

TALENT ROADMAP



TalentCorp
MALAYSIA

MALAYSIA HAS TALENT





FOREWORD



As a nation, we are well underway on our journey towards Vision 2020. We continue to chart good progress towards our dream, our plan and our destiny to emerge as a developed nation. The Government has initiated a holistic transformation agenda, which will culminate in the National Transformation Policy 2011 - 2020.

The transformation programmes have been formulated through extensive consultation with the *Rakyat* and focus on achieving a higher quality of life and sustainable prosperity for all Malaysians. Our transformation agenda is therefore by the people and for the people. However, we will only succeed if the transformation is made with the people. Only through harnessing the collective might of Malaysians can we fulfil our potential and join the ranks of leading nations of the world.

Malaysian talent represents the key to transforming our nation into a high-income economy, driven by knowledge-intensive and innovation-led activities. Talent Roadmap 2020 articulates the game plan to address the need for top talent to drive the Economic Transformation Programme (ETP). Talent Corporation Malaysia Berhad (TalentCorp) was established in January 2011 to be a focal point for this agenda.

Delivering on talent is integral to the success of the ETP. Yet, talent-related issues are wide ranging and involve various stakeholders. TalentCorp will focus on building effective partnerships between the public and private sectors towards ensuring the availability of top talent, particularly for the key sectors of the economy. Sustaining a supply of top talent will require a combination of optimising Malaysian talent, attracting global talent and leveraging on networks of top talent.

I am confident with the stakeholders all aligned and committed to our national talent agenda, we will arrive at 2020, a global hub for talent and a high-income, developed nation. God willing, our ambitions will be realised.

A stylized signature in black ink, consisting of several fluid, overlapping strokes.

DATO' SRI MOHD NAJIB
PRIME MINISTER MALAYSIA AND CHAIRMAN, TALENTCORP
24 APRIL 2012

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EXECUTIVE SUMMARY



"I cannot build this future alone and so I need each and every one of you to walk with me in this journey to bring transformation and the light of hope to all Malaysians."

- YAB Dato' Sri Najib Tun Abdul Razak (April, 2012)



Can you imagine **Malaysia** as a global talent hub?

To realise our ambition to become a high income, advanced nation by 2020, Malaysia needs top talent.

The Talent Roadmap 2020 outlines TalentCorp's role in Malaysia's journey towards nurturing, attracting, and retaining talent for Vision 2020.

The Roadmap encompasses strategies and initiatives that require cohesive and complementary efforts by both public and private sectors to ensure our talent pool meets the needs of key industries driving the national economic transformation agenda.



Let's make it happen together

Talent is a critical enabler for economic growth and transformation

Talent has become more important than capital assets or raw materials. An abundance of talent will attract more industries and investments, creating higher-income opportunities and making the country more competitive in the global arena.

In an era of increasing competition, the strength of a country's talent pool will be the crucial factor separating the winners and the losers. **Will Malaysia prove to be a winner?**



VISION 2020

Roadmap to 2020 is driven by talent

Malaysia aims to be a high income nation by 2020. **But do we have enough talent to take us there?**



National Transformation Policy

Holistic transformation agenda to become a developed nation



10th Malaysia Plan

Government's service delivery & framework for Malaysia's development



New Economic Model

For a high-income, inclusive and sustainable nation



1Malaysia

People First, Performance Now
Preservation & enhancement of unity and celebration of diversity

Malaysia has progressed significantly over the past few decades

Since independence, Malaysia has come a long way in transforming itself from a low income resource-based nation to an upper middle income diversified industrialised nation.

In the last five decades, we have continuously devoted resources into building up our human capital to meet the growing needs of industries.



Our investment in talent has paid off in several ways:



More than doubling in enrolment of tertiary education since 2000

More than quadrupled the number of **professionals** since 2000



Upskilling programmes trained 3x more skilled workers since 2000

Establishment of **sector-focused** talent development programmes



We are now gearing to reach greater heights



But challenges remain in achieving a high income status:



Malaysian universities are not included in the Times Higher Education **World University Rankings**

24.6% local graduates **unemployed**
(6 months after graduation)



2-3 times longer to fill a professional position compared to other ASEAN countries

Wages have not increased in tandem with increase in productivity



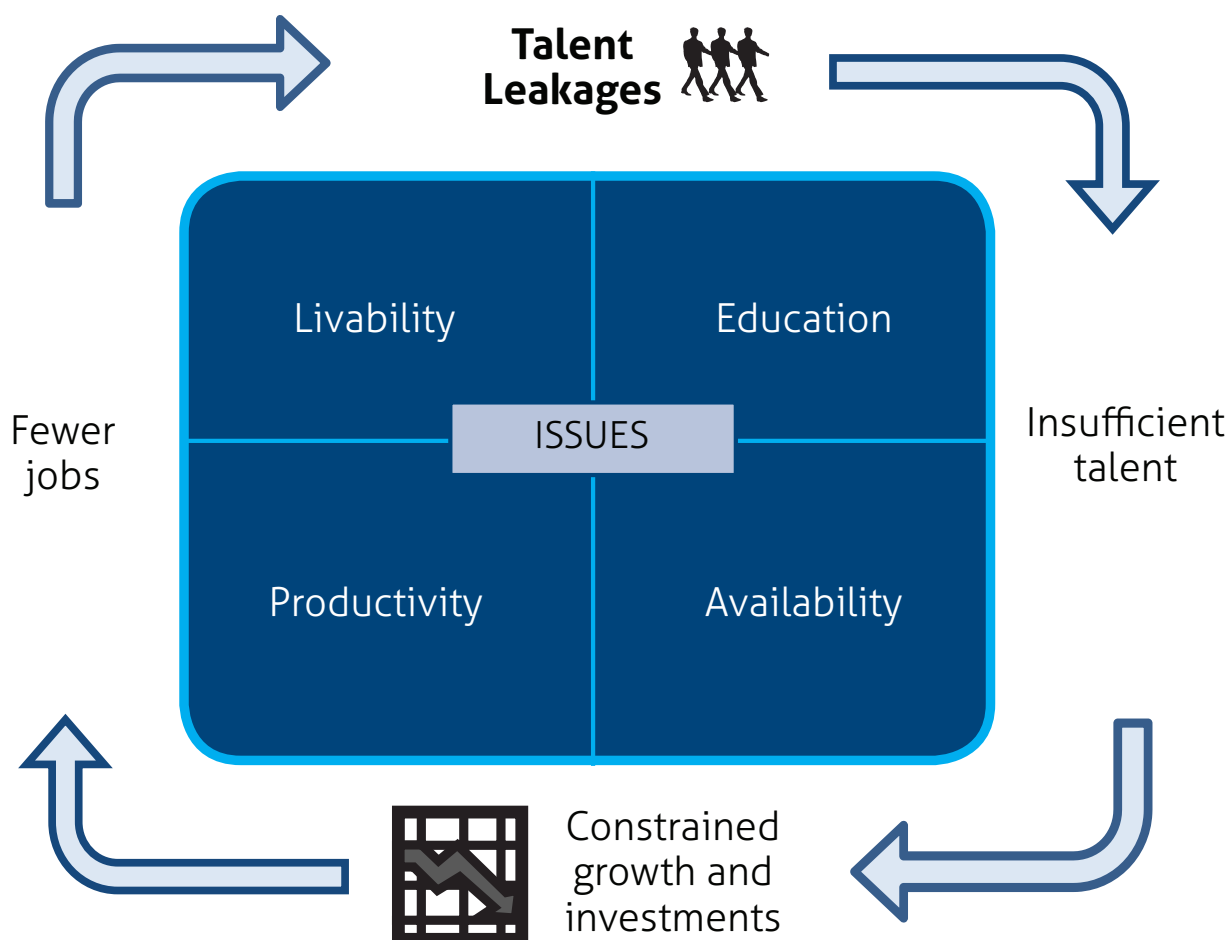
78
140

Ranking of Kuala Lumpur in the Economist Intelligence Unit **Most Livable Cities**

There are talent issues that can potentially slow our ascent

Malaysian talent are highly sought after internationally, fuelling 'brain drain' from the country.

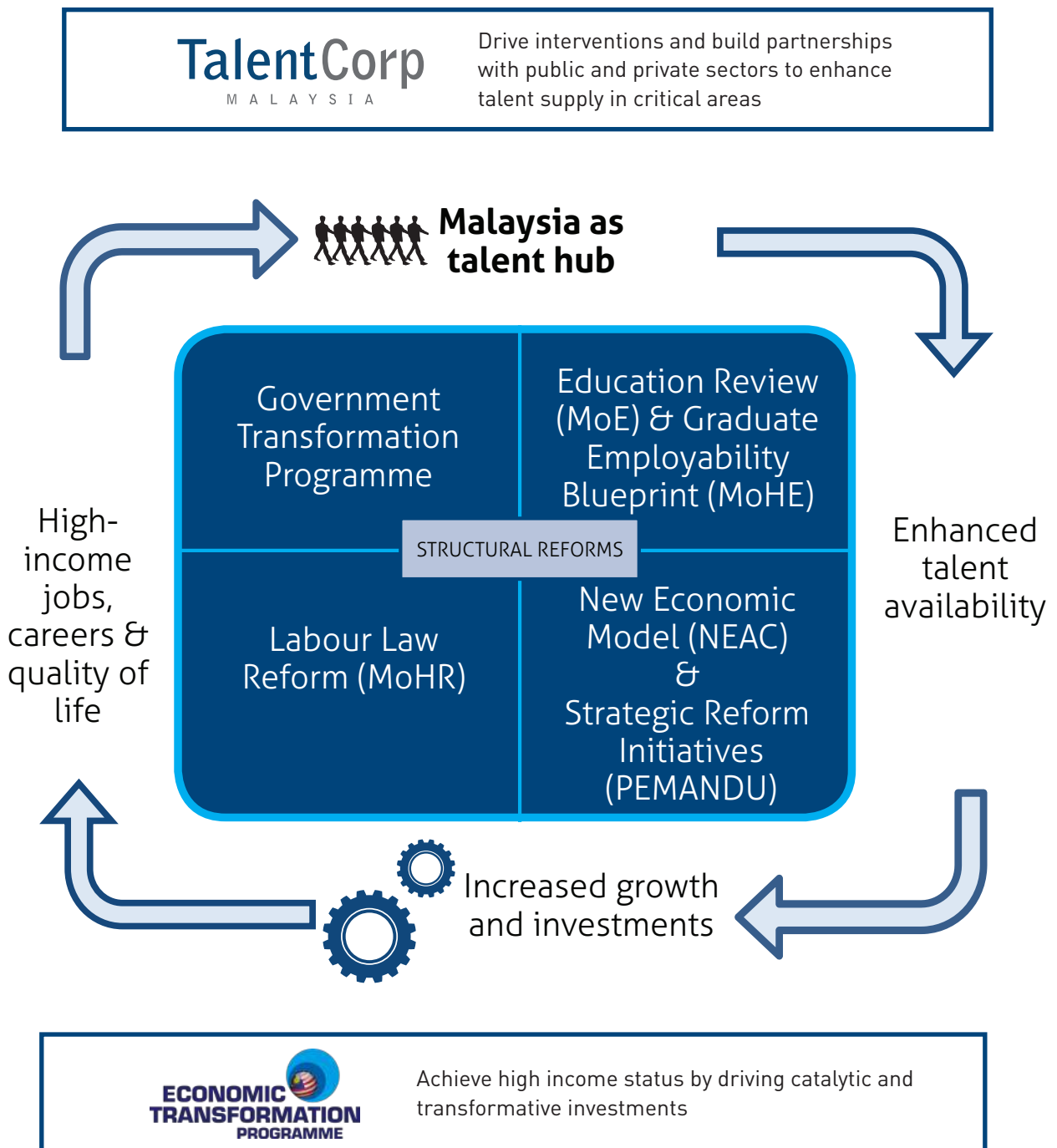
If underlying issues are not addressed, brain drain can set off a potentially **vicious cycle** of talent leakage and weakened economy.



Various parties are working collectively to address the talent issues

Cognisant of these issues, the Government has embarked on various structural reforms to address them.

TalentCorp complements these structural reforms, working in tandem with the Economic Transformation Programme to catalyse a **virtuous cycle** of talent supply and investments.



As it is, Malaysia has a strong value proposition to talent

Employment
classifieds and on

21

Career Opportunities

POS
W
d
r



MALAYSIA WANTS TOP TALENT

- **Great location**, vibrant place, right at the heart of Asia where the economy is booming!
- **Competitive industries** moving up the value chain!
- Local **homegrown companies** expanding internationally!
- Good food, good values, good people, **good life!**

About us: Malaysia has over 55 years experience in development. We are a diversified conglomerate with competitive, and strong, and growing businesses in Oil & Gas, Electronics, Finance, Healthcare, ICT, etc.

We want global talent like you to help transform our economy



Customer
Service

To keep our momentum, there are urgent talent shortages to be filled

Companies urgently require:



Top graduates

To support industries moving up the value chain

To be groomed as potential leaders



Experienced professionals

For specialised technical areas

To support regionalisation of businesses

Initiatives that can address the urgent talent shortages:

- Holistic scholarship management
- Enhanced career awareness
- Structured internships
- Value-add upskilling programmes

- Outreach to Malaysians abroad
- Facilitate returning Malaysians
- Ease of entry for top foreign talent

TalentCorp aims to address the talent shortages via three Strategic Thrusts



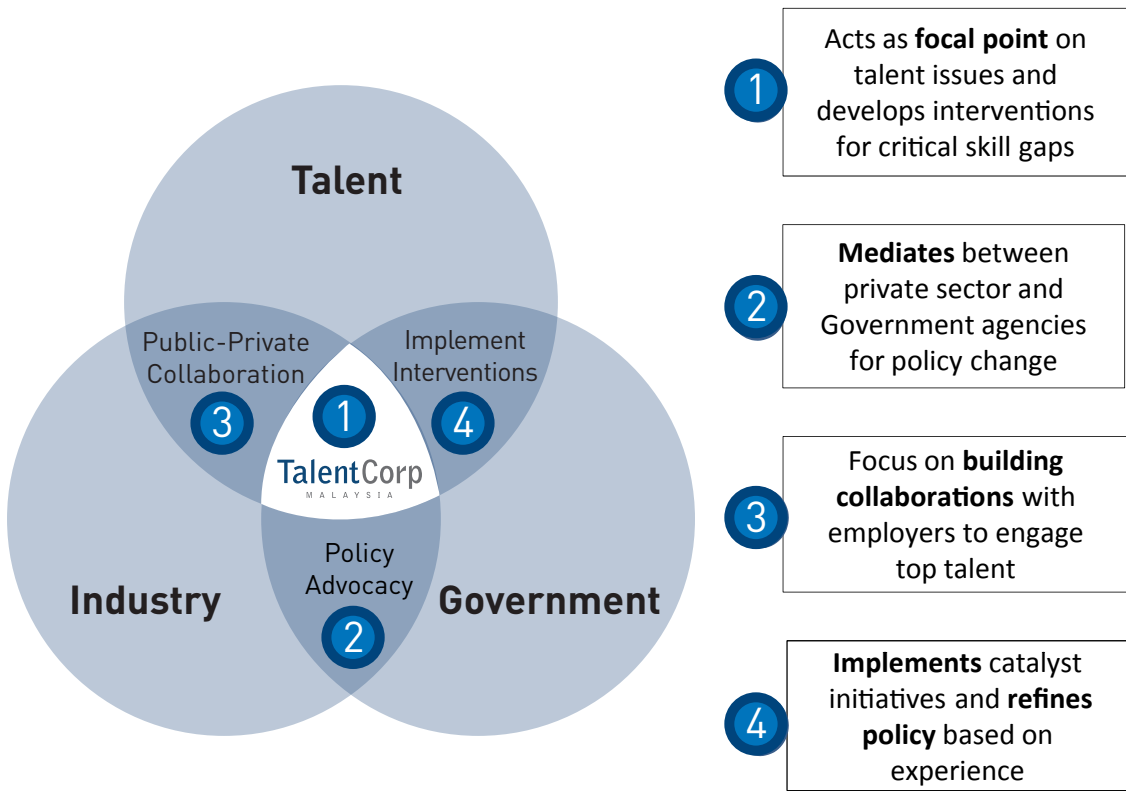
TalentCorp's Aspiration
 Malaysia as global talent destination
 Top 20 by 2020*

TalentCorp's Mission
 Build effective partnerships and make a difference in addressing Malaysia's talent needs to enable the country to reach its aspiration of a high-income nation

Strategic Thrust 1
 Optimise Malaysian Talent

Strategic Thrust 2
 Attract and Facilitate Global Talent

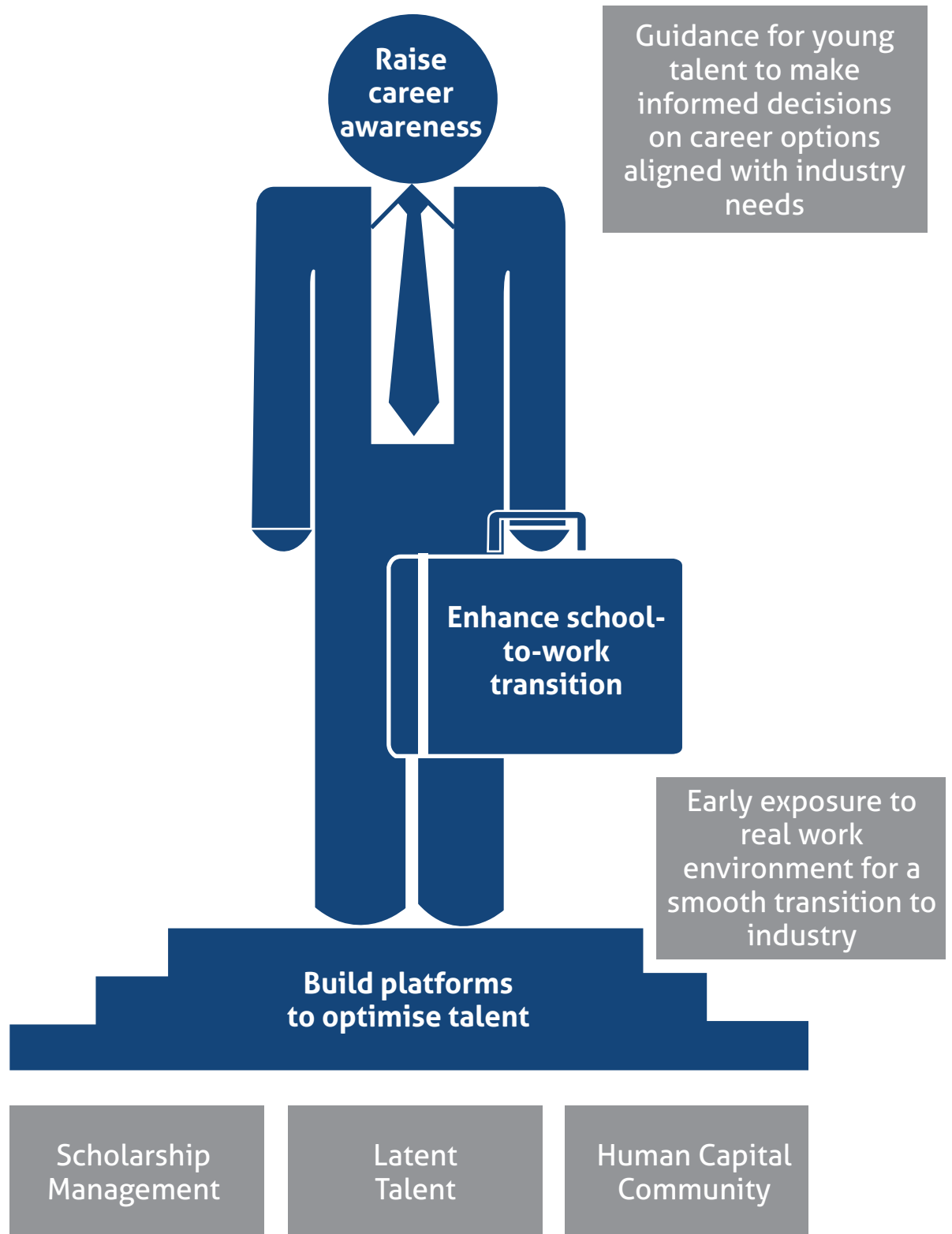
Strategic Thrust 3
 Build Networks of Top Talent



* Global Talent Index

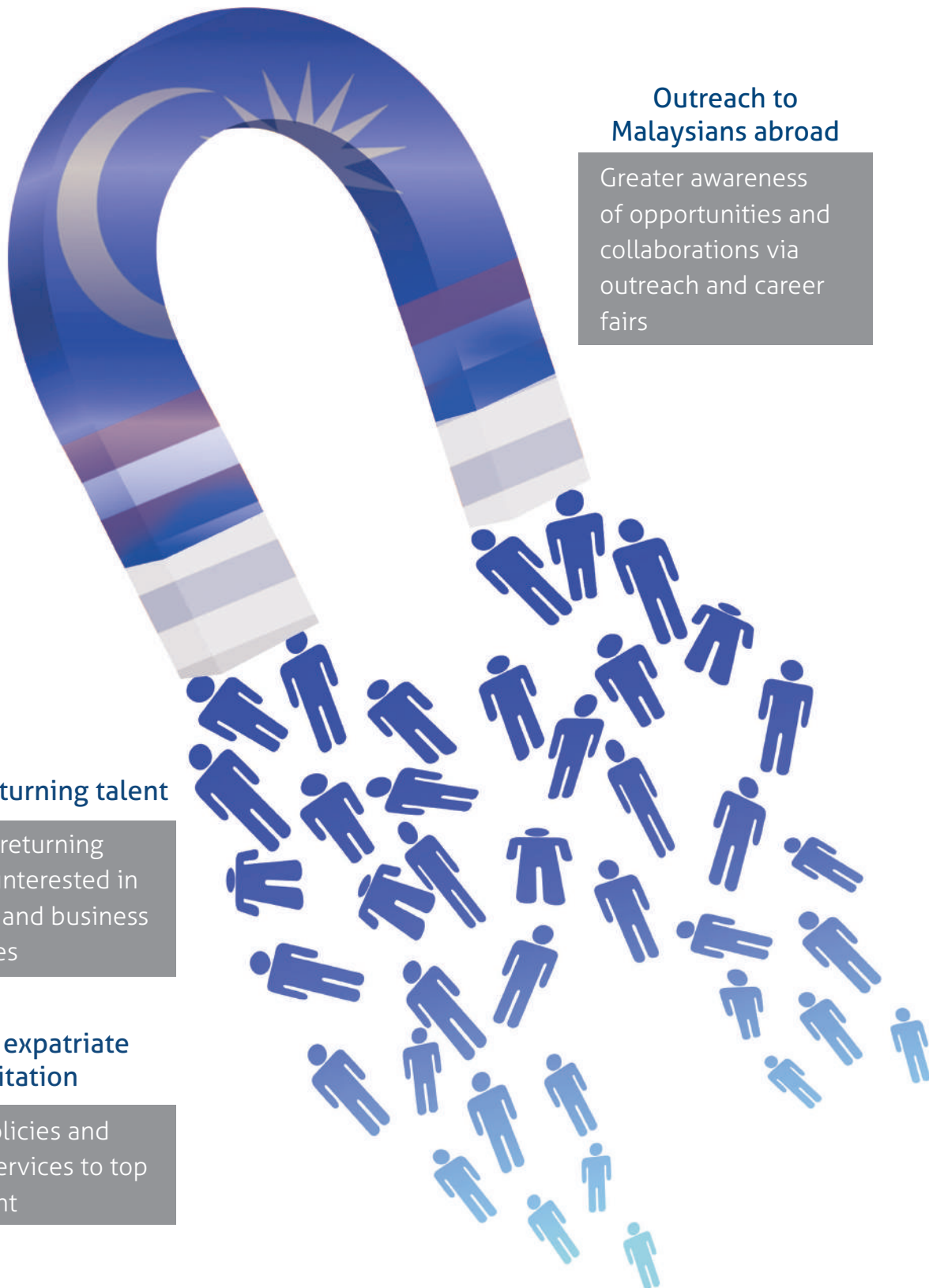
First, to ensure homegrown talent secure fulfilling careers

STRATEGIC THRUST 1: OPTIMISE MALAYSIAN TALENT



Second, to facilitate the best global talent to complement the Malaysian talent pool

STRATEGIC THRUST 2: ATTRACT & FACILITATE GLOBAL TALENT



Outreach to Malaysians abroad

Greater awareness of opportunities and collaborations via outreach and career fairs

Facilitate returning talent

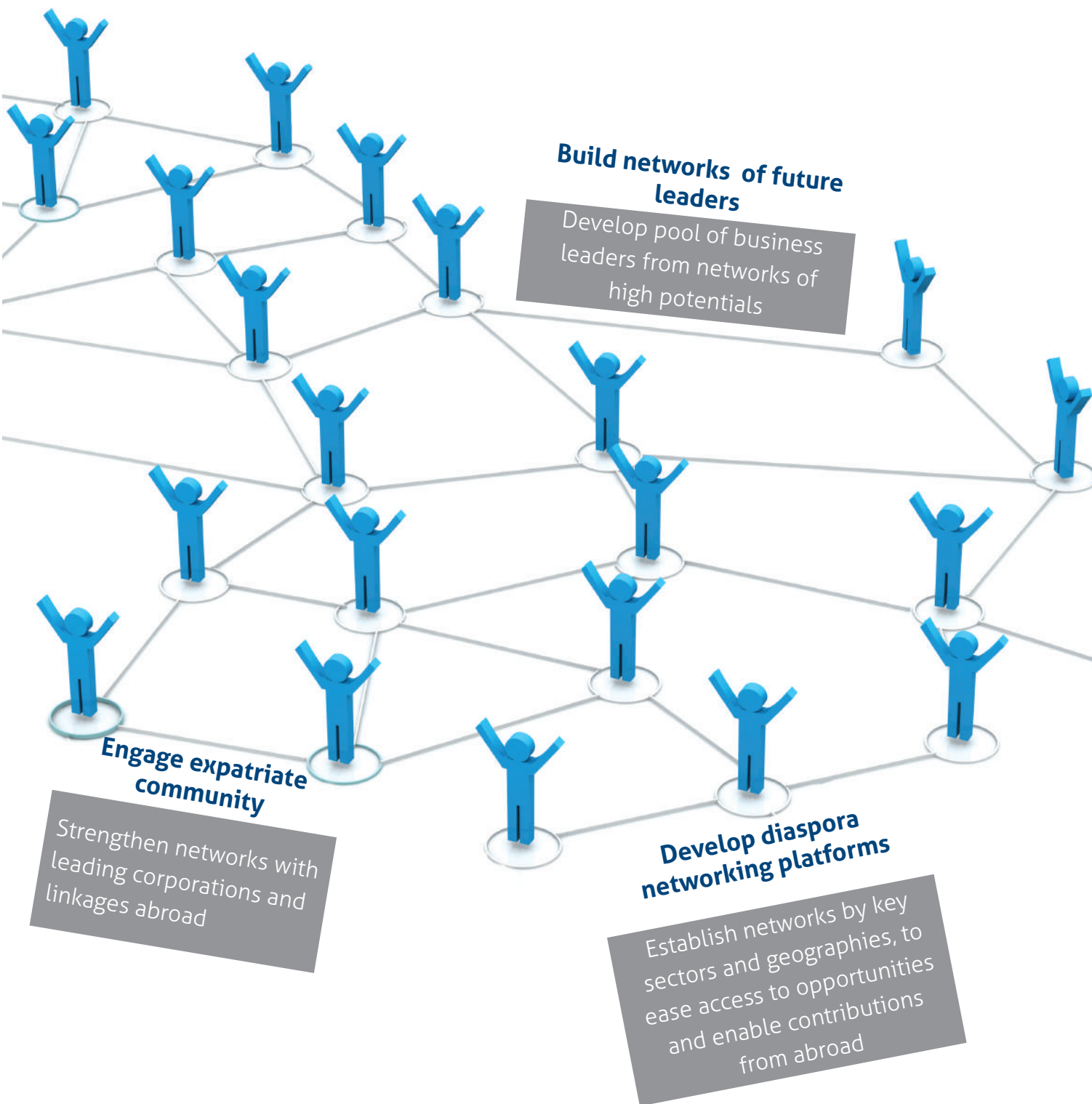
Support for returning Malaysians interested in local career and business opportunities

Enhance expatriate facilitation

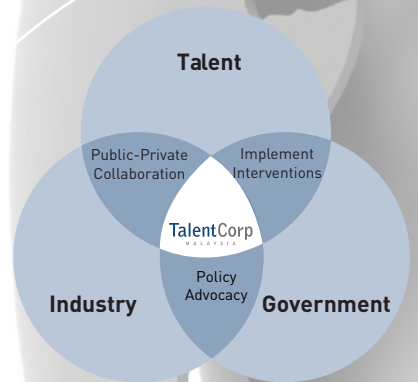
Facilitate policies and top-notch services to top foreign talent

Third, TalentCorp connects top talent to leading employers and each other

STRATEGIC THRUST 3: BUILD NETWORKS OF TOP TALENT

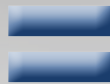


Our goal to be a global talent hub by 2020...



National Transformation

Collective Action



Talent Roadmap

**Malaysia as a global
talent hub**

...is within reach

TRUE or FALSE?

TalentCorp finds employment for jobseekers

FALSE!

TalentCorp works with leading employers and career services providers to support platforms such as career fairs, where jobseekers can interact with potential employers. TalentCorp itself does not provide job placement services.

Employers are one of TalentCorp's stakeholder's

TRUE!

TalentCorp takes a demand driven approach, liaising mainly with employers in key sectors to understand critical skills gaps. TalentCorp also works with companies, through which engagement with talent is done.

TalentCorp caters only to Malaysians abroad

FALSE!

TalentCorp develops programmes primarily for Malaysians in Malaysia, in addition to Malaysians abroad and top foreign talent.

TalentCorp's scope revolves around the National Key Economic Areas (NKEAs)

TRUE!

TalentCorp prioritises NKEAs, such as Oil & Gas, Electronics & Electrical, Business Services and Financial Services. However, TalentCorp's interventions do benefit other sectors beyond NKEAs.

TalentCorp replicates the work of other Government agencies

FALSE!

TalentCorp has been established with the mandate to act as focal point for priority sectors on talent issues. In addressing talent issues, TalentCorp develops and drives interventions, acting as a bridge between the private sector employers and relevant Government agencies.



