International Labour Organization | ILO-China Partnership Project

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Lao National Chamber of Commerce and Industry

Report: Employer Skills Needs Survey (Amid COVID-19 Response)

April 2021

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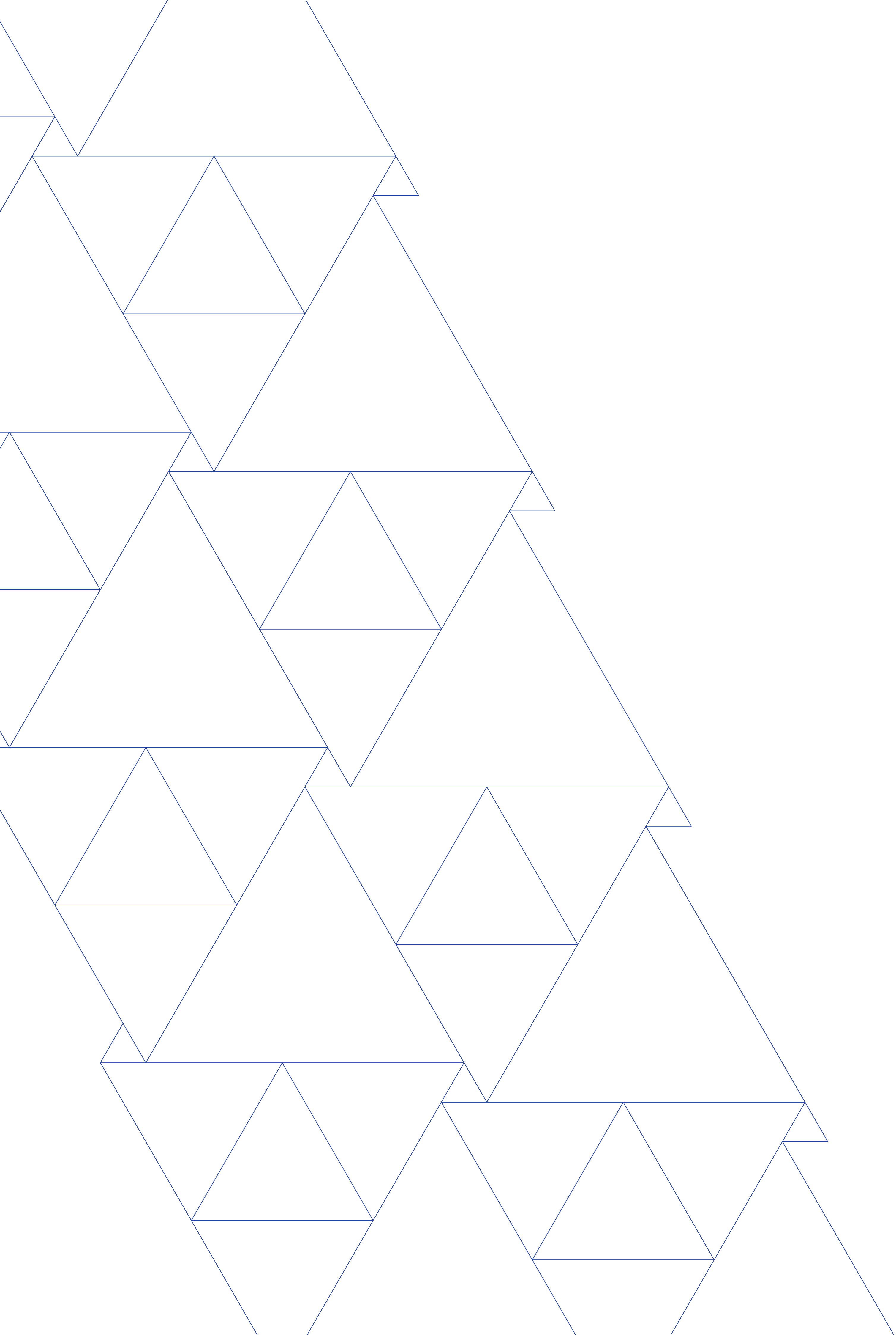

Foreword

The COVID-19 pandemic put the world economy on hold, and the Lao People's Democratic Republic was no exception. The pandemic has affected business operations, employment and skills training across the tourism, logistics, processing and construction sectors in the Lao People's Democratic Republic. The Lao National Chamber of Commerce and Industry (LNCCI) – the national focal point for businesses – initiated this survey to evaluate the impacts of COVID-19 on the world of work, in close collaboration with chambers in Vientiane, Savannakhet, Champasak and Luang Prabang provinces. The LNCCI collected data from its 465 members to inform policy and support private sector businesses, as well as training providers.

The ILO has been engaged in supporting national development in a range of key areas related to the Decent Work Agenda. The LNCCI appreciates the cooperation from the ILO in achieving significant progress for implementation of decent work commitments. This survey would not have been successful without the support and contribution from the ILO-China Partnership Project, an ILO-China South–South Cooperation initiative promoting skills development, employment services and social protection in Asia and the Pacific.

This exercise in information collection and rapid assessment served to support the employment service operations of the LNCCI during this crisis by reaching out to displaced workers, providing necessary support, and – where possible – facilitate access to jobs, including through bridging skills gaps. The findings on upskilling and reskilling for underemployed, temporarily on leave and laid off employees can also inform policy as well as TVET institutions and skills training centres to better ensure that skills development matches the demands of industry and the labour market.

I hope this report will not only benefit our LNCCI members, but also policymakers, trade unions, researchers, skills training providers, and most importantly, millions of men and women in the world of work as we build back better.

Mr Oudet SOUVANNAVONG,

President

Lao National Chamber of Commerce and Industry,

Lao People's Democratic Republic

Acknowledgements

The editors would like to acknowledge the contribution and leadership by Mr Xaybandith Rasaphone, Vice-President of the LNCCI and Ms Daovading Phirasayphithak, Deputy Secretary General of the LNCCI, to the conducting of this national survey.

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The authors would like to thank Julien Magnat, Specialist on Skills and Employability, ILO Decent Work Team for East and South-East Asian and the Pacific (DWT), and Makiko Matsumoto, Specialist on Employment, DWT, for their technical backstopping. We register our appreciation to Enterprise & Development Consultants (EDC) for conducting this survey and presenting the findings in local language.

Last but not least, we extend our thanks to the Ministry of Human Resources and Social Security, China, for its support to the ILO's work and to the ILO-China Partnership Project in sponsoring this national survey.

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1. Background

The world of work is being profoundly affected by the COVID-19 pandemic, globally and in Asia and the Pacific. Beginning in the first quarter of 2020, the COVID-19 pandemic intensified and expanded its global reach, with substantial impacts on public health and unprecedented shocks to economies and labour markets.

According to the first and second editions of the "ILO Monitor on COVID-19 and the World of Work",[1] epidemics and economic crises can have a disproportionate impact on certain segments of the population, which can trigger worsening inequality. Young persons, already facing higher rates of unemployment and underemployment, are more vulnerable to falling labour demand, as they also tend to work in some hard-hit sectors, such as accommodation, food and beverage, entertainment, transport, and manufacture of wearing apparel and footwear. Demand is expected to recover slowly, particularly for many of the service sector activities that involve physical interactions.

The economy and job market of the Lao People's Democratic Republic is suffering due to lockdowns in neighboring countries. Enterprises are experiencing difficulties accessing raw material and resources from abroad. This situation increases investment costs and negatively impacts productivity. Unemployment and underemployment mean that segments of the population are increasingly finding themselves without an adequate income. This situation, in turn, contributes to further deteriorating the socio-economic situation, as people with smaller incomes reduce their consumption to the absolute minimum.

At the same time, even during this period of downturn – and possibly during the recovery period in the future – there may be occupations and sectors that are facing increasing demand. One such area is online commerce and the associated areas of distribution, mobile vending and delivery services. In the near future, there may be greater demand for workers in more technical sectors such as information and communication technology (ICT), including development of digital platforms, enhancement of online communication interfaces, data management systems, data security, maintenance of internet services, and so on.

The Lao National Chamber of Commerce and Industry (LNCCI) acts as one of the repositories of information on jobseekers, vacancies and other relevant labour market information, and has been building and maintaining a list of establishments and employers on a regular basis. In 2015 the LNCCI conducted the first Employer Skills Needs Survey with the support of the ILO. Recently, the LNCCI implemented a rapid COVID-19 impact on businesses survey, based on its list of employers. Using the existing (and regularly updated) establishment list, a rapid assessment in a few targeted sectors can be conducted to collect key information on the situation faced by businesses and their workers. The choice of sectors may be narrowed to ones where there are already displaced or dismissed workers (some services, factories) or targeted at sectors where there is seemingly increased demand for workers.

The main objective of this Employer Skills Needs Survey was to collect information and conduct rapid assessment to:

- Enrich the knowledge on the current situations of enterprises, employers and employees amid the COVID-19 crisis; and
- Provide recommendations to the employment service operations of the LNCCI and to extended stakeholders in the course of providing necessary support to employers and displaced workers with regard to skills needs and employment.

1 For more, see: https://www.ilo.org/global/topics/coronavirus/lang--en/index.htm.

2. Methodology

Survey tool

The survey collected primary information by using a questionnaire developed by an independent consultant through discussions with the LNCCI and ILO key experts. The questionnaire was based on the key guiding questions provided by the LNCCI and ILO during the initial stage of the consultation.

The questionnaire was tested, adjusted and finalized to meet the objectives of the survey, and it was optimized for a respondent-friendly approach considering the limited time employers may have. The questionnaire form was provided in both hard copy and an electronic copy. The survey was conducted through a face-to-face interview and/or a phone interview.

The questionnaire consisted of four main sections (see the Appendix for a copy of the questionnaire):

- Section (I): About the Enterprise
- Section (II): Workforce – Before COVID-19, Present, and Near Future
- Section (III): Upskilling and Reskilling Training for Employees
- Section (IV): Employment Services Provision for Employer and Employee

Each of the sections used single response, multiple-choice and/or open-ended questions. It took approximately 15–20 minutes to complete the form, excluding the rapport building prior to the interview.

To a very minimal extent the study used information from secondary sources, especially available reports of the previous study on the impact of the COVID-19 in the Lao People's Democratic Republic. Another source that was minimally used was the Government's policy measures addressing issues relevant to business sector and to this survey (see list of references below).

Samples and responses

The survey was participated in by 465 business units located in Vientiane capital (260 units), Vientiane province (54 units), Champasak (50 units), Savannakhet (51 units) and Luang Prabang (50 units). This was within the targeted sample size of the survey, which had been set at approximately 400–500 units in the four major economically active provinces of the Lao People's Democratic Republic (see table 1 below for more information on the profiles of participating enterprises).

The survey was based on the available sample frame, and especially those sectors that are particularly relevant to this study, as made available by the LNCCI's Bureau of Employers. The LNCCI reached out to approximately 1,000 business units via email and personal contacts. Follow-up attempts were made one to two times per establishment during the eight-week survey period in an attempt to spur enterprise engagement with the survey. By the closing dates of the survey, successfully completed questionnaire forms were obtained from 465 establishments. The lack of response from other enterprises were due to a number of reasons: many enterprises have been engaged in a number of surveys since the outbreak of COVID-19 and were reluctant to participate in yet another; the respondents were too busy; or the business was not operating at full capacity and thus found it inconvenient to participate.

The survey team and timeframe

The team leader, Ms Thiphaphone Phetmany, a senior consultant of the Enterprise and Development Consultants, worked with the survey team of the LNCCI and the Provincial Chamber of Commerce and Industry (PCCI). The team was trained on interviewing, data entry and quality checks. Senior personnel from the LNCCI were also in charge of overall management of the survey, including supervision of the field work, coordination, administration, and quality control, which included data cleaning and data entry.

The survey process took approximately 15 weeks, from the third week of August to the last week of November 2020. Prior to the survey period, two weeks were devoted to training and finalization of the questionnaire (both Lao and English versions) and to data entry set up; the next eight weeks involved field interviews and data entry (in parallel); the two weeks after that were devoted to final data entry and cleaning; and last three weeks were given over to data analysis and writing the first draft of the survey report.

Data collection and analysis

The enumerators approached the employers to participate in the survey via e-mail and telephone. In most case the introduction letter from the LNCCI together with the questionnaire form were sent to prospects prior to the appointment for face-to-face interviews or telephone interviews. In some cases, the employers filled in the questionnaires themselves and returned it to the LNCCI (or the enumerator collected at the workplaces); the enumerators would then telephone these employers if they needed clarifications on any missing or unclear responses.

The data were entered using KoboCollect and processed using SPSS and Excel. The quantitative data were collated and analysed via a series of single and multiple count tables. The qualitative responses to open-ended questions were synthesized and integrated into the report.

Survey observations and limitations

The data collection process was delayed (compared to the initial workplan) due to the COVID-19 pandemic. This survey was intended to not be limited those specific business sectors and subsectors that have probably been the most adversely affected by the pandemic in terms of employment redundancy and business performance. Rather, it was based achieving a substantial sample base drawing on available sample frame and outreach capability of the LNCCI, and the availability and willingness of enterprises to participate amid the ongoing COVID-19 pandemic. As such, the survey covered a wide array of sectors and business sizes, and therefore, the findings of the survey are indications of the impact of the pandemic within this frame. The findings should not be applied to specific subsectors, enterprises of a particular size, or enterprises within a particular location at the national level.

3. Findings

3.1. Overview of participating enterprises and impacts of the COVID-19 pandemic

3.1.1. Overview of participating enterprises

Out of the 465 enterprises that participated in this survey, 56 per cent were based in Vientiane capital; while 44 per cent were based in the four provinces targeted by this survey: Luang Prabang (11 per cent), Vientiane province (11 per cent), Savannakhet (11 per cent) and Champasak (11 per cent). Small-scale businesses – those having between 6 and 50 employees – accounted for the majority (64 per cent), followed by the micro-scale businesses (18 per cent), large-scale (12 per cent), and medium-scale (6 per cent).

Businesses in the service sector accounted almost half of the sample (47 per cent). These service enterprises are mainly small- and micro-scale and operate subsectors such as accommodation, food and beverage, construction, automation service, etc. This was followed by enterprises in the manufacturing and trading sectors, with both accounting for about 19 per cent of the sample. The enterprise respondents in the manufacturing sector were mostly large-scale, followed by small and then medium-scale. Manufacturing respondents included garment factories based in Vientiane capital and businesses engaged in the processing of agricultural and industrial products across the five locations covered by the survey. The trading sector enterprises – which included both wholesale and retail businesses – were more likely to micro- and small-scale, with much fewer medium- and large-scale enterprises. Trading sector respondents included grocery, consumer products, import and export, spare parts and construction materials vendors, among others. See table 1 for a summary of the participating enterprises.

Table 1. Profile of the participating enterprises

Profile	Vientiane capital (unit)	Provinces (unit)	Total (unit)
No. of participating enterprises	260 (56%)	205 (44%*)	465 units (100%)
Size of enterprises	Vientiane capital (unit)	Provinces (unit)	Total (unit)
Micro (1–5 employees)	41	41	82 (18%)
Small (6–50 employees)	146	153	299 (64%)
Medium (51–99 employees	21	7	28 (6%)
Large (>99 employees)	52	4	56 (12%)
Business sector	Vientiane capital (unit)	Provinces (unit)	Total (unit)
Manufacturing	54	36	90 (19%)
Trading (wholesale and retail)	43	45	88 (19%)
Service	115	97	212 (46%)
Multisector	48	27	75 (16%)
Gender of respondents	Vientiane capital (person)	Provinces (person)	Total (person)
Female	125	90	215 (46%)
Male	135	115	250 (54%)
Position of respondents	Vientiane capital (person)	Provinces (person)	Total (person)
Owner	81	39	120 (26%)
High-level manager	47	43	90 (19%)
Middle-level manager	75	118	193 (42%)
First-level manager	20	1	21 (5%)
Other Key personal	37	4	41 (9%)

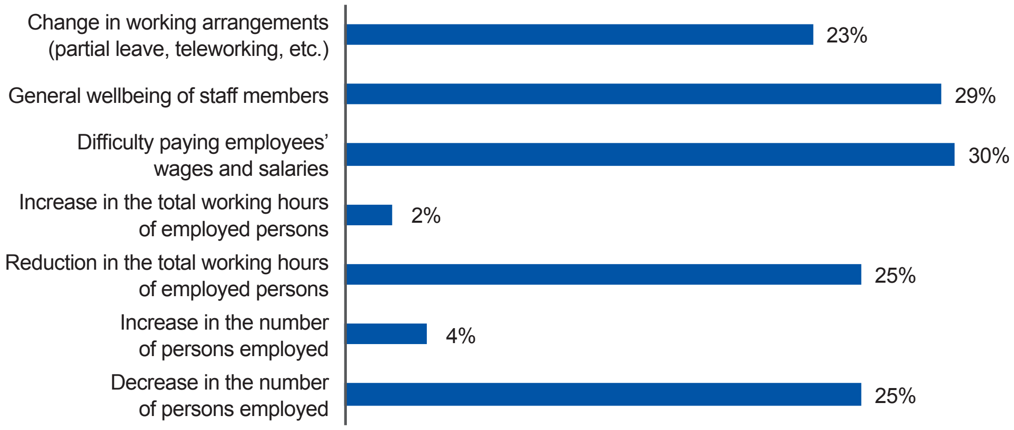
* This percentage can be further broken down by province as follows: Luang Prabang (11%); Vientiane province (11%); Savannakhet (11%); and Champasak (11%).

3.1.2. Impacts of the COVID-19 pandemic on different aspects of business

Concerning employment, the main problems faced by enterprises as a result of the COVID-19 pandemic are **difficulty in paying salaries to their employees (30 per cent); maintaining the well-being of employees (29 per cent); and reductions in number of persons employed as well as reductions in the total working hours of their employees (25 per cent for each).** An increase in number of the person employed and in working hours were also noted by 4 per cent and 3 per cent of the enterprises engaged in this survey, respectively (figure 1).

The LNCCI had previously conducted an employer survey in April 2020, the period in which the majority of micro-, small- and medium-sized enterprises (MSMEs) were suspending their business operations in line with quarantine measures against the outbreak of COVID-19. In this April 2020 survey, approximately 70 per cent of employer respondents estimated that they may need to lay off staff due to COVID-19 pandemic (LNCCI 2020, 8). This estimate was much higher than what was reported in this survey, in which the actual proportion of firms who reduced their number of employees was 25 per cent (figure 1). This was possibly because some of the enterprises that engaged in the previous survey managed to survive, and have used flexible working hours and time reduction to mitigate the employment issue rather than laying off workers.

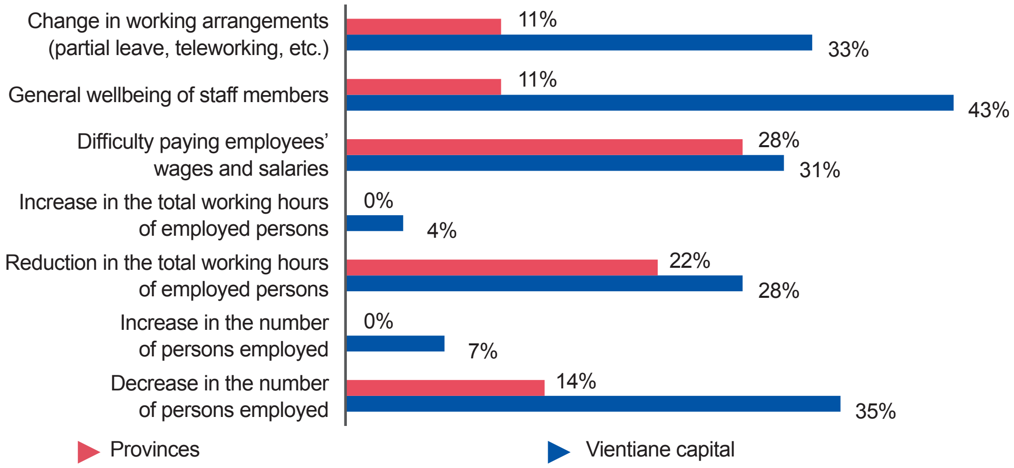
Figure 1. Impact of COVID-19 pandemic on employment among surveyed enterprises (%)*



* More than one answer possible.

