

# Digital resilience in a new world

PwC Malaysia's survey on  
technology, jobs and skills

July 2020



## A new world

In recent years, the world has seen technology develop at an accelerated pace, ushering in a new world that calls for the acquirement of new skills. The impact of technology on jobs cannot be understated, with the rise of automation changing the way tasks are carried out, putting jobs in various industries at risk. And this was before the COVID-19 pandemic struck.

## The impact of COVID-19 on skills

Fast forward to 2020, and the need for talent to upskill has become an even more pressing issue. COVID-19 has and continues to change the business landscape, resulting in organisations having to reassess their workforce capabilities, and rapidly reskill their workers to perform in critical roles. The pandemic has also intensified the spotlight on the key role technology plays within an organisation.

This report was prepared independently by PwC Malaysia, and is our local version of PwC's Global '[Upskilling hopes and fears](#)' report released last year.

## Just how ready are Malaysians to face this digital world?

Do Malaysians feel they are equipped with the relevant skills needed to help them work alongside technology? We sought to find out through a survey that was released to the Malaysian public from 20 April 2020 to 22 May 2020. During this period, Malaysia was under a Movement Control Order (MCO), followed by a Conditional Movement Control Order (CMCO) in response to the COVID-19 pandemic. Our survey brought in a total of 986 participants, and in this report, we've shared the key findings as voiced by our respondents.

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# Key findings



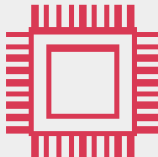
**General agreement that technology is changing jobs**

**70%** believe technology will change their current jobs in 3-5 years, while 82% believe they'll see this change in 6-10 years.



**Amid optimism lies concerns around job security**

While **78%** of respondents believe automation brings more opportunities than risks, 34% are concerned about automation putting jobs at risk.



**Digital skills are key to improving job prospects**

**71%** of respondents believe that technological developments will improve their job prospects in the future.

85% would learn new skills now or completely retrain to improve their future employability.



**The desire to be digitally savvy is strong**

**93%** of respondents would accept the opportunity to better understand or use technology.

However, only 38% say they are given many opportunities by their current employer to improve their digital skills outside their normal duties.



**More effort needs to be made to fully enable employees to work remotely in the new normal**

**46%** of respondents are provided with all the necessary tools to be effective when working remotely.

Only 41% say their organisational culture already supports and empowers employees to work remotely should the need arise.



# General agreement that technology is changing jobs

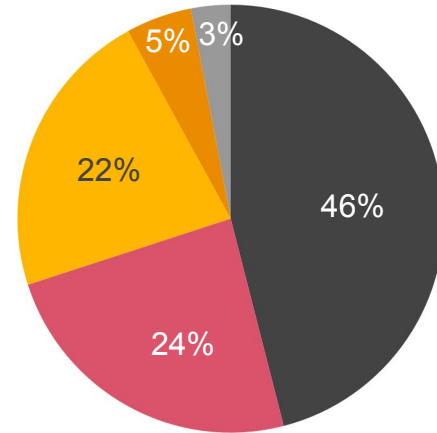
## Change is coming

The proliferation of technology brings enormous potential to our economy, with artificial intelligence (AI), robotics, and other forms of smart automation estimated to contribute up to 14% to global GDP<sup>1</sup> by 2030. But while opportunities can be reaped from rapid technological advancements, one side of the dialogue that cannot be ignored, is its impact on jobs.

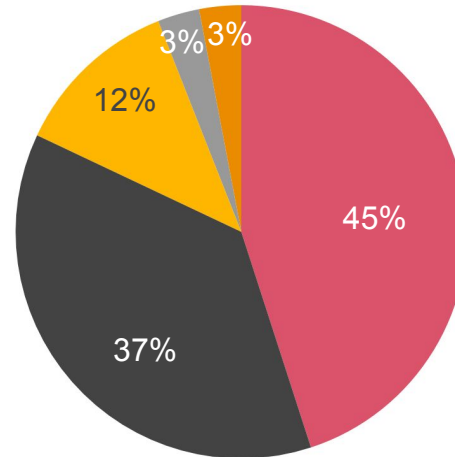
In our survey, most respondents are in agreement that change is coming: 70% believe that technology will change their current jobs in the short term (3-5 years), while 82% believe they'll feel the impact in the medium term (6-10 years).

<sup>1</sup>PwC report, Will robots really steal our jobs?, 2018

Over the next 3-5 years, do you think technology will change your current job?



Over the next 6-10 years, do you think technology will change your current job?