CHAPTER 1

Talent—

The Key to Vision 2020



Chapter 1: Talent—the key to Vision 2020

“By the year 2020, Malaysia can be a united nation, with a confident Malaysian society, infused by strong moral and ethical values, living in a society that is democratic, liberal and tolerant, caring, economically just and equitable, progressive and prosperous, and in full possession of an economy that is competitive, dynamic, robust and resilient.”

The Way Forward—Vision 2020 by YABhg. Tun Dr. Mahathir Mohamad, 1991

Malaysia’s ambition is to emerge as a developed nation by 2020. Our transformation will not be in the image of other developed nations, but in the words of YABhg. Tun Dr. Mahathir Mohamad, *“We should be a developed country in our own mould”*. Our mould is shaped and developed by our people, Malaysian talent—the key to Vision 2020.

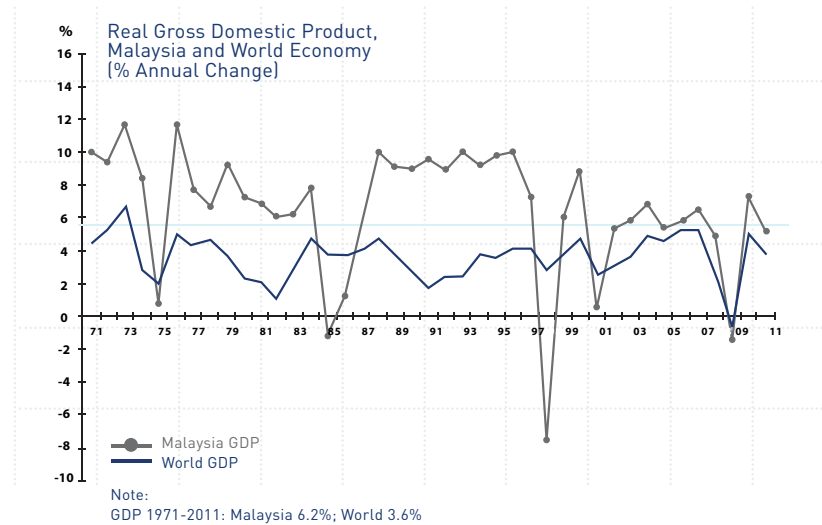
1.1 Malaysia intends to be a high income, advanced nation by 2020

Malaysia’s development story is one of transformation: from a low income agriculture-based economy, the economy has evolved today into an upper middle income nation with a diversified economy anchored on services and manufacturing.

Between 1988 and 1996, Malaysia’s Gross Domestic Product (GDP) grew at an average rate of above 9.5 percent annually (Figure 1.1). During this period, Malaysia was labelled the fifth “tiger” of East Asia or Newly Industrialised Economy along with fast-developing Taiwan, South Korea, Hong Kong, and Singapore.¹ Double-digit growth rates were recorded in the period leading up to the 1997/98 Asian Financial Crisis, but the subsequent volatility, including the 2008 global financial crisis, served to disrupt Malaysia’s progress along the path to developed nation status.

¹ Commonly used categorisation for countries whose economies have not yet reached developed status but have outpaced their developing counterparts.

Figure 1.1 Malaysia has had relatively strong economic performance



Source: Ministry of Finance, Malaysia (MoF)

With a volatile global macroeconomic environment, combined with intensifying competition from other nations, a new approach to economic development was required for Malaysia to resume its journey towards becoming a high income, advanced nation by 2020.

The Growth Report

The Growth Report (2008) by the Commission on Growth and Development celebrates the success of Malaysia as one of only 13 countries that successfully sustained growth of more than seven percent over at least 25 years since 1950. Fast and sustained economic growth is achievable but clearly challenging given the few that succeeded. The Growth Report highlighted the absence of any one single growth formula between the 13 countries. However, one important common success factor was communicating a credible vision of the future and strategy for getting there.

Of the 13 high growth countries, only six eventually achieved high income status. The challenge faced by middle income countries was introducing transition policies to drive the evolution from labour intensive to a knowledge intensive economy. This includes letting go of policies which were previously successful.

1.2 Malaysia has a comprehensive framework to maintain trajectory towards becoming a high income, advanced nation

"I cannot build this future alone and so I need each and every one of you to walk with me in this journey to bring transformation and the light of hope to all Malaysians."

YAB Dato' Sri Mohd Najib
(April, 2012)

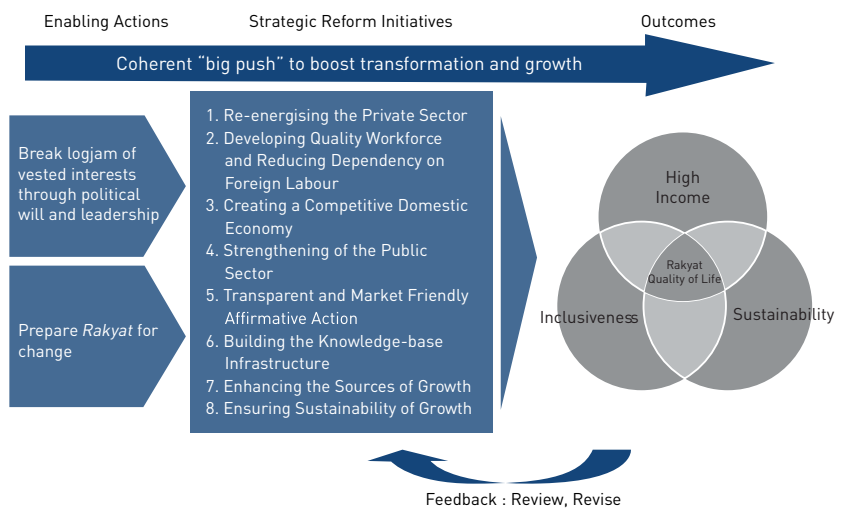
To ensure that Malaysia remains on track to achieve high income, advanced nation status within the desired timeframe, YAB Dato' Sri Mohd Najib is set to introduce the National Transformation Policy (NTP), a holistic national agenda that will focus and drive Malaysia's transformation goal. This policy framework comprises existing national policies, including the New Economic Model (NEM), the Economic Transformation Programme (ETP), the Government Transformation Programme (GTP), and the Political Transformation Programme (PTP).

The 10th Malaysia Plan (10MP) charts the country's development agenda from 2011 to 2015. Underlying each of these programmes is the guiding philosophy of "1Malaysia: People First, Performance Now" which recognises the need for the full commitment of all stakeholders, namely, the *Rakyat* (citizens) as well as the private and public sectors, to drive the effective implementation of action plans and ensure the attainment of the Vision 2020 goal.

From now until 2020, Malaysia aims to achieve a Gross National Income (GNI) of USD 17,000 per capita by 2020. Implicit in the programmes is the recognition that the foundation of any advanced economy is a sustainable, globally competitive, highly skilled, productive, creative, and innovative workforce.

The NEM, an economic blueprint to transform Malaysia into a high income, advanced nation, is premised on eight Strategic Reform Initiatives (SRIs), one of which calls for the intensification of Human Capital Development. This SRI involves measures to transform both the workplace and workforce with the aim of improving the quality of human capital in the country (Figure 1.2).

Figure 1.2 The NEM is an economic blueprint towards Vision 2020 premised on the SRIs



Source: National Economic Advisory Council, "New Economic Model for Malaysia Part 1", 2010

The ETP aims to accelerate the NEM’s high income agenda by building on the sectors in which Malaysia demonstrably has a competitive advantage, as embodied in the 12 National Key Economic Areas (NKEAs) (Figure 1.3).

Figure 1.3 There are 12 NKEAs to achieve high income status



Source: PEMANDU, Economic Transformation Programme

The new framework for development also embodies the GTP, which focuses on seven National Key Result Areas (NKRAs) to address the people’s expectations of the Government. The people-centric NKRAs are related to enhancing the quality of life and addressing cost of living issues in Malaysia.

The PTP is Malaysia’s most recent plan to develop legislation that will enable Malaysia to become a modern, progressive, and functional democracy. This Programme complements the Government’s existing initiatives in crafting an environment for economic and social transformation to flourish.

The 10MP is Malaysia's five-year agenda of action for development covering 2011 to 2015. It charts the strategies and programmes required to actualise the policy changes necessary to drive the economy to high income levels. The Plan contains talent development and management initiatives to nurture, attract and retain the first-world talent base required to attain developed economy status, including the establishment of Talent Corporation Malaysia Berhad (TalentCorp).



Zainal Abidin Jalil
CEO of Malakoff Corporation Berhad

Returning Expert Programme
Global Talent back in Malaysia

“ I believe there are opportunities to transform our corporate mindset to be global in thinking. Rising competitiveness globally leads to rising productivity and income levels. I see strength in our own people and we need to believe we can play the global game. ”

1.3 Talent drives the Economic Transformation Programme

Globally, talent is recognised as an integral element of economic and business growth, competitiveness, and innovation. Malaysia is no different. Talent is acknowledged as the key enabler to drive Malaysia's economic transformation and support an economy that aspires to be productivity-driven, knowledge-intensive, and innovation-led.

Under the ETP, the private sector, as the designated primary driver, is projected to invest 92 percent of the RM1.4 trillion investments required to ensure the successful transformation of the economy up the value chain. The new opportunities generated are expected to pave the way for skills improvements in the progression towards higher paying and higher value-added jobs.

In this context, the 12 NKEAs are expected to generate approximately 3.3 million new jobs by 2020. While 60 percent of the total, or approximately two million of the jobs created, are expected to be in

Stuart Dean
CEO of GE ASEAN

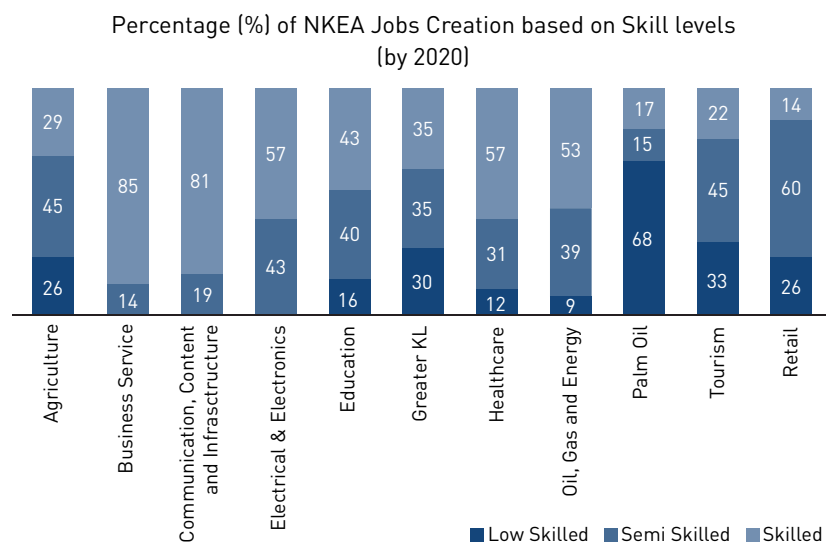
*Residence Pass –
Talent*
**Global Talent in
Malaysia**



“ Our focus in Malaysia is to play a key role in supporting the growth of the country. We are very proud of our Entry Point Project (EPP) on a diagnostics service nexus for Malaysia with our Malaysian partners. ”

the middle to high income salary bracket, the actual number could be higher because of spin-offs in business opportunities. In addition, by 2020, more than 80 percent of the workforce in the Communications, Content, and Infrastructure (CCI) and Business Services NKEA would comprise skilled workers (Figure 1.4).

Figure 1.4 The ETP requires the creation of skilled jobs to achieve Vision 2020



Source: PEMANDU, Economic Transformation Programme

The materialisation of private sector investments is heavily dependent on the availability of top talent and a highly skilled workforce. The talent required to advance the economic transformation agenda must possess skills and qualities to match industry requirements. In addition, top talent are needed to support Malaysia’s economic strategy of moving up the value chain. The availability of such top talent will complement and accelerate the transformation from an input-driven to a productivity-driven growth strategy.

It is therefore increasingly important that the supply, in terms of quantity and quality of talent, meets the growing demand for higher skills. Industries have high demand for top talent and a highly skilled workforce both at the entry and experienced levels. The qualities sought range from technical to “soft” or “people” skills. Gaps in these areas are particularly acute within the engineering, life sciences and pharmaceutical, CCI, and retail sectors.²

² Kelly Services, “Kelly Skills at Work”, 2010



Kala Kularajah Sundram
Head of Talent & Organisation
Maxis Communications

Member of TalentCorp Lab 2010
Global Talent Manager in Malaysia

“The Telecommunication industry is evolving at a dramatic pace. This translates into demand for new specialised technical expertise, which are not available here in Malaysia.”

These range of core skill become critical especially given the demands for new types of skills as industries move up the value chain or undertake new activities. In the Electronics and Electrical (E&E) sector for example, key in moving up the value chain is having a wider pool of engineers with Research and Development (R&D) competencies. In the Oil and Gas (O&G) sector, the current expansion into deepwater and marginal fields requires expertise, such as deepwater drilling and reservoir optimisation, which are not readily available.

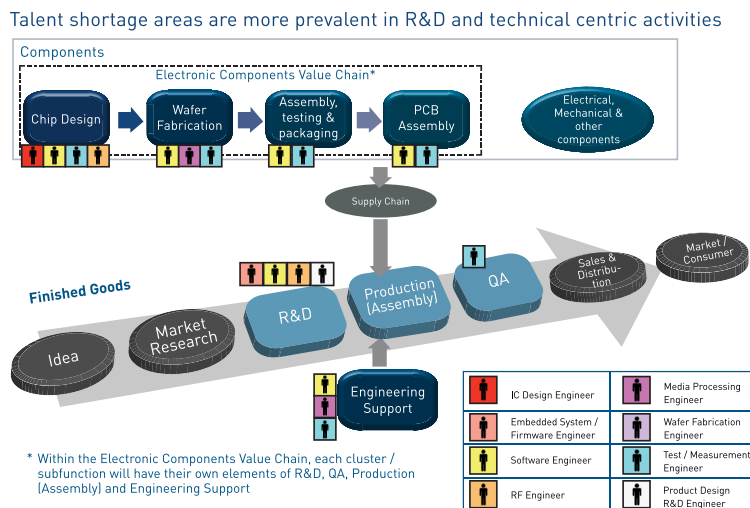
Beyond the highly skilled expertise required for transformation and growth by industries, top talent is also required to support organisational expansion. In line with transforming to a developed nation, an increasing number of Malaysian companies are going international and establishing themselves as regional champions. This creates a demand for new skills sets to support companies embarking on international growth and transformation.

Why Talent is a Key Enabler in the Growth of Electronics and Electrical Sector

The Electronics and Electrical (E&E) sector faces significant challenges in maintaining growth in the face of competition from other regional countries. Over the last 10 years, the E&E's share of Malaysian exports has declined. To remain competitive, the E&E sector can ill afford to remain with lower value-added activities within the sector's value chain (i.e. assembly), while competing countries like Singapore and Taiwan have moved towards higher value-added activities (i.e. R&D).

One of the core elements of success in moving towards higher value-added activities is a ready supply pool of skilled talent. Besides being highly skilled, this talent pool would also be required to be continuously up-skilled, multi-disciplinary, as well as innovative.

Figure 1A Skilled talent is required along the E&E value chain



Source: TalentCorp, E&E Sector Study, 2012

To realise the transformation of the E&E sector as envisioned in the ETP, the availability of adequately trained and skilled talent, both at entry and experienced levels will need to be enhanced, particularly in the areas of R&D and to some extent, Engineering Support (Figure 1A).

To close the skills gaps and take the Malaysian economy to the next level, an integrated approach towards nurturing, attracting, and retaining top talent and a highly skilled workforce is vital. The objective is to ensure a sustainable pool of highly skilled talent who are able to take up the new opportunities generated as Malaysia transforms into a knowledge-based economy.



Ting Kher Yee
FasTrack Trainee
Intel Corporation

Charting a career in R&D in the E&E sector
Emerging Talent in Malaysia

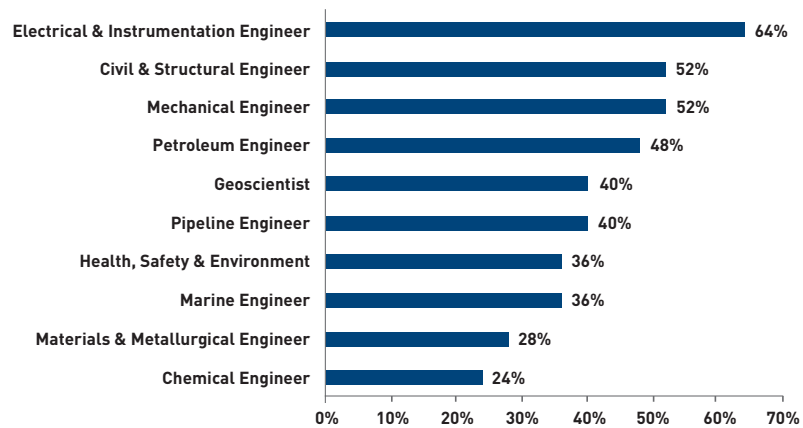
“ My work on embedded software development and learnings at FasTrack upskilling programme has given me strong foundation to add on new knowledge. I like how I am able to make a contribution to my country and am eager to witness a big change in Malaysia. ”

Why Talent is a Key Enabler in the Growth of Oil and Gas Sector

The Oil, Gas, and Energy (OGE) NKEA targets a five percent annual growth for the sector from 2010 to 2020. This will deliver an estimated RM131 billion in GNI, creating an additional 52,300 jobs within the sector.

Oil and Gas (O&G) companies will be the key engine of growth for the sector. Access to a sustainable pool of top talent both at the entry and experienced level is crucial for O&G companies to support the country's economic transformation goal. Today, many top O&G companies across the value chain are in need of an adequate supply of talent to fill in job positions that are critical for the expansion of the sector. Figure 1B provides the list of jobs and skills that are in high demand for the next three years.

Figure 1B Technical talent in the O&G sector is in high demand over the next three years



Source: TalentCorp, O&G Sector Study, 2012

While many top O&G companies are willing to spend extra time and effort to locate and train entry level talent, they do not have that option when it comes to experienced professionals.

1.4 Conclusion

Malaysia is committed to pursuing strategies to become a fully developed nation as envisioned by 2020. The availability of highly skilled talent is central in achieving this goal. Towards this end, this Roadmap outlines our journey towards nurturing, attracting, and retaining talent for Vision 2020. It encompasses strategies and initiatives that complement efforts by both the public and private sectors to ensure a talent pool that meets the needs of the key industries driving the national economic transformation agenda.



CHAPTER 2

Malaysia—

Reaping Investment in Talent



Chapter 2: Success from Investment in Talent

Malaysia has transformed itself from a input-driven growth strategy to one that is increasingly driven by knowledge. This notable achievement in transforming the Malaysian economy and ensuring sustainable growth would not have been possible without significant and consistent investments from the public and private sector in nurturing talent, as well as developing an ecosystem in which talent can develop and thrive.

2.1 Malaysia has invested substantially in developing talent

Recognising the importance of human capital development in driving the nation forward, Malaysia has committed substantial resources in improving and enhancing its talent pool over the last five decades. The Government has introduced various measures, focusing on the development of talent at all levels: primary education, through to secondary and tertiary levels, and onwards to the working level. These efforts are intended to cultivate and improve the talent and capabilities of Malaysia's workforce, which forms the bedrock of the nation's socioeconomic growth.

Extensive investment in education

One of the Government's primary focuses has been on expanding access to, as well as improving the quality of education at all levels. This commitment is the main proponent behind Malaysia's expenditure on education in its five-year development plans, which has seen a near threefold increase from 6.9 percent under the 2nd Malaysia Plan to 17.8 percent under the 9th Malaysia Plan (Figure 2.1).

Figure 2.1 Malaysia's expenditure on education as a total of development expenditure increased three-fold from 1971 to 2010

Federal Government Development Expenditure on Education and Training

Malaysia Plan	Year	Expenditure (RM million)	Expenditure (% of Total Government Expenditure)
2 nd	1971-1975	676	6.9
3 rd	1976-1980	1,548	7.3
4 th	1981-1985	4,688	10.1
5 th	1986-1990	5,700	16.2
6 th	1991-1995	7,315	13.4
7 th	1996-2000	19,724	19.9
8 th	2001-2005	43,729	25.7
9 th *	2006-2010	30,299	17.8

* Estimates based on available data

Source: Economic Planning Unit



Jacintha Tagal

Fellow at Teach For Malaysia

Jacintha Tagal could never quite decide what to major in while at Harvard University, so she dabbled in multiple fields such as Economics, Religion, Health Policy, Sociology, and East Asian Studies. But now it is her mathematical skills that come into play as she teaches Mathematics to Form 1 and Form 2 students at an under-performing school in Kuala Lumpur.

At the age of 24, Jacintha is one of the 50 pioneer fellows of Teach For Malaysia, a recent initiative aimed at addressing education inequity in Malaysia. Aside from teaching, her experience thus far has included multiple roles as mentor, data manager, counsellor, nurse, planner, and even interior decorator! She also serves as a teacher-advisor for several clubs and societies and works hard everyday to ensure that her students are motivated to learn, to think, and to develop the values and soft skills that will help them in the future.

For Jacintha, her time as a teaching fellow is a golden opportunity to impact young lives. With that focus in mind, every experience keeps her motivated, be it the daily grind of lesson planning, the setting of big ambitious goals, or something as simple and touching as a salam from a student at the end of a long day.

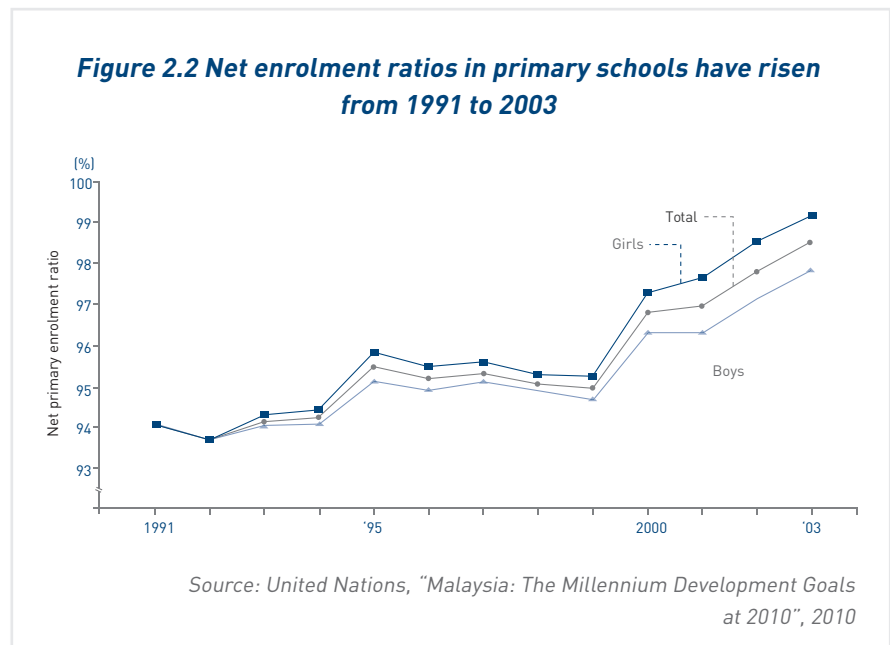
Jacintha hopes to be able to change the trajectory of her students' lives, and believes that one day, they will remember her as someone who cared enough to ensure that they became more than what their background dictated them to be. For her, this is an investment in which she may never reap or see the benefits, but one that she will never regret making.

Malaysia has talent, global talent contributing to Malaysia like Jacintha Tagal.

The Government has placed great emphasis on providing strategic education enablers, as well as facilitating a conducive environment for learning and education. One of the initiatives, as part of the Eighth Malaysia Plan (2001 – 2005) was the building of 144 new schools, providing 3,456 new classrooms to tackle the issue of overcrowding in urban schools.

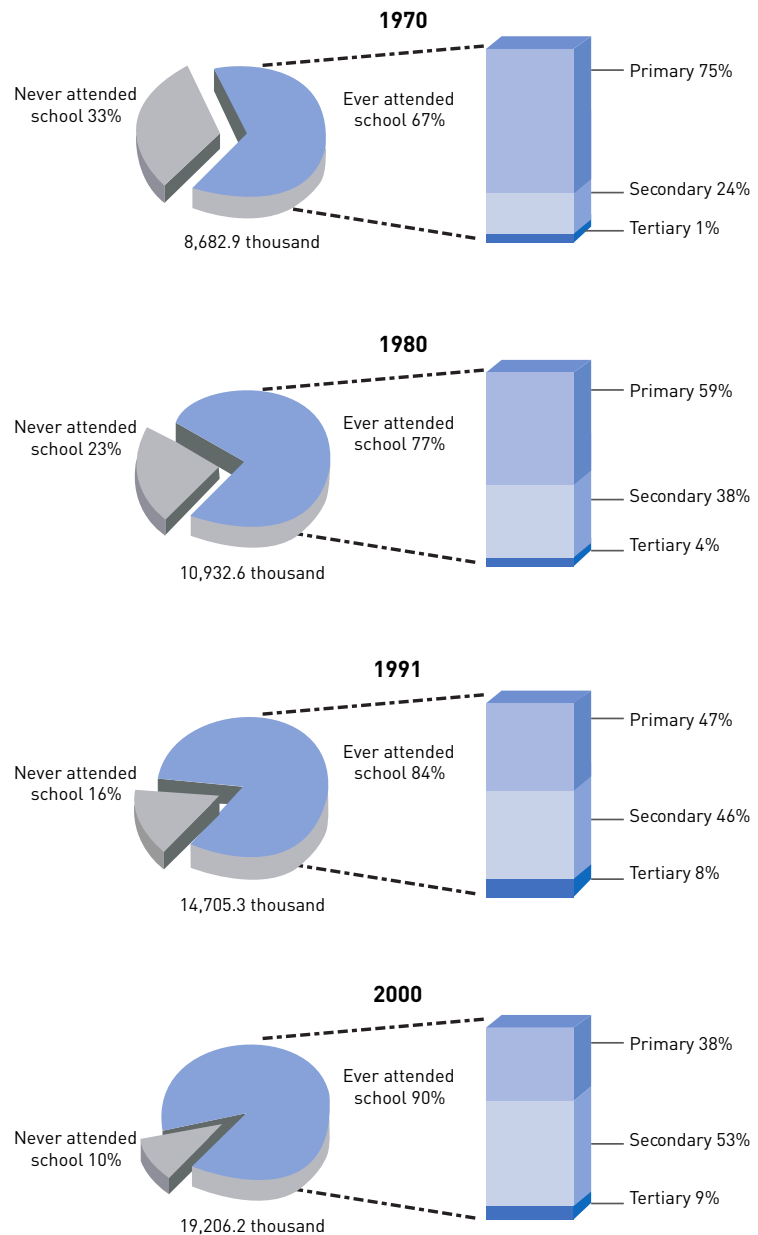
Positive returns on investment in education

Malaysia has seen its investment in education reap significant returns – an improvement in Malaysia’s literacy base, increased overall attendance rates in schools, as well as enhanced quality of education nationally. In 1991, Malaysia’s primary school net enrolment ratio was already universally comparable at 94 percent (Figure 2.2), and completion rates have since also achieved parity to universal rates – rising to 99 percent in 2009. Gender disparity, which continues to be an issue in other parts of the world, is absent within the Malaysian primary school system – showing significant awareness by parents regarding the importance of education in securing a better future, regardless of gender.



Significant improvements have also been noted at the secondary and tertiary education levels. In 1970, only 24 percent of the population received secondary education, with one percent had received tertiary education. By 2000, these numbers rose substantially, to 53 percent and nine percent respectively (Figure 2.3).

Figure 2.3 Improvements have been made in the attainment of education for persons aged six and over



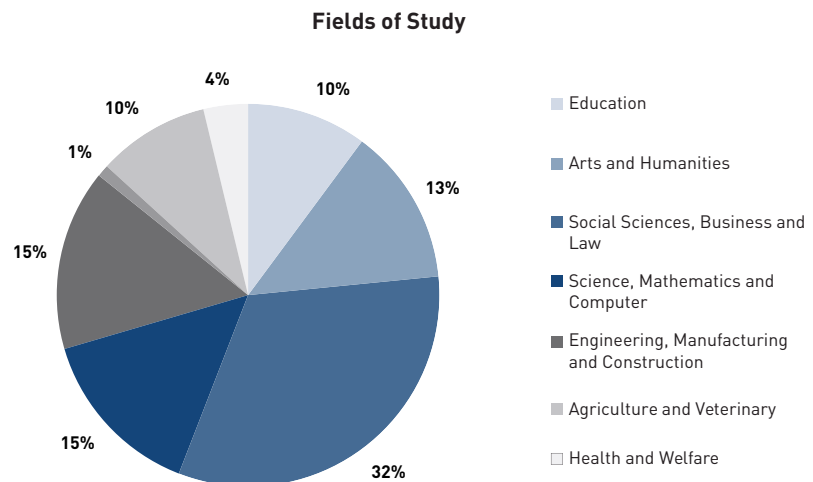
Source: United Nations, "Malaysia: The Millennium Development Goals at 2010", 2010

Literacy rates are also on the rise – in 1970, literacy rates for 15 – 24-year olds was 75 percent, increasing to 97 percent in 2000. This increase is a direct reflection of the effectiveness of the Malaysian primary education system over the last 10 years, and is often used internationally as a proxy measure of social progress and economic achievement.¹

¹ United Nations, "Malaysia: The Millennium Development Goals at 2010", 2010

Tertiary education in Malaysia has also developed considerably with the establishment of more local institutions of higher learning. This has provided access to tertiary education for a significant number of the populace, with the number of students enrolled at local institutions of higher learning more than doubling from 2000 to 2010. Areas of studies offered by both local public and private institutions have been diverse and aligned to the country's current and future talent requirements – spanning more popular fields of social science, business, law, sciences, mathematics and computer studies, as well as more niche areas like agriculture and veterinary sciences (Figure 2.4).

Figure 2.4 A majority of graduates from institutes of higher learning studied in the field of social sciences, business, and law



Source: Ministry of Higher Education, "Statistics of Higher Education of Malaysia", 2011

The expansion of Malaysia's tertiary education has been achieved while maintaining and improving the quality of education, allowing Malaysians to compete and excel at the international level. The accounting field, for example, has seen eight global prizes in accountancy between 2004 and 2010. In 2010 alone, two Malaysian students were awarded Joint First Place by the Institute of Chartered Accountants in England and Wales (ICAEW), a world-leading professional accountancy body.

Active participation from private and foreign institutions of higher learning have been encouraged to meet with increasing demand for affordable and high quality tertiary education in Malaysia. As a result, prestigious foreign institutions and universities, such as Monash University, Swinburne University and Curtin University from Australia; John Hopkins University from the United States; and the University of Nottingham from the United Kingdom, have set up branch campuses in Malaysia.