About the same proportion of the enterprises operating in Vientiane capital (31 per cent) and the four provinces (28 per cent) faced difficulties in paying their employees' salaries. However, other challenges – maintaining the well-being of the employees; reduction in the number of persons employed and in total working hours of their employees; and changing of working arrangements – were issues more commonly faced by enterprises operating in Vientiane capital than in the provinces (figure 2).

Figure 2. Impact of COVID-19 pandemic on employment among surveyed enterprises, Vientiane capital versus provinces (%) *



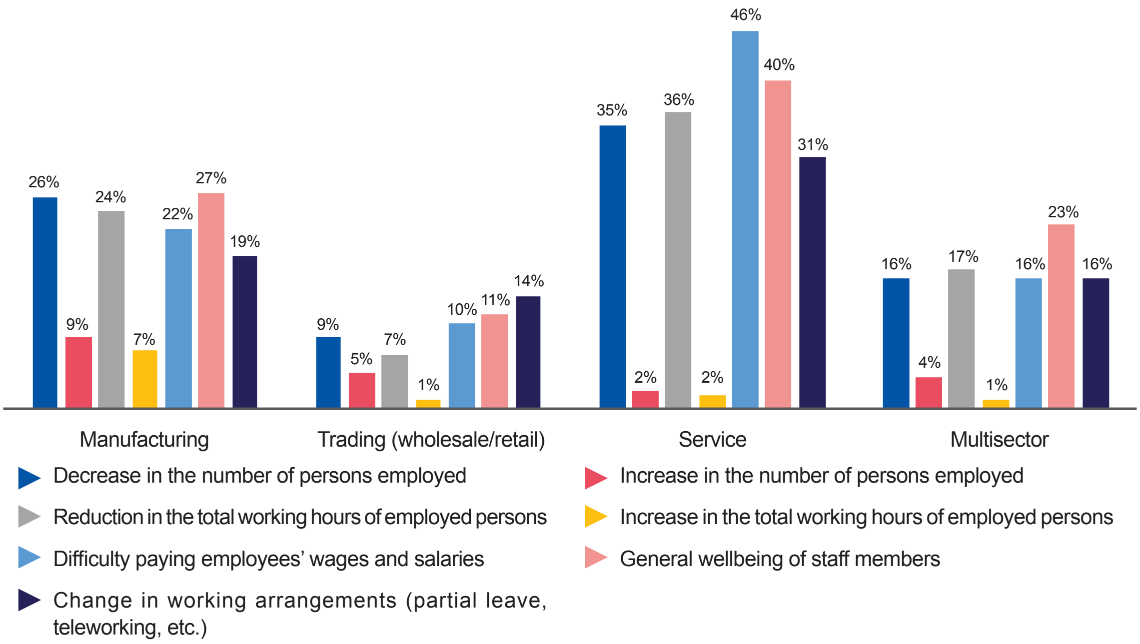
* More than one answer possible.

Service sector respondents were much more negatively affected than enterprises in any of the other sectors in all aspects associated with employment, particularly:

- challenge of paying employee's salary and wages (46 per cent);
- challenge of maintaining employees' well-being (40 per cent);
- reduction of total working hours of employed persons (36 per cent); and
- decrease in the number of persons employed (35 per cent).

Manufacturing businesses also experienced substantial challenges in these same areas, but to a less serious extent. **Indeed, manufacturing respondents were the most likely to report increases in the number of people employed (9 per cent) and increases in working hours of employed persons (7 per cent). Retail and wholesale traders reported being affected by the above problems to a much lesser degree tha**n the other sectors (figure 3).

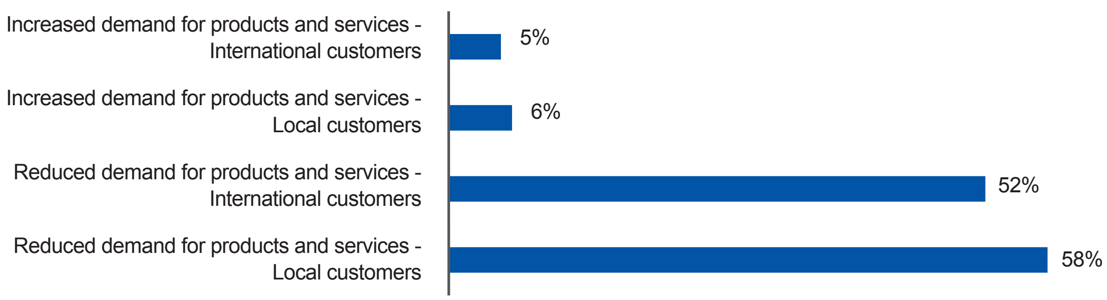
Figure 3. Impact of COVID-19 pandemic on employment by business sector *



* More than one answer possible.

Regarding market demand, slightly more than half of all enterprise respondents reported a decline in demand in both the domestic and international markets due to the pandemic. Figure 4 shows that 58 per cent of respondents reported reduced demand among domestic customers, and 52 per cent reported a decline in demand among international customers.

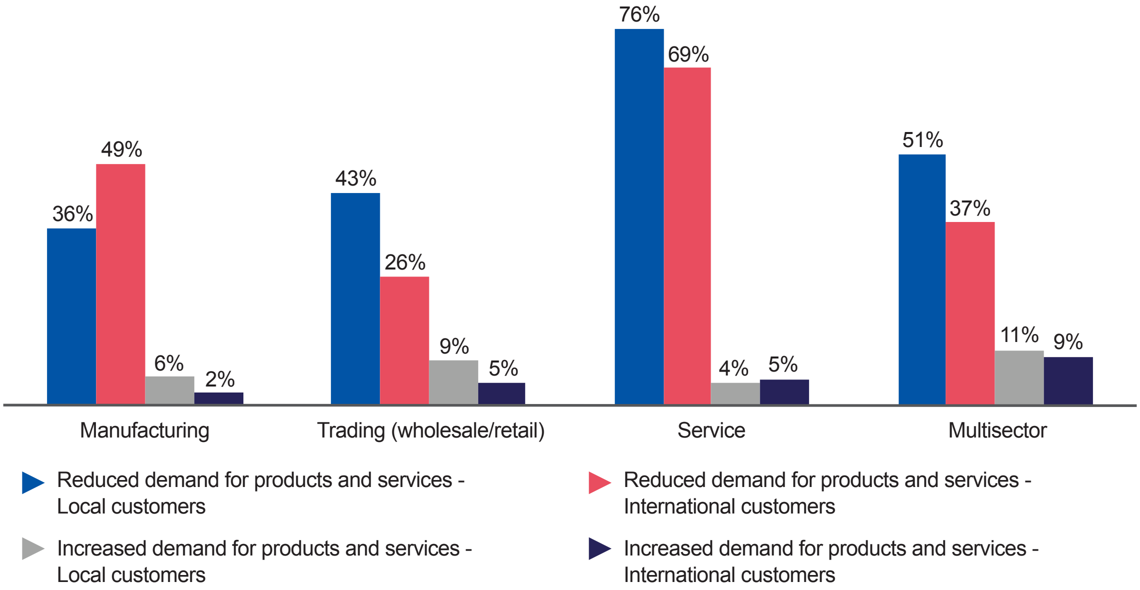
Figure 4. Impact of COVID-19 pandemic on demand for products and services*



* More than one answer possible.

Once again, **service sector businesses were the most likely to report a shrinking market,** with 76 per cent reporting declines in local customer demand and 69 per cent reporting declines in international customer demand respectively (see figure 5). These figures are both substantially higher than what was reported by manufacturing and trading sector respondents.

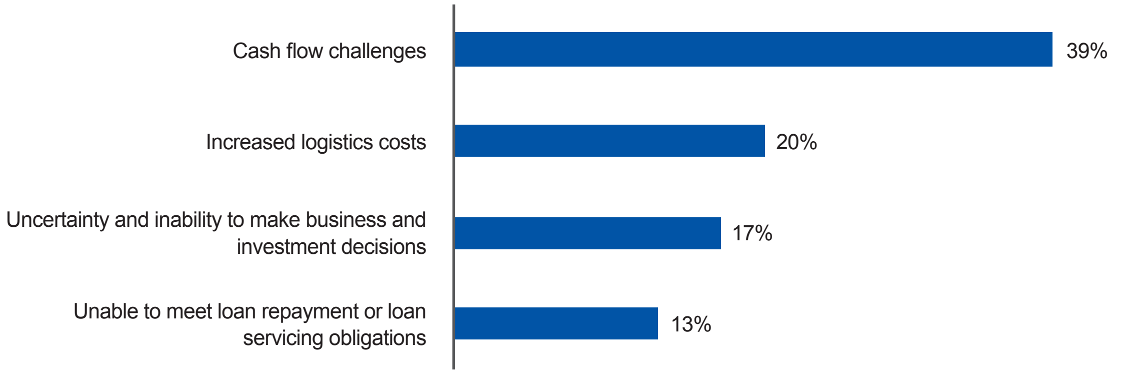
Figure 5. Impact of COVID-19 pandemic on demand for products and services by sector *



* More than one answer possible.

As a result of the pandemic and the associated problems with maintaining customer demand, many reported facing financial challenges. **The commonly reported of these was cash flow challenges, which were being faced by 39 per cent of surveyed businesses;** while 20 per cent reported increases in the cost of logistics. During this period of uncertainty, some businesses found it difficult to make investment and business decisions (17 per cent), and some have been unable to meet loan repayments (13 per cent) (figure 6).

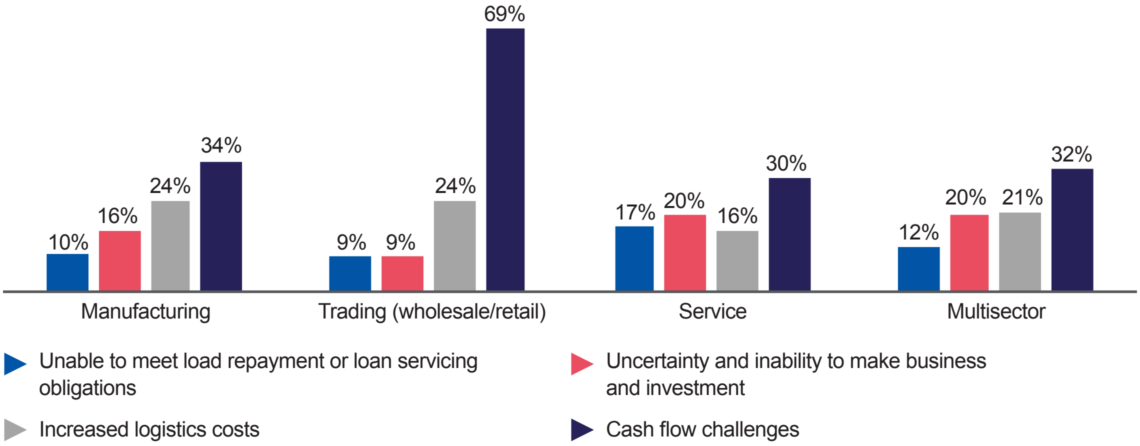
Figure 6. Impact of COVID-19 pandemic on enterprises' costs, cash flow and business decisions (%) *



* More than one answer possible.

Wholesale and retail businesses (69 per cent) found cash flow to be more of a challenge than the businesses in the other sectors (30 per cent). Service sector businesses and multisector businesses were the most likely to report reluctance to make investment and business decisions (see figure 7).

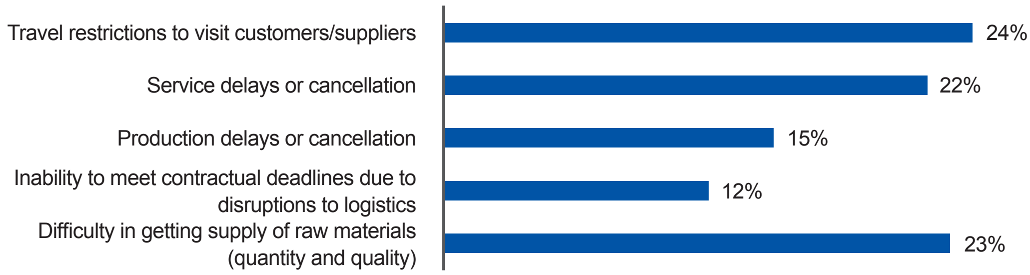
Figure 7. Impact of COVID-19 pandemic on enterprises' costs, cash flow and business decisions, by sector (%)*



* More than one answer possible.

"About one-fourth of the businesses have faced problems related travel restrictions (24 per cent). Difficulty in getting supplies of raw materials (23 per cent) and service delays and cancellations (22 per cent) were also reported by nearly as many enterprise respondents (see figure 8).

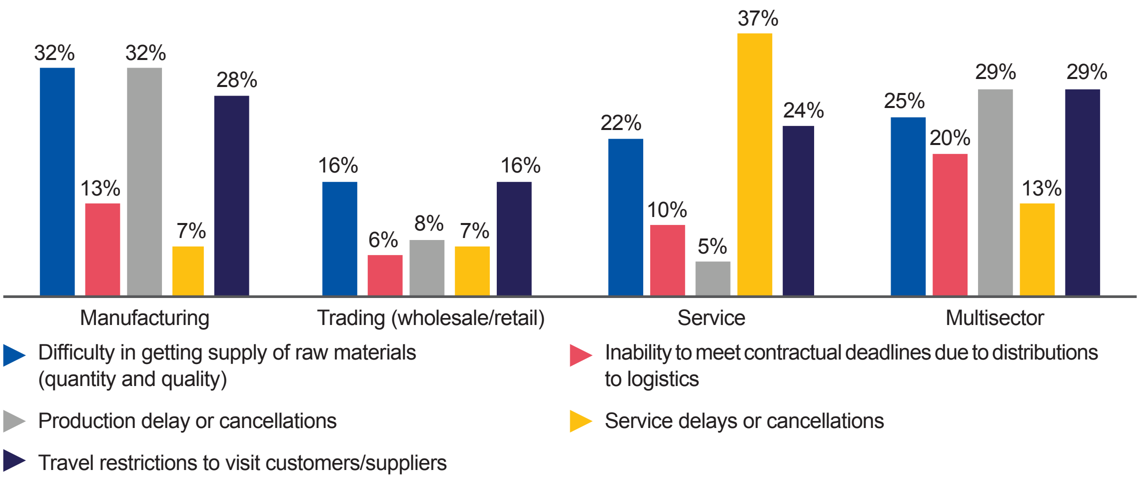
Figure 8. Impact of COVID-19 on delays and restrictions faced by enterprises (%) *



* More than one answer possible.

It is clear based on the survey that **manufacturing businesses (32 per cent) were the most likely to have problems getting supplies and raw materials compared to other types of businesses** (a combined 25 per cent). Delays and cancellations of orders were particularly noted as negative impacts faced by manufacturing (32 per cent) and service businesses (37 per cent). See figure 9.

Figure 9. Impact of COVID-19 on delays and restrictions faced by enterprises, by sector (%) *



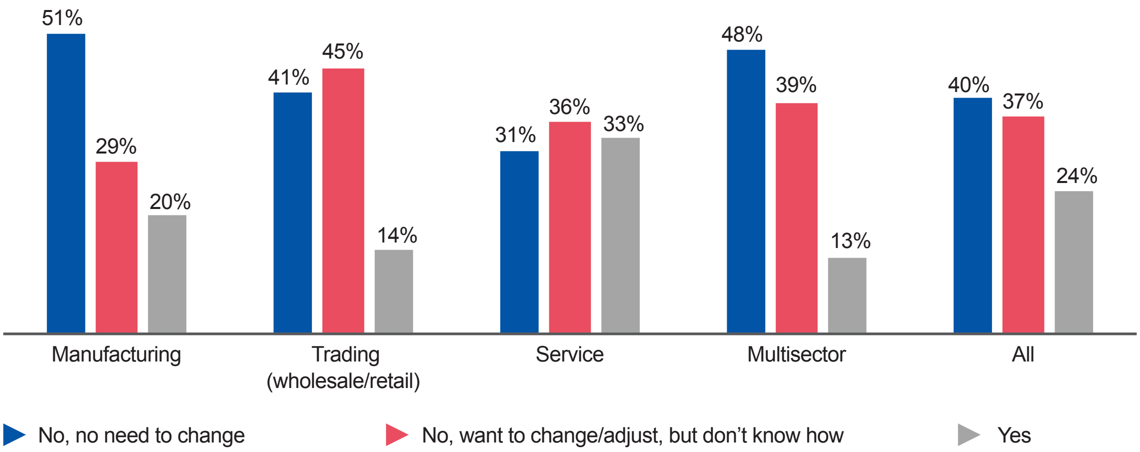
* More than one answer possible.

3.1.3. Adjustments made by businesses to address impacts related to the COVID-19 pandemic

To cope with the changing situation due to COVID-19, about one-fourth of all surveyed enterprises said they have made adjustments and/or changed their business operations, such as using online platforms, reducing service costs, increasing promotion campaigns for the domestic market, having flexible business hours, renovating their offices, etc. About 37 per cent of enterprises reported wanting to make such adjustments but have no idea how to do so; while another 39 per cent said they do not see the need for any adjustments (see figure 10).

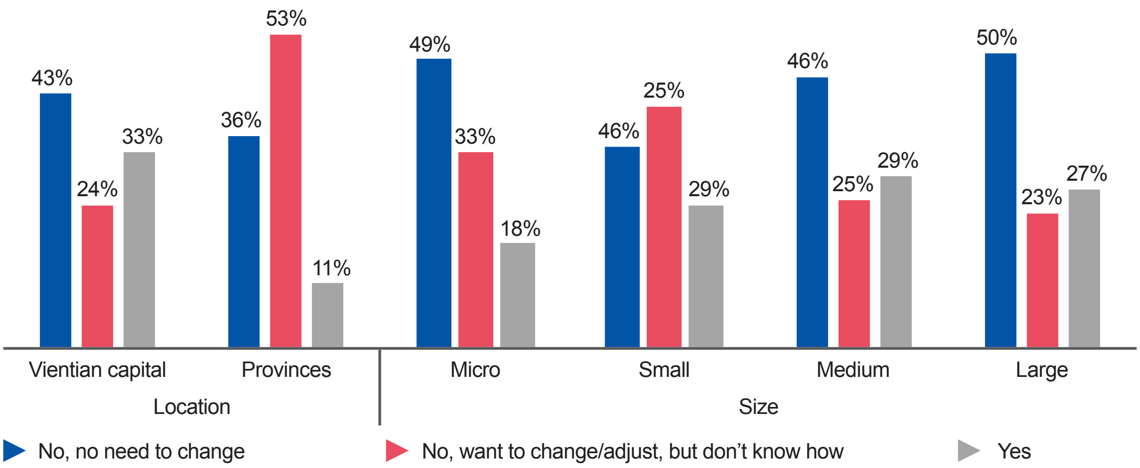
By business sector, it was noted that about half of the manufacturing respondents do not see the need to change, which is quite similar to multisector businesses. Service sector respondents were the most likely to have made adjustments (33 per cent). Nearly half of wholesale and retail businesses (45 per cent) said they want to make changes/adjustments to their business activities, but have not because they did not know how.

