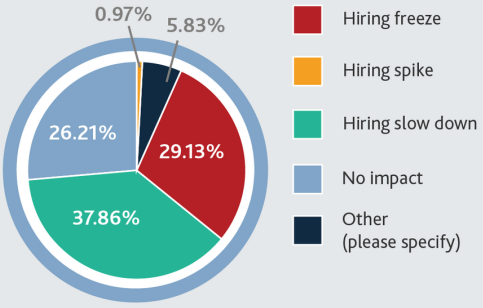
04 How long do you think your organisation will feel the effects of the outbreak?



63% of our clients think their organisation is likely to feel the impact of the outbreak for between 3-9 months, over half of these think it will extend to 6-9 months

Close to 11% of clients think their company will feel the effects for over 12 months

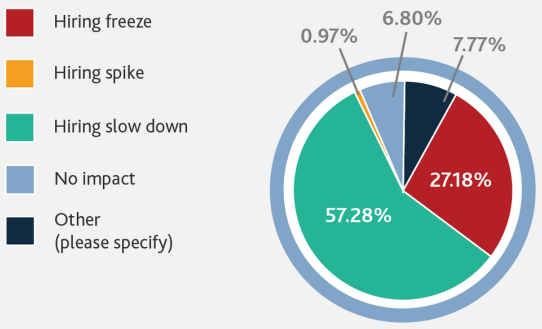
05 What impact has the outbreak had on your hiring specifically?



30% of our clients are on hiring freeze whilst 38% have slowed down their hiring

A healthy 26% have continued hiring as normal

06 What do you think the likely impact of the outbreak on hiring will be for the rest of 2020 for your organisation?



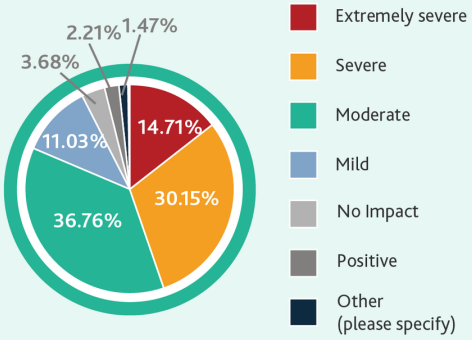
27% of our clients anticipate a hiring freeze whilst almost 58% expect a hiring slow down for the rest of 2020

IMPACT OF COVID-19
Survey Results - Singapore (Non FS)

MORGAN McKINLEY — GO BEYOND —

NON FINANCIAL SERVICES

01 How would you describe the impact on your business due to the COVID-19 outbreak?

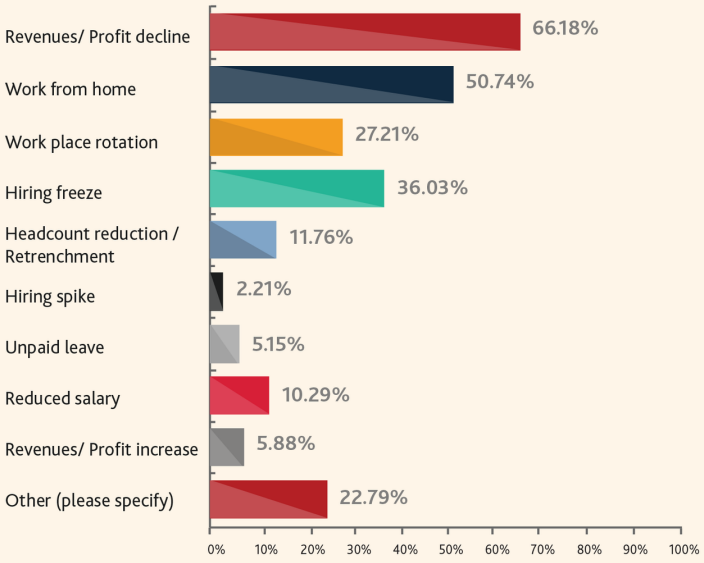


Over 67% of our clients have felt a moderate to severe impact due to the Covid-19 outbreak