With such achievements within the tertiary education sector, Malaysia has gradually built its reputation as a global education hub, with an international student population of more than 80,000 students drawn from regions such as South Asia, the Middle East and Africa, among others. Reflecting this, Malaysia has been ranked 11th in the world as a destination for higher learning among international students². To date, there are 20 public and 33 private universities in Malaysia, as well as more than 400 colleges, polytechnics, and industrial training institutions that offer courses leading to certification, diploma, undergraduate, graduate and post-graduate qualifications.

Increasing pool of Malaysian professionals

The Government has invested substantial amounts into developing our best and brightest through scholarships. Between 2010 and 2012, the Government committed between RM1 billion and RM2 billion towards enabling top secondary school leavers to pursue further education, both locally and abroad.



- Globally recognised entrepreneur and philanthropist
- Visionary Founder and Chairman of Sunway Group
- Businesses include Sunway Monash University and Sunway-TES
- Sunway-TES has produced world prize winners in ACCA, ICAEW and CAT examinations.

Tan Sri Dato' Seri Dr. Jeffrey Cheah
Founder and Chairman of Sunway Group

² Ministry of Higher Education

Taking into account the needs of both the public and private sector, funding has been spread across specific and strategic fields of tertiary education. Combined with greater access to education, this has facilitated the entrance of a larger number of professionals into the workforce. From fields as diverse as medicine to accountancy, the Malaysian professional pool has more than quadrupled from 1982 (487,000) to 2010 (2,278,000). This, in turn, has catalysed the development of competitive sectors such as healthcare, business services, and other key economic areas.



“I grew up in a large extended family in Kota Bharu, none of whom were doctors, and we now have six doctors in my immediate family alone”.

Professor Dr Adeeba Kamarulzaman’s path to medicine was made possible through a JPA scholarship to study in Australia.

She returned to Malaysia in 1996 and set up the Infectious Diseases Unit at University of Malaya Medical Centre which has become one of the country’s leading infectious diseases and HIV/AIDS tertiary referral centre.

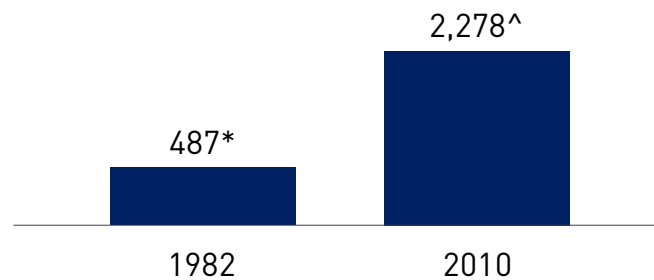
Professor Dr Adeeba was also the President of the Malaysian AIDS Council from 2006 to 2010 and continues to serve as an Executive Committee member.

Malaysia has talent, global talent like Professor Dr. Adeeba Kamarulzaman.

Professor Dr. Adeeba Kamarulzaman
Dean Faculty of Medicine, University of Malaya

Figure 2.5 The number of professionals in Malaysia have grown

Number of professionals in Malaysia ('000)



Source: Department of Statistics Malaysia

Note:

* Includes professional, technical and related workers, administrative, and managerial workers under the Dictionary of Occupational Classification, 1980

^ Includes legislators, senior officials and managers, professionals, technicians, and associate professionals under the Malaysia Standard Classification of Occupations (MASCO), 1998

More importantly, the Government recognises the role that scholarships play in providing a source of potential leaders for the public and corporate sector, which will directly impact the development of the nation. Malaysia's corporate leaders of today, such as Tan Sri Dato' Azman Mokhtar, Managing Director and Chief Executive Officer (CEO) of Khazanah Nasional Berhad, Dato' Sri Abdul Wahid Omar, President and CEO of Maybank Group, and Dato' Sri Che Khalib Mohamad Noh, CEO of Tenaga Nasional Berhad, are but a few who benefitted from being awarded scholarships from the Government or government-linked companies, and who are now playing leading roles in driving the Malaysian corporate sector.

Strong emphasis on upskilling and upgrading the workforce

There has been significant investment, at both the national and sectoral level, in continuously upgrading and upskilling human capital – designed to support and facilitate the country's move towards a knowledge-based economy. The establishment of the Human Resource Development Fund (HRDF) in 1993 was one of the efforts to incentivise the private sector to continuously invest in their human capital. Under the HRDF, contributing employers in the manufacturing and services sectors are reimbursed for costs incurred in training their employees.

There are also initiatives in place to encourage self-development among the populace. The Skills Development Fund was established to provide loans to individuals intending to pursue further training and development in accredited training institutions. This complements efforts under the Eighth Malaysian Plan which saw increased capacities of public training institutions through the establishment of 20 skills training institutions and the upgrading of 10 existing ones.

With a view towards sustainable long term development, efforts have been made to strengthen the institutional capacity and framework of skills development in the country through the Skills Development Act 2006.

From the sectoral perspective, complementary efforts to upskill and upgrade the workforce have been undertaken by several key industries. One such example would be the banking and finance sector, where institutions such as Bank Negara Malaysia and the Securities Commission of Malaysia have developed various programs that manage and enhance the talent pool for the sector. One such programme, developed by Bank Negara Malaysia, is the Financial



“ R&D work has instilled in me the belief and confidence to do highly technical work. I choose not to move to the US because I believe that I can be one of the best R&D engineers in Malaysia. People look up to you as you have a lot of credentials for the things you’ve accomplished ”

Akmarul Ariffin, Master Level R&D Electrical Engineer, Agilent Technologies
Hand-picked to work on US based project, right here in Malaysia. **Homegrown Talent in Malaysia**

Sector Talent Enrichment Program (FSTEP) which was designed to overcome the talent shortage faced by the banking sector in Malaysia.

In the Information, Communications and Technology (ICT) sector, various training programmes have been introduced by the Multimedia Development Corporation (MDeC) to further enhance the quality of ICT workers in the country. The Graduate Training Programme is one such initiative – it seeks to match capable fresh ICT graduates with MSC Malaysia status companies. Another significant effort in this sector is the apprenticeship program MIMOS Centre of Domain Expertise Acceleration – a joint effort between the Malaysian Institute of Microelectronic Systems (MIMOS) and Ministry of Higher Education (MoHE). Through this program, graduates are developed and equipped with value-add skills specific to the ICT industry.

As a result of efforts from these and other sectors to continuously develop the Malaysian talent pool, the number of employees who have participated in upskilling and training programmes rose from 39,606 in 2000 to 133,566 in 2010 (Figure 2.6).

Figure 2.6 The number of workers who have undergone training has increased from 2000 to 2010

Course	Number of Trainees									Average Annual Growth Rate (%)			
	2000			2005			2010			2001 - 2005		2006 - 2010	
	Public	Private	Total	Public	Private	Total	Public	Private	Total	Public	Private	Public	Private
Engineering	16,428	9,730	26,158	31,633	17,337	48,970	58,330	44,627	100,957	14.0	12.2	12.2	20.8
Mechanical	9,606	2,232	11,838	17,380	4,866	22,246	30,966	10,608	41,574	12.6	16.9	12.2	16.9
Electrical	5,234	7,378	12,612	11,677	12,221	23,898	19,828	33,498	53,326	17.4	10.6	11.2	22.3
Civil	1,588	120	1,708	2,576	250	2,826	5,536	521	6,057	10.2	15.8	16.5	15.8
Building Trades	1,417	547	1,964	2,566	1,200	3,766	4,232	2,633	6,865	12.6	17.0	10.5	17.0
Information & Communications Technology	903	7,520	8,423	1,016	11,844	12,860	1,853	12,886	14,739	2.4	9.5	12.8	1.7
Others	2,133	928	3,061	3,550	2,730	6,280	9,379	1,630	11,009	10.7	24.1	21.4	-9.8
Total	20,881	18,725	39,606	38,765	33,111	71,876	71,794	61,772	133,566	13.2	12.1	13.1	13.3

Source: Economic Planning Unit, "Ninth Malaysia Plan", 2006

A portrait of Sanjeev Nanavati, a man with dark hair, wearing a dark suit, white shirt, and a patterned tie. He is smiling and looking towards the camera. The background is a plain, light-colored wall.

Sanjeev Nanavati.
CEO of Citibank, Malaysia

*President of American Malaysian
Chamber of Commerce
Global Talent in Malaysia*

“ I would certainly look at Malaysia as a long term option to live and work. Malaysia has a fantastic quality of life and it's truly the hidden jewel of Asia. Cost of living is very attractive and there are enough recreational options. ”

2.2 Malaysia is continuously improving living standards for talent to thrive

In the last three decades, Malaysia has witnessed considerable improvements in economic and social development. These advancements have been achieved through targeted Government policies and initiatives, designed to enhance the quality of life and create a nurturing environment for Malaysians to develop.

The Human Development Index (HDI) which is published by the United Nations Development Programme (UNDP) has shown Malaysia's steady improvement in its rankings. The HDI measures life expectancy, income per capita and literacy as an index, with Malaysia's score improving from 0.63 in 1990 to 0.76 in 2011 (Figure 2.7).

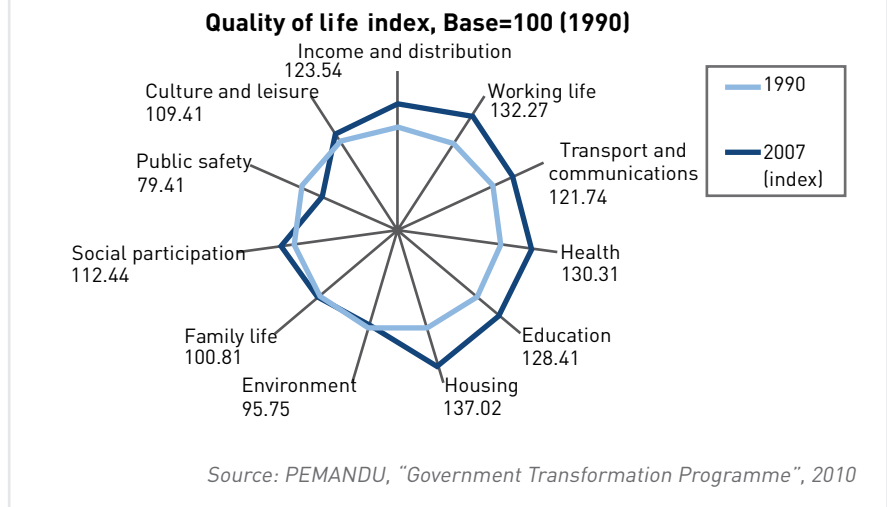
Figure 2.7 Malaysia's performance in the HDI has been improving

	Life expectancy at birth	Expected years of schooling	Means years of schooling	GNI per capita (2005 PPP\$)	HDI value
1980	67.4	9.1	4.4	4,722	0.559
1985	68.8	10.0	5.6	5,125	0.600
1990	70.1	9.8	6.5	6,375	0.631
1995	71.1	10.5	7.6	8,765	0.674
2000	72.1	11.8	8.2	9,461	0.705
2005	72.9	12.7	8.9	11,220	0.738
2010	74.0	12.6	9.5	13,192	0.758
2011	74.2	12.6	9.5	13,685	0.761

Source: United Nations Development Programme, "Human Development Index Report 2011", 2011

The Malaysian Quality of Life Index, developed by the Economic Planning Unit (EPU) also monitors changes in critical areas significant to the overall quality of life for Malaysians since 1990. Measuring key areas such as health, education, environment, housing and other focal areas, the Index has shown improvements in most areas, corroborating with the HDI's results (Figure 2.8). Together, both indices indicate progress in achieving a high quality of life for all Malaysians.

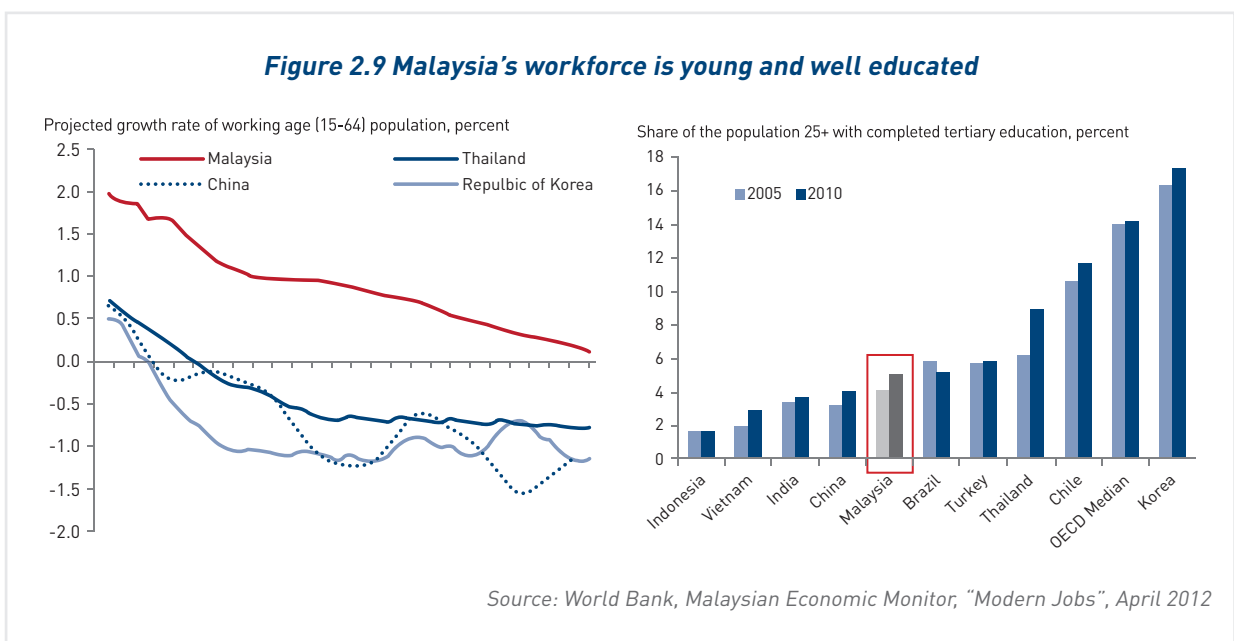
Figure 2.8 The Malaysian Quality of Life Index has improved over the last two decades since 1990



2.3 Multicultural Malaysia has produced notable talent

Malaysia's substantial investment in human capital development, both from an education perspective, as well as from an industry perspective, has paid dividends – producing Malaysians who are highly skilled and sought after, both locally and internationally. Malaysians can be found all over the world, excelling in their respective fields, may it be academia, business, technology, medicine, and even in the entertainment sector. Some, including luminaries such as Tan Sri Dato' Dr. Tony Fernandes, have developed homegrown brands into international players, whilst others have built their success abroad, such as Pua Khein-Seng who was one of the inventors of the USB flash drive.

Figure 2.9 Malaysia's workforce is young and well educated





Pua Khein-Seng

Founder, Chairman and CEO of Phison Electronics Corporation

Pua Khein-Seng is the Founder, Chairman, and CEO of Phison Electronics Corporation, the company in Taiwan responsible for the world's first single chip USB flash controller—now an indispensable tool that can be found in offices and households around the world. Under Pua's leadership, Phison has become a global leader in controller technologies in the domain of USB flash drives, flash memory cards, SSD, and embedded NAND Flash solutions.

Malaysia is proud to have Pua, a successful entrepreneur, representing Malaysia at the global stage. As a global talent based in Taiwan for the past 19 years, Pua fondly remembers childhood memories of paddy fields and fishing trips in

Sekinchan, where he was born. Today, he regularly visits Malaysia for business purposes.

During his recent visit in March 2012, Pua announced that Phison would establish a unit in Penang to design and develop flash memory controller and related products. Phison would in turn leverage on Malaysian companies to manufacture and assemble products designed in Penang. In this way, Phison is contributing to Malaysia's development by promoting transfer of technology and strengthening the electronics industry ecosystem here.

Malaysia has talent, global talent contributing to Malaysia like Pua Khein-Seng.



Tan Sri Dato' Dr. Tony Fernandes

CEO of AirAsia

Business runs in the family for Tan Sri Dato' Dr. Tony Fernandes. His mother pioneered direct marketing Tupperware business in Malaysia. Such entrepreneurship helped in sending him to England for his education.

Unfortunately for a young Fernandes, the cost of an airplane ticket to return home for the holidays was prohibitively expensive. Instead, he spent his holidays in London, mostly at Heathrow Airport. "I was a bit of a planespotter," he says. "My friends and I used to stand on top of the Queen's Building, Car Park 2, and just watch planes land. Around that time, Freddy Laker had just launched Europe's first no-frills carrier, Skytrain. "I loved the Laker idea. I thought, 'I should take that to Asia.' "And so he did.

But not before Fernandes honed his talent, graduating from London School of Economics and transforming the Malaysian music landscape leading Warner Music Malaysia. Fernandes joined up with some friends in the music industry to persuade Malaysian officials to let them launch a budget carrier.

In a token gesture, they paid a single ringgit to take over AirAsia, the RM40 million debt-ridden subsidiary of a conglomerate. Mortgaging his home for working capital, Fernandes quickly turned AirAsia profitable by tapping into pent-up demand for cheap tickets.

In 2010, AirAsia celebrated two significant milestones: flying its 100 millionth guest and breaking the RM1 billion profit barrier. AirAsia is currently the biggest budget carrier by fleet size, flying 132 routes, 40 of which are offered by no other airlines.

As for the man himself, Fernandes was named as one of the world's most creative people in business by New York-based business magazine Fast Company and is also the recipient of the prestigious Forbes Asia Businessman of the Year 2010 award.

He is the first Malaysian and Southeast Asian to receive both awards.

Malaysia has talent, global talent like Tan Sri Dato' Dr. Tony Fernandes.

2.4 Conclusion

Malaysia has consistently emphasised the provision of affordable and quality talent development from basic education right up to professional development. Such efforts have always been made in tandem with the country's evolving economic requirements. Recognising the importance of a conducive environment in nurturing, attracting and retaining talent, Malaysia continuously strives to improve the quality of life for its citizens. All these factors have combined to create the global Malaysian—homegrown individuals who are highly sought after, capable of competing and excelling in the global arena.



CHAPTER 3

Malaysia— Addressing Talent Issues



Chapter 3: Malaysia—Addressing Talent Issues

Malaysia's success in transforming itself into an upper middle income nation is the result of consistent and substantial investments in human capital development. However, in aspiring to further transform into a high income, advanced nation by the end of the decade, our requirements for top talent are urgent and immediate. Malaysia needs to raise its benchmark for human capital management in order to secure the needed talent.

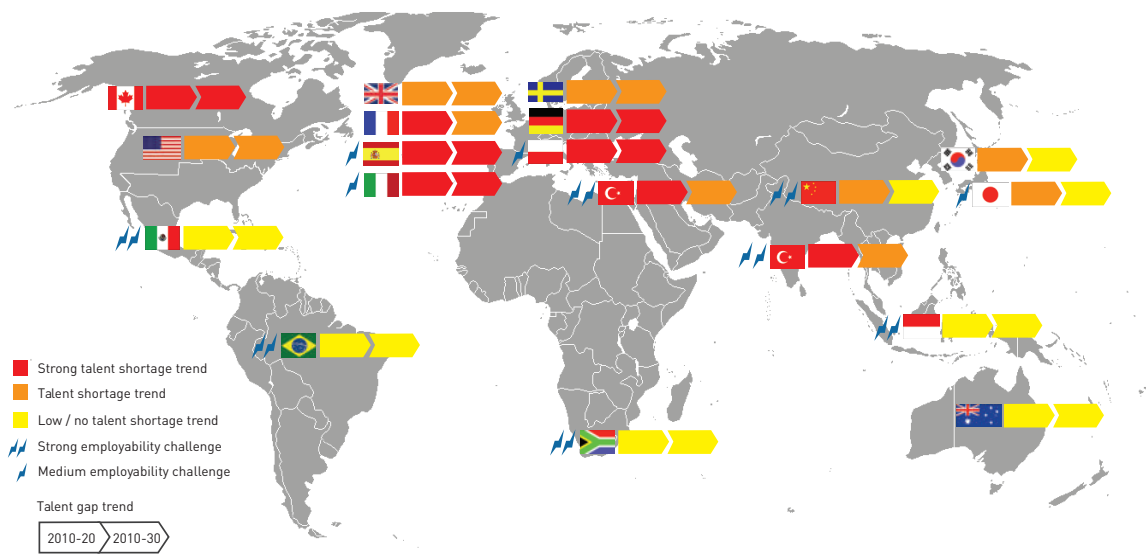
Malaysia has skilled talent that is world class and in high demand. Unfortunately, due to globalisation and the increased mobility of labour, we find ourselves having to compete for our own talent in the international market. Brain drain poses a challenge to our transformation ambitions.

Brain drain and other forms of talent loss, however, are not in themselves the problem, but are symptoms of underlying issues. To meet the talent demand of tomorrow, we need to enhance our ability to nurture, attract, and retain talent today. Our talent issues are far reaching and require the collective action of both the public and private sector. The Government is cognisant of the issues hampering the supply of talent and has embarked on a comprehensive range of structural reforms to address them.

3.1 We are caught in the middle of a global war for talent

Globalisation has resulted in a war for talent, a battle Malaysia must engage to secure the talent needed for economic transformation. As talent becomes an increasingly sought-after commodity, globalisation continues to facilitate their increasing mobility and responsiveness to global demand and supply factors. Partly in response to this, significant talent gaps are forecasted for countries around the world by 2020 and even beyond (Figure 3.1).

Figure 3.1 Significant talent gaps [are] expected by 2020 and beyond



Note : Colour codes based on compound annual growth rates of talent supply and demand by 2020 and 2030

Source: World Economic Forum "Global Talent Risk – 7 Responses", 2011

In 2010, there were approximately one million Malaysian diaspora living and working in other countries (a third of these comprise skilled individuals aged 25 years and above with tertiary-level education).¹

Malaysia has relatively high brain drain intensity in that 10.5 percent of skilled Malaysians have migrated (Figure 3.2). However, at the same time, Malaysia’s situation is by no means unique.

Middle income countries face the highest migration rates as talent has both the means and incentives to migrate. The incentive to migrate is driven by the relative attractiveness of income levels, career opportunities, and the quality of life in other countries. Hence, the high brain drain intensity faced is an indication of Malaysia’s declining relative attractiveness to talent.

¹ World Bank, Malaysian Economic Monitor, "Brain Drain", 2011

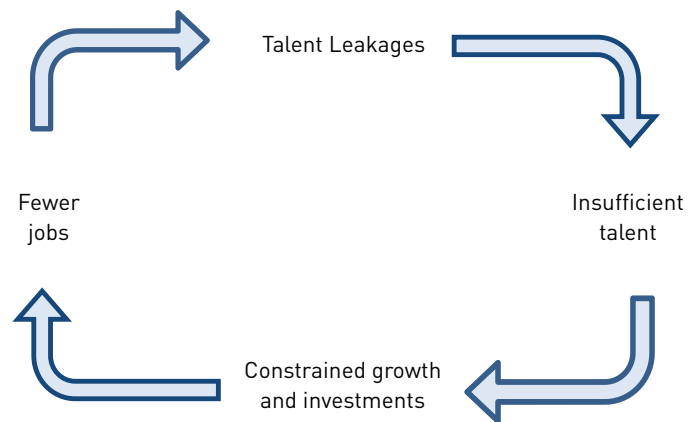
Figure 3.2 Brain drain intensity has moderated, but remains at high levels

	1990		2000		1990	2000
	High-Skill at Home	High-Skill Overseas	High-Skill at Home	High-Skill Overseas	Brain Drain Intensity	
China	11,593	359	19,893	783	3.0%	3.7%
Hong Kong	379	182	696	292	32.5%	29.5%
Japan	17,399	233	22,128	278	1.3%	1.2%
Korea	3,083	335	7,565	613	9.8%	7.5%
Malaysia	222	79	818	96	26.2%	10.5%
Singapore	84	28	279	47	25.3%	14.4%

Source: TalentCorp Analysis, 2012

It is worthwhile to note that brain drain is not necessarily negative. It is negative only when migration depletes the stock of skilled human capital, potentially setting off a vicious cycle of insufficient talent. This in turn depresses economic growth and investment, thereby pushing more talent to migrate (Figure 3.3).

Figure 3.3 Brain drain can trigger a vicious cycle, affecting the abundance of talent in a country



Source: TalentCorp Analysis, 2012

Description: Detrimental brain drain can potentially affect the abundance of talent in a country. As more talent leaves the country, the talent shortage significantly constrains the industry's ability to grow and scale up investments. This eventually leads to fewer jobs and high income opportunities, which further provokes more talent to leave, potentially triggering a vicious cycle of brain drain and economic softening.

Malaysia has so far been spared the detrimental type of brain drain that depletes the domestic stock of skilled human capital. This is premised on the current situation where Malaysia's talent pool has been sustained by inflows from the education system that have compensated for the outward migration of skilled talent (Figure 3.4).

Figure 3.4 The impact of skilled migration on human capital in Malaysia remains positive

Total labor force and skilled labor force (thousands) and other shares of skilled (percent)

	Effect on			90 percent confidence	
	total labor	skilled labor	share of skilled	min	max
Beneficial brain drain:					
Thailand	-83	318	1.0	0.2	1.8
Indonesia	-99	451	0.4	0.1	0.8
China	-741	1,440	0.2	0.0	0.4
Phillippines	-1,008	-176	0.1	-1.5	1.8
Malaysia	-90	-1	0.1	-0.5	0.6
Detrimental brain drain:					
Cambodia	-45	-23	-0.4	-0.7	-0.1
Vietnam	-458	-289	-0.7	-1.1	-0.4
Laos	-48	-37	-1.7	-2.0	-1.4

Source: World Bank, *Malaysian Economic Monitor*, "Brain Drain", 2011

Nevertheless, even if the overall stock of human capital is maintained, the issue is not just about quantity but also about quality. Migration typically tends to skew towards those with above-average skills. Thus, the question is whether Malaysia can address its relative attractiveness and ability to produce talent, in sufficient quantity and quality, to meet the needs of economic transformation.

3.2 Supply and demand forces impact Malaysia's talent pool

Malaysia's talent pool comprises skilled human capital predominantly supplied by the local education system. In addition, there are inflows of global talent, consisting of returning Malaysian diaspora and foreign talent. At the same time, priority sector demands on the talent pool continue to evolve as they transform and move up the value chain.

Obstructions in the talent pool have resulted in poor optimisation of demand and supply, resulting in talent leakages. Brain drain is but one form of this. Other forms include women leaving the workforce and the mismatch of competencies between skills of local graduates and industry needs.

While these talent leakages represent a substantial drain on Malaysia's talent pool, the issue is whether our pool can maintain equilibrium to support our robust industry growth.

3.3 An international benchmark of Malaysia's talent situation is needed

In line with the country's ambition to become a developed nation, we need to benchmark Malaysia's talent situation globally to begin assessing our issues. The Global Talent Index (GTI) report by the Economist Intelligence Unit (EIU) provides a general gauge on a country's ability to nurture, attract, and retain talent that they need.



Hamidah Naziadin
*Director of Group
Corporate Resources
CIMB Group*

**Global Talent Manager
in Malaysia**

“ We look out for talent who possess energy, intelligence and integrity. There is a ‘limited edition’ of talent with the necessary skill sets and we are all fishing from the same pond, hence we are looking beyond the common pool. ”

Figure 3.5 The top 15 countries ranked in the GTI are developed countries

		Overall Score	Demographics	Compulsory education	University education	Quality of the labour force	Talent environment	Openness	Proclivity to attracting talent
	Category Weight		11.1%	11.1%	22.2%	22.2%	11.1%	11.1%	11.1%
1.	United States	74.5	39.6	81.3	82.0	89.6	100.0	34.1	71.9
2.	Denmark	65.4	15.7	85.7	59.0	94.7	93.1	54.2	32.9
3.	Finland	64.2	17.9	80.2	59.5	92.8	81.9	53.5	40.0
4.	Sweden	63.4	22.1	83.2	56.5	87.0	80.6	55.3	42.1
5.	Norway	62.3	25.7	84.7	54.4	82.9	73.6	52.5	49.7
6.	Singapore	61.9	31.7	72.3	52.6	83.1	73.6	51.7	56.0
7.	Australia	61.9	31.7	72.3	52.6	93.1	73.6	51.7	56.0
8.	Canada	61.3	31.4	76.8	45.3	85.1	73.6	52.6	56.1
9.	Switzerland	60.9	20.5	77.8	41.2	84.7	87.5	56.7	53.8
10.	Hong Kong	60.8	28.9	65.8	35.8	75.5	77.8	83.3	68.5
11.	Israel	59.9	36.4	74.5	39.6	92.2	79.2	35.9	49.4
12.	Germany	59.9	11.5	79.3	47.5	82.9	81.9	53.9	51.1
13.	Netherlands	59.4	18.9	80.6	48.9	82.4	80.6	57.6	38.4
14.	United Kingdom	59.3	24.6	77.9	49.3	74.2	95.1	53.0	45.1
15.	New Zealand	59.1	28.2	80.3	51.2	74.0	80.6	52.8	39.4
...									
39.	Malaysia	41.1	38.6	58.6	29.4	44.1	50.0	39.5	36.5

Source: Heidrick & Struggles, "The Global Talent Index Report: The Outlook to 2015", EIU 2011

Out of 60 countries ranked, it is worthwhile to note that the top 15 mainly comprise developed nations, among which Malaysia aspires to be (Figure 3.5). Malaysia's overall performance, captured in 2011, is middling and is forecasted to drop in 2015 (Figure 3.6).