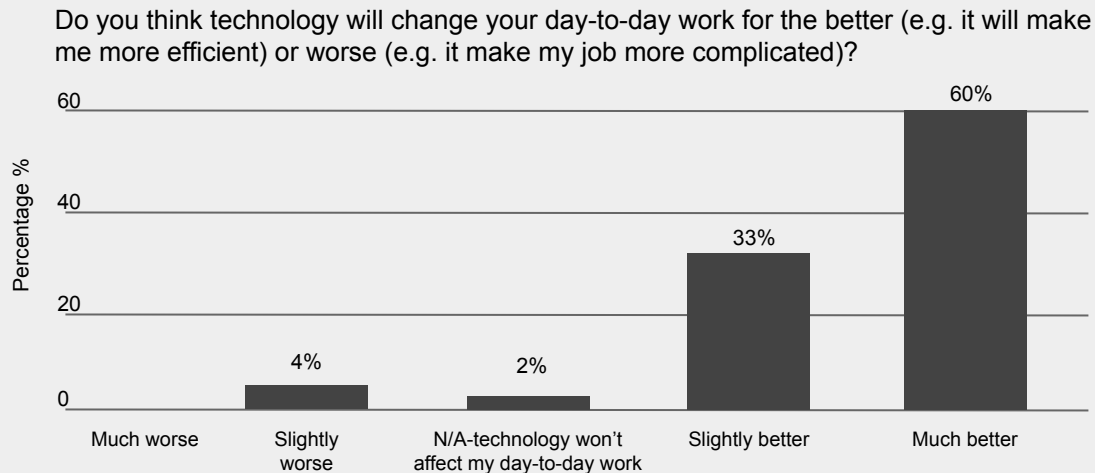
# Technology increases productivity

When asked about how technology will affect their day-to-day work, 93% of respondents said it would improve how they carry out their tasks (e.g. boosting efficiency). This sentiment is shared Globally, with the majority (61%) of our [‘Upskilling Hopes and Fears’](#)<sup>2</sup> survey respondents feeling positive about the impact of technology on their day-to-day work.

In fact, locally, 77% of respondents are excited or optimistic about the role technology can play in their jobs. Most who feel positive are hopeful that technology would allow them to do more interesting work (35%) and enable them to get more done (27%).

This finding comes as no surprise, as a key feature of automation, for example, is its ability to perform manual and routine tasks automatically, freeing up time for employees to focus their attention towards other key areas of their work. As COVID-19 forces organisations to rethink how people work, there are plenty of opportunities to explore the various technologies that can positively impact productivity across the organisation. The potential for an increase in productivity makes a strong business case for organisations to invest in the implementation of technology, while ensuring training is provided so employees are equipped with the right skills to use them.

<sup>2</sup>[PwC’s Upskilling Hopes and Fears survey, 2019](#)





# 77%

are excited or optimistic about the role technology can play in their jobs.

Of those who feel positive

**35%** are hopeful that technology would allow them to do more interesting work.

**27%** are hopeful that technology would enable them to get more done.



# Amid optimism lies concerns around job security

## With technology, opportunities outweigh risks. How does this impact jobs?

The issue of job displacement often comes to the forefront in discussions surrounding the rise of technology. In fact, an earlier PwC [study](#)<sup>3</sup> predicts that 30% of existing jobs are at risk of automation by the mid-2030s.

Our respondents are generally positive about automation, saying it brings more opportunities than risks (78%). Notably, this number is higher than the [Global average](#)<sup>4</sup> of 50%. But underneath our local respondents' positive sentiments, uncertainty lurks, as many are still concerned about how this will affect job security. 34% of respondents are worried about automation putting jobs at risk.

In recent years, we've seen an urgent need for organisations to embrace technology. The COVID-19 pandemic has only increased the pressure for speedier adoption, a much-needed measure to facilitate workplace operations in the new normal. This is already taking place in Malaysia, where [CFOs](#)<sup>5</sup> have said they plan to accelerate automation and new ways of working upon transitioning back to on-site work. To fully leverage the possibilities of automation, any such adoption would require employees to be upskilled and reskilled. This would enable them to work effectively alongside technology, empowering them to achieve key business outcomes.



<sup>3</sup>PwC report, [Will robots really steal our jobs?](#), 2018

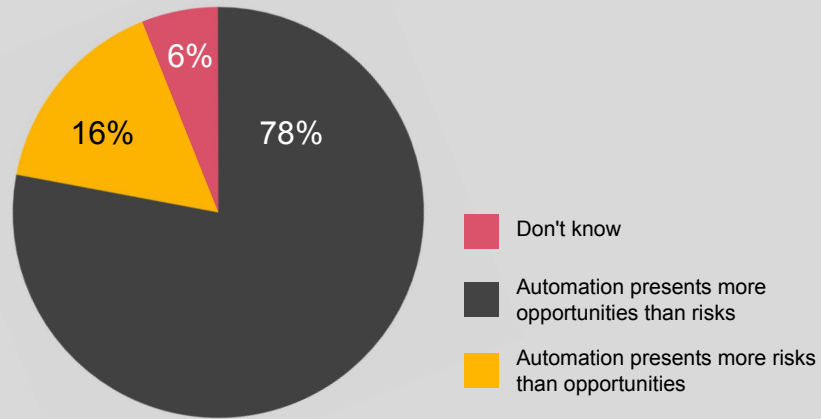
<sup>4</sup>PwC's [Upskilling Hopes and Fears survey](#), 2019

