

OUR ORGANIZATION

Our People

Staff are the most important asset of MPFA. Our corporate achievements would not be accomplished without a dedicated workforce.

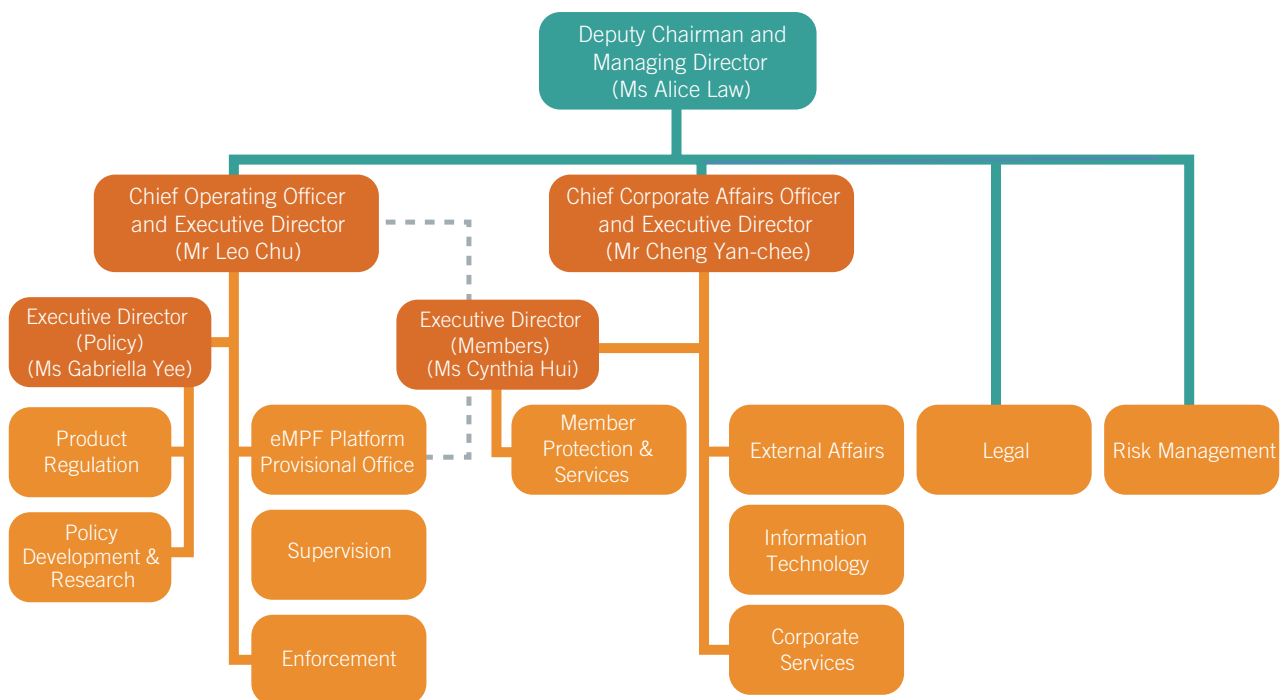
Our core values

Commitment, Quality, Teamwork, Community Perspective – together they represent the attributes we seek in our staff.

Our people strategies

We strive to build a team of high-calibre staff to perform MPFA's functions, and attach great importance to developing staff with high ethical values, empathy and strong commitment in serving the public and our diverse service targets.