Figure 10. "Has your business changed/adjusted its business activities, products/services to cope with the changing situation due to the COVID-19 pandemic?" – by sector (%)



Breaking down respondents by location, enterprises operating in the provinces were more than twice as likely as enterprises in Vientiane capital to report wanting to adjust their business activities but not knowing how (53 per cent compared to 25 per cent). Similarly, the small-size businesses (41 per cent) were the most likely to report the same desire for change/lack of know-how compared to enterprises of other sizes (see figure 11).

Figure 11. "Has your business changed/adjusted its business activities, products/services to cope with the changing situation due to the COVID-19 pandemic?" – by location and enterprise size (%)



3.2. Employment situation: Before the COVID-19 pandemic and at present

3.2.1. Number of employed persons before the COVID-19 pandemic and at present

As noted in figure 1 above, 25 per cent of the participating enterprises reduced their number of employees to cope with business downturn amid the COVID-19 pandemic. In all, the workforces of the 456 surveyed enterprises were cut by **1,989 persons (6 per cent) – dropping from 35,877 total employees before COVID-19 to 33,888 at the time of the survey. About 51 per cent of those lost their jobs were female employees (figure 12).** The number of full-time employed persons fell by 11 per cent, while the number of part-time and casual employees increased by 30 per cent and 4 per cent, respectively, compared to before the pandemic occurrence.

It should be noted that an earlier survey conducted by the Asian Development Bank (2020, 3) across Asia (including the Lao People's Democratic Republic) from March to May found that employment numbers had dropped in around 40 per cent of MSMEs, which was higher than reported in this survey.

Figure 12. Breakdown of enterprise employment, current versus pre-COVID-19 pandemic (no. of persons)

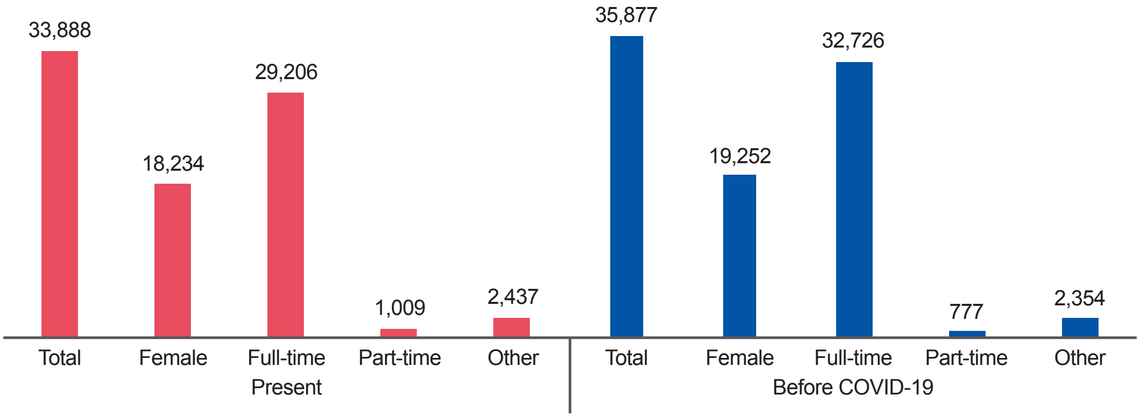
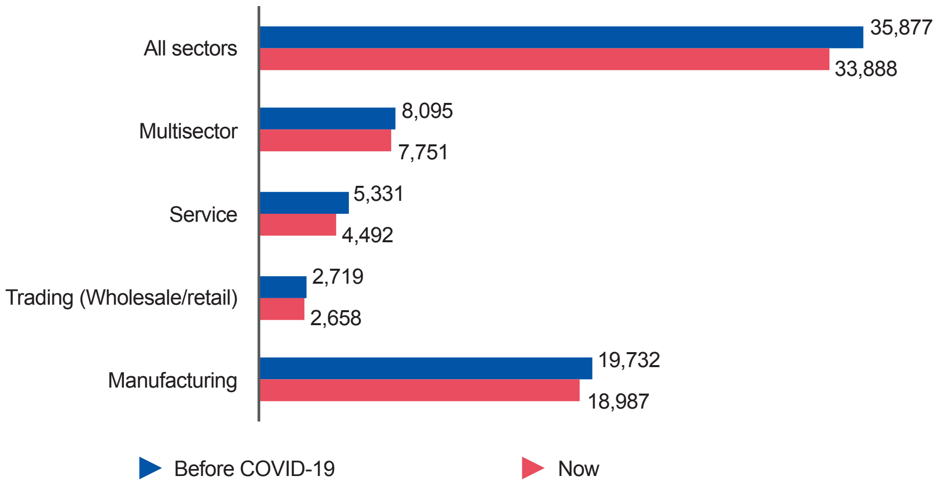


Figure 13 shows that service sector businesses (16 per cent) were more likely to have reduced their workforce compared to other types of businesses (2 per cent for trading and 4 per cent for manufacturing and multisector businesses).

Figure 13. Breakdown of enterprise employment, current versus pre-COVID-19 pandemic, by sector (no. of persons)

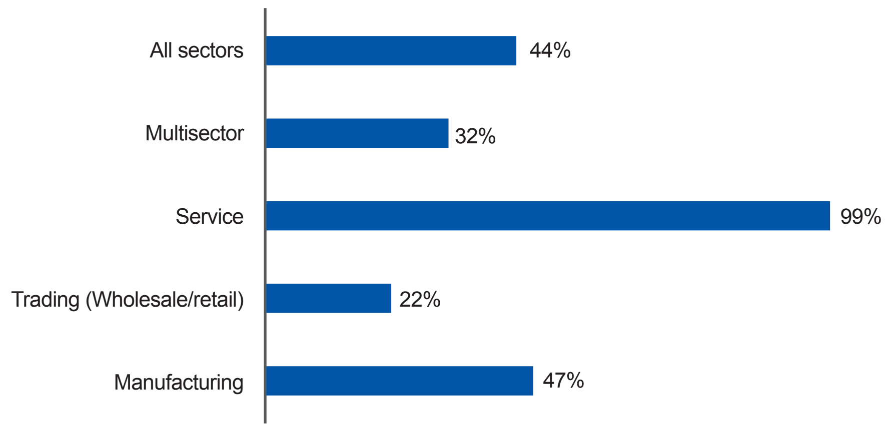


3.2.2. Affected enterprises and employees: Underemployed, temporarily on leave and/or laid off due to COVID-19 situation

Across all the business sectors, **44 per cent of participating enterprises said they have underemployed, temporarily on leave and/or laid off employees – including nearly all of the service sector businesses sampled in this survey (99 per cent).** Manufacturing businesses were the second-most affected (47 per cent), with trading businesses being the least effected by comparison (22 per cent).

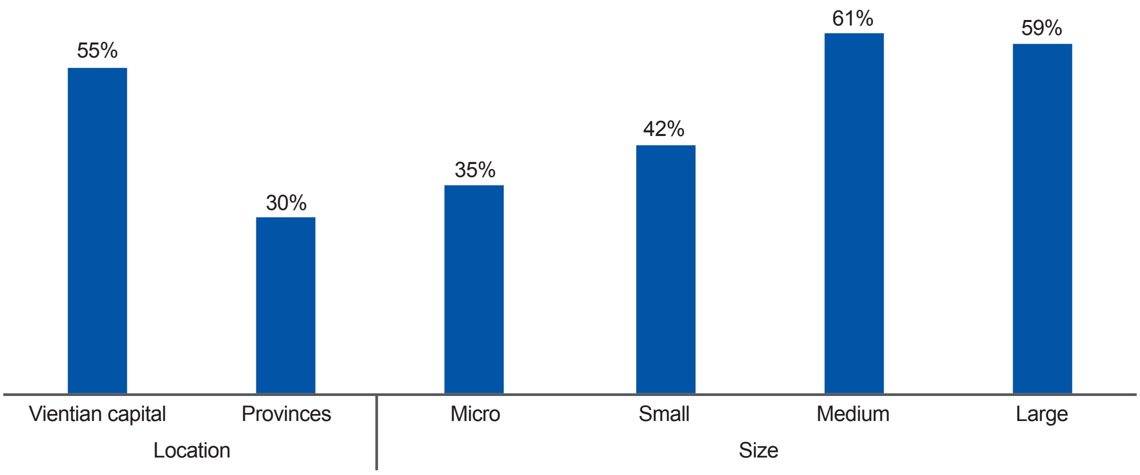
These results were not surprising given what has been seen since the early stages of the COVID-19 pandemic, especially with regard to business activities that are tied up with the global value chain: tourism, garments and smaller-scale processing industries that were gradually unable to keep their employees on the roster (see figure 14).

Figure 14. Proportion of enterprises with underemployed, temporarily on leave or laid off employees as a result of COVID-19, by sector (%)



By location, more than half of the participating enterprises located in Vientiane capital have underemployed, temporarily on leave and/or laid off employees; while this was true for about one-third of participating enterprises in the provinces. The medium- and large-scale enterprises that participated in this survey were more affected than the smaller-scale ones (see figure 15).

Figure 15. Proportion of enterprises with underemployed, temporarily on leave or laid off employees as a result of COVID-19, by location and enterprise size (%)



Though not all affected enterprises specified the types of employees who underemployed, temporarily on leave and/or laid off, based on the information shown in tables 2 and 3 below, "labourers or technical staff" [2] were more likely to be affected than employees in "managerial positions". Around 3,100 employed persons categorized as labourers or technical staff and around 200 supervisory/managerial posts with the participating enterprises were affected by COVID-19. Greater numbers of unskilled and semi-skilled workers – 1,707 and 1,240 persons, respectively – were reported to have had been affected compared to higher skilled and managerial employees.

Table 2. No. of labourers or technical staff in surveyed enterprises who are underemployed, temporarily on leave or laid off, by skill level [1]

		Skill level			
#	Sector	Unskilled – basic	Basic – medium	Medium – high	Total
1	Manufacturing	627	616	16	1,259
2	Service	448	315	98	861
3	Multisector	488	60	40	588
4	Trading	144	249	7	400
	Total	**1,707**	**1,240**	**161**	**3,108**

Note: "Labourers and technical staff" refers to those employees who are not in managerial roles.

Among skilled employees – including those in supervisory and managerial positions – greater numbers were affected in the trading and service sectors (see tables 2 and 3).

Table 3. No. of managerial staff in surveyed enterprises who are underemployed, temporarily on leave or laid off, by management level [1]

		Management level			
#	Sector	First level	Middle level	High level	Total
1	Manufacturing	8	7	28	43
2	Service	20	15	25	60
3	Multisector	-	4	7	11
4	Trading	30	57	7	94
	Total	**58**	**83**	**67**	**208**

2 For the purposes of the survey and for this report, the term "labourers and technical staff" refers to all workers that are not in managerial roles.

Manufacturing sector

As noted in table 2 above, 1,259 labourers and technical staff in the manufacturing enterprises surveyed were underemployed, temporarily on leave or laid off. The jobs/positions in the manufacturing sector most likely to be so affected include production, sewing (textiles), general labour, and cutting (textiles), with most being either unskilled or semi-skilled workers (see table 4 for details). The number of supervisory/managerial level workers in the sector who were affected was much lower, with the most commonly affected being production managers (table 5).

Table 4. Manufacturing sector – No. of labourers or technical staff in surveyed enterprises who are underemployed, temporarily on leave or laid off, by job/position and skill level [1]

		Management level			
#	Job/Position	Unskilled – basic	Basic – medium	Medium – high	Total
1	Production	500	155	4	659
2	Sewing – textiles	55	237	–	292
3	General labour	43	57	–	100
4	Cutting – textiles	2	69	–	71
5	Quality control	–	24	2	26
6	Drawing	–	26	–	26
7	Packaging	–	26	–	26
8	Weaving – carpets	8	7	–	15
9	Cleaner, gardener	14	–	–	14
10	Warehouse	4	2	3	9
11	Sawing – furniture	–	7	–	7
12	Procurement	–	1	3	4
13	Construction engineer	–	–	3	3
14	Driver, logistics	1	1	1	3
15	Accountant	–	2	–	2
16	Marketing	–	2	–	2
	Total	**627**	**616**	**16**	**1,259**

– = nil. Note: "Labourers and technical staff" refers to those employees who are not in managerial roles.

1 Please note, among the manufacturing sector enterprises surveyed, 47 per cent reported having employees who are underemployed, temporarily on leave or laid off. Of these, 5 per cent did not specify the job/positions of the affected employees, and around 21 per cent did not specify the numbers of affected employees.

Table 5. Manufacturing sector – No. of managerial staff in surveyed enterprises who are underemployed, temporarily on leave, and/or laid off, by management level [1]

		Management level			
#	Sector	First level	Middle level	High level	Total
1	Production	4	2	13	19
2	Sales and marketing	1	3	3	7
3	General manager	–	2	4	6
4	Technical head (general, maintenance)	2	–	4	6
5	Accountant head	–	–	1	1
6	Consultant	–	–	1	1
7	Designer	–	–	1	1
8	Office manager	–	–	1	1
9	Warehouse supervisor	1	–	–	1
	Total	**8**	**7**	**28**	**43**

– = nil. Note: "Labourers and technical staff" refers to those employees who are not in managerial roles.

1 Please note, among the manufacturing sector enterprises surveyed, 47 per cent reported having employees who are underemployed, temporarily on leave or laid off. Of these, 5 per cent did not specify the job/positions of the affected employees, and around 21 per cent did not specify the numbers of affected employees.

Service sector

Of the 800 affected labourers and technical staff in the service sector, unskilled workers (448 persons) and semi-skilled workers (315 persons) accounted for the vast majority. These affected workers were most commonly waiters/waitresses and housekeeping staff (see table 6). As for supervisory and managerial level job holders, the numbers of affected workers were roughly equal numbers across first-level, middle-level and high-level positions (see table 7).

Table 6. Service sector – No. of labourers or technical staff in surveyed enterprises who are underemployed, temporarily on leave or laid off, by job/position and skill level [1]

		Skill level			
#	Job/Position	Unskilled – basic	Basic – medium	Medium – high	Total
1	Waiter/waitress	176	89	13	278
2	Housekeeper/maid/cleaner	125	19	1	145
3	General worker	30	54	-	84
4	Driver/messenger – car and cruise	19	36	8	63
5	Cook (assistant, chef)	25	26	9	60
6	Front desk (including receptionist, bell-boy)	15	19	1	35
7	Accountant and finance	10	15	9	34
8	Sales and marketing (including booking, ticketing)	3	12	16	31
9	Technician/electrician/IT	2	14	15	31
10	Security guard	12	8	–	20
11	Technical specialist (barista, embroider)	–	7	13	20
12	Gardener	14	–	–	14
13	Tour guide	5	6	2	13
14	Administration (recruitment, documentation, coordination, stockroom)	1	4	8	13
15	Massager	5	–	2	7
16	Drawing/design engineer/painter	–	6	1	7
17	Musician	6	–	–	6
	Total	**448**	**315**	**98**	**861**

– = nil. Note: "Labourers and technical staff" refers to those employees who are not in managerial roles.

1 Please note, among the service sector enterprises surveyed, 99 per cent reported having employees who are underemployed, temporarily on leave or laid off. Of these, 7 per cent did not specify the job/positions of the affected employees, and around 23 per cent did not specify the numbers of affected employees.

Table 7. Service sector – No. of managerial staff in surveyed enterprises who are underemployed, temporarily on leave, and/or laid off, by management level [1]

		Management level			
#	Sector	First level	Middle level	High level	Total
1	Manager (human resources, office accounting, marketing, field manager, warehouse, design, procurement)	4	4	15	23
2	Supervisor – waiter/waitress, housekeeping, reception	15	2	–	17
3	Manager (general)	1	5	7	13
4	Electrical/electrician/IT head	–	4	3	7
	Total	**20**	**15**	**25**	**60**

– = nil. Note: "Labourers and technical staff" refers to those employees who are not in managerial roles.

1 Please note, among the service sector enterprises surveyed, 99 per cent reported having employees who are underemployed, temporarily on leave or laid off. Of these, 7 per cent did not specify the job/positions of the affected employees, and around 23 per cent did not specify the numbers of affected employees.

Trading sector

Around 400 labourer/technical staff employees and 94 supervisors and managers working in retail and wholesale trade were either underemployed, temporarily on leave or laid off due to COVID-19. These were mostly in sales and marketing (212 at the labourer/technical staff level and 45 persons at the managerial level), followed by warehouse and assemble workers (92 persons) and office administration staff (79 persons). See tables 8 and 9 for details.

Table 8. Trading sector – No. of labourers or technical staff in surveyed enterprises who are underemployed, temporarily on leave or laid off, by job/position and skill level [1]

		Skill level			
#	Job/Position	Unskilled – basic	Basic – medium	Medium – high	Total
1	Sales and marketing	136	74	2	212
2	Worker (warehouse, assembly)	4	87	1	92
3	Accountant, office administration	–	78	1	79
4	Driver/delivery	3	1	3	7
5	Maintenance/repair	–	6	–	6
6	Maid	1	3	–	4
	Total	**144**	**249**	**7**	**400**

– = nil. Note: "Labourers and technical staff" refers to those employees who are not in managerial roles.

1 Please note, among the trading sector enterprises surveyed, 22 per cent reported having employees who are underemployed, temporarily on leave or laid off. Of these, 5 per cent did not specify the job/positions of the affected employees, and around 16 per cent did not specify the numbers of affected employees.

Table 9. Trading sector – No. of managerial staff in surveyed enterprises who are underemployed, temporarily on leave, and/or laid off, by management level [1]

		Management level			
#	Sector	First level	Middle level	High level	Total
1	Sales supervisor and head	30	15	–	45
2	Technical head	–	25	–	25
3	Branch head	–	17	–	17
4	Manager (general)	–	–	7	7
	Total	**30**	**57**	**7**	**94**

– = nil. Note: "Labourers and technical staff" refers to those employees who are not in managerial roles.

1 Please note, among the trading sector enterprises surveyed, 99 per cent reported having employees who are underemployed, temporarily on leave or laid off. Of these, 7 per cent did not specify the job/positions of the affected employees, and around 23 per cent did not specify the numbers of affected employees.

Multisector businesses

The multisector businesses, which included a number of medium- and large-sized manufacturing concerns, tended to employ comparatively higher numbers of unskilled and semi-skilled workers than they did medium/high-skilled workers. This can be inferred from table 10, as out of 588 affected persons, only 40 were in the latter category. The figures in table 11 suggested very small numbers of employees at the managerial level have been affected.

Table 10. Multisector enterprises – No. of labourers or technical staff in surveyed enterprises who are underemployed, temporarily on leave or laid off, by job/position and skill level [1]

		Skill level			
#	Job/Position	Unskilled – basic	Basic – medium	Medium – high	Total
1	Production worker (including packaging, lab)	243	44	–	287
2	Sewing worker	200	–	–	200
3	Machine operator	–	–	23	23
4	Coffee production worker	10	5	–	15
5	Gardener and cleaner	14	1	–	15
6	Technician/mechanic	7	4	2	13
7	Marketing and sales	4	2	6	12
8	Rubber plantation worker	9	–	–	9
9	Furniture	–	–	5	5
10	Driver	1	1	3	5
11	Procurement	–	3	1	4
	Total	**488**	**60**	**40**	**588**

– = nil. Note: "Labourers and technical staff" refers to those employees who are not in managerial roles.

1 Please note, among the multisector enterprises surveyed, 32 per cent reported having employees who are underemployed, temporarily on leave or laid off. Of these, 8 per cent did not specify the job/positions of the affected employees, and around 17 per cent did not specify the numbers of affected employees.

Table 11. Multisector enterprises – No. of managerial staff in surveyed enterprises who are underemployed, temporarily on leave, and/or laid off, by management level [1]

		Management level			
#	Sector	First level	Middle level	High level	Total
1	Manager (accounting, warehouse, production, marketing, office, plantation)	–	2	6	8
2	Technical head	–	2	1	3
	Total	**–**	**4**	**7**	**11**

– = nil. Note: "Labourers and technical staff" refers to those employees who are not in managerial roles.