<sup>5</sup>PwC's [COVID-19 CFO Pulse: Malaysia results](#), 12 May 2020



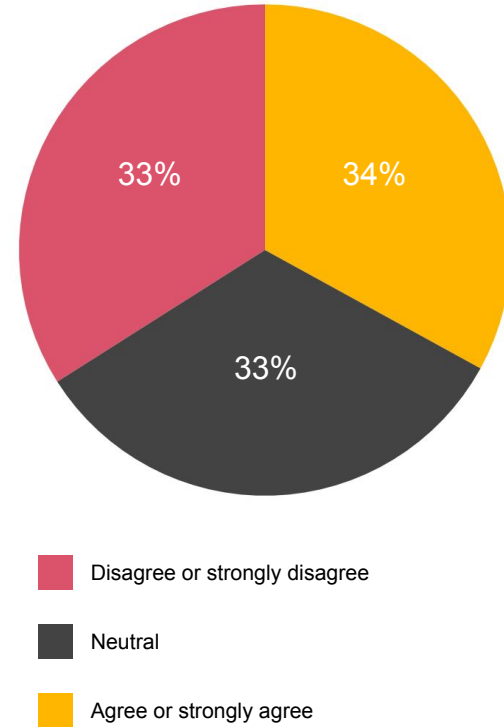
## Views on the impact of technology and automation on the workplace

Some believe new technology and more automation present exciting opportunities to free people from routine work and focus on more interesting challenges. Others believe it risks causing mass unemployment and economic inequality. Which of the following best describes your view of how technology and automation will affect the workplace?



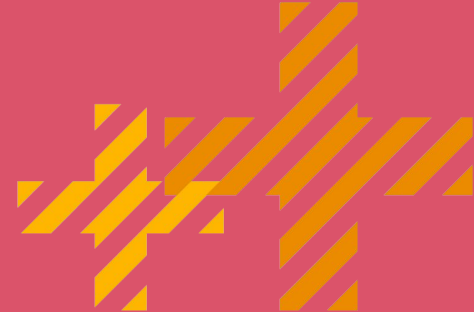
## "I am worried that automation is putting jobs at risk."

How much do you agree or disagree with that statement?

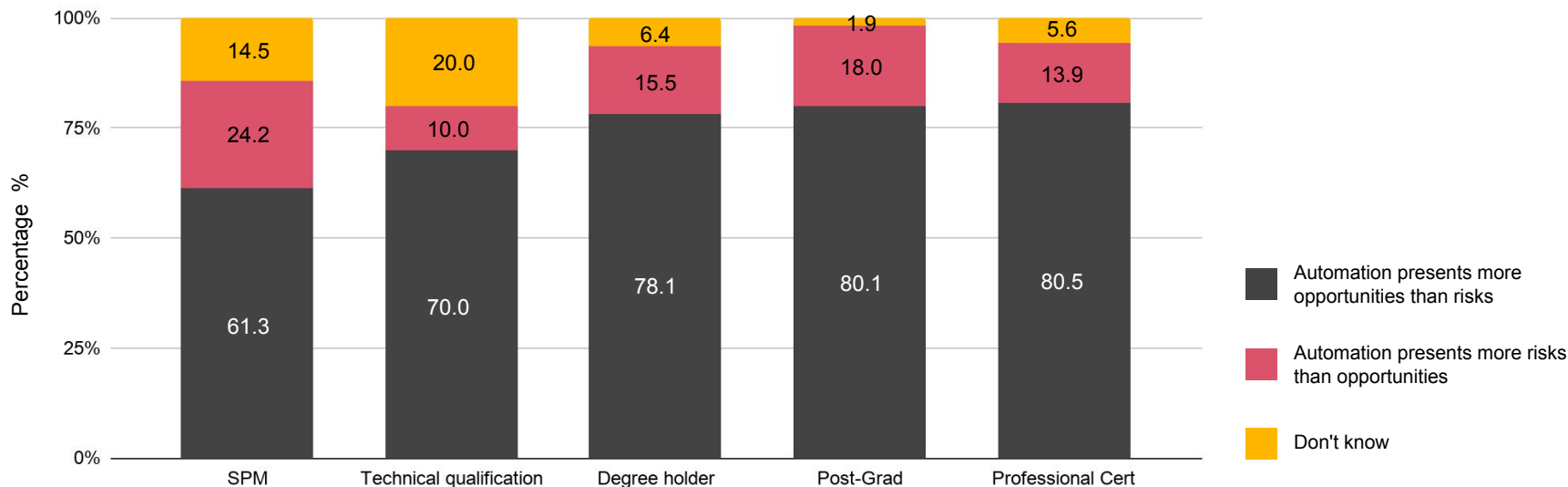


## Education affects outlook

Our respondents' level of education appears to influence their optimism with regards to how technology will affect the workplace. From our survey, we found that university-educated respondents and those with professional certificates believe that automation presents more opportunities than risks, compared to SPM leavers and those with technical qualifications.