Figure 3.6 Malaysia's forecasted GTI performance in 2015 is middling

Indicators	2012	2015
Overall Ranking	36	39
Demographics	12	11
Compulsory Education	53	53
University Education	36	43
Quality of Labour Force	27	42
Talent Environment	35	40
Openness	53	36
Proclivity to Attracting Talent	42	29

Source: Heidrick & Struggles, "The Global Talent Index Report: The Outlook to 2015", EIU 2011

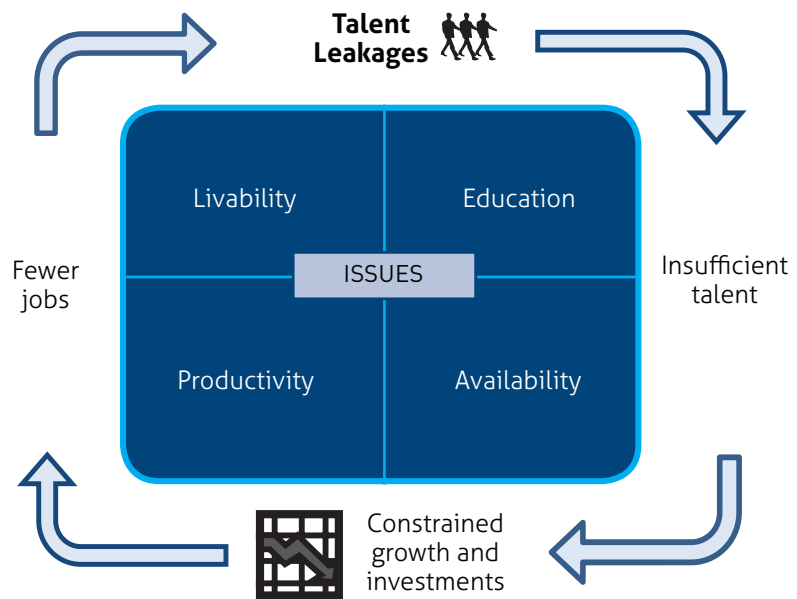
As illustrated in Chapter 2, Malaysia's ranking for "demographics" captures the advantage of being a predominantly young nation. However, our overall ranking is affected by the very same categories in which the top 15 countries (United States of America to New Zealand) were ranked significantly higher, namely, "University Education", "Quality of Labour Force", "Talent Environment" and "Proclivity to Attracting Talent". Results obtained from this benchmark indicate that the key talent issues affecting Malaysia's talent pool are:

- i. Quality of Education;
- ii. Availability of Talent;
- iii. Workforce Productivity; and
- iv. Livability.

3.4 There are issues that affect talent in Malaysia

A sustainable talent pool should maintain equilibrium between talent inflows and outflows, thereby enabling a supply of appropriate talent to meet the demands of industry in a timely manner. The issues in Malaysia's talent pool, in the areas of Quality of Education, Availability of Talent, Workforce Productivity, and Quality of Life, compromise this equilibrium (Figure 3.7). This is further compounded by brain drain and the outflow of talent caused by both push and pull factors globally and domestically. These are critical issues constraining the ability of the pool to be a dependable and sustainable talent source.

Figure 3.7 Issues within Malaysia's talent landscape aggravate talent leakages



Source: TalentCorp Analysis, 2012

Description: The potential vicious cycle of brain drain is a symptom of underlying issues that affect the talent environment in Malaysia. The education system has a pivotal role in producing a sustainable pool of talent to compensate for recurring leakages of talent. If unable to do so, the lack of talent availability in the country could ultimately slow down economic growth and investments, which would lower productivity. This would lead to fewer high income opportunities, which could affect the livability factor of the country, further aggravating talent leakages.

I. Quality of Education

Substantial investment in education, but mixed outcomes

Malaysia has made substantial investments in education. The Government increased the allocation for non-physical infrastructure, including human capital development, to 40 percent under the 10th Malaysia Plan (10MP), compared with 21.8 percent under the previous Plan. The outcomes, however, do not fully reflect the substantial investment in education as indicated by several international reports on the quality of Malaysian students.

Figure 3.8 Malaysian eighth grade students' Science and Mathematics scores have declined, falling below the international average

Economy	1999	2003	2007
Singapore	568	578	567
Taiwan, China	569	571	561
Japan	550	552	554
Korea, Republic	549	558	553
Hong Kong	530	556	530
United States	515	527	520
International Average	488	473	500
Malaysia	492	510	471
Thailand	482	-	471
Indonesia	435	420	427
Philippines	345	377	-

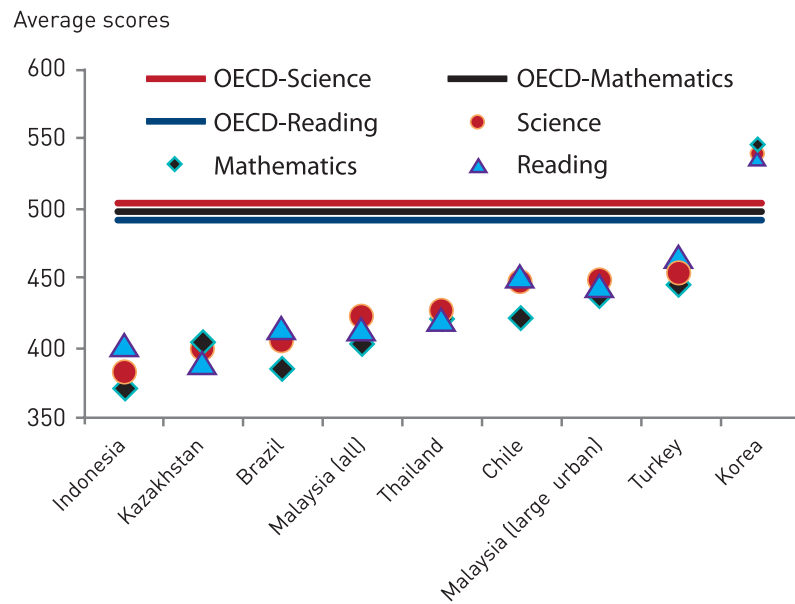
Economy	1999	2003	2007
Taiwan, China	585	585	598
Korea, Republic	587	589	597
Singapore	604	605	593
Hong Kong	582	586	572
Japan	579	570	570
United States	502	504	508
International Average	487	466	500
Malaysia	519	508	474
Thailand	467	-	441
Indonesia	403	411	397
Philippines	345	378	-

Source: International Association for the Evaluation of Education Achievement

For example, in the 2007 Trends in Mathematics and Sciences Study (TIMSS), approximately 20 percent of local students did not meet the minimum scores required for Mathematics and Science, resulting in Malaysia's scores falling below the international average (Figure 3.8).² In another study conducted by the Programme for International Student Assessment (PISA) to assess the educational standards of 15-year olds, Malaysia's scores were below the Organisation for Economic Cooperation and Development (OECD) average for reading, Mathematics, and Science (Figure 3.9).

² The TIMSS provides international comparisons on Mathematics and Science achievement over time for students with eight years of schooling in participating countries. In 2007, a total of 59 countries participated in the study.

Figure 3.9 Malaysia's scores in relation to OECD average for reading, mathematics, and science



Source: World Bank, Malaysian Economic Monitor, "Modern Jobs", 2012

Challenges faced by tertiary institutions

Today, there are 20 public universities, 33 private universities and university colleges, four foreign university branch campuses, 22 polytechnics, 37 community colleges and about 500 private colleges in Malaysia.³ None of Malaysia's universities, however, managed to earn a place in the 2011 Times Higher Education World University Rankings, which ranks the Top 400 universities worldwide. In comparison, Singapore has two universities, while Japan has five, listed in the ranking.

International surveys demonstrate that the highest ranked universities in the world are the ones that, among others, make significant contributions to the advancement of knowledge through research, teach with the most innovative curricula, and make research an integral component of undergraduate study. Based on international studies, Malaysia's research and development (R&D) indicators highlight that we continue to lag behind our neighbours in terms of expenditure on R&D as well as qualified manpower for R&D efforts (Figure 3.10).

³ Ministry of Higher Education, 2012

Figure 3.10 Malaysia's R&D indicators lag behind its Asia-Pacific neighbours

	2008 GDP/capita in USD	Researchers per million population	Technicians per million population	GERD as % of GDP	English Language Scientific Articles 2009	SCI papers (1998-2008)	Citations per paper (1999-2009)	USPTO Registered Patents (2000-2007)
Australia	48,300	4,231	993	2.17	28,313	207,944	11.62	1,382
Indonesia	2,200	162	n/a	0.05	650	4,750	7.67	9
Malaysia	8,200	372	44	0.64	2,712	13,576	4.4	212
Philippines	1,900	81	10	0.12	624	4,079	8.25	33
Singapore	39,400	6,099	529	2.52	6,813	45,943	8.49	481
Thailand	4,200	311	160	0.23	4,134	21,001	7.02	28

Source: Various World Bank Reports

In addition, the number of unemployed graduates with either a diploma or degree from local institutions of higher education has risen since the 1980s to record 24.6 percent in 2010.⁴ High unemployment rates among graduates and the industrial sectors' complaints of shortages in qualified personnel suggest that the higher education system faces significant challenges, especially in terms of raising the quality of graduates, enhancing industry relevance, and strengthening university-industry links.

“ We are looking for change agents. However, we feel there is a scarcity of professionals in all areas of banking. This has led us to even hire from non-banking industries. It's necessary for graduates to enhance their skills in English language proficiency, critical thinking capability and general readiness for the job market. ”

Michelle-Ann Iking
Senior Organizational
Development Manager
Human Resources
Citibank

Member of
TalentCorp
Lab 2010
**Global Talent
Manager in Malaysia**



⁴ MOHE, "Statistics of Higher Education of Malaysia", 2010

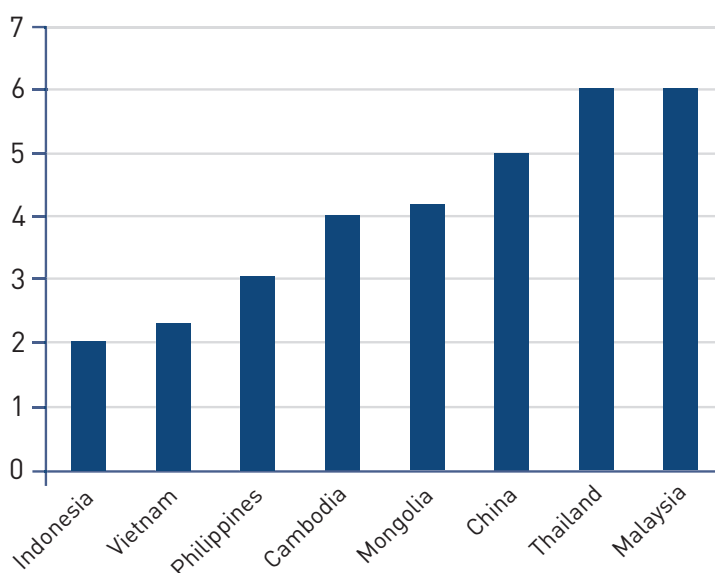
II. Availability of Talent

Shortages of top talent and highly skilled workers

As Malaysia progresses from a production-oriented to knowledge- and innovation-oriented economy, its key industries require a workforce with a different profile. The shift towards higher value-added activities has led to calls for a larger pool of top talent and a highly skilled workforce.

Figure 3.11 Malaysia takes a relatively long time to fill professional vacancies

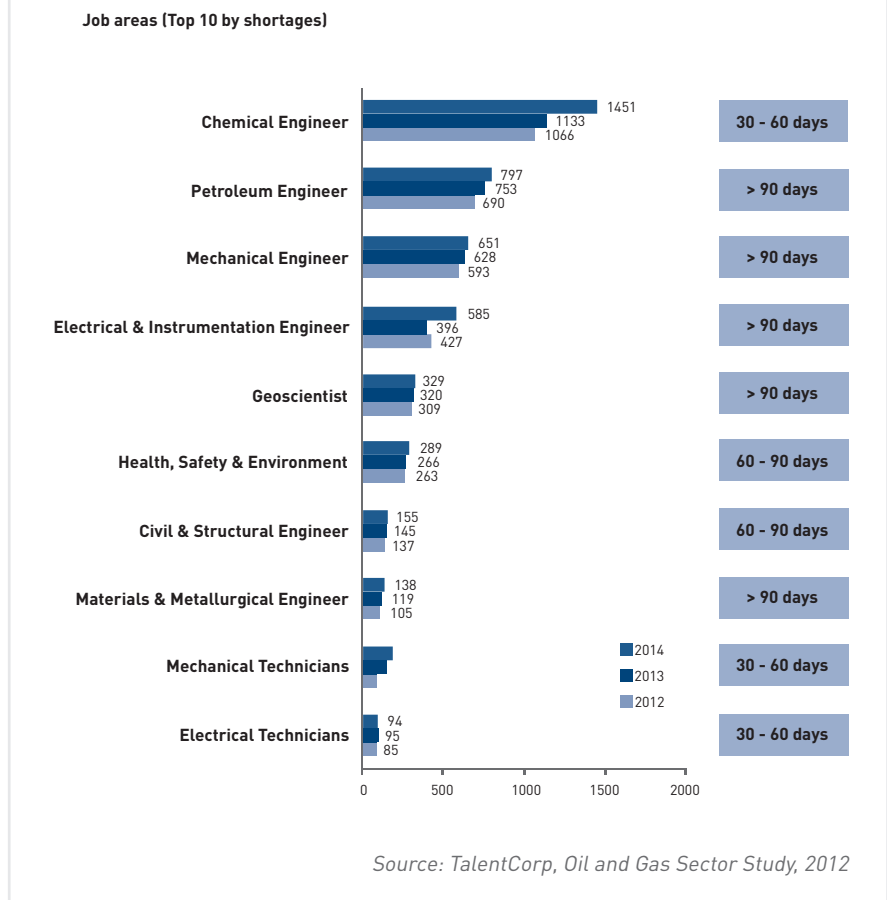
Number of weeks taken to fill professional vacancies



Source: World Bank Data, various years

The process of employing the right talent in Malaysia can be a costly and time-consuming process. For example, it takes six weeks to fill a professional position in Malaysia compared to three weeks in the Philippines and two weeks in Indonesia (Figure 3.11).

Figure 3.12 Forecasted shortages in talent will result in a lengthier amount of time to fill job vacancies in the Oil & Gas sector



Key sectors and industries such as Oil & Gas, Electronics and Electrical (E&E), Communications, Content and Infrastructure (CCI), Financial Services, and Business Services are in constant search for talent to continuously grow and move the industry up the value chain. Figure 3.12 shows the current and forecasted average time taken to fill key top positions in Malaysia’s O&G sector due to potential talent shortages.

The need to enhance the employability of graduates

The immediate source of top talent for Malaysia's key industries is the pool of local graduates, but there are two concerns. Firstly, though the number of university graduates in the workforce has increased, that figure is still low relative to that of other developed economies and even some of our regional peers (Figure 3.13).



Darrel Devan Lourdes
Country Human Resource Manager
Shell

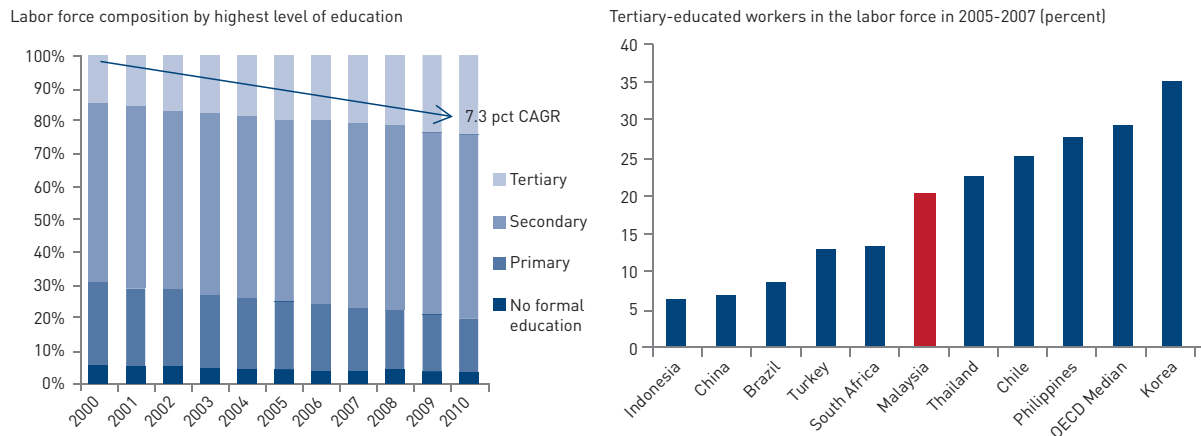
Global Talent Manager in Malaysia



We are currently facing shortages of expertise and technical specialists in the Oil and Gas industry such as geologists, petroleum engineers, wells engineers and technical development staff. A strategy of acquiring the best talent from all over the world regardless of background needs to be pursued as a good fix for the challenges in the short term.



Figure 3.13 The share of university graduates in the labour force increased rapidly in the past decade, but remains below that of advanced economies and even some regional peers



Source: World Bank, Malaysian Economic Monitor, "Modern Jobs", 2012

The availability of well-educated, highly skilled talent in the workforce is important as Malaysia moves towards a knowledge-based economy.

Secondly, the skills provided by the education system are an ongoing concern for the industry. The improvement of modern technology and growth in management innovation has led to the demand for a wider range of workplace skills and an expectation for improved performance at work.



“ There are still talent in the country that we can tap on so that they can contribute to the nation-building. We need more confident and articulate individuals who can team well in a dynamic environment. ”

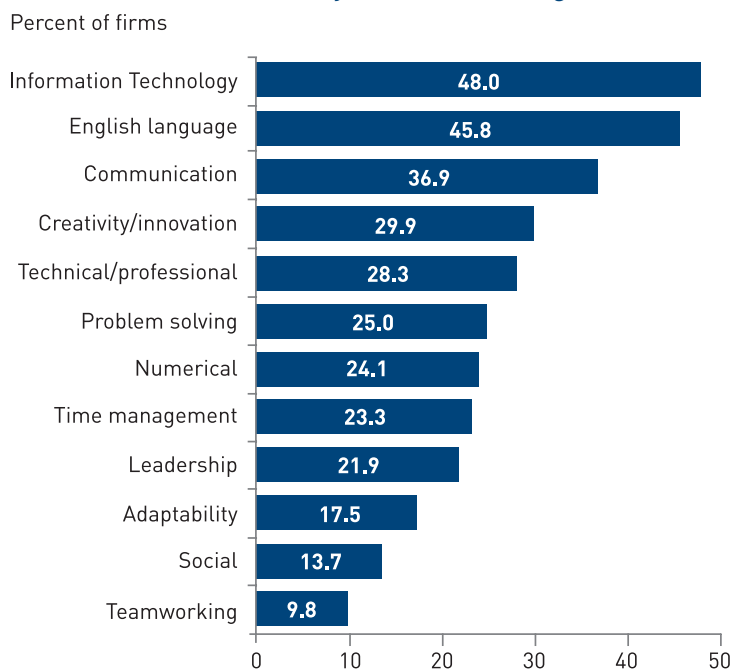
Chua Chai Ping. *Country Human Resource Head. Accenture Solutions*

Global Talent Manager in Malaysia

Nearly half of the Malaysian firms recently surveyed cited the lack of Information Technology skills and poor English proficiency as key restraints to hiring. Poor communication skills was the third top reason, while good academic qualification was not even featured in the top 10 reasons (Figure 3.14).⁵

⁵World Bank, Malaysian Economic Monitor, “Modern Jobs”, 2012

Figure 3.14 Firms generally identify non-routine and other soft skills as a key restraint to hiring



Source: World Bank, Malaysian Economic Monitor, "Modern Jobs", 2012

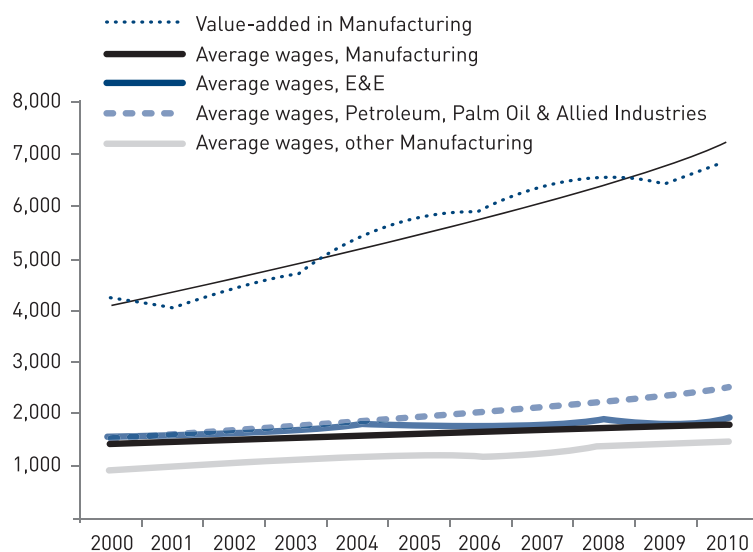
III. Workforce Productivity

Productivity-wage disconnect

Malaysia is currently facing a disconnect between workforce productivity, skills, and labour market compensation structures. Wage growth in the manufacturing sector has been slow, lagging productivity (Figure 3.15).

Figure 3.15 Wage growth lagged productivity in manufacturing

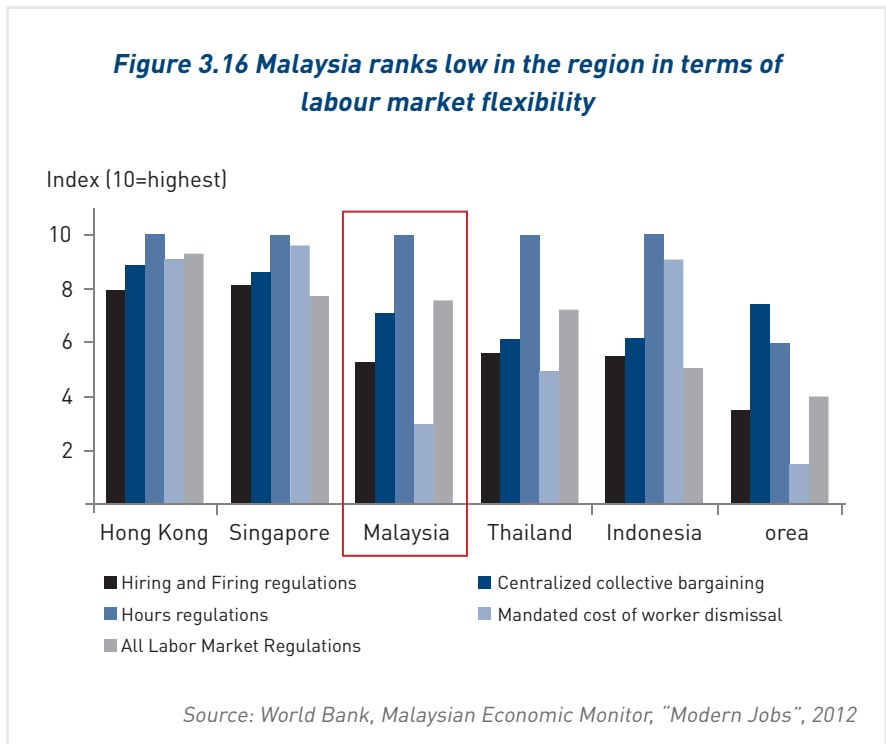
Average wage vs. Productivity by Sector
RM per month, in constant 2000 prices



Source: World Bank, Malaysian Economic Monitor, "Modern Jobs", 2012

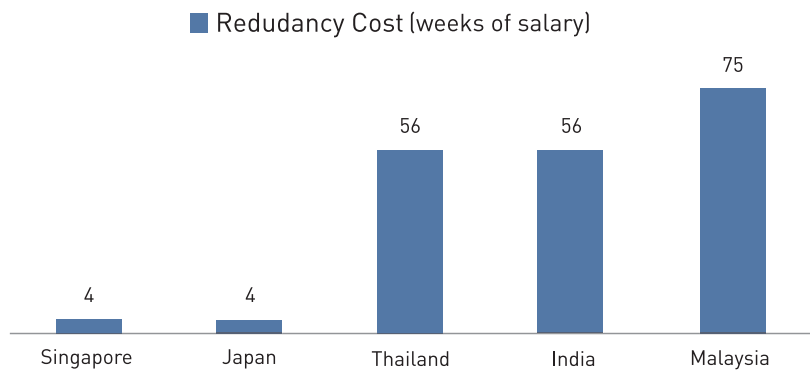
Inflexible hiring and firing practices

Malaysia's labour regulations continue to receive mixed reviews, with those related to hiring and firing viewed as cumbersome and undermining efficiency and competitiveness. Consequently, Malaysia ranks low in the Southeast Asian region in terms of labour market flexibility (Figure 3.16).



As an example of the rigidity of relevant regulations, Malaysian employers are required to pay an average compensation of 75 weeks of wages to employees who have worked for 20 years compared to 56 weeks in Thailand and four weeks in Singapore (Figure 3.17). This causes the selection of potentially retrenched employees to be skewed based on specified criteria, including length of service.


Figure 3.17 Redundancy costs in Malaysia are relatively high



Source: World Economic Forum, World Competitiveness Report, 2011

Insufficiently leveraged pool of latent talent

Although Malaysia has done well in achieving gender parity in education, this has not translated into improving women's participation rates in the workforce. The national Labour Force Participation Rate among women in Malaysia has not surpassed the 50 percent mark since the 1980s. Labour force participation, especially among women, is low by regional and international standards (Figure 3.18). Among the top reasons for poor women participation are inflexible working arrangements and the lack of appropriate infrastructure to allow women to return to the workforce after they have left, usually to tend to family commitments.

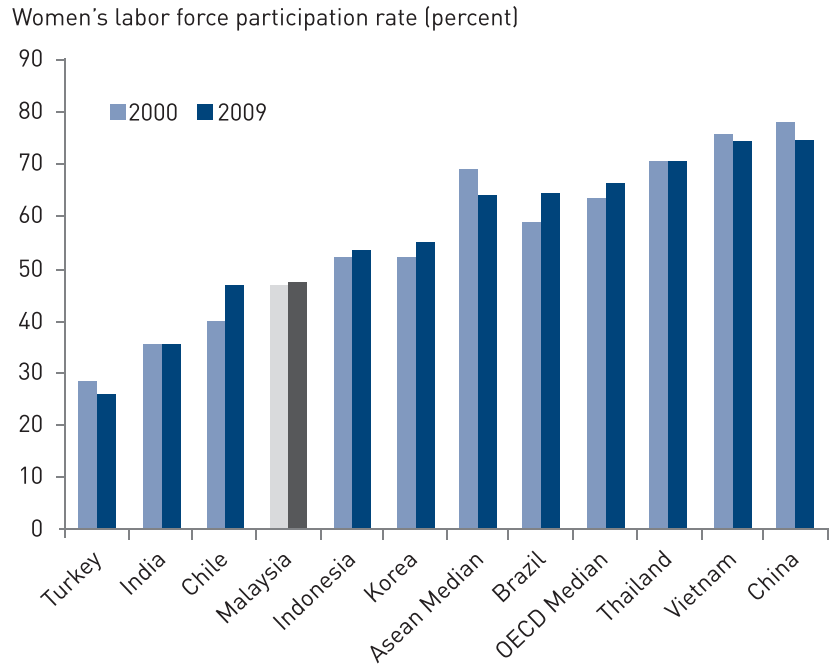


Salika Suksuwan
Head of Recruitment
PwC Malaysia

Global Talent in Malaysia

“ Initially, I couldn't imagine how I was going to juggle motherhood and deliver my responsibilities. I'm glad that with the flexible working arrangement, I didn't have to give up my career and I could stay on to make a difference. ”

Figure 3.18 Women's labour force participation rate is low relative to other Asian and Organisation for Economic Cooperation and Development (OECD) economies



Source: World Bank, Malaysian Economic Monitor, "Modern Jobs", 2012

IV. Livability

Salary growth not on par with cost of living

In 2012, the Economic Intelligence Unit (EIU)'s ranking of the world's most expensive cities saw Kuala Lumpur (KL) rise 12 places to take the 74th place out of 140 cities in terms of living costs. Similarly, in 2011, Mercer's Cost of Living survey ranked KL 104th out of the 214 most expensive cities for expatriates, rising 34 places from the previous year.

Salaries, however, have not grown in tandem with this rise in cost of living. In fact, post-1997 Asian financial crisis, Malaysia's growth in real salary and wages (wages minus inflation) has not returned to pre-crisis levels across all sectors (Figure 3.19). The disparity between earning power and living cost is a factor heightening difficulties in attracting and retaining foreign talent alongside homegrown Malaysian talent.

Figure 3.19 Malaysia's growth in real wages has not increased substantially post-1997 Asian Financial crisis

Malaysia - Real Wage Changes		Increase in real wages per annum (%)	
Industry		Pre-crisis '94-'97	Post-crisis '98-'07
Export-Oriented Industries (EOI)	Average Increase for EOI	5.6	1.9
	Electrical and electronics [E&E]	6.2	2.5
	Petroleum, chemical, rubber, plastic products and real estate	6.0	1.5
	Textiles, wearing apparel and leather products	5.8	-1.3
	Wood products, furniture, paper products, printing and publishing	2.8	1.4
Domestic-Oriented Industries (DOI)	Average Increase for DOI	6.8	1.4
	Transport equipment and other manufactures	7.9	2.5
	Food, beverages and tobacco	6.8	1.2
	Non-metallic mineral products, basic metal and fabricated metal	5.9	0.6
	Total Manufacturing	5.9	1.8

Source: World Bank, "Reshaping Economic Geography Report in East Asia", 2009

Some of the primary considerations for global talent is the quality of life, professional development, and job opportunities offered. In the 2011 EIU survey, KL was ranked as the 78th most liveable city in an assessment of 140 cities based on stability, healthcare, culture and environment, education, and infrastructure considerations (Figure 3.20).

Figure 3.20 A high quality of life in cities is essential to attract and retain talent

City	Ranking
Melbourne	2
Vienna	3
Sydney	7
Tokyo	18
Hong Kong	31
Singapore	53
Kuala Lumpur	78
Bangkok	101
Manila	107
Hanoi	123
Jakarta	125

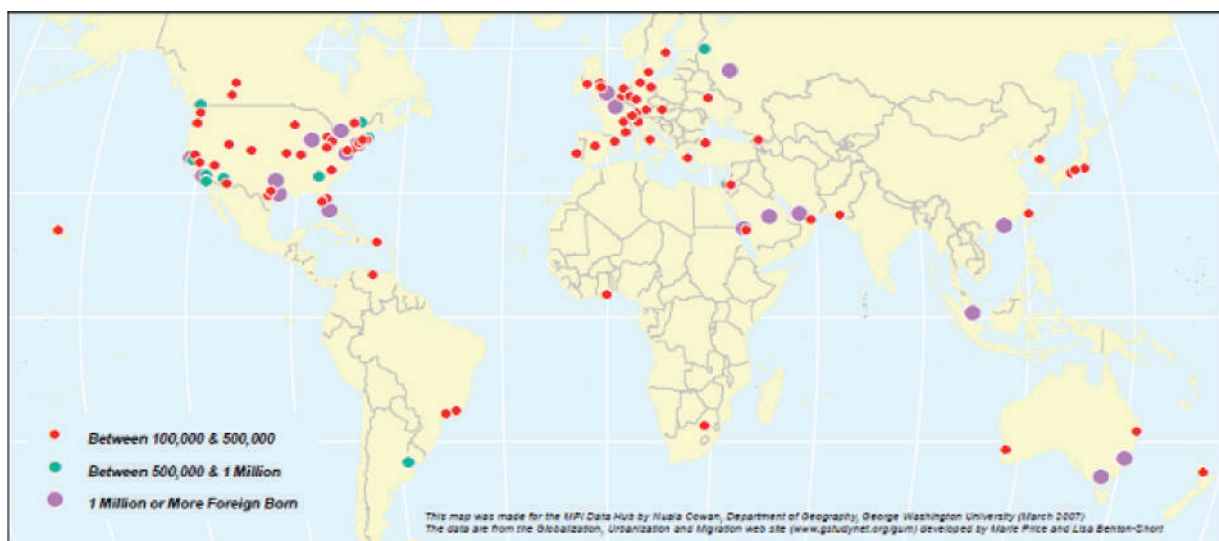
Source: Economic Intelligence Unit, "Global Livability Survey", 2011

While KL is ranked better than most cities in Southeast Asia, it is still far behind global cities, such as Tokyo and Hong Kong.