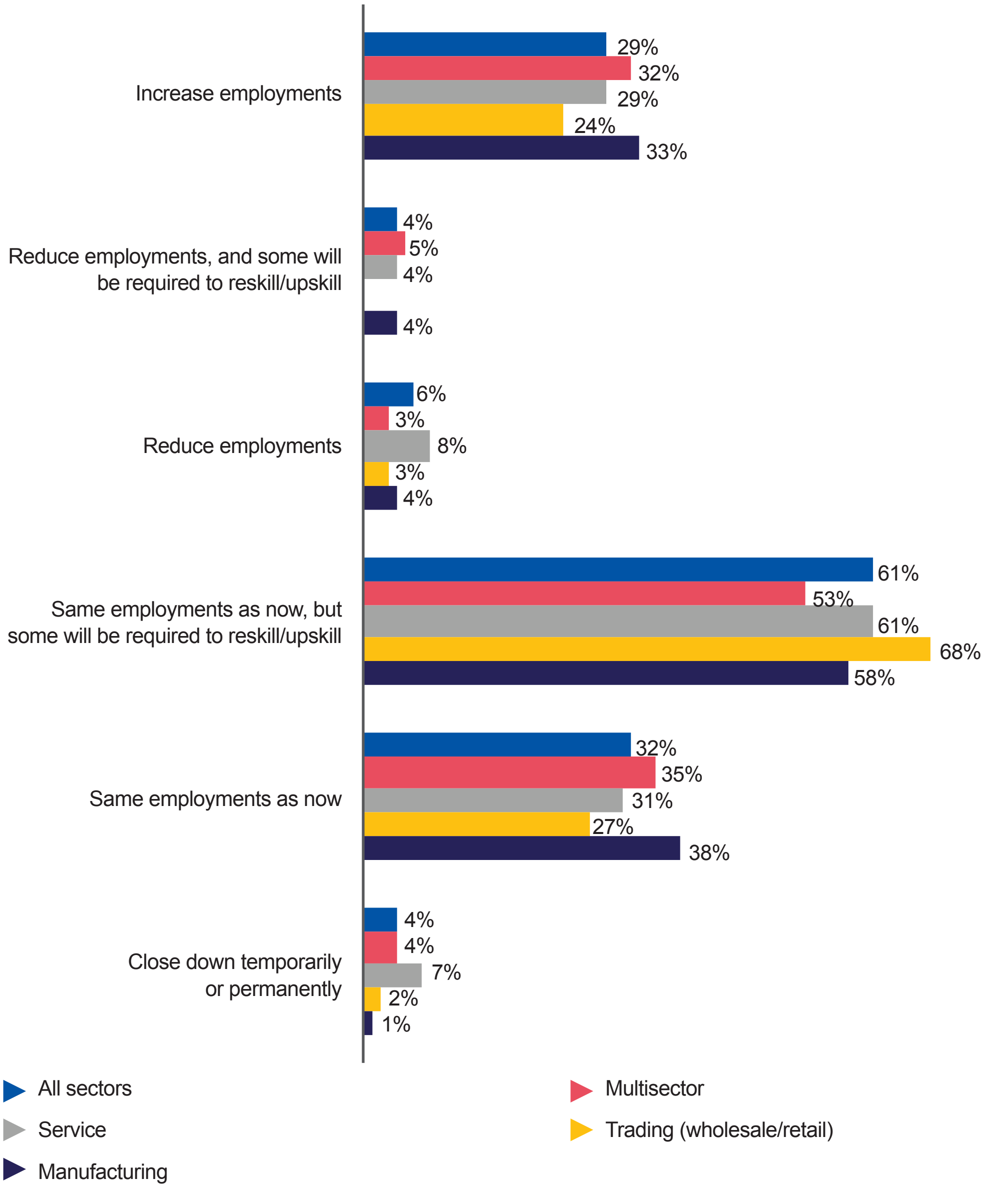
1 Please note, among the multisector enterprises surveyed, 32 per cent reported having employees who are underemployed, temporarily on leave or laid off. Of these, 8 per cent did not specify the job/positions of the affected employees, and around 17 per cent did not specify the numbers of affected employees.

3.3. Anticipated impacts on employment within the next two years

3.3.1. Anticipated employment situation within surveyed enterprises

When asking the participating enterprises to anticipate what future employment levels would look like within the next two years, the responses were generally optimistic. **Redundancy in employment within the next two years was anticipated by about 6 per cent of the businesses across all sectors,** which is roughly the same rate enterprises were experiencing prior to the pandemic. It was interesting, however, that **nearly three in ten participating enterprises indicated that they anticipated employing more staff within the next two years,** with manufacturing enterprises (33 per cent) and multisector enterprises (31 per cent) expressing the most confidence. Furthermore, **nearly one-third of the participating enterprises said they were "likely to maintain their employees", and 61 per cent said they were "likely to maintain their employees, but some will be required to have reskill/upskill training".** Trading sector enterprises (68 per cent) were the most likely to state that reskilling/upskilling training would be required for the staff they maintained, followed by the service sector (61 per cent), manufacturing (58 per cent), and multisector businesses (53 per cent) (see figure 16).

Figure 16. Anticipated changes in employment in surveyed enterprises within the next two years (%) *

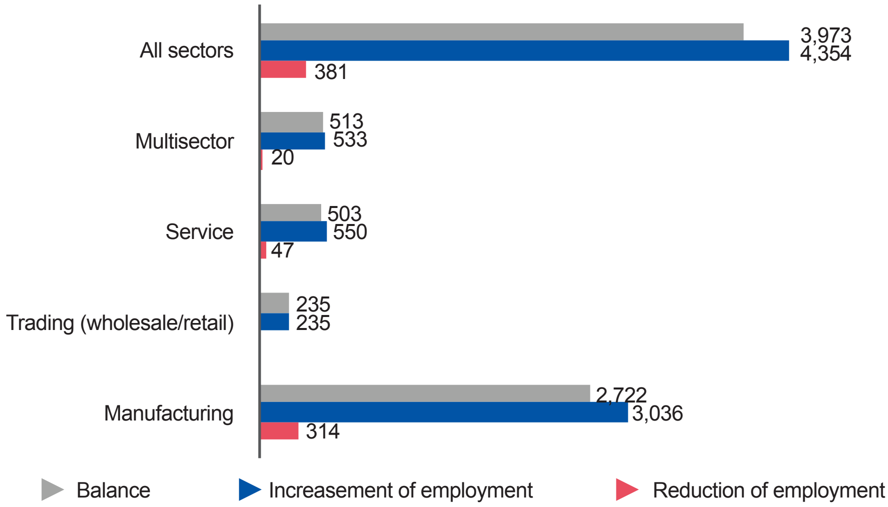


* More than one answer possible.

Indeed, the participating employers were more optimistic about their businesses' futures in this survey than they were in the earlier LNCCI survey conducted in April 2020. In this survey, 4 per cent of respondents said the closing of their business is likely; whereas this was predicted by 10 per cent of participants in the April survey. In this survey, the service sector foresees the greatest risk of closure, with 7 per cent reporting this likely compared to less than 4 per cent for the other sectors (see figure 16).

Figure 17 shows that businesses estimated the number of redundancies (381) will be much lower than the number of new hires (4,354) within the next two years – leading to an anticipated net employment generation of 3,973 jobs among the participating enterprises. The largest pool of anticipated new employment was in the manufacturing sector, at 2,772 persons. It is highly likely that this optimistic view towards future employment is associated with the expectation that the business environment will be back to normal after COVID-19 pandemic.

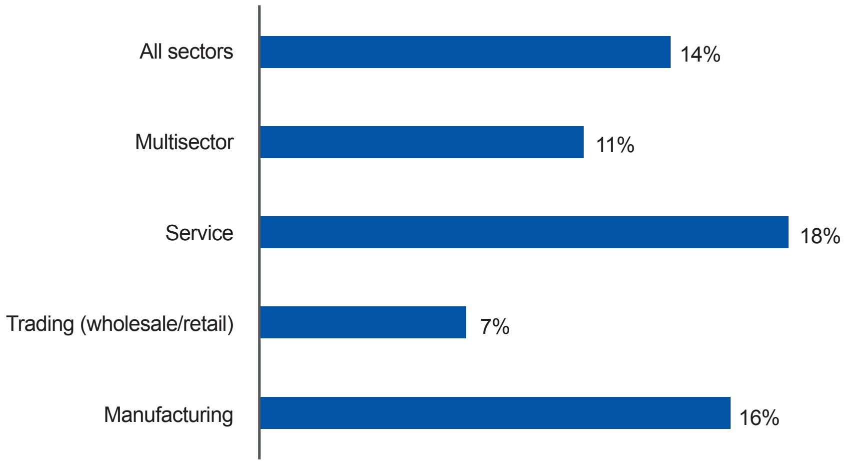
Figure 17. Anticipated numbers of new hires versus redundancies among surveyed enterprises within the next two years, by sector.



3.3.2. Anticipated effects on enterprises and employees: Underemployed, temporarily on leave, and laid off staff due to COVID-19

Across all sectors, **14 per cent of enterprises said there might be a situation in which their employees would be underemployed, temporarily on leave, or laid off due to COVID-19 situation.** Wholesale and retail businesses (7 per cent) were the least likely to anticipate this occurring (see figure 18).

Figure 18. Proportion of surveyed enterprises that anticipate having underemployed, temporarily on leave, and/or laid off employees within the next two years, by sector (%).



As seen in tables 12 and 13, 83 per cent of respondents specified the types of employees who may face employment uncertainty in one way or another within the next two years; employees categorized as "labourers or technical staff" were more likely to be mentioned by the employers as being at risk of employment uncertainty, with 87 per cent of at risk employees being labourers/technical staff against the 13 per cent that were managers/supervisors.

The surveyed employers anticipated that within the next two years around 1,000 employed workers and technical staff and around 150 employed managerial persons may be affected by either being underemployed, temporarily on leave, or laid off. Employers of wholesale and retail trading businesses anticipated the lowest number of potentially affected employees (less than 100 persons). In a similar pattern to the past experiences of affected business, unskilled and semi skilled workers in particular will probably face much greater challenges in this respect, compared to high-skilled workers and supervisors/managers (see tables 12 and 13).

Table 12. Number of labourers or technical staff employees in surveyed enterprises who will probably be underemployed, temporarily on leave, and/or laid off within the next two years

		Skill level			
#	Job/Position	Unskilled – basic	Basic – medium	Medium – high	Total
1	Manufacturing	319	31	4	354
2	Service	123	51	35	209
3	Multisector	252	109	24	385
4	Trading	32	27	–	59
	Total	**726**	**218**	**63**	**1,007**

– = nil. Note: "Labourers and technical staff" refers to those employees who are not in managerial roles.

Table 13. Number of managerial staff in surveyed enterprises who will probably be underemployed, temporarily on leave, and/or laid off within the next two years

		Management level			
#	Job/Position	First level	Middle level	High level	Total
1	Manufacturing	34	12	17	63
2	Service	8	13	16	37
3	Multisector	–	2	4	6
4	Trading	30	16	–	46
	Total	**72**	**43**	**37**	**152**

– = nil.

Manufacturing sector

As table 14 indicates, low-skilled workers – particularly in the garment industry – are expected to account for the vast majority of persons whose employment might be negatively affected in the near future (319 out of 354). It is noted that the job holders: machine controllers and architects were not specified in the earlier section (3.2.2) as being affected employees in enterprises participating in this survey.. In addition, first level supervisors/managers directly overseeing production could possibly be affected as well (see table 15).

Table 14. Manufacturing sector – Number of labourers or technical staff employees in surveyed enterprises who will probably be underemployed, temporarily on leave, and/or laid off within the next two years

Skill level					
#	Job/Position	Unskilled – basic	Basic – medium	Medium – high	Total
1	Production worker (wood processing, plantation, general worker)	9	–	–	9
2	Sewing – textiles	200	10	–	210
3	Cutting – textiles	50	11	–	61
4	Packaging	35	–	–	35
5	Machine controller	25	–	–	25
6	Architect	–	–	4	4
7	Cleaner	–	10	–	10
	Total	**319**	**31**	**4**	**354**

– = nil. Note: "Labourers and technical staff" refers to those employees who are not in managerial roles.

Table 15. Manufacturing sector – Number of managerial staff in surveyed enterprises who will probably be underemployed, temporarily on leave, and/or laid off within the next two years

Management level					
#	Job/Position	First level	Middle level	High level	Total
1	Production (line, control)	33	2	6	41
2	Office administrator	–	10	–	10
3	General manager	–	–	–	6
4	Consultant	–	–	1	1
5	Designer	–	–	1	1
6	Marketing	1	–	3	4
	Total	**34**	**12**	**17**	**63**

– = nil.

Service sector

Tables 16 and 17 showcase that highest potential for employees to be laid off or otherwise have their employment affected can be found in accommodation, restaurants and other tourism related businesses. These were mostly from the same job pools as specified earlier in Table 6 and Table 7; who were affected before due to COVID-19. Around half of the job holders at risk would be lower-skilled workers.

Table 16. Service sector – Number of labourers or technical staff employees in surveyed enterprises who will probably be underemployed, temporarily on leave, and/or laid off within the next two years

		Skill level			
#	Job/Position	Unskilled – basic	Basic – medium	Medium – high	Total
1	Waiter/waitress	27	15	3	45
2	Worker general	30	–	–	30
3	Housekeeper/maid/cleaner	22	4	–	26
4	Driver	2	10	–	12
5	Cook (chef, assistant)	8	6	1	15
6	Front desk (including receptionist, bell-boy)	6	5	2	13
7	Accountant and finance	8	1	1	10
8	Sales and marketing (including booking, ticketing)	3	4	13	20
9	Security guard	7	1	–	8
10	Technical specialist (barista, pizza making)	2	–	–	2
11	Gardener	2	–	–	2
12	Administration (recruitment, documentation, coordination, stockroom)	–	3	15	18
13	Massager	–	2	–	2
14	Musician	6	–	–	6
	Total	**123**	**51**	**35**	**209**

– = nil. Note: "Labourers and technical staff" refers to those employees who are not in managerial roles.

Table 17. Service sector – Number of managerial staff in surveyed enterprises who will probably be underemployed, temporarily on leave, and/or laid off within the next two years

		Management level			
#	Job/Position	First level	Middle level	High level	Total
1	Manager (human resources, office, accountant, marketing, field, production, warehouse)	3	3	7	13
2	Waiter/waitress	2	–	–	2
3	Manager (general)	1	5	5	11
4	Electrical/electrician/IT head	–	5	2	7
5	Office administration manager	2	–	2	4
	Total	**8**	**13**	**16**	**37**

– = nil.

Multisector businesses

As can be seen in tables 18 and 19, the potentially affected employees in multisector enterprises are likely to be involved in garments and on the production lines (similar to what was reported above by manufacturing enterprises). Semi-skilled to high-skills employees working in back office roles – such as office administrators, accountants and supervisors – were also identified too, but only in very small numbers.

Table 18. Multisector – Number of labourers or technical staff employees in surveyed enterprises who will probably be underemployed, temporarily on leave, and/or laid off within the next two years

		Skill level			
#	Job/Position	Unskilled – basic	Basic – medium	Medium – high	Total
1	Sewing	200	–	–	200
2	Production worker (including packaging, lab)	22	100	17	139
3	Sales	–	4	–	4
4	Driver	–	–	1	1
5	Procurement	–	–	1	1
6	Cutting – textiles	30	–	–	30
7	Office administration	–	1	3	4
8	Accountant	–	1	–	1
9	Repair/maintenance	–	3	–	3
10	Technical staff (design, field)	–	–	2	2
	Total	**252**	**109**	**24**	**385**

– = nil. Note: "Labourers and technical staff" refers to those employees who are not in managerial roles.

Table 19. Multisector – Number of managerial staff in surveyed enterprises who will probably be underemployed, temporarily on leave, and/or laid off within the next two years

		Management level			
#	Job/Position	First level	Middle level	High level	Total
1	Manager (warehouse, marketing, production)	–	2	3	5
2	Technical head	–	–	1	1
	Total	**–**	**2**	**4**	**6**

– = nil.

Trading sector

The employers of wholesale and retail businesses anticipated much lower numbers in terms of the number of workers who may potentially have their employment affected, with the total figure coming to just over 100 persons. Jobholders in sales and procurement – at both the labourer/technical staff and managerial levels – were cited as being likely to be at employment risks. See tables 20 and 21 for a summary.

Table 20. Trading sector – Number of labourers or technical staff employees in surveyed enterprises who will probably be underemployed, temporarily on leave, and/or laid off within the next two years

Skill level					
#	Job/Position	Unskilled – basic	Basic – medium	Medium – high	Total
1	Sales	31	4	–	35
2	Worker (general, warehouse)	1	6	–	7
3	Procurement	–	15	–	15
4	Delivery	–	2	–	2
	Total	**32**	**27**	**–**	**59**

– = nil. Note: "Labourers and technical staff" refers to those employees who are not in managerial roles.

Table 21. Trading sector – Number of managerial staff in surveyed enterprises who will probably be underemployed, temporarily on leave, and/or laid off within the next two years

Management level					
#	Job/Position	First level	Middle level	High level	Total
1	Sales	30	15	–	45
2	Marketing	–	1	–	1
	Total	**30**	**16**	**–**	**46**

– = nil.

3.4. Upskilling and reskilling of employees

3.4.1. Possible upskilling and reskilling training for underemployed, temporarily on leave and laid off employees

The previous section revealed that about 44 per cent of the surveyed business establishments (or 205 units) have faced challenges regarding the employment of their workers, including employees being laid off, underemployed and/or on temporary leave. Around 14 per cent (or 66 units) further anticipated these same employment problems arising in the near future. When asked for their opinion on the types of upskilling and reskilling training programmes they might offer to affected employees, about one-third of enterprises were able to specify to certain extent.

Table 22 below provides a summary of potential training options that employers might provide to workers in 29 different jobs/positions. The table divides the upskilling/reskilling training opportunities into two types:

1. training suggested by employers to increase an employee's knowledge and skills in areas directly relevant to the employee's job/position; and

2. training in the areas that are not specific to the respective posts but rather could also be useful within the context of related sectors or that offer more generic skills applicable across multiple subsectors. Trainings of this latter type include foreign language, computer skills, communication, customer service and leadership.