Which of the following best describes your view of how technology and automation will affect the workplace?



# Digital skills are key to improving job prospects

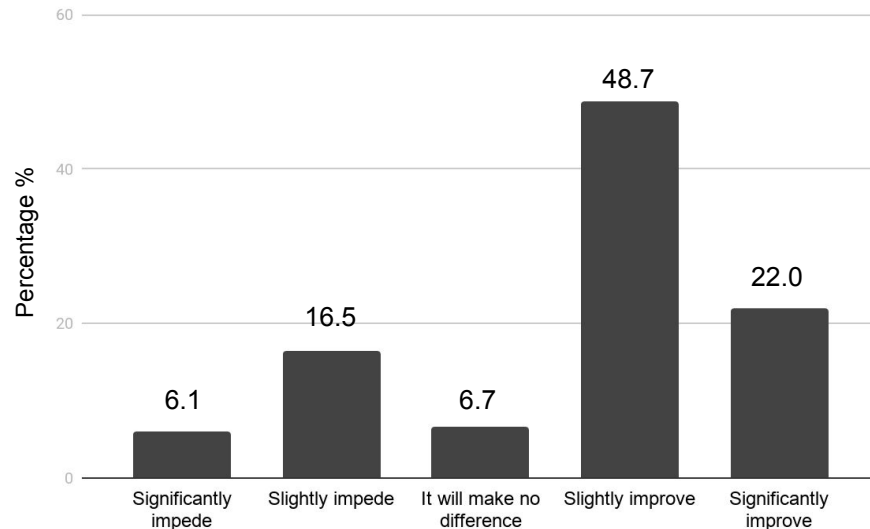
## Working alongside machines

In [PwC's 23rd Annual Global CEO Survey](#)<sup>6</sup>, 74% of CEOs around the world were concerned about the availability of key skills. And in Malaysia, only [42%](#)<sup>7</sup> of CFOs are very confident about building skills for the future upon returning to the workplace. It's clear that the skills gap is a real and pressing issue.

With COVID-19 accelerating [IR4.0](#)<sup>8</sup> and pushing organisations to undergo [digital transformation](#)<sup>9</sup> at breakneck pace, it's understandable that 71% of respondents (vs 60% [Globally](#)<sup>10</sup>) believe that technological developments will improve their job prospects in the future. This finding confirms what we've long known to be true: digital skills are key, for technology is only as good as the people behind them. Employees need to know how to read data, for example, and then analyse them accurately to help in decision making. If training isn't provided, organisations will fail to extract value from their technology investments, which are often high in cost.



Do you think that technological developments will improve or impede your job prospects in the future?



<sup>6</sup>PwC's Talent trends 2020 - Upskilling: Building confidence in an uncertain world (Findings from PwC's 23rd Annual Global CEO Survey), 2020

<sup>7</sup>PwC's COVID-19 CFO Pulse: Malaysia results, 12 May 2020

<sup>8</sup>Covid-19 speeds up IR4.0, The Star, 2 May 2020

<sup>9</sup>How The COVID-19 Pandemic Is Fast-Tracking Digital Transformation In Companies, Forbes, 17 March 2020

<sup>10</sup>PwC's Upskilling Hopes and Fears survey, 2019



# 85%

agree with the statement  
“I am ready to learn new  
skills now or completely  
retrain in order to improve  
my future employability.”

<sup>11</sup>PwC's Upskilling Hopes and Fears survey, 2019

## Many are willing to learn

The good news is, among our respondents, there appears to be a strong appetite for learning, with 85% saying they would learn new skills now or completely retrain in order to improve their future employability. This is consistent with data from our Global ['Upskilling Hopes and Fears'](#)<sup>11</sup> survey where 77% of respondents would do the same to ensure they are highly employable in the future. This tells us that organisations need to develop, or if needed, reexamine their upskilling and reskilling programmes in an effort to meet these needs.

While digital skills are important, it's worth highlighting that they need to be complemented by other pivotal skills too. In a time of uncertainty, skills like resilience, agility, problem solving, and leadership, to name a few, are more essential than ever in helping employees face challenges head-on, and as such, require equal attention in nurturing.

# The desire to be digitally savvy is strong

## Respondents want a chance

Respondents were overwhelmingly positive about the opportunity to upskill, with 93% saying they were likely to take up the offer to use technology or improve their digital understanding if given the chance.