Shrinking Expatriate Base

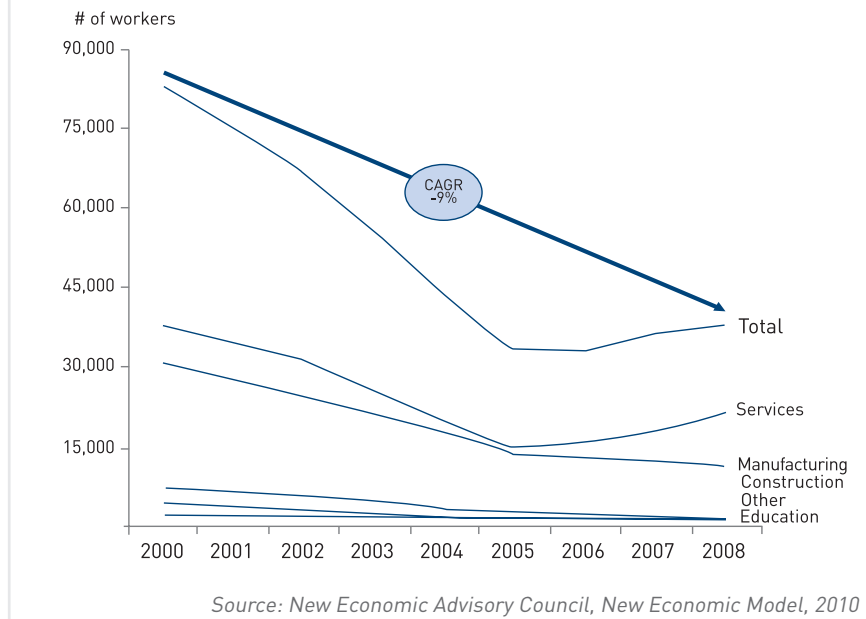
One of the important pre-requisites of successful global cities is the presence of highly skilled global talent (Figure 3.21).

Figure 3.21 Global cities have a large number of foreign born residents



Source: World Bank, Malaysian Economic Monitor, "Smart Cities", November 2011

Figure 3.22 Malaysia's skilled expatriate base has been shrinking



In contrast to cities that host many expatriates, Malaysia's highly skilled expatriate base has been shrinking since 2004. The downtrend in the number of expatriates working in the country was noted in the New Economic Model (NEM) as a cause for concern (Figure 3.22).

“ As an expatriate, I had to apply for renewal of my Employment Pass every two years. This did not make me feel settled for the long term until I received my Residence Pass. Now I am able to make solid plans for my family for the next decade and accept assignments with local universities to mentor future design students. ”

Shirish Kaner
 Manager of Innovation Design
 Motorola Solutions

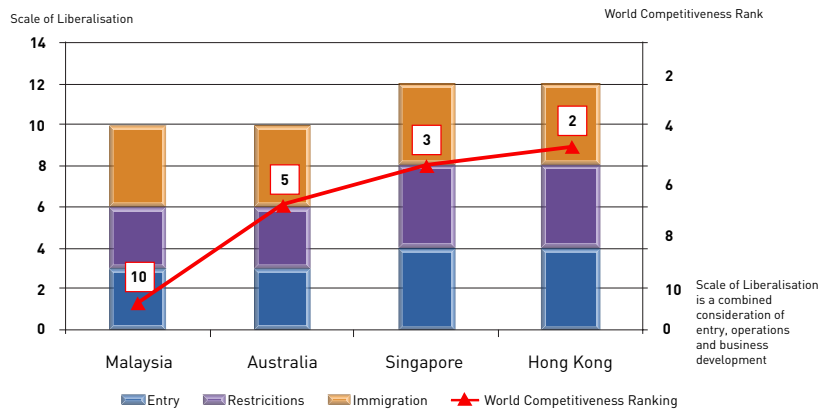
Residence Pass –Talent Holder
 Global Talent in Malaysia

Top global talent face restrictive entry regulations

Malaysia’s immigration regulations are deemed cumbersome by both foreign talent and the employers wishing to hire them. Out of the 59 countries ranked in the IMD World Competitiveness Yearbook, Malaysia scored a middling 39th place in the category of prevention of employing foreign labour through immigration laws.

Figure 3.23 Countries that are able to attract world-class talent have clearly improved their competitiveness ranking

Scale of liberalisation vs world competitiveness ranking by country



Source: PEMANDU

Laws governing professionals in the country have also been perceived to be less flexible in allowing global talent to practise professionally in Malaysia. Figure 3.23 shows the relationship between the country’s competitiveness and its scale of liberalisation. In comparison with Australia, Singapore, and Hong Kong, Malaysia’s scale of liberalisation is significantly lower, thereby impacting Malaysia’s competitiveness internationally.

3.5 Government has initiated structural reforms to address these issues

The issues affecting Malaysia’s ability to nurture, attract, and retain talent are wide-ranging and involve many stakeholders, both public and private. While the issues of pay levels commensurating with productivity and best practices for talent management in industry are principally the private sector’s responsibility, the Government is cognisant that these issues need to be addressed. Success, however, depends on the effective, collective action by both the Government and industry.

Figure 3.24 Key structural reforms (Government initiatives) to address talent issues

ISSUES	REFORMS	MINISTRY /AGENCY
A. Quality of Education	Education Review	Ministry of Education (MoE)
	Graduate Employability Blueprint	Ministry of Higher Education (MoHE)
B. Availability of Talent	New Economic Model	New Economic Advisory Council (NEAC)
	Strategic Reform Initiatives	PEMANDU
C. Workforce Productivity	Labour Law Reform	Ministry of Human Resource (MoHR)
D. Quality of Life	Government Transformation Programme	PEMANDU

Source: TalentCorp Analysis, 2012

Malaysia has rolled out a wide range of initiatives in response to the four categories of talent issues that continue to affect the nation’s talent pool (Figure 3.24). The following section examines the key initiatives undertaken to resolve them through national programmes under various ministries and government agencies.



“As Malaysia strives to be a developed nation by year 2020, a progressive civil service will provide a conducive environment for the Government, industry and general society to interact.”

Norazman Ayob
*Director of Infrastructure Section
Public-Private Partnership Unit
Prime Minister's Department*

*Cross Assignment from Public Service to Proton
Homegrown Talent in Malaysia*

Initiatives implemented to raise the Quality of Education

The Ministry of Education (MoE), Ministry of Higher Education (MoHE), and PEMANDU have been involved in rolling out measures and coordinating efforts to improve the quality of education from primary to tertiary levels.

MoHE has initiated the Accelerated Programme for Excellence (APEX) to identify Malaysian universities that have the greatest potential to be world-class institutions. Universities that are granted APEX status are given financial assistance to compete with other international world-class universities. In 2010, APEX status was awarded to Universiti Sains Malaysia (USM), with the expectation that USM will be among the top 200 in the World University Rankings in five years' time and top 100, if not top 50, by 2020. In addition to raising the quality of universities, the MoHE is also focusing on improving the employability of graduates through its Graduate Employability Blueprint.

In tandem, PEMANDU, through the Government Transformation Programme (GTP) and the Economic Transformation Programme (ETP), has also coordinated the implementation of education-related programmes and projects. The Education National Key Economic Area (NKEA) focuses on basic education (primary and secondary), Technical Education and Vocational Training (TEVT), as well as tertiary education (domestic and international students).⁶

Initiatives implemented to address the Availability of Talent

Various measures have been taken at the national, regional and sector level to ensure that industries have access to the required talent. The MoHR's Strategic Plan 2011-2015 (Thrust 5), which outlines several strategies to address skills availability, also includes strategies to streamline local skills development programmes, improve graduate employability, and increase the availability of skilled workers in the country.

Organisations such as PEMANDU have coordinated the implementation of upskilling programmes such as the National Talent Enrichment Programme (NTEP) to meet the requirements of the regional corridors for skilled human capital.

⁶ ETP Annual Report, 2011.



Mohd Azharuddin Mat Sah

Vice President

*Special Projects, Managing Director's Office
Khazanah Nasional Berhad*

*Cross Assignment from Khazanah to PEMANDU
Homegrown Talent in Malaysia*

“ I am proud to have contributed in critical national projects during my assignment in PEMANDU like KTM Komuter and upgrading of Puduraya Sentral. Through this experience, I have learned that nation building is one mammoth task, but a truly rewarding one. ”

At the sector and industry level, institutions such as Bank Negara Malaysia (BNM) and the Securities Commission of Malaysia as well as Multimedia Development Corporation (MDeC) have been actively involved in talent development programmes for the banking and finance and Information and Communications Technology (ICT) sectors.

Initiatives implemented to improve Workforce Productivity

Addressing the efficiency of the labour market has been one of the measures identified in the NEM to enhance the quality of human capital in the country.

Figure 3.25 Selected NEM recommendations to improve the labour market

Workplace Transformation

- Set up an expert group to modernise and align labour legislation and regulation consistent with international best practise, with the dual objectives of reduced costs to business of labour management and increased effectiveness of worker protection
- Strengthen strategic human resources management
- Enhance the workers safety net through the introduction of unemployment insurance
- Establish A National Wage Consultative Council (NWCC)
- Facilitate a Productivity-Linked Wage System (PLWS)
- Consider a minimum wage policy

Workforce Transformation

- Undertake a labour market forecast and survey programme
- Up-skill and upgrade the workforce
 - Set overall strategy for upgrading the workforce
 - Standardise certification of semi-skilled workers
- Leverage women's talents to raise productivity

Source: National Economic Advisory Council, "New Economic Model for Malaysia – Part 1", 2010

Acting on the recommendations of the NEM, the Government has initiated measures towards reforming labour laws, enhancing labour market information, developing a productivity-linked wage system, reviewing the retirement age, establishing human resource centres, and encouraging women's participation in the workforce (Figure 3.25).



The Cross Assignment Programme has enabled me to embrace the unknown and be quick and persistent in adapting to changes. Implementing project risk management in Sime Darby's Vision Valley and Educational Hub in Johor has been particularly exciting.



Norazha Ismail. Vice President I, Risk Management Property Division. Sime Darby Cross Assignment Programme. Cross Assignment from Telekom Malaysia to Sime Darby.
Homegrown Talent in Malaysia

Initiatives implemented to improve the Quality of Life

The ETP, through the Greater Kuala Lumpur/Klang Valley (KL/KV) NKEA, aims to transform this city into the top-20 most livable cities worldwide and top-20 economic cities in the world. It also looks at a comprehensive makeover of the Greater KL/KV to improve its attractiveness to Malaysians, foreign multinational companies and global talent. This includes, among others, enhancing the ambience of the city and improving its physical environment.⁷



“The city of Kuala Lumpur has never been as vibrant and the work-life balance is manageable. Easy access to other Southeast Asian countries definitely makes a difference.”

Yong Mien Dee

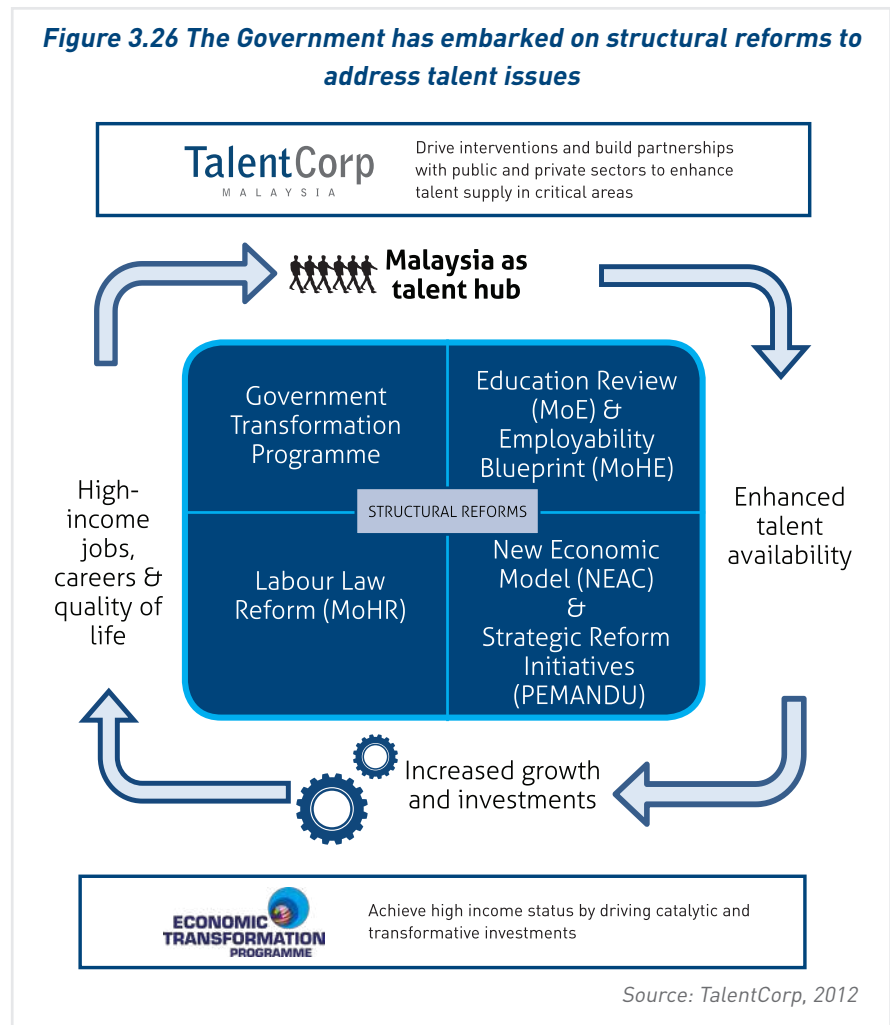
Manager
Performance Management and
Delivery Unit (PEMANDU)
Prime Minister's office

Returning Expert Programme
Global Talent back in Malaysia

⁷ ETP Annual Report, 2011

While it is undeniable that Malaysia has talent issues affecting the talent pool, the Government has made substantial and wide-ranging efforts to address them. Many of these initiatives to bring about structural reform have been placed to lead Malaysia towards Vision 2020 (Figure 3.26). Nevertheless, more demands and requirements will be placed on Malaysia's talent pool as the global war for highly skilled, top talent escalates.

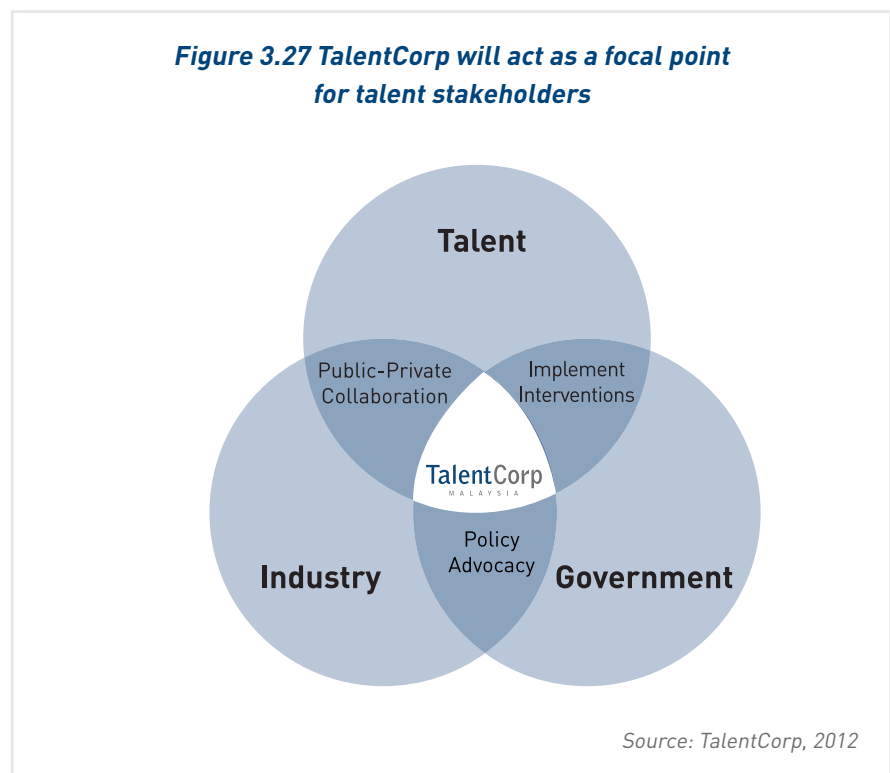
Figure 3.26 The Government has embarked on structural reforms to address talent issues



The Government is cognisant of our critical talent issues whereby Government has embarked on various structural reforms to address them. TalentCorp complements these structural reforms, supporting the ETP, to catalyse a virtuous cycle of talent. A review of the education system is needed to enhance talent availability in the country, which will increase economic growth and investment. The labour market conditions will then need to be improved to create a vibrant job market with abundant high income jobs and career opportunities. The subsequent rise in quality of life with the support of the GTP will then be able to attract and retain more talent in the country, thereby enabling Malaysia a global talent hub.

3.6 Conclusion

In 2010, the NEM highlighted that no single agency in Malaysia looks at talent at an aggregate level, much less the need for a critical mass in specific areas of expertise. This observation was echoed in the 10MP, which drew a parallel between the Malaysian Investment Development Authority's role in attracting capital investment and the need for a single agency to be tasked with delivering the human capital that Malaysia most critically needs from local and international sources. This need for a single focal point acting as a bridge between talent, industry, and relevant government agencies brought about the establishment of TalentCorp (Figure 3.27).



In this context, TalentCorp will fill the gap in identifying the critical skills needed and finding solutions to talent issues affecting the nation's economic transformation. Armed with the mandate to nurture, attract, and retain talent, TalentCorp will work with the relevant stakeholders to develop a globally competitive, creative, and innovative first-world talent base to drive Malaysia's economic transformation agenda.



CHAPTER 4

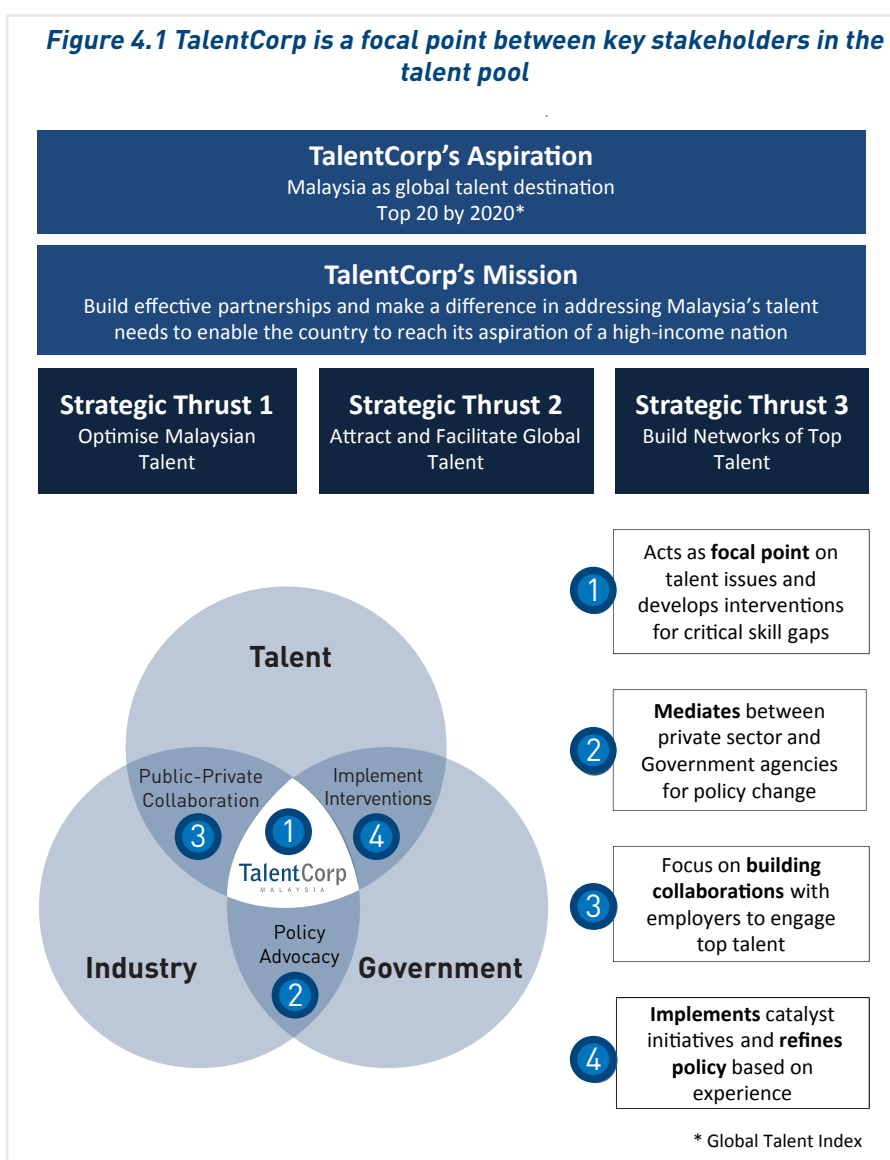
TalentCorp— Addressing Talent Needs of the ETP



Chapter 4: TalentCorp—Addressing talent needs of the ETP

Malaysia needs to ensure talent availability to support growth and economic transformation. A broad range of reforms are being undertaken to address talent needs in the long term. In conjunction with these efforts, more immediate talent-related interventions are needed to support the momentum of the Economic Transformation Programme (ETP). Hence, TalentCorp was formed to act as a focal point to drive talent interventions (Figure 4.1).

Figure 4.1 TalentCorp is a focal point between key stakeholders in the talent pool



4.1 TalentCorp was established to be a focal point

The establishment of TalentCorp was announced in the 10th Malaysia Plan (10MP) as the focal point “agency responsible for sourcing top global talent to fill skills gaps and to deliver human capital that Malaysia most critically needs, from both overseas and locally.” TalentCorp commenced operations on 1 January 2011 and was established as a company limited by guarantee under the Prime Minister’s Department.

The context and premise for TalentCorp arose as follows:

- i. **Talent– Key to Vision 2020:** to realise our ambitions to transform to a high income economy with knowledge intensive and innovation led activities, requires top talent across our priority sectors. Our success in transforming from low income to an upper middle income economy was enabled by significant and consistent investment in human capital development. However, better talent outcomes are needed to achieve Vision 2020.
- ii. **Risk of vicious cycle:** if not addressed, outflow of talent (whether through brain drain, skills mismatch) will constrain the ability of industry to invest and grow, which in turn motivates greater outflow of talent and thus, undermining economic development.
- iii. **Underlying issues to be addressed:** Currently, Malaysia’s talent environment does not benchmark favourably against developed countries, in terms of our ability to produce talent (education system and availability of skills) and to retain top talent, in relation to high income career prospects and livability.
- iv. **Collective action needed:** to address Malaysia’s ability to nurture, attract and retain talent requires the public and private sector to align and intensify their efforts on talent. There are clearly areas within the domain of the private sector such as ensuring commensurate pay levels in line with productivity, and providing rewarding career paths. There are also areas which require public-private sector collaboration to catalyse change.
- v. **Government structural reforms initiated:** on its part, the Government has initiated structural reforms to comprehensively address the underlying issues for talent. These reforms include, Employability Blueprint, Labour Law reforms, New Economic Model and efforts to improve livability under the Government Transformation Programme.

- vi. **Urgent talent needs:** while these structural reforms are being implemented, there are currently immediate talent requirements and critical skills gap faced by priority sectors and leading companies, particularly those moving up the value chain and transforming internationally.
- vii. **ETP and TalentCorp to catalyse virtuous cycle:** to complement structural reforms and address immediate talent needs, interventions are required. TalentCorp was established to drive interventions to address talent needs and enhance talent availability which supports the needs of new ETP investments. This in turn will create more high income jobs, setting into motion a virtuous cycle of talent and investment.

4.2 Malaysia as a global talent destination by 2020

By 2020, Malaysia aspires to be a high income, advanced nation and in line with that, emerge as a global talent destination to rival other high income nations. This aspiration will be a result of the combined efforts of:

- i. Structural reforms to address talent issues;
- ii. Catalytic interventions on investments by ETP; and
- iii. Talent initiatives driven by TalentCorp.

The reforms and initiatives will strengthen the talent pool, business environment and livability. If Malaysia is to meet its aspirations to enhance our talent environment, it requires us to improve our standing in global talent indices (Figure 4.2).

Figure 4.2 Malaysia's current and projected standing in the Heidricks & Struggles Global Talent Index (GTI)

Ambition		Country Level	2011	2015*	2020*
Country Improving Talent Environment involves the joint efforts of several stakeholders	Global Talent Index (GTI) - Overall • Openness • Proclivity to Attracting Talent • Talent Environment • Quality of Labour Force • Compulsory Education • University Education • Demographics		No. 39	Top 30	Top 20

* TalentCorp targets
 Source: Heidricks & Struggles

Based on current rankings, Malaysia's challenges in comparison to advanced countries are in areas such as education and availability of skills. Nevertheless, Malaysia today has numerous advantages and opportunities relative to developed nations, particularly in terms of macroeconomic considerations, strength of priority sectors and leading corporations, in addition to Malaysia's unique way of life. These represent a value proposition to attract and retain top talent needed to support the ongoing transformation agenda (Figure 4.3).

Figure 4.3 Malaysia has four value propositions to attract talent



Source: TalentCorp analysis, 2012

“ I believe that Malaysia is a great place to base a company’s regional operations. Besides the low cost environment, we have a multicultural and adaptable workforce. After living abroad for ten years, I am glad that I am home and surrounded by like-minded people.

”



Kenneth Yap
Deputy Chief-Investment Officer, KAF Fund Management
Returning Expert Programme, **Global Talent back in Malaysia**

4.3 TalentCorp addresses critical skills gaps and issues in the talent pool

TalentCorp’s mission is to build effective partnerships and make a difference in addressing Malaysia’s talent needs, to enable the country to reach its aspiration of a high income, advanced nation.

TalentCorp acts as focal point

TalentCorp’s role as a focal point requires close collaboration with the public and private sector to identify talent issues, escalate those issues to the relevant stakeholders and develop targeted interventions to address them.

TalentCorp’s mission includes “to make a difference.” We at TalentCorp believe this spirit is well captured in the following story:

An old man walking along a beach one day after a storm, noticed a young man ahead of him picking up starfish and flinging them into the sea. Catching up with the youth he asked what he was doing.

“The starfish will die if they are still on the beach when the sun roasts them with its mid-morning heat,” came the answer.

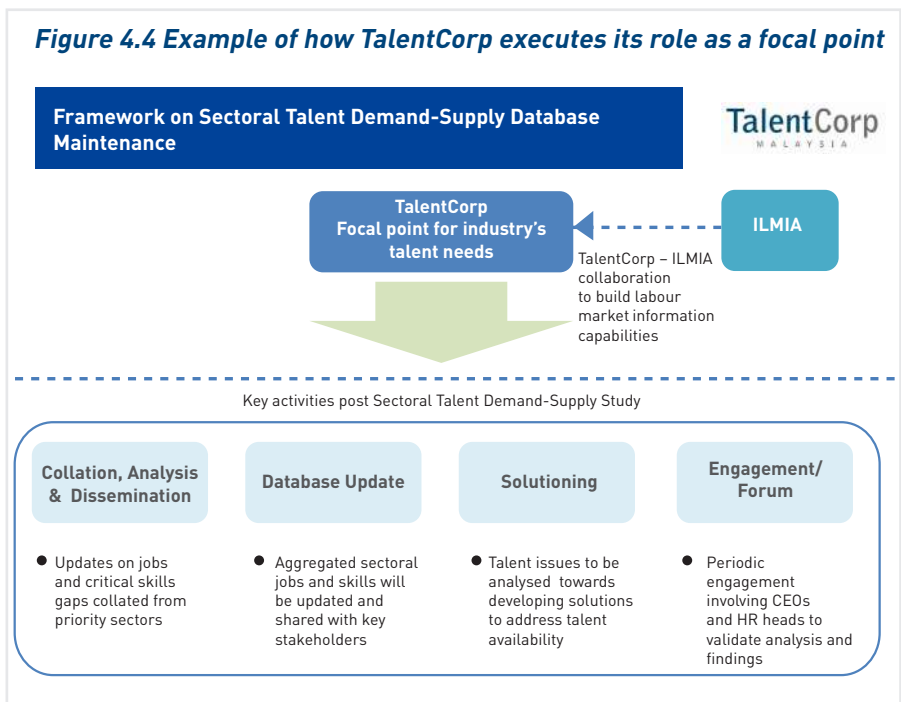
“But the beach goes on for miles, and there are millions of starfish,” countered the old man. “How can your effort make any difference?”

The young man looked at the starfish in his hand and threw it safely in the waves. “It makes a difference to this one,” he said.

Today, we have still some way to go on our transformation journey. Success requires sustained and collective action. Will you help us make a difference?

Engagements with key sectors have provided valuable insights on critical skills gaps at the experienced talent level. There are not many platforms to discuss, aggregate and escalate sectoral talent issues. In this regard, as a start, TalentCorp is leveraging on the expertise and knowledge of Institute of Labour Market Information and Analysis (ILMIA) (under the Ministry of Human Resources) to develop a sectoral talent demand-supply study. Beyond the priorities set out in the ETP, TalentCorp also liaises with agencies such as the Ministry of International Trade and Industry (MITI) and Malaysian Investment Development Authority (MIDA) to ensure due focus is given to the talent needs of priority sectors and investments.