Organization chart (31.3.2020)



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Key figures about our staff (31.3.2020)

Workforce at a glance

Items	Number
Size of workforce	558
Years of service in MPFA (on average)	9.6 years
Turnover rate (in 2019-20)	13.6%
Average age	41.1
Staff cost over total expenditure (in 2019-20)	68.6%

Diversity (gender and age group)

By gender

Staff category	Gender (% over total number of staff)		
	Male	Female	Total
Managerial/professional staff	54 (9.7%)	98 (17.5%)	152 (27.2%)
Supervisory/supporting staff	111 (19.9%)	295 (52.9%)	406 (72.8%)
Total	165 (29.6%)	393 (70.4%)	558 (100%)

By age group

Staff category	Age group (% over total number of staff)			
	Below 30	30 – 50	Above 50	Total
Managerial/professional staff	0 (0%)	110 (19.7%)	42 (7.5%)	152 (27.2%)
Supervisory/supporting staff	60 (10.8%)	312 (55.9%)	34 (6.1%)	406 (72.8%)
Total	60 (10.8%)	422 (75.6%)	76 (13.6%)	558 (100%)

A Better Workplace

Equal opportunities

MPFA is an equal opportunities employer and is committed to promoting equal opportunities at the workplace.

We offer employment, advancement opportunities, training and development, compensation and benefits, and other conditions of employment in a fair manner, without regard to gender, marital status, pregnancy, disability, family status, race, colour, descent, or national/ethnic origins.

Established guidelines are in place to ensure staff's awareness and understanding of the importance of prevention of any act of discrimination or harassment at MPFA.

Rewards

Our remuneration package comprises a fixed salary and a discretionary variable pay subject to individual performance. Fringe benefits including annual leave, medical and dental benefits, insurance coverage and MPF retirement benefits, are offered to staff.

To ensure competitiveness in attracting talents and retaining quality staff, pay review is conducted annually, taking into account a number of factors including market trend and inflation. A robust performance-linked pay review mechanism is put in place to ensure staff are recognized and rewarded appropriately. Benefits are also regularly reviewed.

Staff recognition

To foster a strong recognition culture in the workplace, we have put in place various recognition awards under a structured Employee Recognition Framework to recognize staff's contributions.

In 2019-20, a total of 24 staff members and eight teams who have made exceptional contributions and demonstrated MPFA's core values were recognized through respective recognition awards. Long Service Awards were presented to 53 staff members with over 10, 15 and 20 years of service at MPFA to recognize their dedication and loyalty.

Externally, MPFA staff have consistently been commended and recognized by the public. Apart from commendation letters received from the public, two staff members won The Ombudsman's Awards for Officers of Public Organizations in 2019 in recognition of their professional and excellent service to the public.



Training and development

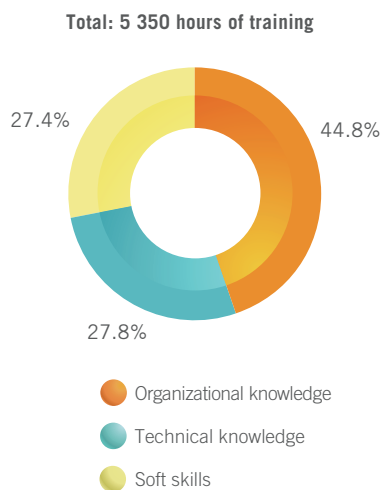
MPFA accords high importance to the development of staff and dedicates efforts to nurturing their skills and capabilities as well as fostering a continuous learning culture.

We are placing an increasing emphasis on strengthening the organization's capabilities to better meet new challenges. Having completed an assessment of our leadership and managerial profiles in the year, we started preparation for formulating strategies, plans and programmes for leadership and talent development to meet upcoming changes.

In arranging for training and development programmes, we adopt a multi-pronged learning approach which includes classroom training, local and overseas training events, on-the-job training, and customized programmes for staff at senior levels.

In the year, in-house workshops and seminars were arranged on a variety of topics, such as creative thinking, sharpening presentation decks, problem solving and decision making, personal effectiveness, performance management communication. We also arranged local external and overseas training on technical knowledge and soft skills, and provided executive coaching for staff at senior levels. In 2019-20, our training and development efforts resulted in:

- About 5 300 hours of training
- Over 1 720 training places
- 92% of staff members having received training



With our efforts in staff training and development, we are accredited as a Manpower Developer under the Employees Retraining Board's Manpower Developer Award Scheme.