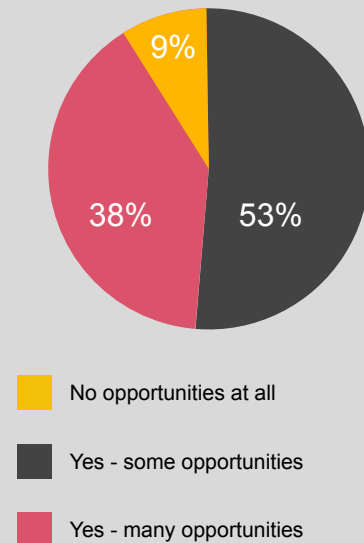
It appears that organisations have an understanding of why upskilling their employees should be a priority. From our pool of respondents, 38% say they are given many opportunities by their current employer to improve their digital skills outside their normal duties, while 53% say they are given some.

The organisations that are giving their employees some opportunities are undoubtedly making a good start in their upskilling journey, but perhaps more can be done. Organisations should place emphasis on assessing their current and future business needs. That would help them in identifying the skills gaps and mismatches that may be present, and guide them in building or updating a skills strategy that aligns closely with their business strategies. In a digital world made more uncertain by COVID-19, the investment into talent development cannot be understated.

# 93%

would accept the opportunity to better understand or use technology.

**Is your current employer giving you the opportunity to improve your digital skills outside your normal duties?** By digital skills, we mean improving understanding and use of latest technologies, including computer applications and online platforms.





## Who's responsible for upskilling?

Interestingly, about half of all respondents (49%) believe that the onus for upskilling rests with the individuals themselves. This suggests an inherent motivation among many of our respondents to learn and adapt to a world disrupted by technology.

While that is encouraging to see, we believe it's also important for the government and business community to work together to prioritise upskilling and reskilling the workforce, as noted in our recent [Restart Malaysia](#)<sup>12</sup> report. In view of the fundamental shift in skills required of employees within the country, measures by both parties need to be put into place if we are to [reboot the economy](#)<sup>13</sup> and thrive in the new normal.

In implementing these measures, we believe the same learning and development opportunities that are given to full-time employees should be given to the contingent workforce too. If left out, not only would these part-time or contract workers fail to achieve their full potential, the organisation would also find it a greater challenge to plug the skills gap that may exist within the organisation.


<sup>12</sup>[Restart Malaysia, May 2020](#)

<sup>13</sup>[Restart Malaysia, May 2020](#)

# 49%

believe individuals are responsible  
for upskilling themselves



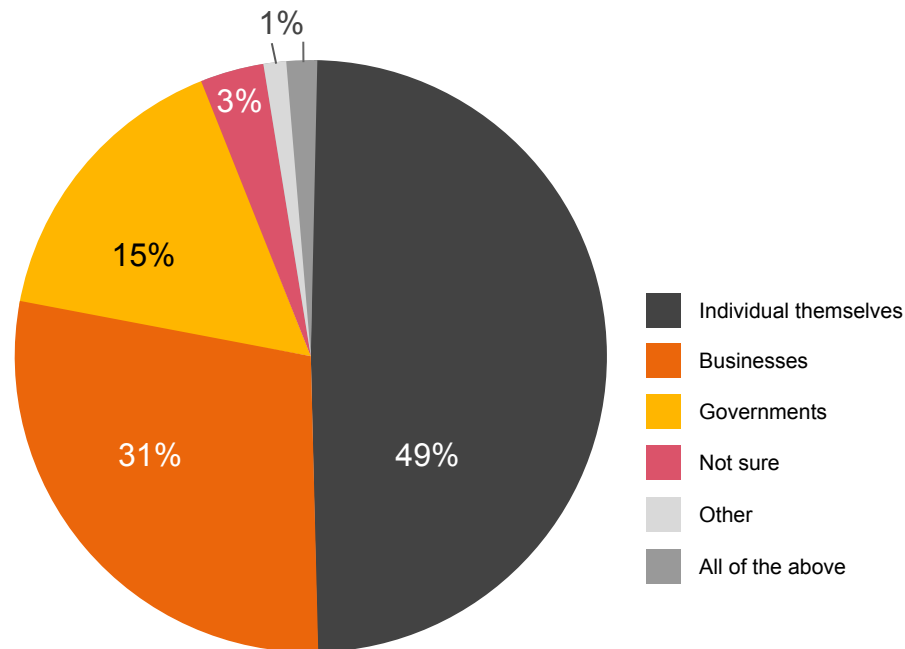


The government's National Economic Recovery Programme (PENJANA) that was announced<sup>14</sup> earlier in June is a welcome step towards strengthening the country's workforce, and organisations should take advantage of the initiatives introduced to develop and retrain their employees. This will ensure employees and their skills are able to keep pace with developments around IR4.0.