Almost 15% of our clients have had an extremely severe impact

5% have not felt much impact at the time of survey saying that its too early to say and they are bracing for it in H2

02 What has been the major impact?



78% of our clients are already on a Business Continuity Plan by working from home or on rotation basis

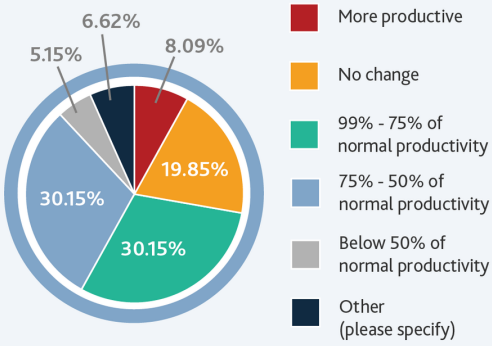
Over 66% of our clients have observed a decline in Revenue/ Profits

Almost 48% of our clients are on hiring freeze as well as headcount reductions in their companies

IMPACT OF COVID-19
Survey Results - Singapore (Non FS)

MORGAN McKINLEY — GO BEYOND —

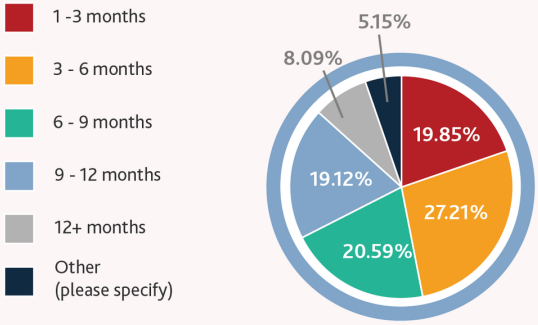
03 What do you think is the effect on productivity when staff work from home?



66% of our clients think there is a drop in productivity when staff work from home, over half of these clients think the drop is between 50-75% of normal productivity

There are still 27% of our clients who see similar if not great productivity

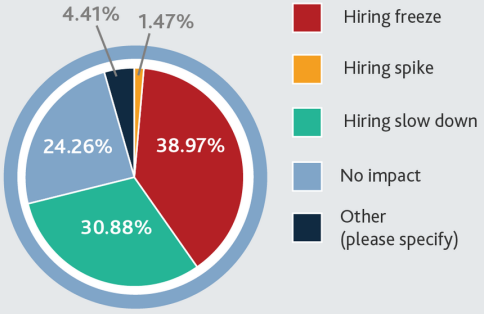
04 How long do you think your organisation will feel the effects of the outbreak?



48% of our clients think their organisation is likely to feel the impact of the outbreak for between 3-9 months, 20% of them think between 6-9 months

8% of our clients think their organisation will feel the effects for over 12 months

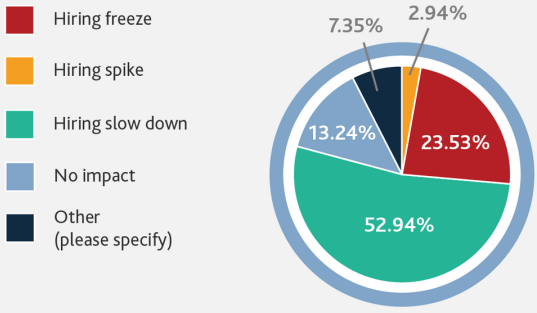
05 What impact has the outbreak had on your hiring specifically?



Close to 70% of our clients feel that there is a slowdown and freeze in hiring

But a good 25% of our clients observe no change in their hiring plans as of now while a few have even seen a spike

06 What do you think the likely impact of the outbreak on hiring will be for the rest of 2020 for your organisation?



When asked about their outlook on hiring in 2020, 77% of our clients have said they foresee a slowdown and freeze in hiring