Table 22. Possible upskilling and/or reskilling training for affected labourer and technical staff employees in surveyed enterprises

		Specified upskilling and/or reskilling training	
#	Job/Position	Areas specific to the sector	Areas not specific to the sector [1]
1	Accountant	▶ Finance – accounting; ▶ Finance and taxation	▶ Foreign language
2	Cleaner	▶ Cleanliness and safety; ▶ Work ethic and honesty; ▶ Responsibility	▶ Basic computer skills
3	Construction	▶ Construction knowledge and techniques; ▶ Practical skills in the construction field	▶ New technology – tools and equipment
4	Customer service	▶ Sales skills; ▶ Customer relations; ▶ Communication	▶ Time management; ▶ Leadership skills; ▶ Foreign Language
5	Delivery/warehouse	▶ Responsible warehouse management; ▶ Driving technique; ▶ Communication	▶ Adaptation to new norms during and after pandemic
6	Driver	▶ English in the tourism sector; ▶ Safety; ▶ Car system care and maintenance	▶ Basic knowledge about electricity and water pipes
7	Driver cruise/boat	▶ English for cruise activity	

Specified upskilling and/reskilling training			
#	**Job/Position**	**Areas specific to the sector**	**Areas not specific to the sector** [1]
8	Electrician	▶ Electrical techniques; ▶ Skillful to-do tasks; ▶ Working discipline; ▶ Safety	▶ Modern electrical machines; ▶ Computers
9	Finance	▶ Cash management and transaction; ▶ Accounting	▶ Communication; ▶ Adaptation to new norms during and after the pandemic; ▶ Computer programming; ▶ Expenditures and finance management; ▶ English language
10	Gardener	▶ Clean planting	▶ Organic and innovative agriculture; ▶ Preservation of agriculture products
11	General worker	▶ On the job training	▶ Driving
12	Health and safety officer	▶ New health and safety issues and topics	▶ Practical skills related to the sectors
13	Human resource	▶ Human resource management	▶ Leadership
14	IT	▶ Making online forms, Facebook ▶ Online marketing; ▶ Effective marketing	▶ Sales online
15	Maid	▶ Working standards; ▶ Personality; ▶ Customer service skills; ▶ Cleanliness; ▶ Tidying and cleaning; ▶ Effective use of tools and equipment	▶ Communication skills; ▶ Safety
16	Marketing	▶ Customer seeking; ▶ Sales and services; ▶ Techniques to attract customers	▶ Product presentation; ▶ Proactive direct sales
17	Massage	▶ Professional massager and well-being; ▶ Massage skills and safety	

Specified upskilling and/reskilling training			
#	Job/Position	Areas specific to the sector	Areas not specific to the sector [1]
18	Mechanic	▶ Machine maintenance and repair; ▶ Skills in repair of all models of cars; ▶ Effective use of tools and equipment; ▶ Honesty	▶ Communication; ▶ Service skills; ▶ IT
19	Office administration	▶ Advanced computer skills; ▶ Time management; ▶ Prioritization skills; ▶ English language	▶ English language; ▶ Self-learning
20	Pizza making	▶ Efficient work	▶ Daily operation; ▶ Cleaning
21	Production control	▶ Standards compliances; ▶ Factory management; ▶ ISO9001-2015; ▶ Production management ▶ Management and supervision	▶ Industrial relations; ▶ Effective use of resources; ▶ English language; ▶ Staff performance appraisal; ▶ Advance computing and use of ICT
22	Production worker	▶ Production skills; ▶ Effective use of tools and equipment; ▶ Caring; ▶ Quality control; ▶ Responsibility and honesty	▶ Sales service
23	Quality control	▶ Standard products and industry; ▶ Standard of laboratory and control; ▶ Laboratory management international standards	▶ Controlling and reporting skills
24	Sales	▶ Increase sales skills; ▶ Communication and sales; ▶ English and other languages; ▶ Online sales; ▶ Customer service	▶ Excellent services; ▶ Adaptation to post-pandemic life; ▶ Communication and international relations; ▶ Business development; ▶ Presentation
25	Security guard	▶ Safety skills; ▶ Friendliness	
26	Sewing	▶ Different types of sawing techniques	▶ Caring; ▶ Efficiency

Specified upskilling and/or reskilling training			
#	**Job/Position**	**Areas specific to the sector**	**Areas not specific to the sector [1]**
27	Textile weaver	▶ Natural dyeing	▶ New designs
28	Tour guide	▶ Tourist service; ▶ English and other foreign language	
29	Waiter/waitress	▶ Standards and procedures for waiting on customers; ▶ Customer service; ▶ Regulations compliance; ▶ Skills linked to waiting tables, such as, cleaning; ▶ Interpersonal skills	▶ Reception, cashier, cash handling

– = No training specified by respondents. Note: "Labourers and technical staff" refers to those employees who are not in managerial roles.

1 Training in areas outside the sector may be to learn skills that are not relevant to their current job/position.

Table 23 presents 16 managerial jobs/positions and the upskilling and/or reskilling training suggested by participating enterprises, including in advanced level sector-specific subjects and in soft skills that are not specific to the sector/job.

Table 23. Possible upskilling and/or reskilling training for managerial staff in surveyed enterprises

Specified upskilling and/reskilling training			
#	**Job/Position**	**Areas specific to the sector**	**Areas not specific to the sector [1]**
1	Administrator	▶ Performance management	▶ Marketing; ▶ Partner development
2	Cook/Chef	▶ Hygiene; ▶ New/good food menu	
3	Designer	▶ New designs	▶ Online marketing and e-commerce
4	Human resource	▶ Staff management	
5	IT	▶ e-catalogues; ▶ e-supply chain	▶ Adaptation to new norms during and after pandemic; ▶ Big data
6	Manager	▶ Operation planning; ▶ Performance management; ▶ International markets ▶ Employee management; ▶ Industry specialist	▶ Sustainable management; ▶ Computer skills; ▶ Team management
7	Marketing	▶ Marketing and communication; ▶ Solutions seeking and tactics; ▶ Promotion of tour packages; ▶ Digital marketing; ▶ eMarkets	▶ New market expansion in the country and abroad; ▶ Adaptation to new norms; ▶ Use of big data; ▶ Architecture and design

Specified upskilling and/reskilling training			
#	Job/Position	Areas specific to the sector	Areas not specific to the sector [1]
8	Mechanic	▶ Professional mechanic – Repair of automation	
9	Office manager	▶ Organization management; ▶ Human resources; ▶ Communication	
10	Production manager	▶ Production management	▶ Leadership
11	Reception supervisor	▶ Customer satisfaction	▶ Marketing plans; ▶ Negotiation
12	Sales	▶ Product knowledge; ▶ Advising customer	▶ Motivation
13	Supervisor	▶ Subject knowledge	▶ New technology of the industry; ▶ Tools and equipment
14	Technical head	▶ Human resource	
15	Waiter/waitress supervisor	▶ Excellent service	▶ Cooking
16	Warehouse head	▶ Safety and fire prevention	▶ Factory management

– = No training specified by respondents. Note: "Labourers and technical staff" refers to those employees who are not in managerial roles.

1 Training in areas outside the sector may be to learn skills that are not relevant to their current job/position.

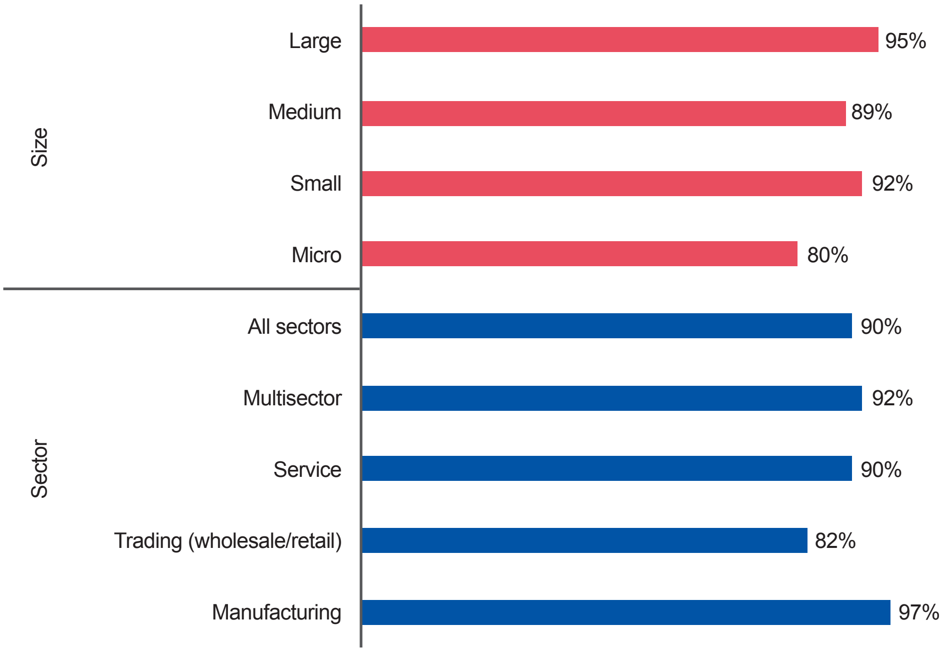
In addition to the above suggestions, there were some comments concerning skills training that some employers made with regard to the employment of impacted persons, regardless of the industry, the enterprise size or the location of the enterprise:

- There is a need for adaptability and flexibility to adjust to the changing nature of employment and the world of work.
- There is a need for an open-minded and positive attitude towards acquiring new skills, becoming multi-skilled, and handling different jobs.
- Agriculture production could be an alternative form of achieving livelihood subsistence for most affected workers, given the knowledge and skills that many possess.
- There is a need for continual self-learning and development amid economic downturn and potential for employers' skills needs to change over time.

3.4.2. Possible upskilling and reskilling training for the main pool of current employees

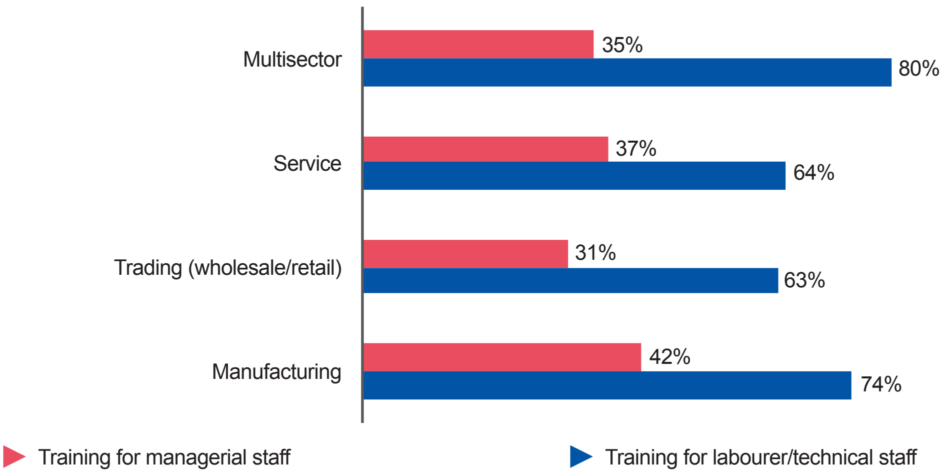
Interestingly, 90 per cent of the surveyed enterprises acknowledged the importance and the benefits of upskilling and reskilling training for the main pool of workers who are with them at the moment. Manufacturing businesses in particular (97 per cent) indicated the need for such trainings. By firm size, large-scale businesses (95 per cent) and small-scale businesses (92 per cent) were the most likely to express the need for current staff to receive additional trainings (see figure 19).

Figure 19. Proportion of surveyed enterprises who stated that upskilling/reskilling is required for their current pool of employees, by sector and enterprise size (%)



The need for training for labourers/technical staff and for managerial staff were most commonly cited by enterprises in the manufacturing sector (as they have large pools of staff in both categories). In all, 74 per cent of manufacturers stated that their labourers/technical staff required additional training, and 42 per cent stated that their managerial staff required more training (figure 20). About one-third of the enterprises in the other sectors saw the need for upskilling/reskilling training of their managerial staff.

Figure 20. Proportion of surveyed enterprises who stated that upskilling/reskilling is required for their current pool of employees, by staff category (%)



Almost all the surveyed enterprises specified particular jobs and the associated upskilling and/or reskilling training they see as needed for their main pool of their current staff at both the labourer/technical staff and managerial levels. Table 24 contained a stock of 40 jobs/positions relevant to various business sectors and the trainings suggested by enterprises for employees in these jobs/positions. In addition to trainings meant to impart industry-specific knowledge and skills that are required for an employee to perform their job, the table also presents suggested trainings related to attributes fundamental to the respective professions and soft skills, with these latter trainings seen as being particularly relevant for job incumbents in supervisory and managerial roles.

Table 24. Potential skills identified by respondents for upskilling/reskilling training, by job/position

#	Job/Position	Job-specific skills/competencies	General skills/competencies
1	Accountant	▶ Accounting system; ▶ Monthly and yearly financial reports; ▶ English or Chinese; ▶ Computer skills	▶ Communication; ▶ Integrity; ▶ Efficiency
2	Administration	▶ Coordination; ▶ Legal; ▶ Regulations; ▶ Human resources; ▶ Industry knowledge; ▶ Multi-skills; ▶ New technology/digital tools; ▶ Marketing; ▶ English	▶ Teamwork
3	Cashier	▶ Service; ▶ Multi-skills; ▶ Computer; ▶ Product display	▶ Reliability ▶ Integrity
4	Cleaner	▶ Computer skills; ▶ Hygiene; ▶ Use of new machines	▶ Diligence; ▶ Work independently; ▶ Enthusiastic; ▶ Hard work; ▶ Discipline; ▶ Efficiency; ▶ Responsibility
5	Cook	▶ Skillful; ▶ Service; ▶ Food menu design; ▶ Hygiene; ▶ Variety of food; ▶ Bakery; ▶ Computer skills; ▶ Creativity	▶ Efficiency

#	Job/Position	Job-specific skills/competencies	General skills/competencies
6	Coordination	▶ Relations with government and stakeholders; ▶ English and Chinese language skills; ▶ Reporting; ▶ Communication	
7	Customer relations	▶ Knowledgeable about the products and systems of the company; ▶ Public relations skills; ▶ English language; ▶ Good services	▶ Trustworthy
8	Cutting – textiles	▶ Skillful; ▶ Standards	
9	Delivery	▶ Products knowledge; ▶ Safety; ▶ Service	
10	Design	▶ Advertisement design; ▶ Creativity; ▶ e-Design; ▶ Modern technology; ▶ Design at international standards; ▶ Communication	
11	Driver (car, cruise)	▶ Driving regulations; ▶ Safety; ▶ Car care; ▶ English communication; ▶ Knowledge about destinations; ▶ Skills in engine repair of cruise; ▶ swimming and safeguarding of passengers; ▶ Communication	▶ Time management; ▶ Responsible driver (company, passengers)
12	Electrical	▶ Electrical techniques; ▶ Safety; ▶ New tools and technology; ▶ Products knowledge; ▶ English; ▶ Delegation; ▶ Reporting	

#	Job/Position	Job-specific skills/competencies	General skills/competencies
13	Finance	▶ Accounting and finance management; ▶ Taxation; ▶ IT for communication; ▶ Office work knowledge; ▶ Legal – laws and regulations	
14	Gardener	▶ Garden caring; ▶ Safety; ▶ Security; ▶ Repair skills; ▶ Cleaning and safeguarding of area	▶ Time management
15	General staff	▶ Computer skills; ▶ English	▶ Disciplines; ▶ Teamwork
16	IT	▶ Information technology; ▶ Repair and maintenance; ▶ Contents for online; ▶ Design of packaging-labels; ▶ Online marketing; ▶ Photography; ▶ Facebook; ▶ Marketing design; ▶ Website; ▶ ITC system; ▶ Foreign language	
17	Lawyer	▶ Knowledgeable of legal issues; ▶ Labour and human resource management	
18	Livestock	▶ Livestock; ▶ Animal health; ▶ Animal raising	
19	Machine operator	▶ Knowledge of machines and substances; ▶ Maintenance; ▶ Standards	
20	Maid	▶ Cooking; ▶ Hygiene; ▶ Foreign language; ▶ Room cleaning; ▶ Safety; ▶ Standards	▶ Honesty

#	Job/Position	Job-specific skills/competencies	General skills/competencies
21	Management, Head, Supervisory	▶ Management skills; ▶ Human resource; ▶ Communication; ▶ Leading skills; ▶ Delegation skills; ▶ People management; ▶ Problem solving; ▶ Negotiation; ▶ Language (Japanese)	▶ Time management
22	Marketing	▶ Sales; ▶ Relations with external customers; ▶ Administration; ▶ Foreign language; ▶ ICT skills; ▶ Marketing knowledge; ▶ Advertisement plan; ▶ Finance sourcing; ▶ Products knowledge; ▶ Online marketing; ▶ Service minded; ▶ Planning; ▶ Personality; ▶ Negotiation; ▶ Stock market knowledge; ▶ SME management; ▶ Proactive digital marketing for domestic and international markets; ▶ Communication skills	▶ Efficiency
23	Mechanic engineer	▶ Knowledge of machines and mechanical skills for different automotive machines; ▶ Maintenance; ▶ Up-to-date knowledge of new vehicles; ▶ Innovations; ▶ ASME standards; ▶ Safety; ▶ Fixing machine	▶ Self-learning; ▶ Disciplines; ▶ Train other basic skills

#	Job/Position	Job-specific skills/competencies	General skills/competencies
24	Office administration	▶ Office administration; ▶ Accounting; ▶ Human resource; ▶ Service-minded; ▶ Communication; ▶ Knowledge of products and services	▶ Teamwork
25	Plantation technical	▶ Planning; GPS competence; ▶ Knowledge-able of land quality; ▶ Agriculture good practices development; ▶ Community advices; ▶ Agriculture products promotion; ▶ Soil rehabilitation; ▶ Natural compost/fertilizers; ▶ Problem solving skills	
26	Procurement, materials sourcing	▶ Standards and quality; ▶ Accounting; ▶ Quality control; ▶ Knowledge of products; ▶ Warehouse management; ▶ Communication and negotiation	
27	Production – technical, controller	▶ Production knowledge and skills; ▶ Basic repair skills; ▶ Use of machines and management to increase productivity; ▶ Production processes; ▶ Clean production; ▶ Safety; ▶ Problem solving; ▶ Honesty; ▶ Knowledge of GMP; ▶ Quality control; ▶ Hygiene; ▶ ISO9001-2015; ▶ Production planning and labour management; ▶ Industry production specialist	
28	Quality control	▶ Qualified QA; ▶ Quality analyst; ▶ Industrial standards; ▶ Laboratory knowledge	

#	Job/Position	Job-specific skills/competencies	General skills/competencies
29	Receptionist	▶ Communication; ▶ Service-minded; ▶ Chinese, Korean, English and other foreign languages; ▶ Customer service; ▶ Hotel management; ▶ Caring customers; ▶ Be able to give advices; ▶ Problem solving; ▶ Customer satisfaction; ▶ Interpersonal skills; ▶ Knowledgeable	▶ Friendly
30	Repair	▶ New techniques of repair and maintenance; ▶ Attentive to details; ▶ Skillful in repairs of different items	
31	Sales (industry)	▶ Sales skills and techniques; ▶ Marketing knowledge; ▶ Communication; ▶ Use of tools; ▶ Personalities; ▶ Manners and dress; ▶ English and other languages; ▶ Customer motivation; ▶ Sales channels; ▶ Sales targets and plans; ▶ Knowledge of products/services; ▶ Use of digital marketing; ▶ Transfer knowledge to sales team; ▶ Online-marketing; ▶ Problem solving; ▶ Solutions seeking; ▶ Good service; ▶ Personal management; ▶ How to attract customers; ▶ Customer behavior/satisfaction	▶ Teamwork; ▶ Self-learning: Work ethics; ▶ Perseverance; ▶ Efficiency; ▶ Work independently; ▶ Honesty; ▶ Hard working
32	Security guard	▶ Safety procedure; ▶ Regulations; ▶ Self-protection; ▶ Service minded; ▶ Safeguard of the areas, ▶ human and property	

#	Job/Position	Job-specific skills/competencies	General skills/competencies
33	Sewing	▶ Details attentive; ▶ Skillful; ▶ Use of different machines; ▶ Keen to learn other functions; ▶ Safety; ▶ Standards adherence	▶ Efficiency; ▶ Diligence
34	Shipping	▶ Documentation processing; ▶ Regulations	
35	Technical – subject specialist	▶ Subject knowledge; ▶ Herb laboratory; ▶ Construction; ▶ Land survey; ▶ OSH; ▶ Furniture making; ▶ Coffee maker	
36	Textile weaver	▶ Skillful weaver; ▶ Standards and quality; ▶ Designs	▶ Perseverance
37	Tour guide	▶ Creativity; ▶ Professional; ▶ Communication; ▶ Foreign language; ▶ Safety; ▶ Loyal to profession/work ethics ▶ Knowledgeable of the tourist attractions	
38	Waiter/waitress	▶ Communication; ▶ Service-minded; ▶ Attentive to details; ▶ English; ▶ Communication; ▶ Knowledge and skillful; ▶ Customer services	▶ Efficiency; ▶ Teamwork
39	Warehouse	▶ Warehouse knowledge; ▶ 5 Kai Zen; ▶ Documentation; ▶ Control; ▶ Packaging; standards; ▶ Products control	