Figure 4.4 Example of how TalentCorp executes its role as a focal point



Through data collection, analysis and engagement with key industry players, an important outcome is to acquire a strong understanding of areas of critical skills gaps and talent issues. Based on the engagements thus far, which include selected sectoral studies in Electronics & Electrical (E&E) and Oil and Gas (O&G), priority areas identified for interventions include:

- i. Immediate shortage of experienced professionals; and
- ii. Access to quality graduates to provide a sustainable pool of talent.

TalentCorp then develops solutions through:

- i. Advocating policies;
- ii. Public-private collaboration; and
- iii. Implementing interventions.

Since talent issues are wide-ranging, TalentCorp focuses on niche strategic areas where it can add value, make a difference and deliver results.

i. Advocating policies

TalentCorp addresses certain talent related issues by advocating for changes in policy and approaches to manage talent issues by mediating between the public and private sector.

TalentCorp focuses on public policy. However, there are instances where TalentCorp advocates best practices to the private sector, in the interest of the national talent pool. This includes initiatives such as flexible working arrangements to promote greater women labour force participation.

In advocating public policy changes on talent related matters, TalentCorp plays a bridging role between private sector and the relevant public sector agency by understanding the issues faced by the private sector and assessing the issues in the context of prevailing policies.

For example, the Ministry of Home Affairs and TalentCorp jointly reviews immigration policy on expatriates to balance the private sector perspective for ease of doing business and the Government's need to mitigate security risks.

ii. Public-private collaboration

TalentCorp focuses on building collaborations with the private sector to address talent issues. Public-private collaborations can take the form of joint participation in an outreach programme or through joint funding of a talent development initiative. Collaborations with leading private sector employers are the preferred approach as having private sector commitment in terms of resources and developing the intervention, helps ensure that the issue is indeed a priority and the intervention meets industry needs.

A good example of public-private sector collaboration is the E&E sectoral working group, established in April 2011 with members including leading international and local E&E companies such as Intel, Motorola, Agilent, Altera and Silterra, as well as representatives from Universiti Sains Malaysia (USM) and TalentCorp. The sectoral working group oversees the implementation of talent initiatives, including jointly developing content for E&E career awareness, structuring an industry internship programme for local public university students, and FasTrack, a graduate upskilling programme to expand the pool of Research and Development (R&D) engineers. FasTrack was jointly funded by TalentCorp and the participating companies, with the industry developing the course curriculum.

iii. Implementing interventions

For certain catalytic initiatives, TalentCorp directly implements interventions. The approach of public-private sector collaboration with employers may not be possible where it involves performing a Government function such as processing applications for the Returning Expert Programme (REP) or Residence Pass-Talent (RP-T). The advantage of an integrated approach in policy involvement and implementation is that the experience gained helps guide continuous and timely policy refinements.

Another area which TalentCorp is directly involved in implementation is engagement with global talent. This is because it is not usually commercially viable for individual Malaysian companies to actively engage professional talent abroad, and because it is a relatively greenfield space in the public sector.

TalentCorp's focus is anchored on three Strategic Thrusts

TalentCorp addresses the availability of talent through different types of interventions. The interventions by TalentCorp are anchored on the following three Strategic Thrusts:

- i. Optimise Malaysian Talent;
- ii. Attract and Facilitate Global Talent; and
- iii. Build Networks of Top Talent.

These three Strategic Thrusts are designed to enhance the availability of talent, in line with the needs of the priority sectors driving the economic transformation.

4.4 Optimise Malaysian talent

The availability of local talent is a critical component in meeting the needs of the country's continuous development. The Malaysian talent pool is the most vital and sustainable source of talent. However, as discussed in earlier chapters, talent is also a limited resource, creating the need for strategies to optimise Malaysia's pool of talent. In targeting this, our aim must be towards ensuring a strong and sustainable pool that industries can leverage on to meet the evolving requirements of the economy.

Instances of sub-optimisation of Malaysian talent:

- Insufficient talent channelled to priority sectors of the economy, especially where talent are pursuing qualifications or careers where job demand is low and prospects for high income limited
- Talent unable or not equipped to access opportunities due to insufficient knowledge of industry requirements
- Investment in scholarships not optimised towards supporting the GTP and ETP
- Latent talent such as high percentage of tertiary-educated women not participating in the workforce

Local Graduates

The immediate source of entry-level talent key for industries is local graduates. The quantity and quality of Malaysian graduates entering the workforce is an important determinant of the health of local industries and consequently that of the economy. As companies gear themselves towards higher value added activities in line with the ETP, their skills requirements evolve and intensify, while new job opportunities are created. It is critical that local graduates, as the primary source of talent, are sufficiently prepared and trained to meet the demand generated by economic transformation.

In this respect, TalentCorp has collaborated with the Economic Planning Unit (EPU) to introduce several upskilling programmes. These programmes will enhance the technical skills of top local graduates, which in turn will help key sectors address their skills gaps.

Scholars (Public Scholarship Holders)

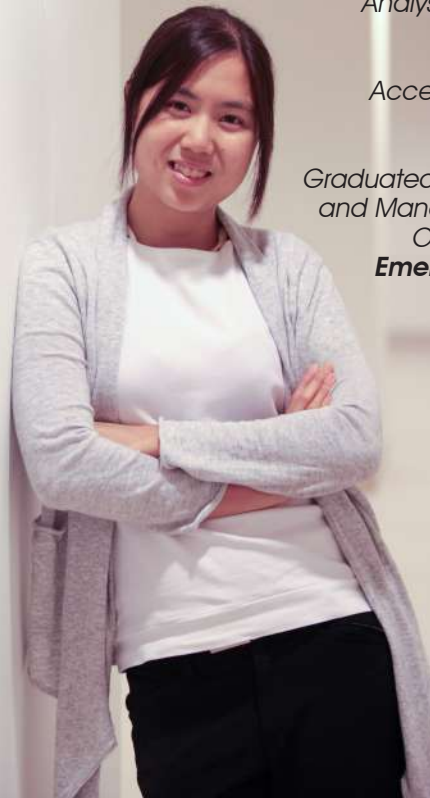
Public scholarship holders consist of top students who graduate with excellent results in their *Sijil Pelajaran Malaysia* (SPM) examination. Recipients of government scholarships are sent to study in fields that are critical for Malaysia's development, including medicine, law, and engineering. These individuals, who have been identified as top performing scholars, are potential leaders and top talent for the public and private sector. With the many opportunities created to contribute towards the nation's transformation, it is in Malaysia's interest to fully leverage on this pool of talent and reap the returns on the investment made.

Given the large pool of scholars sponsored by the Public Service Department (JPA) who graduate annually, TalentCorp implemented the Scholarship Talent Attraction and Retention (STAR) programme to better optimise Government scholars. The programme allows them to serve their scholarship bond with top Malaysian companies. A pool of scholars working with some of the best leading employers in Malaysia have the potential to be nurtured as future leaders.

“

The STAR programme has given me more options in career growth and direction. I get to choose the company and line I am interested in, and best yet, I am able to serve my bond and contribute to my country concurrently.

”



Marianne Chuo
Analyst in Accenture
Management
Consultancy
Accenture Solutions

STAR Scholar
Graduated in Economics
and Management from
Oxford University
**Emerging Talent in
Malaysia**

Latent talent

As a result of achieving gender parity in schooling, women are as equally educated and skilled as their male counterparts. However, a significant number of women do not enter the workforce or leave due to personal or familial commitments.

It is essential that women are facilitated back to the workforce and given assistance for different opportunities in development and growth, so that they can participate and contribute in the various fields of national development.

TalentCorp intends to undertake policy advocacy with the private sector on best practices, such as flexible working arrangements.

4.5 Attract and facilitate global talent

The global talent pool, consisting of the Malaysian diaspora and foreign talent, provides compensating inflows to address immediate critical skills gaps resulting from brain drain and other talent leakages.¹ This is especially critical to filling the need for experienced professionals in the workforce. The inflow of global talent into the local talent pool can have positive spill-over effects and exponential benefits as they interact and collaborate with each other. Rather than act as a substitute, global talent complements the Malaysian talent pool.² Their addition into the workforce enhances existing skills standards, raises productivity levels, and brings in new knowledge and expertise that may not be readily available domestically.

Malaysian diaspora and students abroad

The World Bank estimates that the Malaysian diaspora stands at approximately one million people, of which 30 percent are considered to be brain drain.³ Diaspora can be a valuable source of talent as those who have worked abroad in key sectors may have learnt valuable skills or gained access to advanced technology.

Upon their return, Malaysia gains a host of benefits that include brain gain; the boosting of entrepreneurship, innovation, and Foreign Direct Investment (FDI). Diaspora can also contribute to Malaysia's remaining journey towards becoming a high income, advanced nation while abroad. These contributions can come in the form of knowledge and skills transfers.

¹ World Bank, Malaysian Economic Monitor, "Inclusive Growth", 2010

² World Bank, Malaysian Economic Monitor, "Repositioning for Growth", 2009

³ World Bank, Malaysian Economic Monitor, "Brain Drain", 2010

Koo Chee Thak
Chief Operating Officer
Pantai Hospital, Penang

Returning Expert Programme
Global Talent back in Malaysia

“What drove me back home is my family, quantifiable possibility of an upswing in my career, opportunity for career switching into senior management and better wealth creation opportunities through investment in Malaysia.”



These knowledge and skills transfers are specific to each industry and need unique solutioning. A straightforward example of knowledge transfer would be an eminent Malaysian doctor abroad visiting Malaysia to perform a demonstration surgery or to teach as a visiting lecturer.

In October 2011, TalentCorp collaborated with Multimedia Development Corporation (MDeC) to organise a workshop in Kuala Lumpur where successful Malaysian technopreneurs from the Silicon Valley held knowledge sharing sessions with local Malaysian technopreneurs. Replicating such avenues for Malaysians to contribute while residing abroad will require a sector-focused approach, involving a joint effort between TalentCorp, relevant Government agencies and industry bodies to develop platforms for such contributions.

TalentCorp will spearhead efforts to attract and facilitate the return of Malaysians abroad, both experienced professionals and students. Engagement is an important first step to establish a linkage to Malaysia and to raise the awareness of professional opportunities arising from the ongoing economic transformation.

For experienced professionals, a sector-focused approach to attract the talent from abroad has proven to be effective. An outreach in April 2012 was made specifically for medical professionals in the UK and Ireland by a delegation including TalentCorp, Ministry of Health and private hospitals. Such a sector-focused outreach results in meaningful engagements on professional opportunities, which



Dato' Seri Johan Raslan
Executive Chairman
PwC Malaysia

Global Talent Leader in Malaysia

“ PwC works with TalentCorp and student groups in the UK and Australia to reach out and to connect with promising young Malaysians abroad. It’s important that businesses like ours play their part for the good of all. ”

increases the chance of attracting professionals for Malaysia. Outreach to students abroad, on the other hand is undertaken through overseas career fairs, attended by Malaysian employers. Malaysian student bodies have led in organising such career fairs in the United Kingdom (UK), Australia and Japan. The challenge is to strengthen the engagement to enhance reach to students and raise participation by Malaysian employers.

China’s “sea turtle” model offers a new way of doing business in the Healthcare sector

It is no secret that China has a vast supply of human capital. The country produces more than six million college graduates each year. On top of this, these resources are being supplemented by a growing pool of Western-educated and experienced returnees (“sea turtles”) drawn back by the explosive economic growth and the opportunity to make substantive contributions to China’s economy.









This combination of abundant human capital, lower business costs, and valuable experience the returnees have gained allowed these new entrepreneurs to build Chinese biotech firms that are far more integrated, with significant capabilities in disciplines ranging from discovery research through clinical development, than their counterparts in the West. This integrated approach can produce more efficient and productive Research and Development. Western companies can exploit these advantages by leveraging China’s capabilities in their business models or partnering with Chinese firms.

Source: Adapted from Ernst & Young, “Beyond Borders”, 2009

Foreign talent

As with the Malaysian diaspora, skilled foreign talent can fill the critical skills gaps to meet the needs of key sectors. For example, the E&E sector has a high demand for technical experts such as software engineers and firmware engineers, which Malaysia currently lacks (Figure 4.5). Leveraging on top foreign talent provides immediate compensating inflows to address this shortage.

Figure 4.5: Skills shortages in the E&E Sector

Talent Shortage Areas	Main Shortage Areas			Educational Requirement*
	Entry	Mid-Level	Experienced	
 IC Design Engineers	●	●	●	Degree in Electrical & Electronic with emphasis in IC Design / Microelectronics
 Embedded System/ Firmware Engineer	●	●	●	Computer Engineering, Electrical & Electronics
 Software Engineer	●	●	●	Degree in Software Engineering, Electrical & Electronic
 RF Engineer	●	●	●	Degree in Electrical & Electronic, Tele-communications
 Media Process Engineers		●	●	Mechanical Engineering, Material Engineering, Electrical & Electronics
 Wafer Fabrication Process Engineers		●	●	Chemical Engineering, Mechanical Engineering, Material Engineering
 Test / Measurement Engineer		●	●	Mechanical Engineering, Electrical & Electronics, Statistical
 Product Design R&D Engineer	●	●	●	Mechanical Engineering, Electrical & Electronics

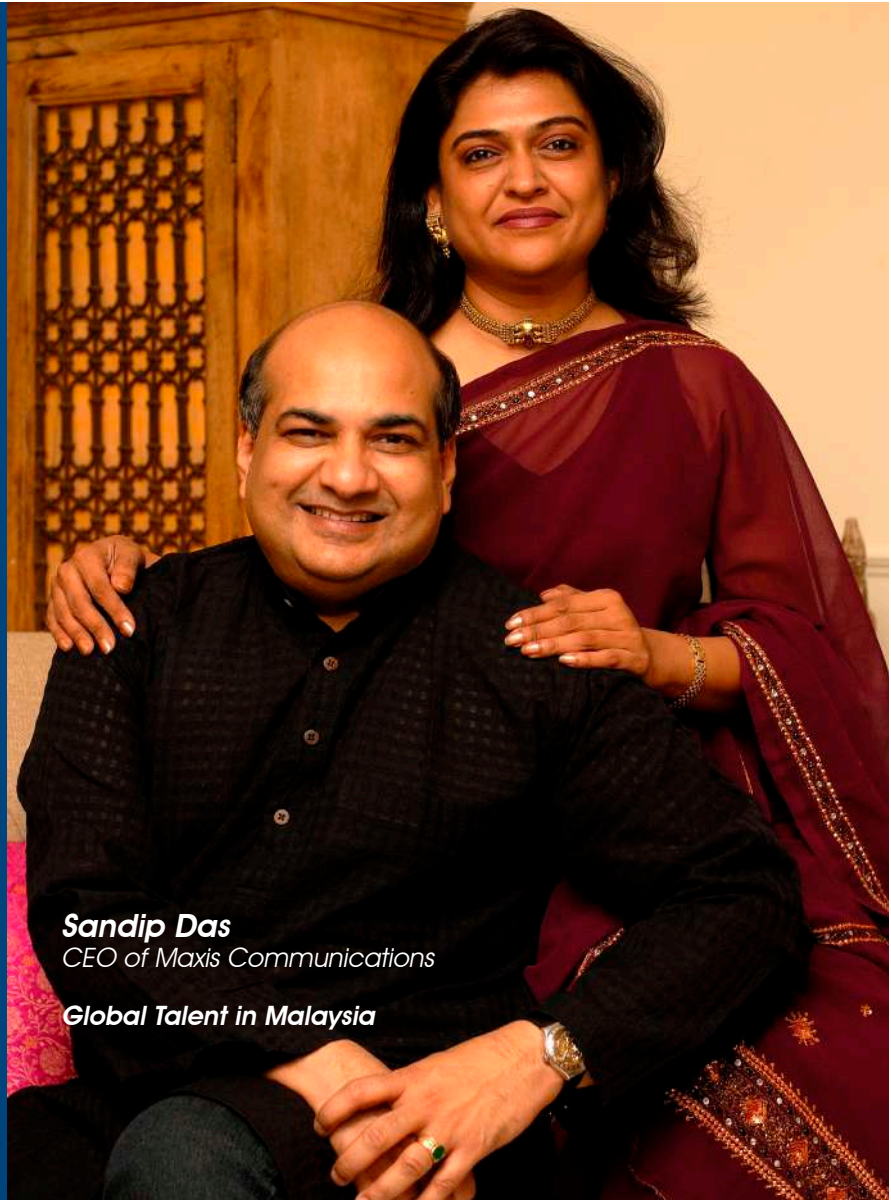
The list is not exhaustive but shows some of the more common educational requirements of the industry

Source: TalentCorp, “E&E Sector Study”, 2012

“

It was an obvious decision when I was given the opportunity to head a globally-respected Telco. It feels great to be able to contribute in strategy and nation building plans. My wife and I are happy to be in Malaysia as it is a very ‘user friendly’ country. It has all the trappings of a balanced country – ambitious economic and social plans, rich traditions, modern society, many things are globally contemporary.

”



Sandip Das
CEO of Maxis Communications

Global Talent in Malaysia

Highly skilled foreign talent will create economies of scale through amalgamation of human capital, generating more high skilled jobs for Malaysians, inspiring changes and raising standards in areas such as education.⁴ Foreign talent, if properly identified and absorbed, adds vigour and dynamism to the population.⁵

More than half of Silicon Valley start-ups were founded by immigrants over the last decade. Around 450,000 jobs were created with sales of USD52 billion in 2005.⁶

⁴ World Bank, Malaysian Economic Monitor, “Modern Jobs”, 2012

⁵ International Labour Organisation, “Foreign Talent and Development in Singapore”

⁶ Harvard Law School, Labor and Worklife Program



“ When my company offered a ‘permanent’ position in Malaysia, my wife & I decided this was an opportunity we shouldn’t miss. I find the cities and infrastructure interesting and professional work culture in multinational companies similar to what I would find anywhere else. We are able to constantly drive (& being driven) to take-on more global responsibility for our company’s products and technology. ”

David Lacey
R&D Director
Osram Opto Semiconductors

National Science and Research
Council (NSRC) Member
Global Talent in Malaysia

Top foreign students in Malaysia are also a potential source of talent. Countries like Australia, the UK and the United States of America have long benefited from the influx of top foreign students choosing to stay on and seek employment in their host countries. In addition to the immediate benefit of the inclusion of new sources of emerging talent, the diversity that foreign graduates bring, will create vibrancy and spur innovation across key sectors.

With Malaysian companies increasingly going regional, particularly within Southeast Asia, employing top students from neighbouring countries to work in Malaysia can be advantageous. It helps provide regionally expanding organisations with a talent pool trained in Malaysia who can be deployed to support international operations in the region.

Global cities drive economic growth. The agglomeration of talent and economic activities promote economies of scale in cities. Such gains are predominant in knowledge-intensive and higher value-added activities, where the confluence of a diversity of talent exchanging ideas drives productivity. In this respect, both Malaysians from abroad and top foreign talent offer the diversity of experience and expertise to complement the local talent pool. A diverse and vibrant city in itself will become a magnet for greater investments and talent inflow, thereby reinforcing economic growth. Therefore, the strategic thrust of attracting and facilitating global talent, by promoting openness to talent inflow very much supports the agenda for economic growth and transformation.

4.6 Build networks of top talent

Networks are important structures that will allow easy access to and the engagement of top talent. Structured networks facilitate the engagement and communication of job opportunities to top talent as they arise. This is central in the effort to effectively manage the equilibrium of the talent pool.

Malaysian talent

A local top talent network provides a platform to continuously identify, monitor, and track high performing individuals through leadership development initiatives. Within this space, TalentCorp provides a platform for key individuals in a cross-section of companies to meet with their peers and share thought leadership and industry best practices, such as the human resource networking forum. TalentCorp also facilitates the development of these networks to support leading organisations in key sectors by providing access to these pools of top talent and skills sets.

Global talent

Malaysian diaspora and foreign talent are also important touch points for companies in key sectors. Through networking opportunities and platforms, TalentCorp functions as a bridge between Malaysian diaspora, foreign talent and Malaysia to facilitate the transfer of knowledge, skills, and promote FDIs.



Kit C. Yong

R&D Director

National Instruments

*Prominent Malaysian
contributing from Texas,
USA*

**Global Talent
contributing from
abroad**

“ Having left Penang 37 years ago, I am fortunate to be in a position that allows me to share the best practices and know-how which I acquired overseas, and manage the transfer of National Instruments R&D projects from Texas to Penang. Human capital is a key success factor for high-tech industries, and I hope Malaysia is able to nurture, attract, and retain her talents.” ”

Pravasi Bharatiya Divas - Engaging the Global Indian

The Pravasi Bharatiya Divas “Indian Diaspora Day” is celebrated on 9 January every year since 2003. The Indian Diaspora is estimated to be 25 million strong and spread over 125 countries. They include first to fifth generation Indians who have emigrated from India.

This prominent networking event is designed to acknowledge those who have made India proud in the international arena and also to gauge how the progress of the Indian diaspora abroad can be integrated with India.

Prominent Indian Diaspora are invited as guests and speakers and have included Ministers from Malaysia and Singapore. Selected Diaspora individuals are honoured with Pravasi Bharatiya Samman Award to appreciate their role in India’s growth.

Source: World Economic Forum

The availability of networks also helps to enhance the efficiency of the talent space by enabling companies to tap into a wider pool when a highly specialised requirement arises. This also eases the search for opportunities by Malaysians abroad when considering to return.

Through continuous engagements with these individuals who have high levels of influence or who are natural leaders of the community, they can, as Malaysian Talent Ambassadors, propagate the valuable opportunities that exist in Malaysia. Platforms of continuous engagements can help establish channels for Malaysians to contribute from abroad and potentially initiate conversations that lead to new ideas for cross-border business and professional opportunities.

4.7 Conclusion

TalentCorp was established as a focal point for the talent needs arising from the ETP. TalentCorp drives change through policy, public-private collaboration and directly implementing interventions. Availability of talent is addressed through three strategic thrusts - (1) optimise Malaysian talent; attract and facilitate global talent; and (3) build networks of top talent. The interventions focus primarily on Malaysians in Malaysia, supplemented by measures to target Malaysians abroad and top foreign talent, needed by priority sectors.



CHAPTER 5

TalentCorp— Plan for Action



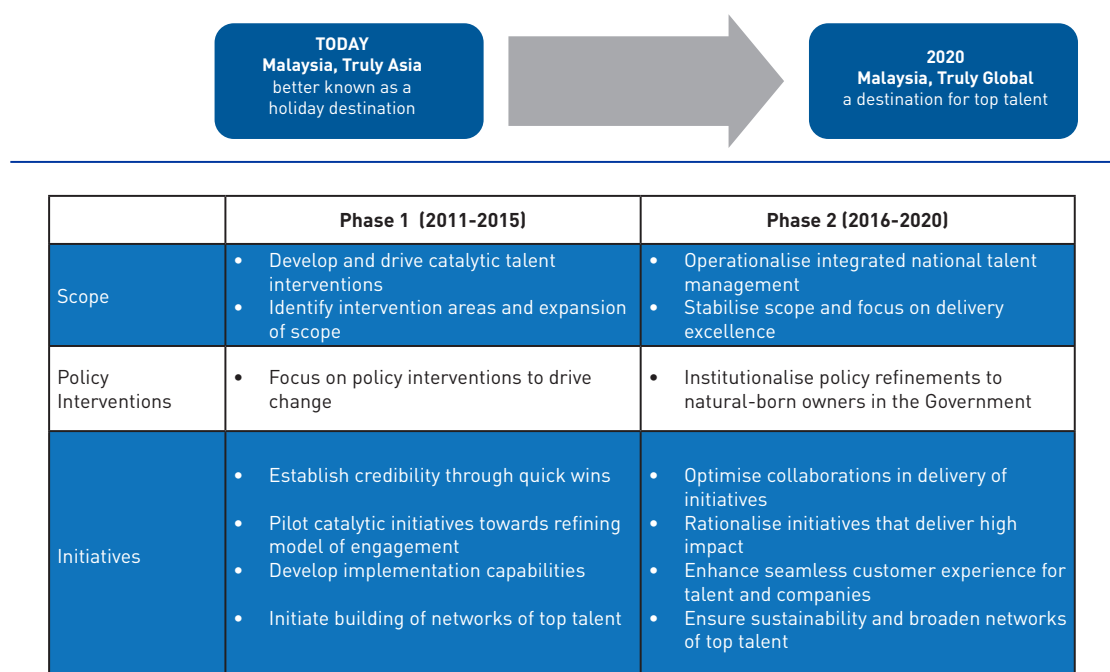
Chapter 5: TalentCorp—Addressing the Availability of Top Talent

TalentCorp will continuously drive initiatives to address the availability of top talent for key sectors to support the national economic transformation agenda. For Malaysia to become a destination for top talent, TalentCorp will drive initiatives based on three Strategic Thrusts: (1) Optimise Malaysian Talent; (2) Attract and Facilitate Global Talent; and (3) Build Networks of Top Talent. TalentCorp’s scope and initiatives will transition over the period till 2020.

Phase 1, covering TalentCorp’s inception to 2015, focuses on driving catalytic talent interventions and refining policies to address immediate critical skills gaps and talent shortages.

As TalentCorp moves into Phase 2 (2016 - 2020), a greater emphasis will be placed on operationalising the interventions as they become institutionalised, working towards a greater integrated approach of national talent management to be adopted in the country. Figure 5.1 illustrates TalentCorp’s scope across the two phases.




Figure 5.1 TalentCorp’s scope and initiatives in Phase 1 and Phase 2



Source: TalentCorp, 2012

The Strategic Thrusts illustrated in Figure 5.2 address our urgent talent needs via several initiatives across the three talent supply pools.

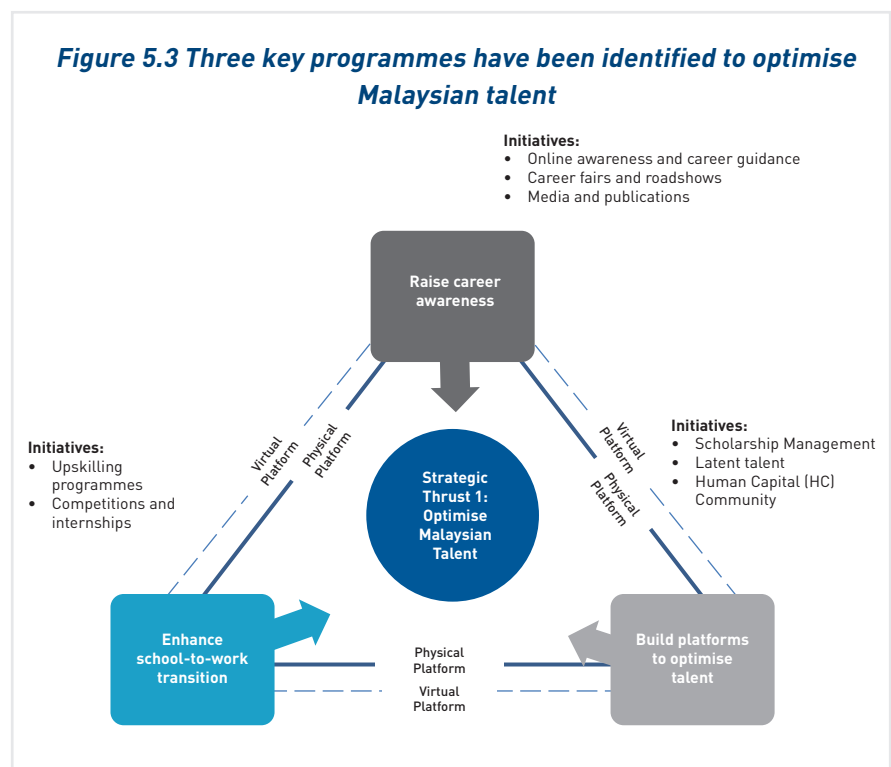
Figure 5.2 TalentCorp's three Strategic Thrusts

Strategic Thrust 1 Optimise Malaysian Talent	Strategic Thrust 2 Attract & Facilitate Global Talent	Strategic Thrust 3 Build Networks of Top Talent
Raise career awareness <ul style="list-style-type: none"> • Online awareness and career guidance • Career fairs and roadshows • Media and publications 	Outreach to Malaysians abroad <ul style="list-style-type: none"> • Professional outreach • Student outreach 	Build networks of future leaders <ul style="list-style-type: none"> • Developing future leaders through leadership development initiatives
Enhance school-to-work transition <ul style="list-style-type: none"> • Upskilling programmes • Competitions and internship 	Facilitate returning talent <ul style="list-style-type: none"> • Returning Expert Programme • Recognition of professional qualifications 	Develop diaspora networking platforms <ul style="list-style-type: none"> • Build networks and engagement platforms
Build platforms to optimise talent <ul style="list-style-type: none"> • Scholarship Management • Latent talent • HC Community 	Enhance expatriate facilitation <ul style="list-style-type: none"> • Residence Pass – Talent • Premier service centre for leading companies 	Engage expatriate community <ul style="list-style-type: none"> • Foreign Talent Outreach
 Malaysian Talent	 Malaysians Diaspora	 Foreign Talent

Source: TalentCorp, 2012

5.1 Strategic Thrust 1: Optimise Malaysian Talent

Malaysian talent is clearly the most important source of talent to meet the needs of the nation. Within the domestic talent pool, more than 35 percent are below the age of 25 years,¹ making this group the natural focus of these programmes. Three key programmes (Figure 5.3) have been identified to optimise Malaysian talent, with the intended outcome being a sustainable pool of top local talent to meet industry needs.



¹ MEM April 2012

The three programmes are designed to ensure Malaysia optimises local talent pursuing careers in line with interests and strengths to support the growth of priority sectors. The details of the programme over two phases are illustrated in Figure 5.4.

Figure 5.4 The programmes are designed to optimise Malaysian talent over two phases

Programmes	Initiatives	Phase 1 (2011-2015)	Phase 2 (2016-2020)
1. Raise career awareness	<ul style="list-style-type: none"> Online awareness and career guidance Career fairs and roadshows Media and publications 	<ul style="list-style-type: none"> Raise awareness of ETP career opportunities for tertiary students through physical and virtual channels Involve selected company partners and key sectors 	<ul style="list-style-type: none"> Integrate career awareness into education (career guidance) with industry-driven content Encourage more industry-led career awareness programmes to be implemented
2. Enhance school-to-work transition	<ul style="list-style-type: none"> Upskilling programmes 	<ul style="list-style-type: none"> Upskill to address critical skills gaps in key sectors 	<ul style="list-style-type: none"> Upskill top graduates for key industries and for supporting investment promotions Industry content embedded into curriculum
	<ul style="list-style-type: none"> Competitions and internships 	<ul style="list-style-type: none"> Establish early involvement of industry in university life Encourage collaboration of companies, industry bodies and learning institutions to develop structured internships 	<ul style="list-style-type: none"> More sector-focused structured internships driven by sector regulators, industry bodies and leading institutions Longer internships with earlier industry involvement into education
3. Build platforms to optimise talent	<ul style="list-style-type: none"> Scholarship management Latent talent HC Community 	<ul style="list-style-type: none"> Manage assignment of scholars Advocate policy change Build HR community and advocate best practices 	<ul style="list-style-type: none"> Operationalise management of scholars Promote best practices Coordinate HC conferences, forums, and events

Source: TalentCorp, 2012

1. Raise career awareness

TalentCorp aims to bridge and supplement up-to-date, industry driven information on career opportunities within key sectors. From an economic transformation perspective, one function of career awareness is to align the interests of talent with Malaysia's priority sectors, which are internationally competitive, have strong growth potential, and offer high income career prospects. With the economy transforming into new areas, parents, teachers, and talents themselves may not be aware of the new growth areas.