<sup>14</sup>[MOHR to issue comprehensive plan to implement initiatives under Penjana, says Saravanan, The Edge, 7 June 2020](#)

## The responsibility to provide access to upskilling

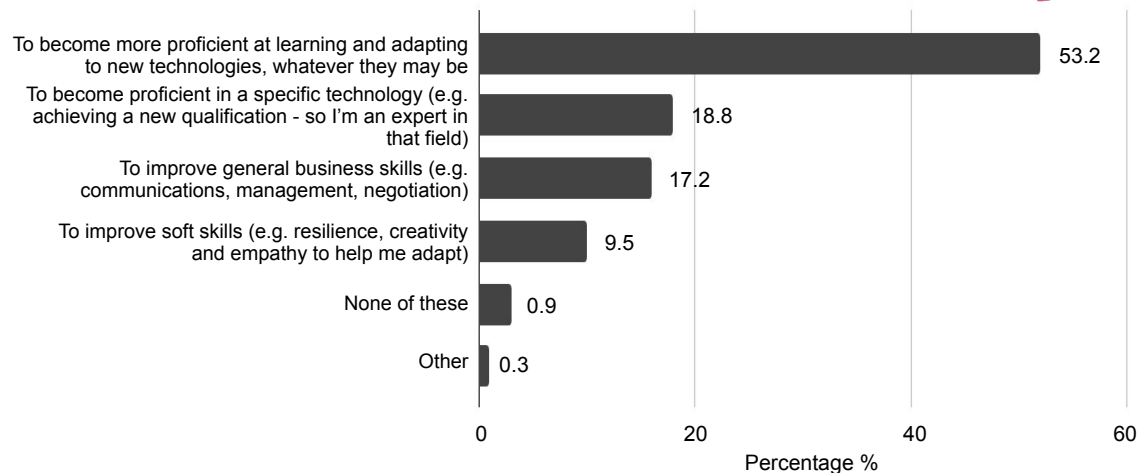
Of the following organisations, who do you think is most responsible for helping people to upskill?



The majority of our respondents (53%) are keen to become more proficient at learning and adapting to new technologies, whatever they may be. As a measure, the government and industry can answer the call by implementing strategic upskilling programmes and encouraging the use of self-learning tools, like PwC's Digital Fitness app, for example.

The app helps users deepen their knowledge of the latest digital trends and adapt to new ways of working and learning, by providing an extensive library of resources that cover over 60 topics including Artificial Intelligence (AI), Blockchain, and cyber security, to name a few. It's now free to use, and the app can be downloaded from the Apple App Store and Google Play. Users need only to search for 'Digital Fitness Assessment' and use the code 'LRNALL' for the free download.

## What type of workplace skills would you most like to develop?



Download PwC's Digital Fitness app. It's free.\*



Download on the  
**App Store**

GET IT ON  
**Google Play**

**Invite code: LRNALL**

\*We'll continue to evaluate how this app can remain relevant to best meet your learning needs. We'll keep this version of Digital Fitness free for as long as possible.

# More effort needs to be made to fully enable employees to work remotely in the new normal

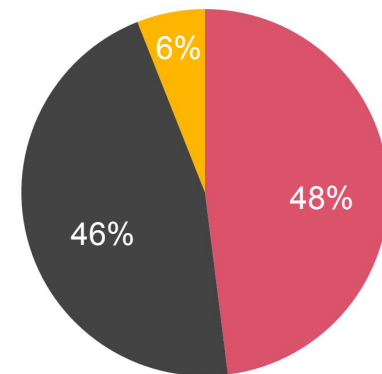


## Investment into infrastructure to support employees

When Malaysia implemented the Movement Control Order (MCO) in March 2020, it appears our respondents were generally prepared to work remotely with the digital tools provided by their organisations. But there remains room for improvement.

With regards to technology infrastructure, only 46% say they were provided with all the necessary tools to be effective when working remotely. While 48% say they were prepared with some tools, they indicated that they would have been more effective if provided with a few more key ones. The lack of remote work capabilities has been cited by Malaysian CFOs<sup>15</sup> as a concern contributing to productivity loss.

When thinking about the infrastructure/technological tools provided by your current employer, how prepared do you feel in having to work from home?



- Somewhat prepared - I'm provided with some tools, but would be more effective with a few more key ones
- Very prepared - I'm provided with all the necessary tools to be effective when working remotely
- Not prepared - I'm not provided with any tools that support my ability to work remotely

<sup>15</sup>PwC's COVID-19 CFO Pulse: Malaysia results, 12 May 2020

## Culture change needed to adapt to COVID-19

In terms of culture, our survey notes that Malaysia has some work to do in order to better enable remote working, with only 41% of respondents stating that their organisational culture already supports and empowers employees to work outside the office should the need arise.

The COVID-19 pandemic has forced employees to shift their mindsets that work is no longer a place, and organisations now need to create and nurture the right culture and behaviours to ensure productivity is safeguarded while working remotely. What's interesting, is that In our [CFO survey](#)<sup>16</sup>, we found that although most organisations are not planning to make remote working a permanent option\*, CFOs in Malaysia do see the benefits of work flexibility (e.g. hours, location), with 90% saying that it will improve their company in the long run. Many (81%) also cited better resilience and agility as factors that would be good for the company.