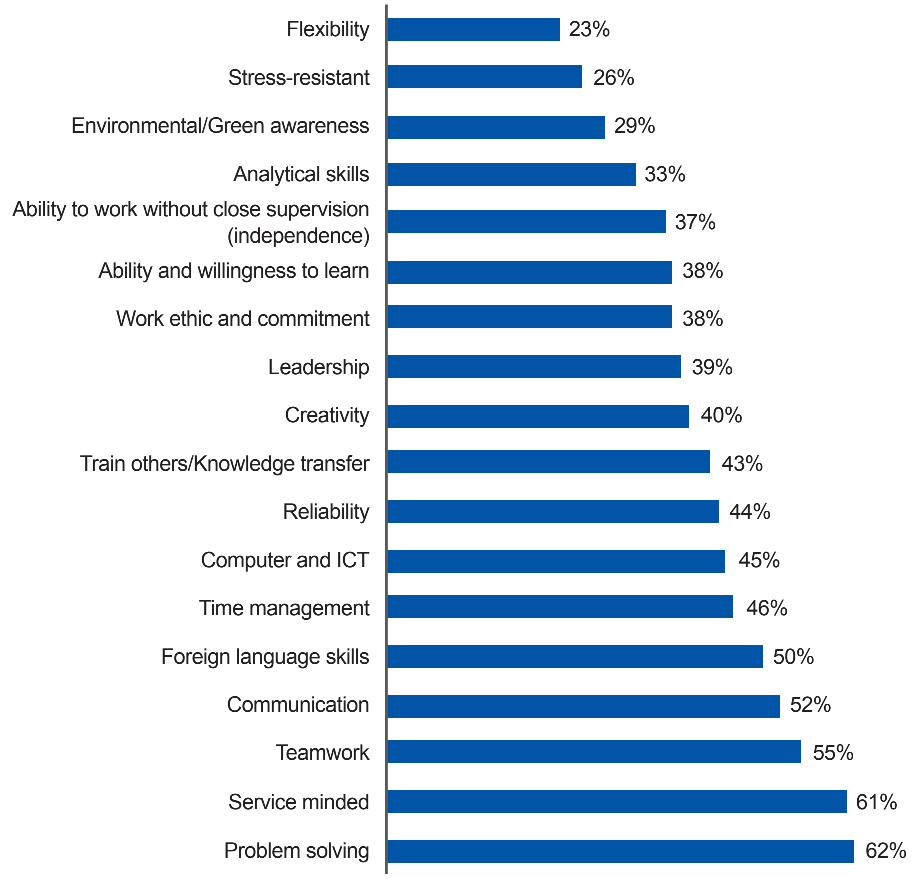
#	Job/Position	Job-specific skills/competencies	General skills/competencies
40	Worker (Construction, Processing, Agriculture, Retails)	▶ Regulations; ▶ Coordination; ▶ Negotiation; ▶ Creativity; ▶ Health and safety; ▶ Basic knowledge and skills related to the industry; ▶ Communication; ▶ Driving skills; ▶ Standards compliance	▶ Teamwork; ▶ Efficiency; ▶ Punctuality; ▶ Disciplines; ▶ Responsible; ▶ Self-improvement; ▶ Work ethics

– = No skill specified by respondents.

3.4.3. Needs for possible cognitive and non-cognitive skills training for current and future employees.

A substantial list of training options related to cognitive and non-cognitive skill sets was provided within the survey questionnaire as a frame through which the participating businesses units could suggest their skills needs for current and future employees. Figure 21 suggests that the top five skills required by enterprises were problem solving skills, service-mindfulness, teamwork, communication and foreign language skills.

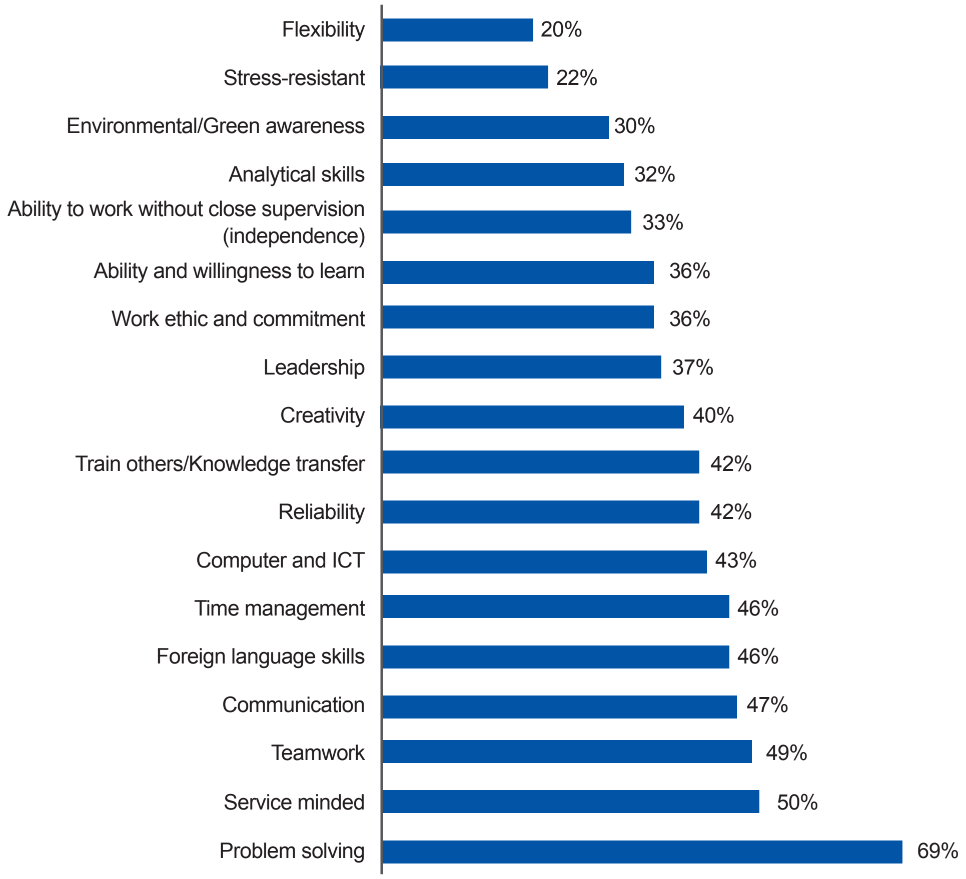
Figure 21. Cognitive and non-cognitive skills required by surveyed enterprises for current and future employees *



* More than one answer possible.

Considering skills needs by sector, **manufacturing enterprises identified problem solving as most required skills for employees** (69 per cent); followed by teamwork (50 per cent). Ability to train others (49 per cent), time management (47 per cent), analytical skills (46 per cent) and ability and willingness to learn (46 per cent) were also highly required by participating manufacturing employers (see figure 22).

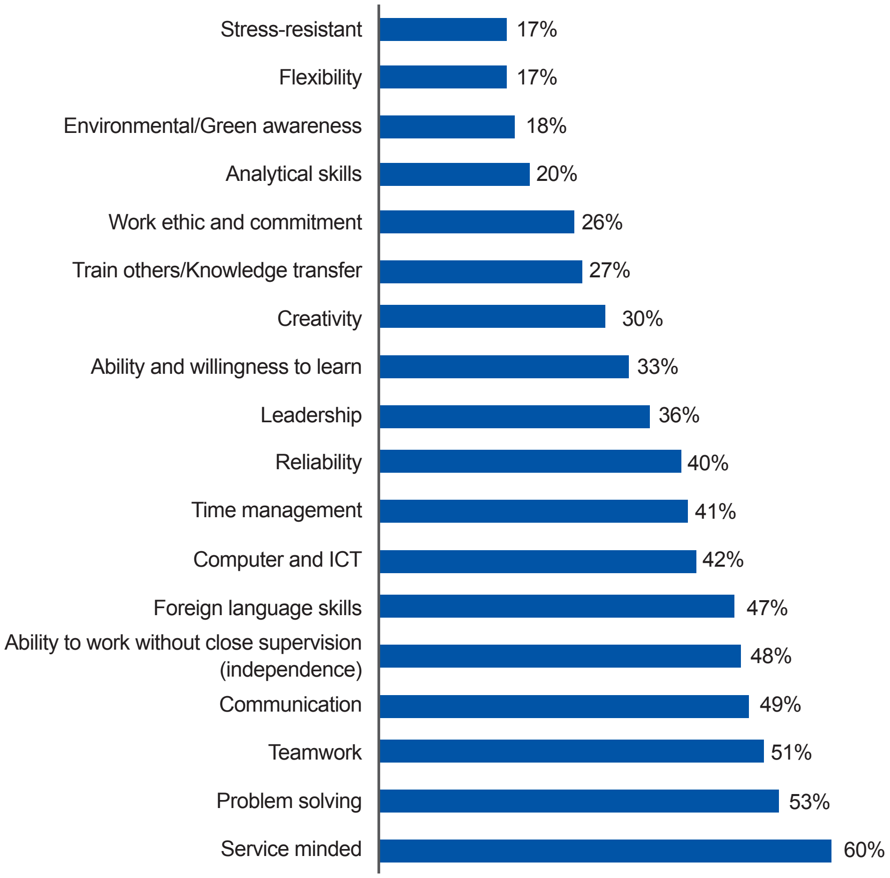
Figure 22. Manufacturing sector – Cognitive and non-cognitive skills required by surveyed enterprises for current and future employees *



* More than one answer possible.

Among wholesale and retail businesses, being service minded (60 per cent) is the most required skill cited by employers. Problem solving (53 per cent) and teamwork (51 per cent) were also identified as important and required skill sets by a majority of trading sector respondents. Communication (49 per cent), ability to work without close supervision (48 per cent), and foreign language skill (47 per cent) were also commonly identified by employers (see figure 23).

Figure 23. Trading sector – Cognitive and non-cognitive skills required by surveyed enterprises for current and future employees *



* More than one answer possible.

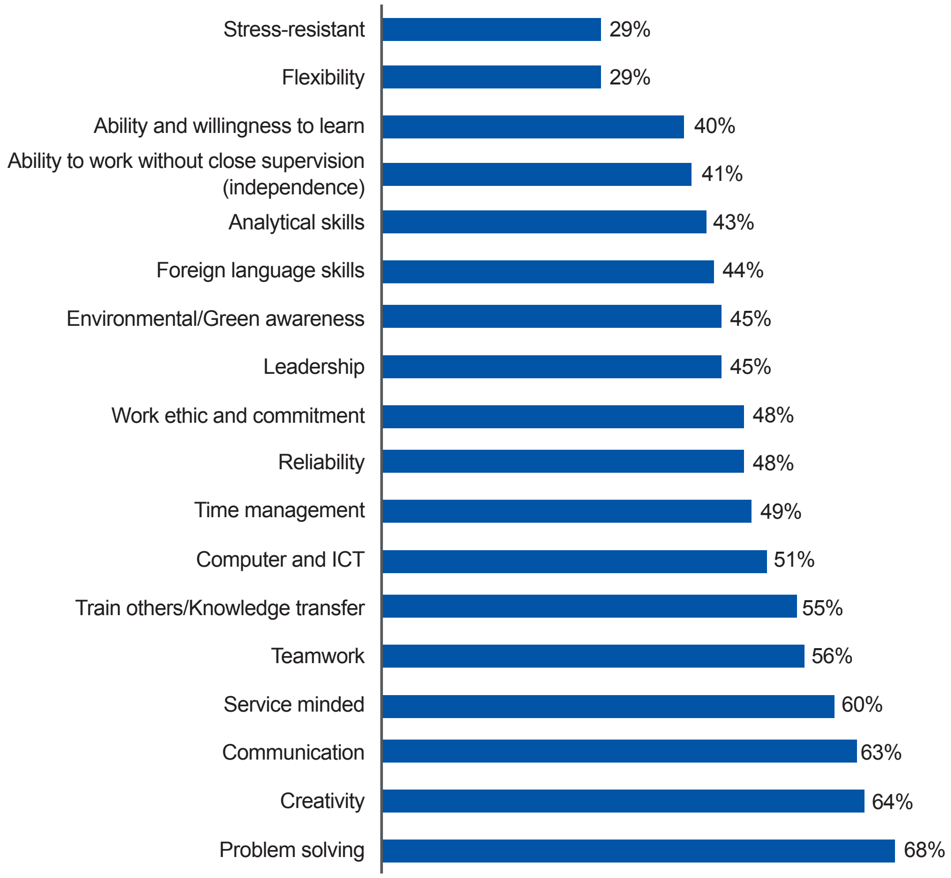
According to figure 24, **being service minded is the most highly required skill in service sector businesses** (75 per cent). This is followed by foreign languages skills (60 per cent), problem solving (59 per cent), teamwork (58 per cent), communication (55 per cent) and ICT (51 per cent).

Figure 24. Service sector – Cognitive and non-cognitive skills required by surveyed enterprises for current and future employees *

* More than one answer possible.

Problem solving is highly required among multisector businesses, being cited by 68 per cent of employers. Three other skills that were also cited as being important were creativity (64 per cent), communication (63 per cent) and service-mindedness (60 per cent). In addition, more than half of multisector enterprises suggested teamwork, ability to train others, and ICT as skill sets that they expected from their workforces (see figure 25).

Figure 25. Multisector enterprises – Cognitive and non-cognitive skills required by surveyed enterprises for current and future employees *



* More than one answer possible.

3.4.4. Anticipated positions/occupations that will be needed by businesses within the next two to three years.

The enterprises that participated in the survey were asked to provide possible jobs/positions that they would recruit in the near future. Almost all participating enterprises gave information in this regard, and table 25 collects a long list of 40 job positions put forward by employers and the required skills for each job/position. The emerging specialist roles noted were data analyst, aquaculturalist, sculptor, metal worker, coffee maker, consultant, industrial designer and engineer, information technology, legal advice, industry researcher, and digital sales.

The common positions such a management, marketing, sales, repair and maintenance, human resource, etc. would still be in demand, with the emphasis on some skill sets that are required by the associated professions. (See Table 25).

Table 25. Jobs/positions surveyed enterprises anticipate offering within the next 2–3 years

#	Job/position	Comments
1	Analyst	Data analyst, Credit analyst
2	Agriculture	Aquaculture in addition to plantation and livestock
3	Architecture	Professional
4	Artisan sculpture	Professional
5	Accountant	Similar required skill sets as the earlier suggestions for training (table 22)
6	Administration	Similar required skill sets as the earlier suggestions for training (table 23)
7	Metal worker	Creative
8	Carpenter, furniture maker	Good designer; Industry knowledge
9	Cashier	
10	Coffee maker	Professional
11	Construction	Similar required skill sets as the earlier suggestions for training (table 22)
12	Consultant	International trade, Property developer, Products and spare parts.
13	Chef/cook	Similar required skill sets as the earlier suggestions for training (table 23)
14	Customer relation staff	Maintain customers, Public relations with externals
15	Designer, engineer	Industry specific and general, Geology engineer, Products, Innovation, ICT, Digital tools, Graphic Design, Creativity, Analyst, 3D programme, Communication, Environment, Costing
16	Dried cleaning	Efficiency, Quality and Reliability
17	Driver, delivery	
18	Electrician	New tools, Automation, Safety, Teamwork, English, Leadership
19	Environmental engineer	Professional and be able to transfer knowledge to the team
20	Finance management	Focus on taxation knowledge
21	Guest service agent	Deal with customer directly
22	Human resource	Similar required skill sets as the earlier suggestions for training (table 22)
23	Information technology	Emerging skill required: Information analyst; Digital competence for sales and marketing online
24	Lawyer/legal advice	Knowledgeable of up-to-date legislations; Foreign language proficiency
25	Logistics and warehouse	All levels required
26	Maid	

#	Job/position	Comments
27	Management	People management, Decision-making, Motivation, Business management, Communication, Foreign language. The second-most commonly cited job/position among enterprise respondents.
28	Marketing	Digital; Online; Creativity; Industry knowledge. This job/position was the most commonly cited by enterprise respondents.
29	Mechanician	In demand at all levels and varied industries
30	Programme developer, Video editor p	Professional
31	Photographer, Make up artist	
32	Production industry specific	In demand and focus on: Process control, Supply chain, Quality assurance, Problem solving and Industry knowledge
33	Receptionist	More than 2 languages; Computer skills
34	Repair and maintenance engineer	All level of skills
35	Researcher	Plantation soil, Medicine researcher, Herbal
36	Sales	All level of skills, E-commerce, Digital skills. Third-most commonly cited job/position among enterprise respondents.
37	Veterinarian, veterinary nurse	Specific industry
38	Translator	Professional translator of foreign language, including Chinese
39	Staff general, sewing, service	
40	Waiter/waitress	In demand still with skills requirement as in the earlier section (upskilling and/or reskilling training)

* More than one answer possible.

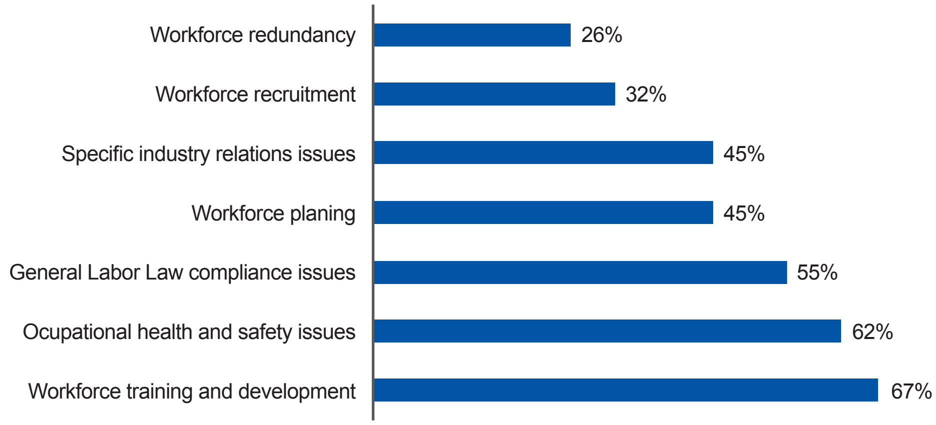
3.5. Employment advisory services for employers and employees

3.5.1. Employment advisory services for employers

The top five employment advisory services that surveyed employers said they need were related to:

1. workforce training and development (67 per cent);
2. occupational safety and health (OSH) issues (62 per cent);
3. general labour law compliance issues (55 per cent);
4. workforce planning (45 per cent); and
5. specific industry relations issues (45 per cent) (see figure 26).