Kenneth Ho

*Human Resource Director of Malaysia
and Brunei
IBM Malaysia*

Global Talent Manager in Malaysia



“ There has been an unhealthy drop in the number of students for the Information Technology faculty and this will impact the country in the next few years if no action is taken. Hence, it is important to raise awareness of the growing opportunities in this sector. ”

With greater awareness of career options at hand, students and graduates will be better positioned to make informed decisions regarding their career choices. Awareness and guidance is important as students need to assess potential careers against their personal interests and strengths. A Jobstreet survey conducted by managers in 2011 revealed that the top reason for graduates' unemployability was due to an insufficient understanding of job requirements. Hence, the awareness of careers goes beyond the nature of work and prospects; it also needs to address the competencies required for the job. This is best achieved through industry-led awareness programmes, allowing students to directly interact with prospective employers. As of April 2012, the career awareness programmes organised have seen the participation of over 100 top companies in partnership with universities and leading job search companies.

In Phase 1, TalentCorp collaborates with individual company partners and selected key sectors to raise awareness of ETP jobs and career opportunities for university (and pre-university) students through several physical and virtual platforms:

i. Online awareness and career guidance

In a fast-growing world where knowledge continuously evolves, technology and social media are solutions to capture and exchange information. Targeted at undergraduates and young professionals, TalentCorp collaborates with the public and private sector to design and enhance a series of industry-driven self-directed learning resources. Online awareness will be tiered – at one level, communication information; at another, interactive content such as self-assessment in terms of psychometrics and suitability to career paths. In addition, engagement with industry is also undertaken to source online content and self-learning modules to improve employability.

ii. Career fairs and roadshows

TalentCorp conducts career fairs in collaboration with leading companies and universities, including sector-focused career fairs (SFCF) that expose undergraduates to career opportunities in chosen key sectors. Physical interfacing between students and employers provides an important channel of raising awareness, particularly in terms of understanding job requirements. Efforts to consolidate career fairs as opposed to fairs conducted by individual universities, enhances the engagement. Having many Institutes of Higher Learnings (IHL) involved facilitates access to a larger student catchment, which in turn attracts more companies to participate, and raises the scope of career awareness. In April 2012, the SFCF International Islamic University Malaysia (IIUM) hosted undergraduates from over 30 IHLs.

Going forward, career fairs will be preceded by virtual career fairs, which are designed to complement a physical career fair, providing recruiters the opportunity to pre-screen resumes and engage targeted candidates during subsequent physical career fairs.

TalentCorp will also conduct Career Awareness Roadshows (CAR), career drives targeted at the mass audience to raise awareness and promote diverse opportunities in key but underappreciated careers across priority sectors – Accounting/ Finance, Human Resources, Administration and Maintenance, Information System / Technology and Communication / Public Relations. CARs aim to change the public's perception of these careers as support functions and communicate various career opportunities, choices, and career path requirements.

iii. Media and publications

By capitalising on printed and online media, career awareness information will reach the mass audience of young Malaysian talent. The challenge is to develop content and effectively deliver such content through platforms which engage the youth.

Content development needs to be industry-driven, to ensure that it is accurate and up-to-date. TalentCorp engages with leading employers, industry associations and where relevant, sector regulators. These efforts may be initially piloted by TalentCorp but will over time be led by the relevant industry itself.

To engage youth through this channel, the content needs to be attractive and youth-friendly, for example optimising YouTube videos as opposed to career publications.

In Phase 2, TalentCorp will focus on coordinating more industry-led career awareness programmes in collaboration with sector regulators and industry associations. TalentCorp will also focus on integrating career awareness with industry-driven content into the education system, whether in terms of inclusion in curriculum, or supporting the industrial linkages with universities and ensuring career guidance counsellors are up-to-date.



Munawir Abdul Ghani. Vice President Human Resource, Silferra. **Global Talent Manager in Malaysia**

“Malaysia’s Electrical and Electronics sector had its start in manufacturing and is gradually moving up in the value chain. Industry players must work together with the Government to develop a comprehensive action plan that would not only dispel outdated beliefs but also draw fresh talent into the industry. Graduates are constantly looking for opportunities to be part of projects that are truly cutting edge.”

2. Enhance school-to-work transition

Aimed at providing students exposure to the working environment through earlier involvement of the industry, TalentCorp is focused on reaching out to students undertaking their undergraduate and graduate degrees in Phase 1. In Phase 2, efforts to bridge the university environment with work will be institutionalised and included in the curriculum.

i. Upskilling programmes

In Phase 1, TalentCorp is focused on addressing critical skills gaps in key sectors. Typically, there is a gap between academia, which focuses on theoretical academic rigour, and the company, which focuses principally on industry relevance. Upskilling programmes are stop-gap measures to address this issue, recognising that in the long run, university curriculum will need to be regularly reviewed to be more industry-relevant.

Upskilling for industry relevant skills

There is a critical need for a sufficient pool of highly-skilled talent to enable industries to move up the value chain. Highly-skilled talent is also required to attract quality investments into the country.

Graduates entering employment constitute the most significant talent supply for a large number of industries. There have been some concerns regarding the availability of top quality and industry-ready graduates to cater to the growing needs of industries.

The urgency of upgrading the workforce can be reflected by upskilling programmes being introduced by Government agencies, companies, and learning institutions in recent years.

Multiple upskilling programmes are implemented by various agencies without due coordination, making it difficult for assessments to be conducted and outcomes to be measured.

To address this, TalentCorp and the Economic Planning Unit will work closely to coordinate upskilling programmes to prepare top graduates to become industry-ready. This involves an allocation of approximately RM200 million targeting over 10,000 graduate trainees to be upskilled per year. The programmes are specifically catered to address the critical skills gaps and demand for top entry-level talent by industries.

In the medium to long term, TalentCorp will be focusing on the upskilling of top graduates for key industries and supporting investment-promotion activities. There will also be a push for integrated talent management from tertiary education to the workforce, incorporating industry-relevant content into the curriculum.

One of the programmes initiated to address this issue is the FasTrack programme. It started from the premise that the typical graduating engineer is best equipped to specifically be a manufacturing or factory floor engineer. The FasTrack programme focuses on accelerating the engineer's path into Research and Development (R&D).

Dr. Alias Mohd Norazmi

Chief of Staff
Motorola Solutions

Industry Co-Chair, TalentCorp
E&E Sectorial Working Group

Global Talent Leader in
Malaysia



“ FasTrack exemplifies the much needed private-public partnership, providing platform for industry-based curriculum and real life product development experience to the graduates. By making graduates industry relevant, Upskilling Programmes like FasTrack enables companies to close the talent gap. ”

FasTrack

Launched in June 2011, FasTrack is a 12-month Apprenticeship Programme targeted at university graduates. Apprentices undergo formal training in a classroom and industrial immersion. At the end of the programme, apprentices become domain experts in identified areas of the industry. The uniqueness of this programme is the involvement of the industry as host companies, and underscores the success achieved through public-private partnerships.

Successful implementation will:

- a) Accelerate the development of the R&D talent pool as the E&E sector moves up the value chain;
- b) Help high-calibre engineering graduates embark on a path of high-income careers; and
- c) Develop industry-relevant curriculum that can be embedded into the education system.

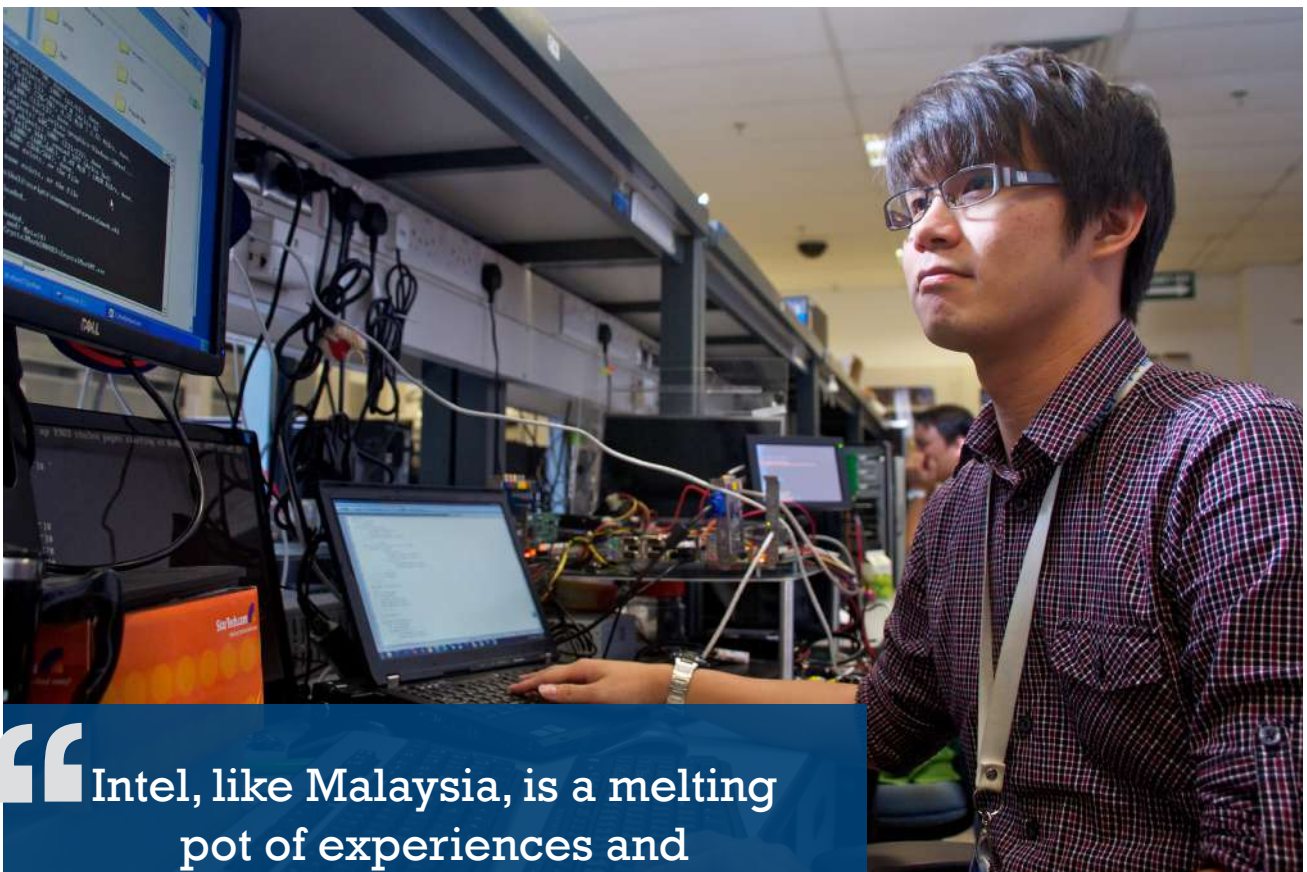
Working alongside the Penang Skills Development Center (PSDC), FasTrack has, thus far, successfully trained 104 apprentices attached with five host companies, namely Motorola, Altera, Agilent, Intel, and Silterra. Due to its success, more host companies have shown interests in participating in the next phase of FasTrack.

Phase 2 focuses on how upskilling can be institutionalised as an ongoing programme. Ultimately, there needs to be effective collaboration on integrating learnings from upskilling programmes into curriculum to benefit a broader group of young talent. At the same time, the upskilling programmes may be used to support investment promotions.

ii. Competitions and internships

Industry-sponsored campus competitions

TalentCorp is working together with leading IHL and companies to introduce undergraduates to the working environment. In partnership with existing competition organisers including Students In Free Enterprise (SIFE), Innovate Malaysia, and the Multimedia Super Corridor (MSC) Malaysia - IHL Business Plan Competition challenge students to develop solutions for leading companies facing real-world issues and challenges. Competitions, particularly those anchored on practical workplace projects, offer employers a better insight into the competencies of a student. Competitions are often also designed to include team-based problem solving and thus, eases transitioning to the workplace.



“ Intel, like Malaysia, is a melting pot of experiences and knowledge. I hope to be able to present and publish more papers or journals in Intel’s community, hopefully before hitting international conferences. ”

Kenny Gan
FastTrack Trainee
Intel Corporation

*E&E Upskilling Programme
Winner of MDEC Innovate
Malaysia competition 2011
**Emerging Global Talent in
Malaysia***

Structured Internship Programme (SIP)

In January 2012, TalentCorp launched the SIP in collaboration with the Ministry of Higher Education (MoHE), Inland Revenue Board (LHDN), Ministry of Finance (MoF), professional certification bodies and other agencies. Under this initiative, eligible companies enjoy double tax deductions on cash allowances for interns and internship training-related expenses. In Phase 1, TalentCorp is focused on encouraging companies, industry bodies and learning institutions to develop structured internships.

The SIP provides companies with an early opportunity to identify and attract potential talent. As for students, it is an insight into the industry and the functions of a leading company. TalentCorp's role under the SIP includes:

- Coordinating the quality, standardisation and structure of internship programmes;
- Encouraging companies to develop structured internship programmes;
- Encouraging local IHLs to create avenues to provide practical perspectives on academic concept and theories; and
- Encouraging students to keep abreast with the latest industry developments.

TalentCorp assists IHLs to design SIP such as Malaysian Institute of Certified Public Accountants (MICPA), which involves internship placements in companies across several key sectors. TalentCorp targets to have 12,000 internship placements yearly, featuring final dissertations and projects based on the companies where the students interned. In Phase 2, TalentCorp will focus on longer-term sector-based structured internships driven by sector regulators, industry bodies and leading institutions.



“ We strongly believe in nurturing students to help them make a transition from school to work. When students intern with us, we spend time sharing with them what the profession is about and our expectations. We also believe it is important to engage with the academia to ensure that graduates who enter the job market have the relevant skills and knowledge to succeed. ”

Rauf Rashid. Malaysia Country Managing Partner, Ernst & Young. **Global Talent Leader in Malaysia.**

3. Build platforms to optimise talent

TalentCorp aims to develop initiatives to address talent availability at all levels, from fresh graduates to experienced talent.

i. Scholarship Management

This initiative aligns the scholarship model to better serve the needs of the country by essentially facilitating the placement of Government scholars in both the public and private sector. TalentCorp assists with the monitoring of scholars in serving their scholarship bond in the private sector under the Scholarship Talent Attraction & Retention (STAR) programme and leverage on its partnership with STAR companies to provide value-adding initiatives for scholars.

In Phase 1 of the STAR Programme, TalentCorp is working with STAR companies and the Public Service Department (JPA) to channel graduating scholars to leading Malaysian employers in the private sector. In Phase 2, TalentCorp and JPA will continue to refine the scholarship framework.

Optimising Scholars

In building Malaysia's human capital, the Government sponsors more than 10,000 top students annually for their tertiary education, both locally and abroad. The fields of studies sponsored reflect the broader needs of both the public and private sectors. Upon graduation, scholars who are offered a job in Government will serve their scholarship bond in civil service, while those not offered to work in civil service are released from their contractual obligations and are free to seek alternative employment.

In the past, scholars released would typically seek employment in Malaysia and thus, the country as a whole would still benefit. Many have gone on to become distinguished corporate leaders.

Given the intense global war for talent, Malaysia's top scholars who go to distinguished global universities are in high demand. With the current scholarship model, there is a high risk of our scholars being attracted to work in other countries, shortchanging Malaysia on its Investment (ROI) on our scholarships. There is a need to better leverage on our top scholars, especially since the country urgently needs to succeed in its transformation. A new scholarship model is needed to better leverage top scholars to contribute towards the Government Transformation Programme (GTP) and ETP.

Enhancements introduced in collaboration with the relevant agencies

In August 2011, TalentCorp in collaboration with JPA introduced the Scholarship Talent Attraction & Retention (STAR) programme. In essence, STAR provides scholars the option to serve the scholarship bond by working in leading companies in Malaysia, subject to the Government having first right-of-refusal.

As at April 2012, STAR has over a hundred corporate partners, consisting of leading employers in key sectors. As it is, this number is expected to increase.

Moving forward towards the desired end state

STAR is only the first in many steps. Though STAR has created a pathway for scholars into the private sector, additional interventions are needed to ensure scholars are optimally placed. A short-term solution will be put in place to steer top scholars to selected organisations. At the same time, the scholarship framework will be reviewed, taking into account current realities, to optimise the channelling of scholars to the priority areas in the public and private sector.



Lee Eileen
Contract Engineer
Shell Malaysia

STAR Programme
Emerging Talent in Malaysia

“ Having a degree in environmental policy from London School of Economics (LSE) was one of my stepping stones to enter into an oil and gas industry. I believe that Malaysia has potential market growth and is an attractive place for working professionals. I’m proud to call Malaysia as my home. ”

Box Article 2

The privilege of scholarship entails responsibility; therefore the proposed review considers the obligation under the scholarship bond as not fulfilled unless the scholars serve either in the public sector or with an approved private company in Malaysia.

Beyond monitoring, STAR will also leverage its corporate partners to encourage the development of, and networking among, top scholars with a view towards grooming potential future leaders.

With the successful implementation of the above, Malaysia can expect:

- An increase in number of scholars serving their scholarship bond in the public and private sector;
- Matching increase in ROI for scholarships;
- Better optimisation of top scholars; and
- A pool of well-trained and networked talent, working towards Malaysia’s transformation and groomed to become the nation’s future leaders.

Yew Jiayi
Graduate Trainee
Royal Bank of Scotland

STAR Programme Participant
JPA Scholar
Graduated in Chemical
Engineering from Cambridge
University, UK

**Emerging Global Talent in
Malaysia**



“ Dealing with derivatives, it is an extremely dynamic environment where no two days are the same. Very often you will be stretching your limits with people who share the same motivation and goals. This feels extremely rewarding. Malaysia is at the threshold of transformation, with a fast-emerging economy. Very often present with developing economies, are platforms where ideas are debated, tested and accepted. Such platforms also demand the input of talent, who are vital in driving the country’s development. ”

ii. Latent talent

Talented women in Malaysia are arguably not fully optimised given the scenario where they make up more than 60 percent of enrolment in local universities, but show a labourforce participation rate of only 46 percent. TalentCorp will undertake policy advocacy with the private sector over best practices. The situation will need to be reviewed for potential solutions and interventions to address the issue, whether in terms of policy disclosure, incentives or re-training allocations, targeting women returning to the workforce after a career break.

Women Agenda

According to the April 2012 World Bank Malaysia Economic Monitor, women's labour force participation remains low compared to regional and higher income peers, with participation being low at all age groups and tending to decline after marriage. Malaysia is the only country in the Southeast Asian region with a "single-peaked" profile of labour force participation for women, indicating that Malaysian women tend not to return to the labour force after marriage and child birth. To optimise this talent pool, progressive companies and relevant Ministries are now implementing initiatives / programmes that will facilitate women to re-enter the workforce, while retaining those already in the workforce.

Let's have a look at some of the proactive initiatives by industry stakeholders

In an effort to increase the depth and breadth of the workforce to realise the country's aspiration to attain high-income, developed nation status by 2020, companies such as Agilent, GE, IBM, Intel, MIMOS and SCB have established women councils and cross-border networks. These councils have proactively designed a mélange of initiatives dealing specifically with women-centric issues and are committed to making efforts to cater for the well-being of women in the respective organisations.

Other than having supportive HR practices, companies also organise programmes to nurture, attract and retain women. For example, advocacy and publishing works done by companies like Agilent, IBM and Intel and forums led by in-house Women Councils like the GE Women Network, leverage on its international women network and relationships to share best practices, to retain current women workforce population, and to assist and mobilise women to return to work. Global best practices range from setting realistic workloads, child care facilities, flexible work arrangements, healthy work-life balance and other supportive practices. The payoffs commensurate with the investments made by the companies – increased productivity, retention, job satisfaction and women empowerment.

iii. Human Capital Community

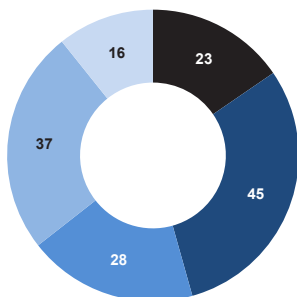
The Human Capital (HC) Community initiative emphasises continuous engagement and enhances the close fraternity among human capital leaders, experts and professionals. The engagement is undertaken via various initiatives, programmes and events to advocate best-in-class practices of human capital management/talent management so as to better reflect the voice of Malaysia's labour market stakeholders. The HC Community functions as the Community of Practice – with collective understanding, assured commitments and collaboration – to steer and manage the strategic transformation of the national human capital agenda.

5.2 Strategic Thrust 2: Attract and Facilitate Global Talent

Global talent encompasses Malaysian diaspora and foreign talent. Malaysian diaspora with the requisite experience and expertise, especially in Malaysia's priority sectors, represent opportunities for brain gain. In a survey conducted by the World Bank in 2011, almost half of the Malaysian diaspora demonstrated a strong sense of attachment to Malaysia, while 30 percent of those surveyed showed interest in returning home for good at some point. Meanwhile, 44 percent of respondents were unsure, suggesting an open and positive avenue to engage with them and explore opportunities in Malaysia.

Figure 5.5 Positive attitudes towards return migration

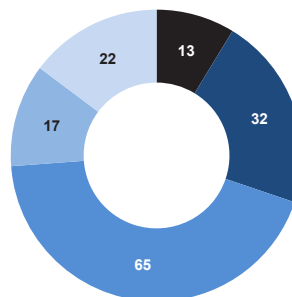
I feel a strong sense of patriotism for, and / or emotional attachment to, Malaysia
Count of of survey respondents



■ Strongly Agree ■ Agree
■ Not Sure ■ Disagree
■ Strongly Disagree

Source: Survey among the diaspora.

I intend to return to Malaysia for good at some point in my life
Count of of survey respondents



■ Strongly Agree ■ Agree
■ Not Sure ■ Disagree
■ Strongly Disagree

Source: Survey among the diaspora.

- Almost half of the Malaysians based overseas who responded to the survey feel a strong sense of attachment to their country
- This suggest that many Malaysians remain connected to home even though they are living or studying abroad

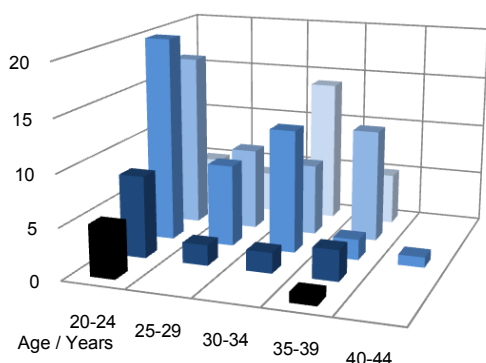
- Approximately 30% of the Malaysian diaspora has shown interest in returning to Malaysia for good at some point of time whilst 44% remained unsure
- This suggest that there is a good potential to engage with them about opportunities in Malaysia

Source: World Bank, "MEM Brain Drain", April 2011

Figure 5.6 Our diaspora—we need to act now

If nothing about Malaysia changes, I will still return home and contribute positively to the economy

Count of of survey respondents, by age group

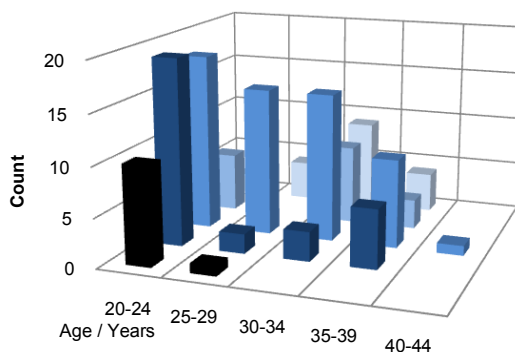


■ Strongly Agree ■ Agree ■ Not sure
■ Disagree ■ Strongly Disagree

Source: Survey among the diaspora.

I intend to return to Malaysia for good at some point in my life

Count of of survey respondents, by age group



■ Strongly Agree ■ Agree ■ Not sure
■ Disagree ■ Strongly Disagree

Source: Survey among the diaspora.

Source: World Bank, "MEM Brain Drain", April 2011



Nicholas Khaw

*Associate at Khazanah Research and Investment Strategy
Khazanah Nasional Berhad*

STAR Programme

Graduated in Economics from Harvard University

Part of 10th Malaysia Plan and ETP team

Emerging Global Talent in Malaysia

“ During my 2nd and 3rd years of university, I found that I was very keen on development economics, particularly in the public sector. It was an obvious and straightforward choice to start my career in Malaysia. I reasoned that if I were to serve in the public sector, it should be my own public sector. ”

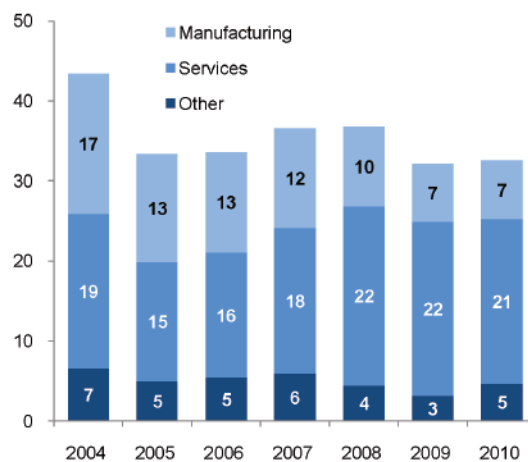


On another note, foreign talent possess skills that can complement local talent. However, over the period between 2004 to 2010, the number of expatriates in the country declined by 25 percent, which may have been due to several factors, including the effect of the 1997 Asian financial crisis, as well as certain immigration restrictions.

Figure 5.7 Importing foreign talent

Figure 3.40. The number of expatriates in Malaysia has fallen, primarily in manufacturing

Number of expatriates by sector employed, thousands



Source: Department of Immigration Malaysia.
Note: Peninsular Malaysia only.

Table 3.15. Among the main source countries, the decrease was particularly large for Japan

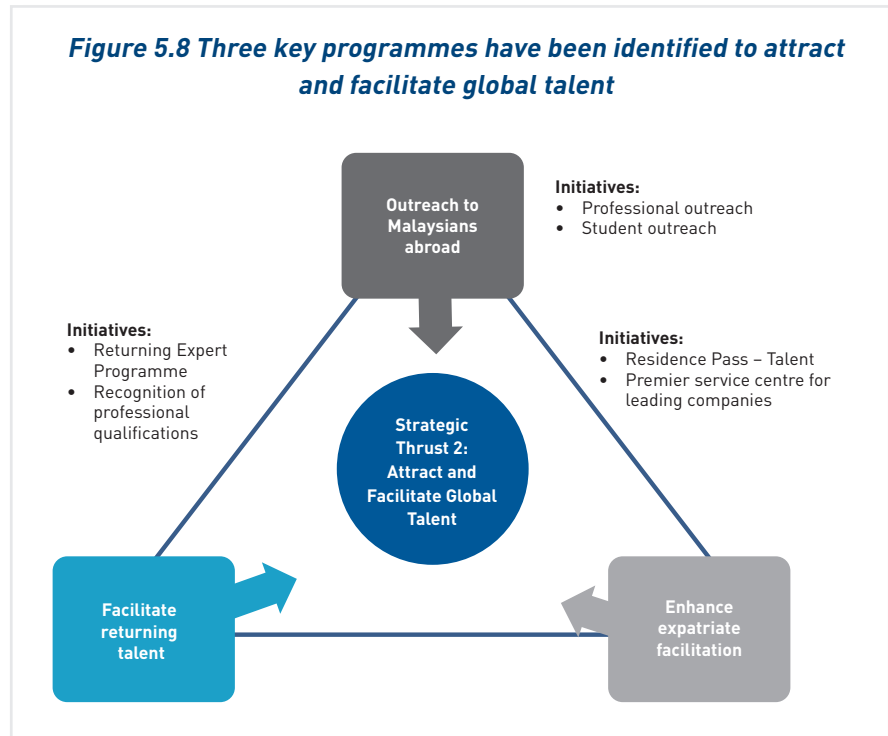
Number of expatriates by country of origin, numbers and percent

	Level		Share	Growth
	2004	2010	2010	2004-10
All countries	43,406	32,583	100%	-25%
India	9,609	5,888	18%	-39%
China	4,414	3,206	10%	-27%
Japan	5,397	2,248	7%	-58%
United Kingdom	2,290	1,964	6%	-14%
Bangladesh	563	1,878	6%	234%
Philippines	1,905	1,835	6%	-4%
Indonesia	1,794	1,735	5%	-3%
Pakistan	1,424	1,406	4%	-1%
South Korea	1,504	1,399	4%	-7%
Singapore	3,091	1,249	4%	-60%
Australia	1,396	1,023	3%	-27%
United States	1,006	874	3%	-13%
Iran	240	706	2%	194%
Taiwan	1,400	589	2%	-58%

Source: Department of Immigration Malaysia.
Note: Peninsular Malaysia only.

Source: World Bank, "MEM Brain Drain", April 2011

The three programmes, driven towards engaging and facilitating global talent, are illustrated in Figure 5.8.



The initiatives under the programmes are illustrated in Figure 5.9.