Communicating with staff

The management attaches great importance to communication with staff.

The Managing Director held half-yearly Town Hall Sessions to share her vision for MPFA, the corporate objectives and the activities to achieve them, thoughts on desirable leadership capabilities, and address questions raised by staff.

To facilitate understanding of corporate goals and how staff members can contribute to the success of the organization, the strategies and goals of MPFA as set out in the corporate plan approved by the Management Board are cascaded to staff members.

Staff members set their work objectives to align with corporate objectives, and maintain communication with supervisors to review the achievement of their work plans.

Briefing sessions are organized periodically to share knowledge on job-related topics or latest development in various areas of operations.

Business Continuity and Operation of MPFA during the COVID-19 Pandemic

Together, we fight the virus!

Since late January 2020, we have triggered our business continuity plan in response to the COVID-19 pandemic. The objectives are to protect the safety and health of our staff, safeguard public health, minimize disruptions to our public services, and ensure that the critical processes of MPF trustees will continue to be maintained.

A Crisis Command Team (CCT) was set up on 29 January 2020. Led by the Managing Director and comprising Executive Directors and heads of business units, CCT had gathered 23 times up to 31 March 2020 and monitored the development of the COVID-19 situation, assessed the impact on the operations of MPFA and the MPF sector as well as MPF scheme members' interests, and made decisions on contingency measures.

Over the months, we maintained close communication with staff, delivered updated information on CCT's decisions promptly and shared health advice with them frequently.

Staff's well-being and safety, our priority!

Special work arrangement

To follow the Government's advice on maintaining social distancing while upkeeping our operation, a combination of work-from-home arrangement and split-team arrangement was in place from late January to April 2020.

Tools for remote access to office network and systems were provided to staff members. As at end March 2020, about two-thirds of our staff members were provided with remote access tools to minimize the number of staff members who need to work in office.

To reduce face-to-face contact, large-scale events and education and publicity activities involving a large number of participants were suspended. Meanwhile, a video conferencing solution with encryption and security protection was implemented to support virtual meetings, briefings, training sessions, workshops, seminars and press conferences.



Customer service counters at our offices were closed from 29 January to 3 May 2020 to reduce social contact. Members of the public could continue to obtain MPF-related information, make enquiries and lodge complaints through digital means and through the telephone enquiry hotline.

Under the special work arrangement, MPFA's operations remained largely normal, despite some impact on efficiency and effectiveness for certain tasks.

Clean and safe workplace

As a caring employer, MPFA always strives to maintain a clean and safe workplace. Since late January 2020, cleansing and disinfection of office premises have been stepped up. Protective supplies, in particular, face masks, were provided to staff members working in the office. Staff were advised to play a part and take various precautionary measures.

Sustainability of the Organization

Preparing ourselves for transformation

As the MPF System enters its 20th year of operation and in anticipation of the new operating landscape after the launch of the eMPF Platform, MPFA needs to re-position its regulatory role and brace itself for new challenges.

Transformation, which is all about having the capabilities to cope with changes, is key to preparing MPFA for the future.

With a view to strengthening our organizational capabilities, we conducted assessment surveys and in-depth interviews to gain an understanding of our leadership and managerial profiles.

The findings were shared with the heads of business units to promote discussions on enhancement of people capabilities. The findings also serve as a strong basis for the development of strategies and programmes to enhance our organizational capabilities as a whole.

Work with greater efficiency – eMPFA initiatives

We have embarked on a digital transformation journey to further standardize, streamline and automate our operations progressively with “digital by default” guiding principles.

eMPFA initiatives are pursued to better support MPF reforms, facilitate our supervisory oversight, improve communication with the public and delivery of services, improve work accuracy, reliability and efficiency, as well as to achieve greater cost-effectiveness in the long run.