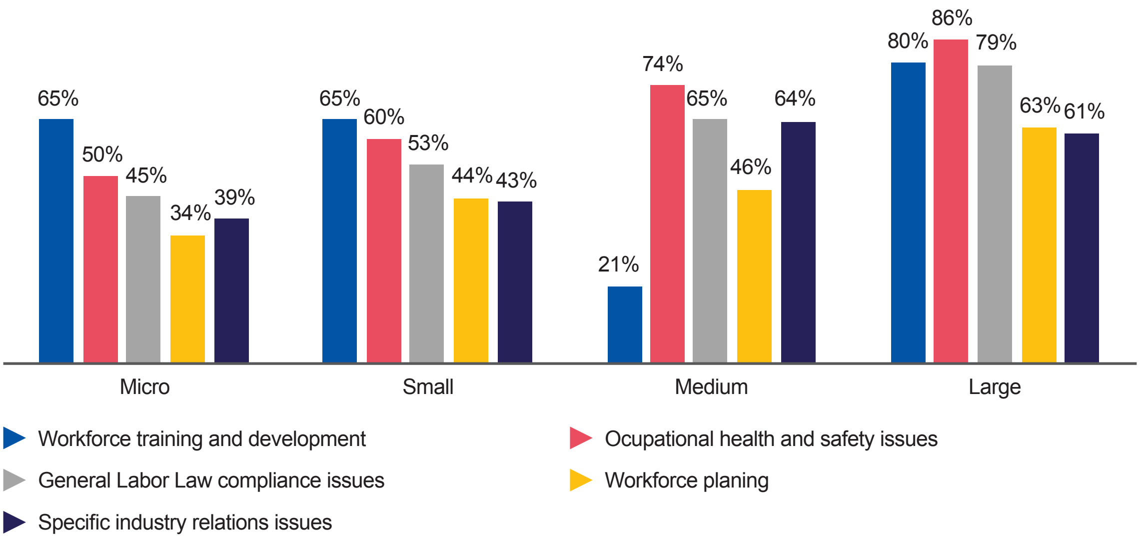
Figure 26. Employment advisory services needed by surveyed enterprises (%) *



* More than one answer possible.

When considering the sizes of surveyed businesses and their needs for advisory services, it was interesting to note that more than 60 per cent of large-size enterprises expressed a need for all of the top five advisory services; while a majority of medium-size enterprises only expressed a need for advice related to OSH (74 per cent), general labour law (65 per cent) and specific industry relations (64 per cent). Fewer small- and micro-size businesses stated a need for the top five services, though a majority did express a need for workforce training and development and OSH advice (see figure 27).

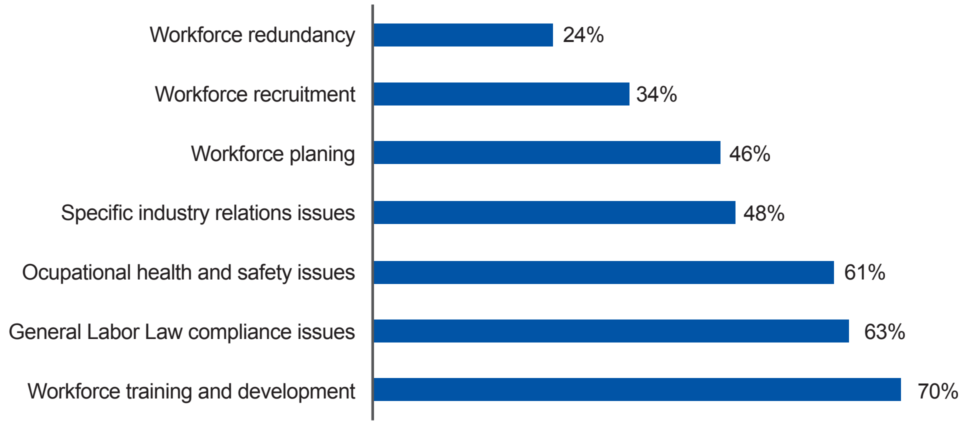
Figure 27. Employment advisory services needed by surveyed enterprises, by enterprise size (%) *



* More than one answer possible.

Considering employer advisory service needs by sector, the top three areas of advice sought by manufacturing sector employers included workforce training and development (70 per cent), general labour law compliance issues (63 per cent) and OSH issues (61 per cent) (figure 28).

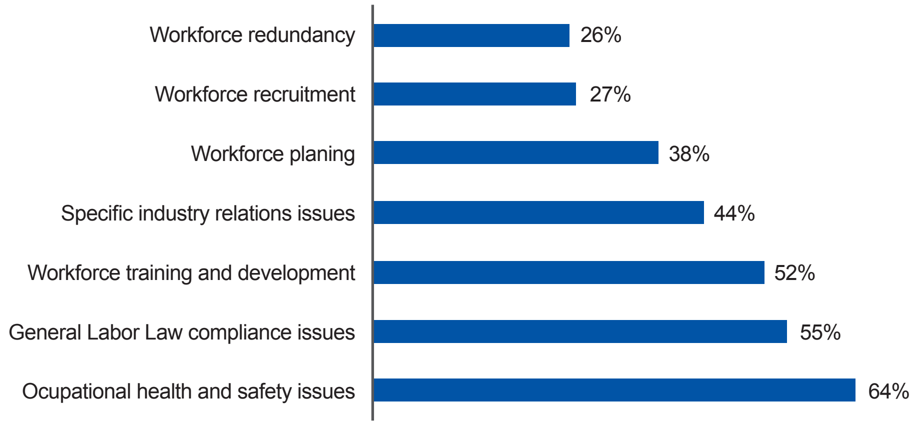
Figure 28. Manufacturing sector – Employment advisory services for employers needed by surveyed enterprises (%) *



* More than one answer possible.

OSH issues was identified as the top advisory service needed by trading sector employers (64 per cent). This was followed by advice on general labour law compliance issues (55 per cent) and workforce training and development (52 per cent) (see figure 29).

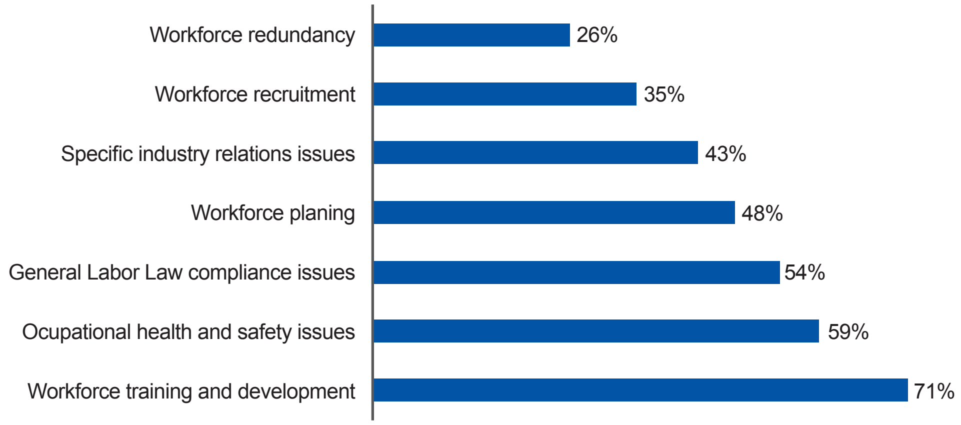
Figure 29. Trading sector – Employment advisory services for employers needed by surveyed enterprises (%) *



* More than one answer possible.

Among service sector employers, 71 per cent said they need advisory services related to workforce training and development; 59 per cent needed OSH advice; and 54 per cent needed general labour compliance advice (see figure 30).

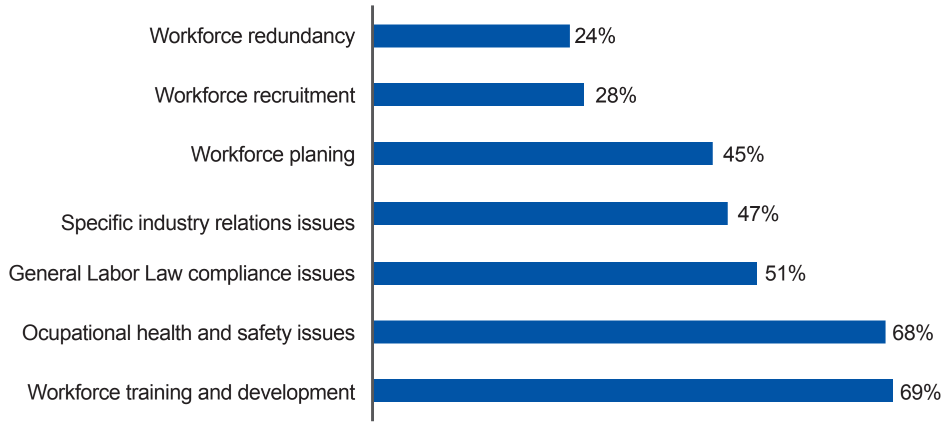
Figure 30. Service sector – Employment advisory services for employers needed by surveyed enterprises (%) *



* More than one answer possible.

The top two advisory services needed by multisector employers were workforce training and development (69 per cent) and OSH (68 per cent) (see figure 31).

Figure 31. Multisector enterprises – Employment advisory services for employers needed by surveyed enterprises (%) *

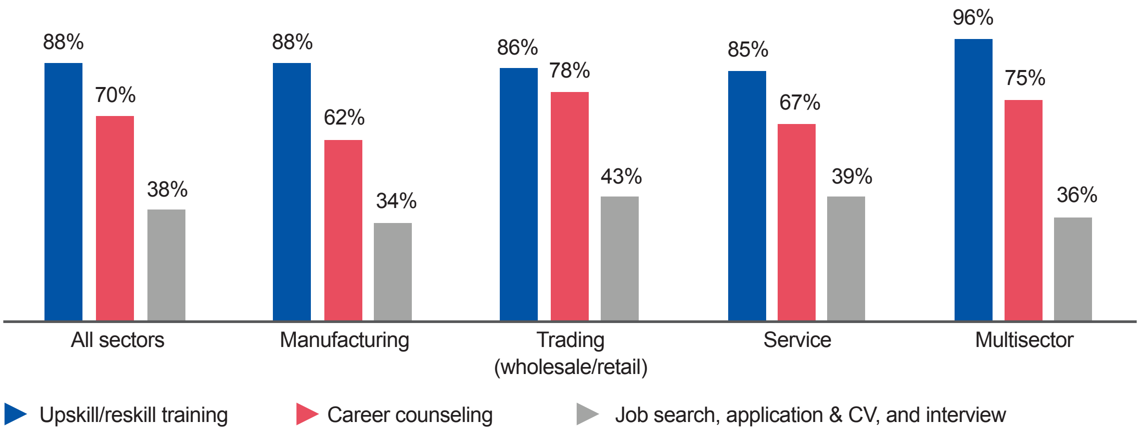


* More than one answer possible.

3.5.2. Employment advisory services for employees

When asked about the employment advisory services that would be needed by their employees, 88 per cent of surveyed enterprises said upskilling/reskilling training and 70 per cent said career counseling. A distant third was job research, application and CV, which was cited by just 38 per cent of employers. This pattern applied to each of the business sectors (see figure 32).

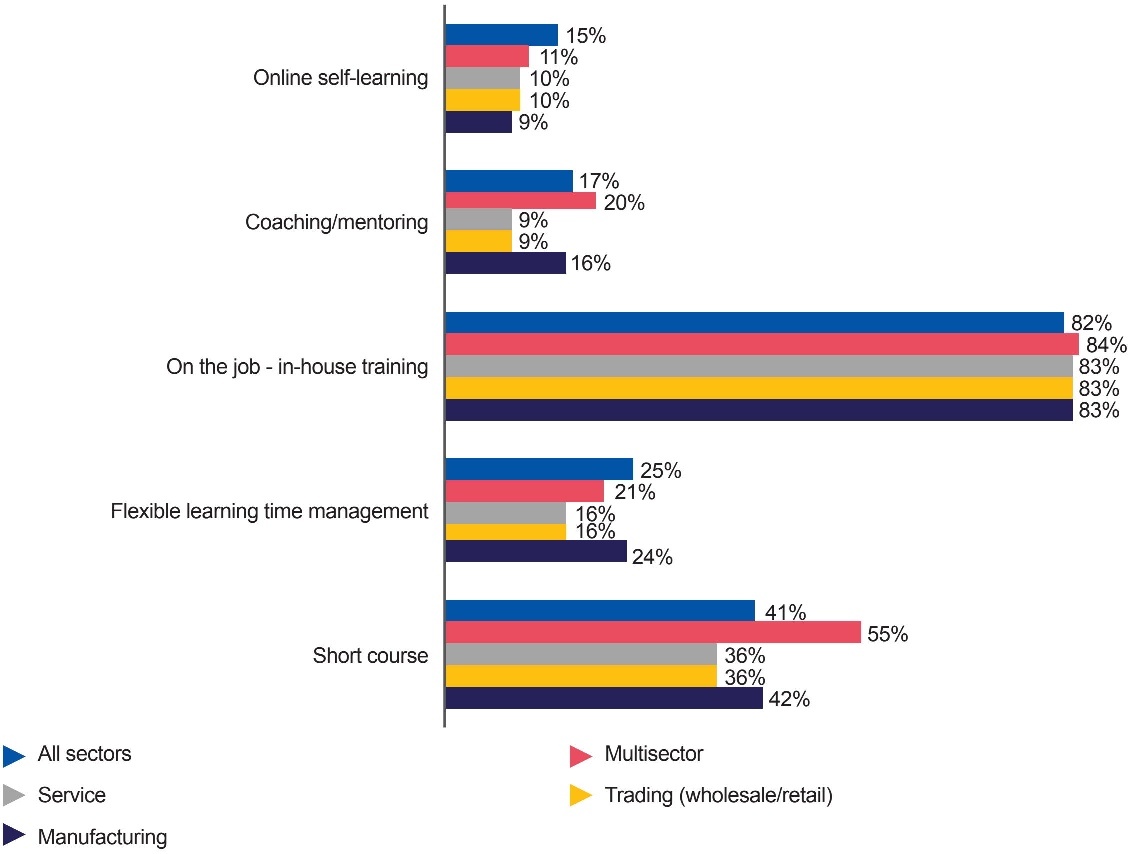
Figure 32. Employment services for employees needed by surveyed enterprises, by sector (%) *



* More than one answer possible.

Enterprises were asked to identify possible approaches that could be used to provide training to their employees. On the job training was put forward as an appropriate approach by 82 per cent of the establishments engaged in this survey. This was followed by short training courses (41 per cent), with enterprises typically suggesting courses of four or five days' duration, though many suggested shorter courses of just two days. One-fifth of enterprises suggested flexible learning time arrangement (Saturday or Sunday, spare time, etc.). Online learning was perceived as a much less viable training method among enterprises (15 per cent) (see figure 33).

Figure 33. Applicable training approaches and methods identified by surveyed enterprises, by sector (%) *



* More than one answer possible.

3.5.3. General comments of the enterprises.

The participating employers in this survey were able to offer additional comments. Most of the comments were around capacity building for Lao workforces to become professional in their roles and around capacity building concerning automation and tourism. Computer skills, foreign language, service mindedness, creativity and innovation, and developing a multiskilled workforce were also emphasized by employers. According to employers, training in these areas should focus more on developing practical skills and less on theory; youth workforces should be targeted for future labour force development; and available and accessible skills training and technical schools should be made available to all who need them.

It was interesting to note that in the survey LNCCI conducted in April 2020 and the survey conducted by ADB in March to May 2020, more than half of the participating small- and medium-sized enterprises (SMEs) requested the Government to reduce taxation and defer tax payments. In addition, there were several requests made to the Government in order to lessen the COVID-19 pandemic's impact on businesses, including: reduction of electricity, internet and other public utility costs (48 per cent); postponement of bank loans and interest payments (44 per cent); providing a subsidy to businesses and individuals to overcome challenges during the pandemic (26 per cent); and compensation to unemployed persons via the government Social Security Scheme (19 per cent) (LNCCI 2020).

Since soon after the COVID-19 outbreak, the LNCCI has been taking part in the national COVID 19 management taskforce together with many other key government agencies. The LNCCI has successfully presented the concerns and voiced up to the government line agencies on behalf of the private sector at large. As a result, there were a number government measures to mitigate and minimize the challenges that MSMEs faces amid the COVID-19 pandemic. These measures included, but are not limited to:

- tax relief for the business (Notification No. 1128/TD, dated 24 April 2020, regarding the taxation measures to minimize the impact of COVID-19 on business, Ministry of Finance);
- compensation for the affected employed persons due to COVID-19 outbreak (Agreement of the government general meeting as of April 2020, Number 05/Gov regarding the compensation for the affected employed person through the Social Security Scheme);
- reduction of internet cost through increased internet packages with lower costs during the COVID-19 period; and
- SMEs funds (Instructions on Implementation of the Article 15 regarding SME Promotion Fund of the Government, Number 2. 99/GoL, Dated 4 September 2019, Number 303/SMEF, dated 15 June 2020).

In this survey, fewer issues were addressed and by a smaller number of respondents. The issues that were raised include the accessibility of low interest bank loans, lowering the cost of electricity used by business ventures, reductions in waste collection, and lower or exempt taxes and levies. This could be partially the effectiveness of the government measures to mitigate impact of COVID-19 on the businesses in addition to the resilience capability of the enterprises participated in this survey. Additional comments from the enterprises engaged in this survey included the need to stimulate the local economy, given the on-going economic downturn of external markets in general. Agriculture, handicraft and tourism businesses particularly voiced the need for assistance to local businesses and producers to sell their products and services to the domestic market. Along these lines, the LNCCI and its member associations have been working on promoting local agriculture production, One District One Product, the Lao Thiao Lao campaign, among others. On the other hand, the LNCCI and its networks are working on to help MSME members and non-members in other spectrums through its SME centre, Made in Lao, Productivity Clinic, MSME Clinic, and a few other upcoming initiatives.

4. Conclusions and recommendations

4.1. Conclusions

The Survey on Employer Skills Needs Amid COVID-19 in the Lao People's Democratic Republic was conducted from September to October 2020 with 465 enterprises, including businesses in the manufacturing, wholesale and retail trade, and service sectors as well as multisector enterprises. Small-size businesses accounted more than half of the participating enterprises. This was the second survey on the subject following a quick LNCCI survey of the impact of COVID-19 on businesses initiated in May 2020. This new survey primarily aimed to understand the situations of enterprises amid the COVID-19 pandemic, especially in terms of the impacts on employment and workforce sizes across various sectors; the measures undertaken by employers to mitigate these impacts; potential upskilling and/or reskilling training programmes; and the advisory services needed by employers and workers. The key findings of the survey are summarized below:

1. Impact of COVID-19 pandemic on different aspects of participating businesses

- More than half of the enterprises engaged in the survey faced a decline in both their domestic and the export markets. Service sector businesses, in particular tourism and hospitality, have been affected much more than businesses in other sectors. Nevertheless, a small proportion of respondents (5 per cent, mostly wholesale and retail enterprises) did report an increase in product and service delivery for local customers and international customers.
- Almost 40 per cent of the enterprises faced cashflow problems; wholesale and retail trade enterprises were affected more than the average across the sample.
- Delays on getting needed supplies and the subsequent slowing down of business operations was another difficulty that one-fifth of the enterprises faced. This phenomenon was more visible in manufacturing establishments.
- Individual enterprises were affected to varying degrees of magnitude by the on-gong COVID-19 pandemic. Around one-fourth of the enterprises used different push and pull strategies: price reduction, direct sales and services, online channels, flexible business hours for customers, and flexible working hours for employees. Others took advantage of the lull in business activity to improve working spaces with minimal or no investment costs. However, more than one-quarter of the affected enterprises wanted to take action to mitigate the impacts of the pandemic but did not know how to, and a similar number did not take any action as they did not yet see the need to do so.
- Amid the COVID-19 pandemic, one-third of surveyed employers found paying salaries to their employees and maintaining the well-being of their employees to be critical challenges. Consequently, about one-fourth of employers undertook immediate measures such as reducing the number of staff and/or the number of working hours. Service sector businesses were more affected than the others in all aspects, including challenges related to employment.