Figure 5.9 The initiatives are designed to attract and facilitate global talent

Programmes	Initiatives	Phase 1 (2011-2015)	Phase 2 (2016-2020)
1. Outreach to Malaysians abroad	<ul style="list-style-type: none"> Professional outreach Student outreach 	<ul style="list-style-type: none"> Assist key industries and companies to meet talent requirements through facilitation and outreach programmes 	<ul style="list-style-type: none"> Extend outreach initiatives and expand the network
2. Facilitate returning talent	<ul style="list-style-type: none"> Returning Expert Programme 	<ul style="list-style-type: none"> Facilitate ease of entry for global talent 	<ul style="list-style-type: none"> Develop a seamless and integrated end-to-end process to facilitate entry of global talent
	<ul style="list-style-type: none"> Recognition of professional qualifications 	<ul style="list-style-type: none"> Address policy impediments on entry of global talent 	<ul style="list-style-type: none"> Operationalise and facilitate mobility of returning Malaysian professional talent
3. Enhance expatriate facilitation	<ul style="list-style-type: none"> Resident Pass – Talent 	<ul style="list-style-type: none"> Facilitate ease of entry for global talent 	<ul style="list-style-type: none"> Develop a seamless and integrated end-to-end process to facilitate entry of global talent
	<ul style="list-style-type: none"> Premier service centre for leading companies 	<ul style="list-style-type: none"> Pilot catalytic initiatives for policy refinement 	<ul style="list-style-type: none"> Optimise collaboration to deliver seamless expatriate services

Source: TalentCorp, 2012

1. Outreach to Malaysians abroad

Targeted at Malaysian diaspora, TalentCorp’s outreach programme intends to achieve two objectives: firstly, to raise greater awareness of job opportunities in Malaysia; and secondly, to promote opportunities for collaborations and contributions while remaining abroad.

i. Professional outreach

This initiative focuses on engaging Malaysian diaspora through networking sessions with Malaysian companies and agencies. These professional networking events are mostly sector-focused to give the Malaysian diaspora a better understanding of the many opportunities available back in Malaysia. The purpose of the sessions are:

- To raise awareness:
Communicating the message of the country's transformation and opportunities in Malaysia;
- To create meaningful engagement:
By identifying areas in which Malaysian diaspora can contribute back to Malaysia, either via conferences, virtual platforms, or other means;
- To build and improve on networks:
By opening up communication channels with various nodes and networks abroad, TalentCorp provides a platform for diaspora to connect with each other and to discuss collaboration opportunities.

TalentCorp also recognises that there is interest from Malaysian diaspora to explore employment opportunities in Malaysia. Where possible, sector-focused networking events are organised, such as the Dublin and London medical and accounting events in April 2012, during which TalentCorp connected individuals with potential employers. Through such avenues, Malaysian diaspora are better informed about available opportunities back home.

TalentCorp's engagement with Malaysian professionals overseas up to April 2012 has so far physically reached out to more than 1,000 Malaysian professionals in seven countries via 25 different sessions. Moving forward, the aim is to increase the physical outreach to more Malaysian professionals and promote opportunities in Malaysia to a wider spectrum of the diaspora.

TalentCorp also reaches out to Malaysian diaspora via the MyWorkLife portal. This portal provides the necessary information required to facilitate the relocation of Malaysians returning home with information on starting afresh in Malaysia, guidance on career opportunities and everyday matters such as preferred property locations, good schools, banks and other necessities. This portal was re-launched in January 2012 and has to date recorded hundreds of thousands of unique hits, 50 percent of which are from the UK, US, Australia and Singapore.

Leveraging on Human Resource solution providers to engage the experienced top talent segment

While TalentCorp engages primarily with large companies seeking top talent, it also recognises other stakeholders that play a role towards better facilitating Malaysians abroad in accessing opportunities in Malaysia.

TalentCorp intends to collaborate with the likes of executive search firms who benefit from a birds-eye view of that talent requirements and opportunities available across companies. Some of these executive search and placement companies also have an extensive global talent network of their own which can be leveraged to meet Malaysia's talent needs.

ii. Student outreach

The student outreach initiative focuses on connecting and engaging with young Malaysian students abroad. To tap into the top talent pool, TalentCorp collaborates with Education Malaysia, JPA, Majlis Amanah Rakyat (MARA) and student associations to obtain information regarding high-performing Malaysian students abroad.

Based on Education Malaysia data, scholars currently make up only 30 percent of total overseas students. Therefore, it is becoming more crucial for TalentCorp to focus efforts in ensuring Malaysian students abroad (scholars and non-scholars) are well-informed of employment opportunities in Malaysia. Career fairs are intended to provide these students with information on career opportunities in Malaysia as well as providing a platform for Malaysian companies to tap this talent pool to meet growing talent needs.

TalentCorp administers the Career Fair Incentives (CFI), which allows for double tax deduction for Malaysian companies participating in endorsed career fairs abroad. These career fairs provide a platform for reputable Malaysian employers to source for top Malaysian student and professional talent. In April 2012, 38 Malaysian companies participated in the endorsed UKEC-Graduan career fair of the CFI. Moving forward for 2012-2015, 70 companies are targeted to participate in endorsed career fairs overseas annually.

2. Facilitate returning talent

In parallel with the outreach programmes, TalentCorp also facilitates the return of Malaysian professionals from abroad through two key initiatives. Phase 1 focuses on facilitating ease of entry for Malaysian diaspora and addressing policy impediments to entry. In Phase 2, TalentCorp will focus on developing a seamless and integrated end-to-end process to facilitate entry of returning Malaysians.

i. Returning Expert Programme (REP)

The REP has been introduced to facilitate the return of Malaysian talent to contribute to the creation of a world-class workforce in Malaysia, especially in the context of the ETP.

Box Article 5

Facilitating Returning Talents

During Budget 2001, the Government announced various initiatives to enable the establishment of a Malaysian world-class workforce. One of the initiatives was to facilitate returning talent within selected sectors to contribute towards the nation's development. To this end, the Returning Expert Programme (REP) was introduced in January 2001.

Effective 1 January 2011, the REP was placed under the purview of TalentCorp with the aim of facilitating returning talent within key sectors to contribute toward the ETP. On 12 April 2011, a revised REP scheme was announced by YAB Prime Minister. Successful applicants after April 2011 are entitled to the following revised scheme.

Optional
Flat Tax Rate
15%
of
for Employment
Income for 5 years



Tax Exemption
for all personal
effects brought into
Malaysia



Foreign spouse / children

are eligible for Permanent Resident (PR) status within 6 months upon submission of complete application to immigration Department of Malaysia (notwithstanding Sabah and Sarawak)



2 locally assembled / manufactured Completely-Knocked-Down (CKDs) vehicles tax-free

For the year 2011, 680 applications were approved, with more than 500 Malaysians returning. Beyond the statistics, REP has seen the return of notable Malaysians assuming leadership positions in organisations such as Malakoff Corporation Berhad, Tokio Marine, Hibiscus Petroleum Berhad as well as British India (Malaysia).

Moving forward

TalentCorp seeks to develop a seamless and integrated end-to-end process to facilitate returning Malaysians. Previously, the REP was driven by individuals applications. TalentCorp intends to gradually shift towards a company-centric approach where companies will apply for the scheme to complement their talent acquisition efforts. This will see a slight shift in the REP scheme towards company demand as compared with the current nature of the scheme which is based on individual applications.

At the same time, TalentCorp will closely engage with industries to identify specific sectors / skills gaps which are required within the industry. This will serve as a guide towards further refinement of the REP scheme in order to meet the talent needs of the nation.

The measures outlined above will facilitate returning talent, and shift the current perception of REP from that of an incentive scheme, to one of a seamless and integrated end-to-end process.



“ What excites me about being in Malaysia is the opportunity to shape and grow a company internationally. That, and easy access to char kuay teow. ”

Rhoda Yap. CEO of British India. Returning Expert Programme. Global Talent back in Malaysia

ii. Recognition of professional qualifications

TalentCorp supports efforts to liberalise professional services by actively advocating for fewer restrictions for professional Malaysian talent returning home. TalentCorp works closely with relevant bodies such as PEMANDU, Ministry of International Trade and Industry (MITI), as well as other Ministries and regulators to escalate issues and provide input for appropriate measures to reduce restrictions hampering the return of professionals to Malaysia.

TalentCorp plans to leverage on existing initiatives to liberalise the professional services, which would see a less restrictive environment for professionals such as engineers and doctors. This includes leveraging on the reviews of laws, for example the Engineers Act 1967 to recognise non-citizens and allow them to be registered as professional engineers.

Healthcare sector

According to the ETP, the Healthcare sector targets to contribute RM35 billion incremental Gross National Income (GNI) by 2020 and the creation of approximately 181,000 new jobs with key enablers including:

- Securing the right human capital;
- Utilising existing infrastructure more effectively;
- Changing regulations and policy;
- Creating cross-border alliances; and
- Coordinating more targeted and aggressive marketing.

TalentCorp is collaborating with the Ministry of Health (MoH) and Malaysian Medical Council (MMC) to attract global talent, particularly given the professional regulations governing the medical practice.

TalentCorp and the MoH have signed a Memorandum of Understanding (MoU) to address five key areas of collaboration:

1. Reviewing the current registration process of returning medical practitioners with the MMC;
2. Facilitating the establishment of specialised medical disciplines in Malaysia;
3. Facilitating the placement of returning Malaysian medical practitioners;
4. Upskilling medical professionals to better serve the needs of the Healthcare sector; and
5. Active outreach to the global Malaysian medical communities to facilitate knowledge and skills transfer to Malaysia.

The MoU is the foundation block in TalentCorp's efforts to connect with the Malaysian medical professionals abroad in building meaningful networks. Together with the Association of Private Hospitals Malaysia (APHM), TalentCorp is also working to create a platform of communication between Malaysian medical professional abroad and potential employers in Malaysia enabling the private healthcare sector to access a wider talent pool to better leverage on their knowledge and skills.

Capitalising on the strong demand for healthcare professionals in Malaysia and on present economic conditions in Europe, TalentCorp has organised healthcare-focused networking events in the UK and Ireland in April 2012 to connect individuals with key employers from the private health sector. This includes KPJ Healthcare, Parkway Pantai Ltd and Mahkota Medical Centre, with strong support from the MoH.

Moving forward

Increasingly, TalentCorp will look to replicate this approach into other geographies, including Taiwan and Australia under the public-private healthcare collaboration. It is anticipated that an effective collaboration will further strengthen the development of the healthcare sector as a National Key Economic Area (NKEA).

“ With the experience I have gained in Cambridge, I hope to create a healthcare environment that focuses on quality entrenched in research and education. The best part of being home is my family. Having been away from them for 20 years, it is an absolute joy to be around them again. ”



Dr. Sundari Ampikaipakan. Consultant Respiratory and General Physician Pantai Hospital. Joined TalentCorp in Outreach to Medical Professionals in UK and Ireland. Returning Expert Programme. **Global Talent back in Malaysia.**

A portrait of Dr. Jane Cardosa, a woman with short dark hair and glasses, wearing a black traditional Chinese jacket over a white shirt. She is smiling and has her hands clasped in front of her. The background is a blurred indoor setting.

Dr. Jane Cardosa

Chief Scientific Officer of Sentinext Therapeutics

Dr. Jane Cardosa is internationally renowned for her work in tropical infectious diseases. She is Chief Scientific Officer of Sentinext Therapeutics, a Malaysian biotech startup company developing vaccines, which she co-founded in 2009.

Dr. Jane Cardosa had the honour of giving a Tanner lecture on emerging infectious diseases on the occasion of the 500th anniversary of Brasenose College, Oxford University. She was also the recipient of a US\$100,000 grant from the

Bill & Melinda Gates Foundation for research on vaccine for polio and hand, foot and mouth disease (HFMD).

Dr. Jane Cardosa has served on numerous international scientific boards and committees and is currently a member of the Scientific Advisory Committee of the Grand Challenges Canada.

Malaysia has talent, global talent like Dr. Jane Cardosa.

3. Enhance expatriate facilitation

Malaysia hosts a number of foreign talent working and living here, both for the short and long term. Expatriates from various countries provide a talent pool to complement the locals in contributing towards the economic transformation. Recognising that foreigners are beneficial in spurring the competitiveness and innovative capabilities of the local workforce, there is room to better facilitate top foreign talent to work and settle in Malaysia. Some of the employment issues faced by individual talent and companies seeking to attract talent include identifying understudies and advertising for these positions, restrictions on headcount and job type, and uncertainties in terms of tenure and approval. These limitations were outdated and subsequently removed.

“It is important to discard the idea that foreign and Malaysian skilled workers are perfect substitutes. On the contrary, they are strong complements. Knowledge workers interact with one another in ways that lead to exponential benefits and increase the productivity of all [rather like the Internet – the more the number of users, the more powerful is the web]. Visa and restrictive employment requirements on foreign skilled workers are proving to be a critical and binding constraint preventing many companies from accessing the skills needed to move up the value chain.”

World Bank, “Malaysian Economic Monitor”, Nov 2009

The country needs to liberalise top foreign talent entry while managing reliance on foreign labour, as well as mitigating security risks. In cognisance of this, TalentCorp, upon syndication with key industry players in identifying issues, jointly reviews and develops corresponding policy measures with the Ministry of Home Affairs (MoHA). Furthermore, the establishment of an oversight committee to coordinate all expatriate-related policies and programmes will drive further immigration innovations.

The initial phase includes piloting catalytic initiatives to refine policy and modalities. Efforts towards optimising collaboration to deliver seamless expatriate service will be intensified in Phase 2.

“ *As a geoscientist, my major contribution has been in the area of Oil & Gas development to meet Malaysia’s energy requirements. I also see myself contributing in human capital development as the majority of graduates I have mentored have blossomed into full-fledged geoscientists.* ”

Mona Ukpai Kalu

*Senior Geologist and Team Leader
Carigali Hess Operating Company*

*Residence Pass –Talent Holder
Global Talent in Malaysia*



i. Residence Pass - Talent (RP-T)








The RP-T is an immigration instrument introduced to attract and retain top expatriates to stay and contribute in the longer term to the ETP.

Introducing the RP-T

Together with the Ministry of Home Affairs (MoHA) and the Immigration Department, the Residence Pass-Talent (RP-T) was introduced on 1 April 2011. An RP-T is inherently different from both Permanent Residence and Employment Pass. It serves as a 10-year multiple entry visa which is employer-independent, targeting top foreign talent in critical sectors to accelerate Malaysia's trajectory towards a high-income nation.

The RP-T helps facilitate top foreign talent to commit to Malaysia for a longer term.

Benefits of Residence Pass – Talent

<p>Being able to work and live in MALAYSIA for up to</p> <p>10 years </p>	<p> → </p> <p>Being able to change employers without having to renew the pass</p>	<p> Spouse and Children</p> <p>(under 18 years old) are eligible for the pass</p>
<p>Dependents over 18 years of age, parents and parents-in-law are eligible for a</p> <p>5-year Social Visit Pass </p>	<p>Spouse can also seek employment without the need to apply for an Employment Pass</p> <p></p>	<p>The Spouse and Children </p> <p>(under 18 years old) are also eligible to study</p>

Enhance Residence Pass–Talent

When it was first launched, it was offered to expatriates who have been working in Malaysia for at least three years. This was followed by the emerging need to have this instrument used by leading companies to engage and facilitate foreign talent abroad. In addition to that, RP-T will also be extended to successful entrepreneurs who are actively involved in knowledge-intensive activities in the National Key Economic Areas (NKEAs).

“ When I found out about the Residence Pass (RP), I immediately thought this was the answer after being in the economics and education sector for over 13 years in Malaysia. Finally, a solution to make my stay here easier. Malaysians are very nice people and always willing to lend a helping hand. I love the mix of culture, clothing varieties and definitely the food. ”



Dr. Marie-Aimée Tourres. Senior Research Fellow Faculty of Economics, University of Malaya. Author of "The tragedy that didn't happen, a book on Malaysia's crisis management and capital controls during the Asian crisis". Residence Pass –Talent. **Global Talent in Malaysia**

ii. Premier service centre for leading companies

As part of the expansion plan to further enhance service delivery and customer experience, a premier service centre to meet expatriate requirements of leading companies is critical.

Immigration innovations

Some of the recent immigration innovations include:

- Exemptions to bring in foreign domestic help;
- Permission for foreign spouses to work while holding a Dependent Pass;
- Fast track programme allowing expatriates earning more than RM8,000 per month to be issued passes automatically;
- Employment Pass liberalisation initiatives, which include the removal of requirements to advertise positions, identify an understudy, and limits on work durations;
- Introduction of the i-Pass;
- Re-branding of the Expatriate Services Division.

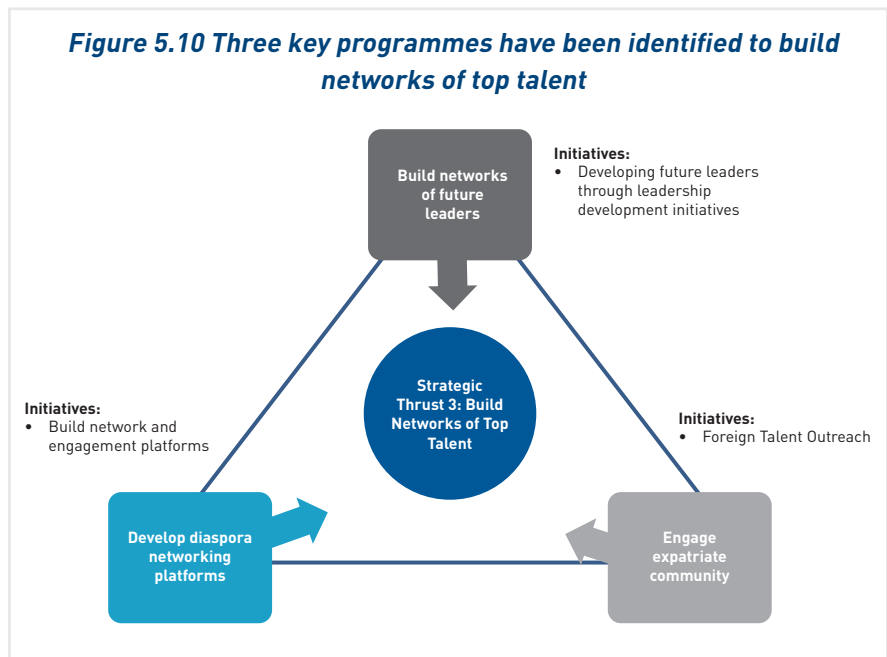


“ We have lived in Malaysia for a number of years. Being fortunate enough to qualify for the Residence Pass-Talent and to be accepted is extremely rewarding for the family. It has given us flexibility and comfort. My wife Britta, will be able to kick start her career again in Malaysia. It has to be one of the most rewarding experiences to work with Malaysians and I will hope to continue to be part of this for many years to come. ”

Frank Kirkgaard Nielson. Head of Managed Service Finance SEA Ericsson Malaysia.
Residence Pass –Talent Holder. **Global Talent in Malaysia.**

5.3 Strategic Thrust 3: Build Networks of Top Talent

The talent networks form the basis for TalentCorp to build up a source pool of talent. As job opportunities arise, the networks allow TalentCorp to engage individual top talent that are best-suited for the job. Figure 5.10 illustrates the three key programmes to build networks of top talent.



The programmes focus on building networks and platforms to facilitate ease of engagement to foster collaborations, and contributions from talent abroad. The details of the programmes over two phases are illustrated in Figure 5.11.

Figure 5.11 The programmes are designed to build networks of top talent over two phases

Programmes	Initiatives	Phase 1 (2011-2015)	Phase 2 (2016-2020)
1. Build networks of future leaders	<ul style="list-style-type: none"> Developing future leaders through leadership development initiatives 	<ul style="list-style-type: none"> Develop networks for leadership pipelining Private-Public Sector and Intra-Private Sector Talent Cross Assignments 	<ul style="list-style-type: none"> Cross-Level Mentoring Integrated talent management (channel top talents to priority sectors and companies)
2. Develop diaspora networking platforms	<ul style="list-style-type: none"> Build networks and engagement platforms 	<ul style="list-style-type: none"> Develop networks of professional diaspora and eminent Malaysians to assess opportunities in Malaysia or contribute from abroad Leverage on international sector-focused conferences 	<ul style="list-style-type: none"> Establish self-sustaining networks in key sectors and priority geographies to facilitate engagement and contribution from abroad Organise sector-focused conferences
3. Engage expatriate community	<ul style="list-style-type: none"> Foreign talent outreach 	<ul style="list-style-type: none"> Engage expatriate community to develop networks 	<ul style="list-style-type: none"> Strengthen and broaden networks of top talent

1. Build networks of future leaders

The network of Malaysian top talent will comprise future leaders identified from TalentCorp’s leadership development initiatives. The objectives of the networks are to:

- Connect future leaders to prominent captains of the industry for mentor-mentee relationships; and
- Develop a pool of business leaders for key sectors.

Phase 1 focuses on developing a networks of top talents for leadership pipelining, while in Phase 2, TalentCorp will enhance the mentoring programme, optimising the top talent pool to ensure leaders are channelled to priority sectors and companies.

- i. Developing future leaders through leadership development initiatives

Cross-assignment programme

Targeted at professionals with at least five years' working experience, the cross-assignment programme is designed to upskill managers and above via exposure across different companies and industries. Under this initiative, managers are cross-assigned between government-linked companies (GLCs) / multinational corporations (MNCs) and Government ministries / agencies over a one to two year period.

Mentoring will be included as part of the cross-assignment framework to nurture future leaders. Participants of the cross-assignment programme will be mentored by a prominent local CEO as part of their development towards becoming future leaders and future mentors themselves.



Dato' Devinder Kumar
*Senior Vice President, -Finance and
Corporate Controller
Advanced Micro Devices (AMD)*

Global Talent contributing from abroad

“ We should tap and attract Malaysian talent around the world, always having strong connections with them to learn from their global experience and wisdom - in the Malaysian context. ”

Scholarship alumni

The alumni of scholars will be encouraged to connect among themselves. As part of their development, scholars will be invited to participate in mentoring programmes. The monitoring of the professional progress of the scholars will also be useful in assessing enhancements to the management of the scholars. At the same time, given the past track record of scholars in becoming corporate leaders, the alumni is a talent pool to be sustained for future opportunities.

2. Develop diaspora networking platforms


TalentCorp is leveraging on Malaysian diaspora to act as Malaysian Talent Ambassadors in propagating valuable opportunities in Malaysia or by contributing from abroad. Contribution from abroad can be facilitated through various options such as participation in conferences and seminars, setting-up of global offices, or via online platforms such as virtual forums and social networking media. To support this, TalentCorp is currently building directories of top talent based on information collated from networking events and existing data from relevant Government agencies.

Phase 1 will include working with key industries and companies to engage networks of diaspora and eminent Malaysians to communicate opportunities in Malaysia, including leveraging on international sector-focused conferences. In Phase 2, TalentCorp will focus on establishing self-sustaining networks in key sectors and priority geographies to facilitate engagement and contribution from abroad.

- i. Build networks and engagement platforms

Build networks and engage eminent Malaysians

TalentCorp realises that Malaysians are still able to contribute while abroad, as evidenced by the TalentCorp-MDeC-Silicon Valley Workshop which was successfully held in October 2011. This event saw a gathering of the best Malaysian talent from Silicon Valley and selected MSC-status companies which provided platforms for the exchange of knowledge, ideas, and exploration of partnership opportunities.



Prof. Danny Quah

Professor of
Economics, LSE

Danny Quah is currently Professor of Economics at the London School of Economics and Political Science (LSE). When asked to describe what he does, he said, “I teach, I do research, I engage in public communication and debate.”

Prof. Danny Quah obtained his PhD from Harvard under Thomas Sargent in 1986 and his A.B. from Princeton University in 1980. During 2006 to 2009, he was Head of Department for Economics at LSE. Quah has written extensively in the fields of economic growth, development economics and weightless economy.

For Prof Danny Quah, Malaysia will always hold an endearing place in his heart. He is known to include Malaysia as examples in his lectures. After spending 20 years abroad, he welcomes the opportunity to contribute to the country. Danny Quah served as a council member on the National Economic Advisory Council, which in 2010 published Malaysia’s New Economic Model.

With so many changes happening in Malaysia, Quah is hopeful on the growth trajectory for Malaysia. “I hope the country can continue to draw on its vast reserves of talent and human energy to take its rightful place, successful and competitive in the community of nations. I believe there are multiple pathways to such success; however, no single model is necessary and sufficient to make an economy work. But, as everywhere else, all Malaysians have to feel they have, starting from a level playing field, both a say and a stake in the country’s continued progress.”

What does he miss most about Malaysia? “Well, definitely the variety of food, the optimism that comes from being somewhere where good things are constantly happening due to small unexpected gentle acts of kindness”.

Malaysia has talent, contributing global talent like Prof. Danny Quah.

Establish platforms for key sectors and priority geographies

The Malaysian diaspora is distributed in clusters in certain fields and geographies. For example, there is a concentration of O&G professionals in the Middle East, whereas in Ireland there are doctors and accountants. TalentCorp will facilitate engagements between these specific clusters of professionals with relevant employers in Malaysia, in the same field.

REP Club

The REP Club is targeted for launch in the second half of 2012. It will provide a support network for returning experts and will serve as a community to welcome and facilitate their return. The REP Club will promote a sense of inclusiveness and belonging among those returning, as well as provide an avenue for discussion and information sharing.

Programme allows Malaysians abroad to serve nation without returning, The Star, Sunday, 16 October 2011

Malaysians living abroad can continue to serve the country without having to return home under a programme started by Talent Corporation Malaysia (TalentCorp) and a group of Silicon Valley professionals from California in the United States.

The plan resulted from a three-day workshop that ended here on Friday, which brought people who had built successful technology businesses in the United States to share their ideas with officials of TalentCorp, the Malaysian Technology Development Corporation (MTDC) and the Multimedia Development Corporation (MDeC).

They also had discussions with Multimedia Super Corridor (MSC) companies.

One of the Malaysians at the TalentCorp-Silicon Valley Nexus workshop at the Kuala Lumpur Convention Centre, Winston Choe, said the event was aimed at coming up with a win-win model for Malaysian diaspora to contribute to the country's technology sector.

"Instead of the conventional way of bringing back Malaysian talent from overseas, we looked at ways they can contribute from abroad."

“Nowadays, with globalisation and the fact that start-ups can be created anywhere and people can be connected online, you don’t have to be physically here to make things happen,” said Choe, who is Chief Executive Officer of his own business networking software company.

“Malaysian professionals working abroad can take part in existing mentorship programmes by the MDEC and set up incubators to help local entrepreneurs get their businesses off the ground,” he said.

Source: STAR Online, October 2011

3. Engage expatriate community

i. Foreign talent outreach

TalentCorp initiates networking and dialogue sessions to promote awareness on expatriate-related programmes and development, and at the same to obtain more insight and feedback from the expatriate community. TalentCorp focuses on developing the foreign talent network in Phase 1, and aims to build on the networks in Phase 2.

The outreach programme is to raise awareness regarding programmes to enhance liveability and facilitate entry and stay for expatriates in Malaysia. Some examples include the Budget 2012 announcement of foreigners being allowed to make withdrawals from the Employees Provident Fund (EPF) to purchase individual properties, and Employment Pass liberalisation initiatives.

TalentCorp leverages on existing expatriate platforms to interact with the community. Forums organised by foreign chambers of commerce, expatriate associations as well as informal channels such as international schools, provide valuable sources to engage the leading MNCs’ top expatriates, who can contribute to Malaysia by assuming advisory roles in promoting investments. In addition to this, Talent Ambassadors are being identified to represent Malaysia in their respective countries, to raise awareness about the various opportunities to invest, live and work in Malaysia.

Dr. Jomo Kwame Sundaram

Assistant Secretary General,
for Economic Development,
United Nations



Eminent Malaysian economist, Jomo Kwame Sundaram has been Assistant Secretary General for Economic Development in the United Nations' Department of Economic and Social Affairs since January 2005.

Born in Penang, Jomo received his earlier education in Penang Free School and graduated from Yale in Economics. He further received his MPA and doctorate from Harvard University. His illustrious career as an academic involved more than 20 years at University of Malaya, over five years at University Kebangsaan Malaysia and stints at University Sains Malaysia.

Financial crises have kept Jomo especially busy, working to provide 'second opinions' on appropriate policy responses to support rapid economic recovery and employment generation.

Jomo plays an international role in economic policy and in his very own words, "I'm proud to be Malaysian and I believe I bring national traits to the job."

Malaysia has talent, globally recognised talent like Dr. Jomo.

5.4 Conclusion

By 2020, Malaysia aspires to emerge as a high-income, advanced nation as well as a global talent destination. These ambitions are significant and intertwined, as the achievement of one is dependent on the realisation of the other. The success of the economic transformation, relies on the ability to act collectively and cohesively to nurture, attract, and retain talent. This in turn is a crucial component in supporting the flow of investments and spurring growth critical to the economic renaissance of Malaysia.

The Government has articulated a holistic **Transformation Agenda**, which will culminate in the National Transformation Policy. This transformation includes the NEM and ETP, which are focused on transforming Malaysia from an upper middle income to a high income, advanced nation. The Government has also initiated a comprehensive set of structural reforms to enhance the nation's talent landscape. This will be made through the GTP, which includes enhancing livability as well as through initiatives, such as the Education Review, Graduate Employability Blueprint, and Labour Law Reform.

A critical success factor to the transformation of the Malaysian economic and talent environment is **Collective Action**. Transforming the economy and addressing talent issues require all stakeholders, both in the public and private sector, as well as the talent themselves to make a difference. Through its reforms, the Government is committed to provide a facilitative business and talent-friendly environment. However, it is the private sector that ultimately makes investment decisions to drive transformation, moving business activities up the value chain. In addition, it is the companies that provide attractive and rewarding career paths for talent, that commensurates with productivity. To catalyse change, the Government will promote transformative investments through the ETP, and in tandem, TalentCorp will drive talent interventions towards sparking a virtuous cycle of greater investments, as well as talent attraction and retention.

As set out in the **Talent Roadmap 2020**, TalentCorp will act as a focal point for talent needs arising from the economic transformation. TalentCorp will play its role in developing and driving interventions to address critical skills gaps. Such interventions will involve a combination of addressing policies, building public-private collaborations, and implementing solutions directly. TalentCorp's priorities include developing a pool of graduate talent, as well as addressing the urgent requirement for experienced professionals.

Interventions will be anchored on three strategic thrusts, namely to (1) Optimise Malaysian Talent; (2) Attract and Facilitate Global Talent; and (3) Build Networks of Top Talent. During the first phase of the Roadmap (2011-2015), TalentCorp will focus on scaling up the impact of its initiatives on talent availability, prioritising policy and talent engagement programmes. The second phase (2016-2020) will focus on operationalising integrated national talent management as policy refinements become institutionalised.

Malaysia aspires to achieve a ranking of top-20 in the Global Talent Index by 2020. The combination of the holistic Transformation Agenda, Collective Action, and the Talent Roadmap 2020 is the formula to propel Malaysia to emerge as a global talent destination, and in so doing, enable the realisation of Vision 2020.

“Imagine today, where we would like to be tomorrow. Walk with me on this transformation journey, work with me to realise the dreams of all Malaysians.”

*YAB Dato' Sri Mohd Najib
(April, 2012)*

MALAYSIA HAS TALENT

GLOBAL TALENT LIKE YOU