\*For roles where remote working is possible

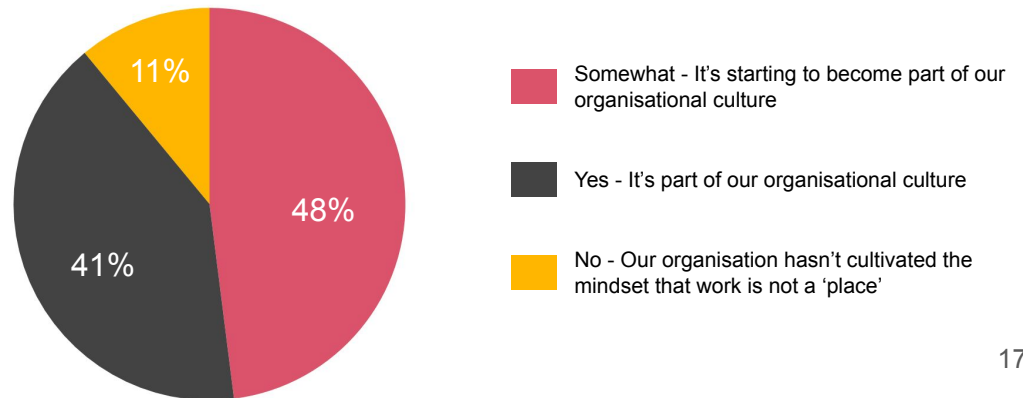
<sup>16</sup>PwC's COVID-19 CFO Pulse: Malaysia results, 12 May 2020

<sup>17</sup>[Reboot: Getting back to the workplace, 2020](#)

<sup>18</sup>[Reboot: Getting back to the workplace, 2020](#)

The organisational culture that companies build should, of course, be underpinned by empathy. The same goes for any policies introduced, as noted in our report '[Reboot: Getting back to the workplace](#).'<sup>17</sup> Given our challenging environment, it's understandable that employees may face certain [constraints](#)<sup>18</sup> as they adapt to the new normal, and it is up to organisations to demonstrate care and sensitivity towards the issues their people may be facing in these times. In this regard, one key area that shouldn't be neglected, is the physical vitality and mental wellbeing of their employees. With work demands contributing to stress levels and people being connected virtually almost all the time now, the risk of burnout is real. If not addressed, the ability for employees to learn effectively would in turn be impacted, resulting in failure to make the most out of potential upskilling opportunities.

Does your organisational culture empower employees to work effectively at home if the need arises?

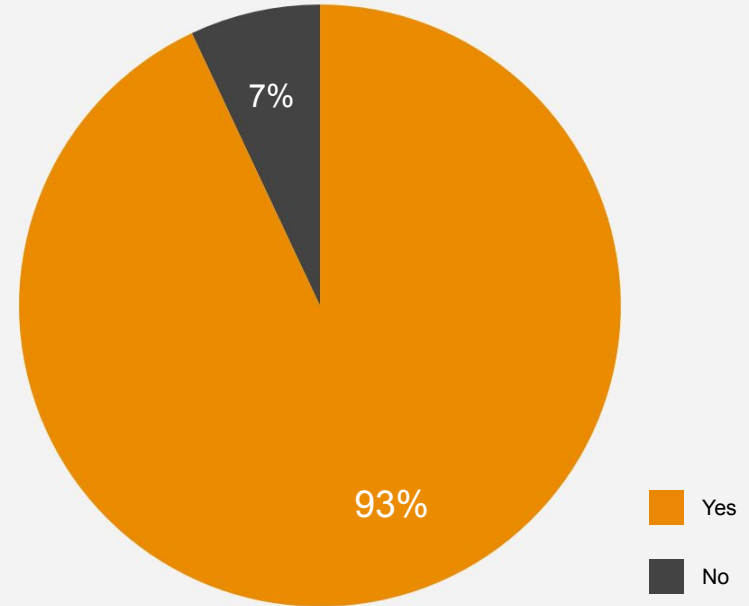




## COVID-19 has shifted employee expectations on remote working

Employee expectations have already shifted, with 93% of our respondents saying they expect to work more with digital tools in the future. If this is what our new normal looks like, then organisations need to be ready to meet the key culture and infrastructure demands mentioned above. As organisations become more reliant on technology to operate, the race to implement them should also be paired with careful steps to mitigate the risks of cyber threats.

Post-Movement Control Order (MCO), do you expect to continue working more with digital tools?



# Recommendations

For organisations to prepare their workforce for the digital world, we believe the following steps should be given due consideration.



## Assess current and future business needs, and identify skills gaps and mismatches

Assess the current and future environment and challenges. Identify the size and nature of an organisation's skills gaps and mismatches, where to start and what to prioritise.



## Build a future-proof skills strategy

Build strategic plans to deal with the skills gaps that have the most impact on helping the business fulfill their organisational purpose, which will lead to the delivery of true value.



## Lay the cultural foundation

Use culture as the bedrock of an organisation's upskilling efforts. Create a cultural shift and the right behaviours. Inspire citizen-led innovation. Nurture physical vitality and mental wellbeing.