In 2019-20, the following eMPFA initiatives were launched:

- eWorkflow system to automate and streamline internal workflow for handling supervisory issues of trustees, and make available more timely and analytical management reports;
- Enhancement of the ePASS¹ and eService² to support tax-deductible voluntary contributions (TVC), e.g. to support MPF transfer for TVC among trustees, additional annual return submission requirements by MPF intermediaries;
- Installation of sufficient hardware and software to support remote access to office network and systems and virtual meetings to pave the way for implementing more flexible and cost-effective work options in the long run.

More eMPFA initiatives are in the pipeline. Just to name a few, we will launch an internal dashboard to enhance our member protection operations, and will extend the functionalities of the “eService” for MPF intermediaries to support the electronic processing of change of information of intermediaries.

Financial resources

We operate on a self-financing basis with operations funded by statutory fees and investment income generated from a one-off Capital Grant of \$5 billion from the Government in 1998.

Annual registration fee on MPF schemes is intended to be a major source of recurrent income for MPFA, but the collection of the fee has been held in abeyance since 2000.

1 “ePASS” (electronic Portability Automation Services System) is an automated system launched in 2012 to facilitate speedy and accurate exchange of data among trustees for transfer of MPF benefits.

2 “eService” is an electronic platform established to allow registered intermediaries to view their registration information, submit and view their returns, and view their submission history at any time. Registered intermediaries can also make electronic payment for their annual fees through “eService”.

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To ensure the long-term financial sustainability of MPFA, the Government has commenced legislative process to require MPF trustees to pay annual registration fee. The relevant legislative proposals were pending the approval of the Legislative Council as at 31 March 2020 and were finally passed on 17 July 2020.

Income

	2019-20		2018-19
	%	\$ million	\$ million
Net investment income	47.7	69.8	113.1
Fees and charges	13.7	20.0	21.0
Interest income	3.5	5.2	4.8
Recoveries from MPF Schemes Compensation Fund ³	0.9	1.3	1.2
Other income	34.2	50.0	–
Total	100	146.3	140.1

In 2019-20, we posted an investment gain of \$69.8 million, amid a highly volatile investment environment under the prevailing market conditions.

\$17.3 million was recorded in fees on ORSO schemes and application and annual registration fees on MPF intermediaries, accounting for the bulk of total fees and charges collected in 2019-20.

In addition, \$50.0 million was recorded as other income, being reimbursement from the Government of expenses incurred for the eMPF Platform project in financial years 2018-19 and 2019-20 as mentioned on page 56.

Expenditure

	2019-20		2018-19
	%	\$ million	\$ million
Staff cost	68.6	364.2	345.8
Premises expenses ⁴	2.2	12.0	56.1
Other expenses	29.2	154.9	94.4
Total	100	531.1	496.3

In 2019-20, in addition to performing our ongoing functions, we continued to take forward the eMPF Platform project as tasked by the Government. MPFA's resources were deployed to carry out the preparatory work of the project, bringing an additional impact on MPFA's financial position before the expenditure incurred for the project was recouped from the Government.

In face of the many demands on our resources, we will continue to exercise stringent fiscal discipline and make efforts in controlling our expenditure.

Financial position

As at 31 March 2020, the capital and reserve of MPFA was \$2.63 billion. Details are set out in the audited financial statements of MPFA on pages 86 to 126.

It is expected that we will be able to better position MPFA's budget in the long run with the collection of annual registration fee as a new and major income source of MPFA.

3 The MPF Schemes Compensation Fund is set up under the MPF legislation to compensate MPF scheme members or other persons who have beneficial interests in MPF schemes for any loss in MPF benefits attributable to misfeasance or illegal conduct committed by MPF trustees or any other persons concerned with the administration of those MPF schemes. Currently MPFA administers the MPF Schemes Compensation Fund and recoups the expenses incurred on a cost recovery basis.

4 In applying the new accounting standard on 'Leases' in 2019-20, rental expense is no longer recorded under premises expenses. Instead, a depreciation and a finance cost (both under other expenses) in relation to the premises are required to be recorded separately representing the net present value of total rental payments utilized.