2. Employees being underemployed, temporarily on leave or laid off due to COVID-19

- At least 2,000 employees in the 456 surveyed enterprises had been laid off due to the impact of COVID-19, representing a roughly 6 per cent reduction in employment. Female workers accounted for 51 per cent of laid-off employees across all business sectors. Service sector employees lost their jobs at a higher rate than employees in other sectors.
- The employment structure has changed for the worse, characterized by an 11 per cent reduction in full-time employment and a 30 per cent increase part-time employment. In addition, 44 per cent of all surveyed enterprises had employees that were either underemployed, temporarily on leave or laid off, with this situation characterizing a majority (55 per cent) of surveyed enterprises in Vientiane capital. Employees classified as "labourers or technical staff" were far more affected than supervisory/managerial staff, accounting for 94 per cent of workers who are underemployed, temporarily on leave or laid off.

- Unskilled and semi-skilled workers accounted for the largest pool of those adversely affected. These include:
  - Manufacturing sector: workers in garment factories and other small- to medium-size production sites;
  - Service sector: waiters/waitresses, front desk receptionists, cooks and drivers working in the accommodation subsector, and food and beverage workers; and
  - Trading sector: sales and marketing staff and general workers.

3. Enterprise anticipation concerning employment within the next two years

- The enterprises engaged in this survey were generally optimistic about future business operations and employment. Only 4 per cent foresaw a risks of their business being closed-down. Only 6 per cent anticipated possible redundancies, estimating that perhaps a total of 380 employees across all of the surveyed enterprises might be let go.
- Furthermore, one-third of the participating enterprises expected to employ more people in the future, estimating around 4,300 new hires, with 64 per cent of these new hires being predicted by manufacturing and multisector enterprises.
- Even so, employment issues are expected to persist in a number of enterprises, but the current and future impacts appear to be much less intense than what enterprises previously predicted in the April 2020 survey. In all, 14 per cent of the surveyed enterprises anticipated having underemployed, temporarily on leave and/or laid off staff within the next two years. Enterprises in the service and manufacturing sectors that employ larger pools of staff were more likely to predict being affected by reduced overall employment levels than the wholesale and retail trade enterprises that currently have much smaller staff numbers.
- Around 1,200 currently employed persons are anticipated to be adversely affected within the next two years, becoming either underemployed, temporarily on leave or laid off, because of the on-going COVID-19 pandemic. As with those workers who have already had their employment reduced or terminated, unskilled and semi-skilled workers across different sectors and business sizes will probably face these challenges to a much greater degree than higher-skilled workers and supervisors/managers.

4. Possible upskilling and reskilling training for underemployed, temporarily on leave, and laid off employees

- There were at least 29 different jobs/positions held by workers that have been or likely will be underemployed, temporarily on leave or laid off. These 29 jobs/positions held by "labourers and/or technical staff" were identified by employers together with potential trainings to upskill and/or reskill them.
- Employers suggested upskilling/reskilling training should focus both on increasing knowledge and skills that are relevant directly to incumbent workers' current job specifications as well as in other, more generic fields such as foreign language, computer skills, communication, service-mindedness and work discipline.
- There were at least 16 jobs/positions and associated upskilling/reskilling training areas that the participating enterprises suggested for supervisory and managerial staff. These suggested trainings include industry related knowledge and generic soft skills (including at advanced levels).
- Additionally, the employers made very relevant comments concerning those persons whose employment has been impacted, regardless of the industry, size or location of the enterprises. These include:
  - The need for adaptation and flexibility to fit with the changing nature of employment and the world of work.
  - The need for workers to keep an open mind and attitude towards developing new skills, becoming multiskilled, and taking on different jobs.
  - The potential for agriculture production, including organic and green production, as an alternative means of subsistence for many affected workers, given the inherent knowledge and skills they possess.

- The need for continual self-learning and development amid economic downturn, as well as to keep pace with employers' potentially changing skills needs.

5. Possible upskilling/reskilling training for the main pool of current and future employees

- Across all sectors, 90 per cent of enterprises acknowledged the importance and the benefits of upskilling and reskilling training for their main pool of current staff. Manufacturing businesses were particularly likely to express this need (97 per cent). By firm size, the large-scale businesses (95 per cent) and small-scale businesses (92 per cent) were the most likely to expressed this opinion.
- The employers suggested a combination of more than 40 jobs/positions relevant to the various business sectors that could benefit from upskilling and/or reskilling training. This training should focus on skills and attributes fundamental to the respective jobs/positions, as well as on soft skills, especially for incumbents that hold supervisory and managerial roles.
- Overall, the enterprises – regardless of their size, sector and location – confirmed the important cognitive and non-cognitive skills required from their main pool of employees. The top five skills identified were problem solving, service mindedness, teamwork, communication, and foreign language skills.

6. Anticipated jobs/occupations that will be needed by businesses within the next two to three years

- Almost 40 different jobs/positions were specified as probably being in demand by the business across the various sectors. Common positions such as management, marketing, sales, repair and maintenance, human resource, etc. are still expected to be in demand, but specialized professional skill sets were the focus among employers. The emerging specialists identified as likely to be in demand include: data analysts, aquaculture, sculptors, metal workers, coffee makers, consultants, industrial designers and engineers, information technology, legal advice, industry researchers, and digital sales.

7. Employment services for employer and employee.

- According to the surveyed employers, the top three areas in which they need advice are workforce training and development (67 per cent); occupational safety and health (OSH) issues (62 per cent); and general labour law compliance issues (55 per cent)
- While large-scale businesses were more likely to expressed a need for OSH advice than other advisory areas; small- and micro-sized enterprises were more likely to express a need for advice on workforce training and development.
- Enterprises across all the business sectors acknowledged the need for service provision specifically for their employees. Upskilling/reskilling training programmes was the most commonly suggested service, followed by the career counseling. Employee advisory services related to job research, application and CV preparation were much less likely to be viewed as needed .
- When asked to identify possible approaches that could be used to provide training to their employees, on the job training was suggested by majority as the most practical approach. Almost half of the enterprises suggested a short training course of four to five days, although many thought two days was a more feasible duration.
- A flexible learning time arrangement (Saturday or Sunday, spare time, etc.) was considered possible by around one-fifth of the participating enterprises; and online learning was perceived as the least viable training method, with only 15 per cent of enterprises seeing it as a potential option.

4.2. Recommendations

- The findings of this survey should be disseminated to the public, especially to stakeholders in the business ecosystem, and the joint efforts of all concerned parties are required for initiatives aimed at fulfillment of employers' worker and skills needs amid the COVID-19 pandemic.
- The LNCCI, as one of the key driver agencies in this sphere, should take a proactive role in this initiative. The focus on employers worker and skills needs will require very close collaboration and coordination at the policy and implementation levels with several key players.
- At the policy level, the LNCCI should put in joint effort with enterprises across various subsectors – in particular the leading enterprises in each subsector – to advocate for a "skills improvement and development amid-COVID-19" initiative as part of the national agenda to cope with on-going and potentially post-COVID-19 impacts.
- Policy support will be critical to enable such an initiative to thrive in the most efficient way. The skills initiative could draw on the expertise and assets available to agencies like the government, the private sector, Non-Profit Associations (NPAs) and international organizations, through on-going direct and/or indirect support to the skills improvement and development of workforces in the Lao People's Democratic Republic. The existing tripartite mechanism could be a starting point for how to best enable this initiative.
- The key government and private vocational and technical schools based in different provinces could potentially be participants in the initiative, with particular institutions selected and adequately equipped to be training providers for upskilling and reskilling programmes created specifically for the initiative.
- The LNCCI and PCCI could act as the focal point where the inquiries of enterprises (including enterprises being affected by the COVID-19 situation) can be channeled through and enterprises linked to service providers. The LNCCI could utilize the facilities and on-going initiatives (SME access to finance, Productivity Clinic, SME Business Clinic, projects) already lodged within the LNCCI and PCCI to leverage its outreach to serve private enterprises seeking skills development services.
- The Department of Skills Development of the Ministry of Labour and Social Welfare – as well as the associated agencies at the central and provincial levels – could also serve as focal points open to enterprises, as well as to individual workers (including those in the informal sector) who have been affected by the pandemic and/or need to prepare for self employment or new employment.
- The approach to training should consider the suggestion made by the affected enterprises. Therefore, the mobile training approach could be considered including the training setting and time arrangement on and off the workplaces.
- Support from government, international agencies and other stakeholders working along these lines will be needed to prepare the training providers, institutions, individual master trainers and employment advisers to ensure the upskilling and reskilling training programmes roll out effectively and efficiently and in consideration of their relevance to the specific contexts and needs of enterprises, employers and employees.

References

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Appendix. Employer Skills Needs Survey questionnaire

ສະພາການຄ້າ ແລະ ອຸດສາຫະກໍາ ແຫ່ງຊາດລາວ
Lao National Chamber of Commerce and Industry

Employer Needs of Workers and Skills (Amid COVID-19) in the Lao People's Democratic Republic (2020)

Number of Questionnaire: ___________________

For surveyor only

Date of completion the questionnaire: ______/ ______/ 2020. Name of surveyor: __________________

Name of quality controller: _________________________, Quality checked on: ______ / ______ / 2020

Objective: This survey aims to identify skills needed by your company amid COVID-19 situation. The information collected will be strictly confidential, and will be further used for the purpose of seeking ways to help skills of workers only. We would appreciate if you would dedicate some of your time to answer all the following questions.

Instructions: For each of the following questions, please fill in the blank ...... and/or mark × in the box 0 as appropriate

Section (I): About the Enterprise

1) Name of the enterprise: .... 2) Year of business establishement ....

3) Address of enterprise: Village: ....District: ....Province: ....

4) First name of the respondent: (M) (F)............................ Family name: ....

Mobile phone: .... WhatsApp number: ....

Office tel: .... E-mail: ....

5) Position category of the respondent (select one answer): ☐ 1) Owner ☐ 2) High-level manager

☐ 3) Middle-level manager ☐ 4) First-level manager ☐ Other ....

6) Sector of the business; and specify main activities: (more than one sector, if relevant)

☐ 1) Manufacturing (specify main business activity) ....
....

☐ 2) Trading --wholesale/retails (specify main business activity) ....
....

☐ 3) Service (specify main business activity) ....
....

7) What has been the main problem of the COVID-19 pandemic your business has faced? (multiple answers):

- ☐ 1) Decrease in the number of persons employed
- ☐ 2) Increase in the number of persons employed
- ☐ 3) Reduction in the total working hours of employed persons
- ☐ 4) Increase in the total working hours of employed persons
- ☐ 5) Difficulty paying employees' wages and salaries
- ☐ 6) General wellbeing of staff members
- ☐ 7) Change in working arrangements (partial leave, teleworking, etc.)
- ☐ 8) Difficulty in getting supply of raw materials (quantity and quality)
- ☐ 9) Getting adequate access to sanitizers and other protective equipment and products
- ☐ 10) Reduced demand for products and services – local customers
- ☐ 11) Reduced demand for products and services – international customers
- ☐ 12) Increased demand for products and services – local customers
- ☐ 13) Increased demand for products and services – international customers
- ☐ 14) Unable to meet loan repayment or loan servicing obligations
- ☐ 15) Uncertainty and inability to make business and investment decisions
- ☐ 16) Inability to meet contractual deadlines due to disruptions to logistics
- ☐ 17) Increased logistics costs
- ☐ 18) Cash flow challenges
- ☐ 19) Production delays or cancellations
- ☐ 20) Service delays or cancellation
- ☐ 21) Travel restrictions to visit customers/suppliers
- ☐ 22) No impact (please explain) ....…………………………………………

8) Has your business changed/adjusted its business activities, products/services to cope with the changing situation due to the COVID-19 pandemic?

- ☐ 1) No, no need to change
- ☐ 2) No, want to change/adjust, but don't know how
- ☐ 3) Yes, (specify what)…………………………………………………………………………………………......

Section (II): Workforce – Before COVID-19, Present, and Near Future

9) How many persons do you employ now? Total :……………….. persons; Female: ………….………persons.

Full-time …………………… Persons; Part-time: …………………….. persons; Other ……………………persons.

10) How many persons did you employ before COVID-19 situation?

Total: ……………….. persons; Female: …………………………… persons.

Full-time …………………… Persons; Part-time: ………………… persons; Other ………………………persons.

11) Employees who were underemployed, temporarily on leave, and laid off due to COVID-19 situation:

☐ Yes ☐ Not relevant to my business, go to Q12

11.1) In Table 11.1 identify the 5 most common job positions of the labourer or technical staff category who were laid off and/or under-employed due to COVID-19 situation. Please also categorize them into three comparative skills levels.

☐ Yes ☐ Not relevant to my business, go to Q 11.2

Table 11.1) Labourers and technical staff category

Name of job position	Number of employees laid off/underemployed according to skills level (person)		
	No skill-basic	Basic-medium	Medium-high
1)			
2)			
3)			
4)			
5)			

11.2) In Table 11.2 identify the 5 most common job positions of the managerial staff category who were laid off and/or underemployed due to COVID-19 situation. Please also categorize them into three comparative levels.

☐ Yes ☐ Not relevant to my business, go to Q 11.2

Table 11.2) Managerial staff category

Name of job position	Number of employees laid off/underemployed according to skills level		
	First level manager	Middle level	High level
1)			
2)			
3)			
4)			
5)			

12) Within the next 2 years, how do you anticipate the employment compared to now? (more than 1 answer is possible)

☐ 1) Likely that there will be no more employment (close down temporarily or permanently).

☐ 2) Likely that there will be the same number of employments as now, but some will be required to reskill/upskill.

☐ 3) Likely that there will be the same number of employments as now.

☐ 4) Likely that there will be a reduction of …………..number of employees, and some who stay will be required to reskill/upskill.

☐ 5) Likely that there will be a reduction of …………..number of employees.

☐ 6) Likely that there will be an increase of ……………number of employees.

13) Within the next 2 years, there might be employees who would be underemployed, temporarily on leave, and/or laid off due to COVID-19 situation:

☐ Yes ☐ Not relevant to my business, go to Q 14

13.1) In Table 13.1 identify the 5 most common job positions of the labourer or technical staff category who would possibly be laid off and/or underemployed due to COVID-19 situation. Please also categorize them into three comparative skills levels.

☐ Yes ☐ Not relevant to my business, go to Q 13.2

Table 13.1) Labourers and technical staff category

Name of job position	Number of employees laid off/underemployed according to skills level (person)		
	No skill-basic	Basic-medium	Medium-high
1)			
2)			
3)			
4)			
5)			

13.2) In Table 13.2 identify the 5 most common job positions of the managerial staff category who would possibly be laid off and/or underemployed due to COVID-19 situation. Please also categorize them into three comparative levels.

☐ Yes ☐ Not relevant to my business, go to Q 14

Table 13.2) Managerial staff category

Name of job position	Number of employees laid off/underemployed according to skills level		
	First level manager	Middle level	High level
1)			
2)			
3)			
4)			
5)			

Section (III): Upskill and Reskill Training for Employees

14) For the underemployed, temporarily on leave, and laid off staff -- the possible upskill and reskills training programmes to prepare them for other possible jobs in your company or in another company, within the same sector or in a different sector:

☐ Yes ☐ Not relevant to my business, go to Q 15

14.1) Select 3 job positions of Labourer and technical staff category (based on your answers for Q11.1 and/or Q13.1) and identify in Table 14.1 below possible upskill and/or reskill training programmes (2 programmes at most per the selected job position).

☐ Yes ☐ Not relevant to my business, go to Q 14.2

Table 14.1) Labourer and technical staff category

Name of job position	Specify upskill and/or reskill training in the areas within the sector	Specify upskill and/or reskill training in the areas outside of the sector (and may not relevant to their current job positions)
1)	a)	a)
	b)	b)
2)	a)	a)
	b)	b)
3)	a)	a)
	b)	b)
4)	a)	a)
	b)	b)
5)	a)	a)
	b)	b)

14.2) Select 3 job positions of managerial staff category based on your answers for Q11.2) and/or Q13.2) and identify in Table 14.2 below possible upskill and/or reskill training programmes (2 programmes at most per the selected job position).

☐ Yes ☐ Not relevant to my business, go to Q 14.3

Table 14.2) Managerial staff category

Name of job position	Specify upskill and/or reskill training in the areas within the sector	Specify upskill and/or reskill training in the areas outside of the sector (and may not relevant to their current job positions)
1)	a)	a)
	b)	b)
2)	a)	a)
	b)	b)
3)	a)	a)
	b)	b)
4)	a)	a)
	b)	b)
5)	a)	a)
	b)	b)

14.3) In addition to the suggested training in the Q14.1 and Q14.2 above, other comments to assist underemployed, temporarily on leave, and laid off staff due to COVID-19:

....

....

....

15) For the main pool of employees that are maintained with your enterprise --the possible upskill and reskills training programmes (in-house training or from outside) that would benefit them and your business now and near future:

☐ Yes ☐ Not relevant to my business, go to Q 16

15.1) Select 3 job positions of labourer and technical staff category and identify in Table 15.1 below the possible upskill and/or reskill training programmes (2 programmes at most per the selected job position).

☐ Yes ☐ Not relevant to my business, go to Q 15.2

Table 15.1) Labourer and technical staff category

Name of job position	Specify upskill and/or reskill training
1)	a)
	b)
2)	a)
	b)
3)	a)
	b)

15.2) Select 3 job positions of managerial staff category and identify in Table 15.2 below the possible upskill and/or reskill training programmes (2 programmes at most per the selected job position).

☐ Yes ☐ Not relevant to my business, go to Q 16

Table 15.2) Managerial staff category

Name of job position	Specify upskill and/or reskill training
1)	a)
	b)
2)	a)
	b)
3)	a)
	b)

16) For current and/or future employees, what are the other skills and attributes listed below that would be needed for the current and future of your business? (multiple answers)

☐ 1) Analytical skills

☐ 2) Problem solving

☐ 3) Computer, and ICT

☐ 4) Foreign language skills

☐ 5) Ability and willingness to learn

☐ 6) Communication

☐ 7) Service minded

☐ 8) Time management

☐ 9) Reliability

☐ 10) Teamwork

☐ 11) Flexibility

☐ 12) Stress-resistant

☐ 13) Ability to work without close supervision (Independence)

☐ 14) Creativity

☐ 15) Work ethic and commitment

☐ 16) Leadership

☐ 17) Environmental/Green awareness

☐ 18) Train others/Knowledge transfer

☐ 19) Other (specify)……………………..

17) In general, within the next 2-3 years how do you anticipate the possible job positions/occupations (existing and/or new) that would be needed by the businesses in the same sector as yours? (specify at most 3 occupations/position)

Name of job positions/occupations	Specify main skills
1)	a)
	b)
	c)
2)	a)
	b)
	c)
3)	a)
	b)
	c)

Section (IV): Employment Services Provision for Employer and Employee

18) To what extend does your company need the following advisory services given the current post-COVID-19 situation ? (multiple answers). Use the scale: 1 = Little 2= Medium 3=High

Advisory Services for Employer:	To what extend?
☐ 1) General Labour Law compliance issues	
☐ 2) Occupational health and safety issues	
☐ 3) Specific industry relations issues	
☐ 4) Workforce planning	
☐ 5) Workforce recruitment	
☐ 6) Workforce redundancy	
☐ 7) Workforce training and development	
☐ 8) Other……………………………..	
Advisory Services for Employer:	**To what extend?**
☐ 1) Job search, application & CV, and interview	
☐ 2) Career counseling	
☐ 3) Upskill/reskill training	
☐ 4) Other……………………………..	

19) What possible training approaches and/methods are applicable to your company? (multiple answers)

- ☐ 1) Short-course……………………day/time
- ☐ 2) Flexible learning time arrangement (Saturday or Sunday, spare time, etc.)
- ☐ 3) On the job – in-house training (by peer, supervisor, etc.)
- ☐ 4) Coaching/mentoring
- ☐ 5) Online self-learning
- ☐ 6) Other……………………………..

20) Other comments (if any)………………………………………………………………………………………
……
………...

Thank you for your cooperation!


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