## Develop and implement upskilling immediately, and ensure it is a business priority

Create and deploy programmes that harness the organisation's culture and use key behavioural economics principles to deliver the right learning experience and rapid results.



## Evaluate return on investment

Measure the return on investment from upskilling programmes.  
  
Check out this [report](#) to find out more about some of the metrics you can track to gauge ROI.



## About the survey

The survey was disseminated to the Malaysian public from 20 April 2020 to 22 May 2020. Participants were asked to answer a list of questions relating to technology, jobs, and skills, similar to the ones asked in PwC's Global '[Upskilling hopes and fears](#)' report, which surveyed over 22,000 adults across 11 countries: Australia, China, France, Germany, India, Netherlands, Poland, Singapore, South Africa, the UK and the US.

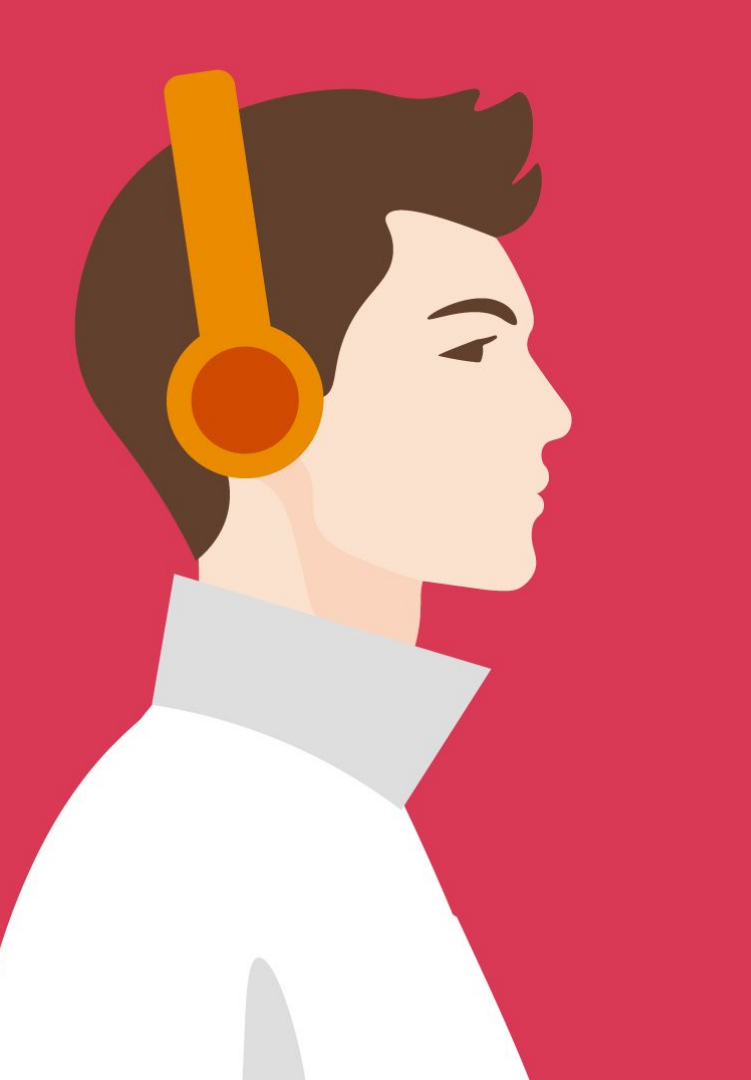
In PwC Malaysia's survey conducted independently, 986 responses were received.

## About 'New world. New skills.'

'New world. New skills.' is a global initiative by the PwC global network that aims to narrow the digital divide by improving the skills and digital understanding of millions of people worldwide. At PwC Malaysia, we have invested in training to ensure our people are prepared for the future of work. We are also equally committed to helping our clients identify and address their workforce challenges, and doing our part in reaching underserved communities who may not have access to upskilling opportunities, in order to ensure no one gets left behind.

To help Malaysians upskill, we have made our [Digital Fitness app](#) free\*, and you can download it today from the Apple App Store and Google Play. Just use the invite code: LRNALL

\*We'll continue to evaluate how this app can remain relevant to best meet your learning needs. We'll keep this version of Digital Fitness free for as long as possible.



## Contact us



**Nurul A'in Abdul Latif**

Markets Leader,  
PwC Malaysia  
[nurul.ain.abdul.latif@pwc.com](mailto:nurul.ain.abdul.latif@pwc.com)  
+603 2173 0935



**Indra Dhanu Dipak**

Director, People and Organisation,  
PwC Malaysia  
[indra.dhanu.dipak@pwc.com](mailto:indra.dhanu.dipak@pwc.com)  
+6019 214 1250



**Lim Kwan-Sek**

Director, People and Organisation,  
PwC Malaysia  
[kwan-sek.lim@pwc.com](mailto:kwan-sek.lim@pwc.com)  
+6012 335 5456



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