

## EXECUTIVE SUMMARY

<b>TITLE</b>	:	Productivity Improvement Programme Through Digitalisation i. Industrial Upskilling Programme
<b>OBJECTIVES</b>	:	a) The objectives of Industrial upskilling programme: i. To create the highly talented engineering workforce for the industry needs ii. To equip Malaysian fresh graduates with industrial skill required for engineering industry iii. To enhance competency of the technicians and engineers. iv. To develop appropriate skills and industry knowledge for graduates in supply chain management. v. To provide employment opportunity for the trainees under 'train and placement' programme.
<b>EXPECTED DELIVERABLES</b>	:	490 trainees' will participate in Industrial Upskilling Programme.
<b>PROPOSED PROJECT TIMELINE</b>	:	August 2021- August 2022
<b>BUDGET</b>	:	Kumpulan Wang Amanah COVID-19 (KWC-19)
<b>COST (RM)</b>	:	Industrial Upskilling Programme - RM3,612,000
<b>COMMENTS/SIGNATURE BY PCT</b>	:	
<b>COMMENTS/SIGNATURE OF ACCOUNTANT</b>	:	

**MALAYSIA PRODUCTIVITY CORPORATION (MPC)**  
**INFORMATION PAPER FOR BOARD OF MANAGEMENT (BOM)**

**1.0 Purpose**

To seek approval from MPC Board of Management (BOM) on the budget for Productivity Improvement Programme Through Digitalisation - Industrial Upskilling Programme

**2.0 Background**

The 11th Malaysia Plan outlines that boosting the productivity of the nation is part of its primary goals. Accelerating human capital development is one of the productivity and innovation strategies under the plan. It is achievable by raising the number of high-skilled and knowledge workers and adopting advanced technology and automation in operation. It is anticipated that the agenda of human capital development will remain in the 12th Malaysia Plan based on the 2021 budget allocation for people empowerment under Kumpulan Wang Amanah COVID-19 (KWC-19).

Economists have emphasised that developing human capital should embed labour market reform to increase the number of competent and skilled workers to support economic growth by:

- i. generating high-value jobs,
- ii. raising salaries and wages,
- iii. enhancing the management of foreign workers,
- iv. improving labour market conditions.

Therefore, high-quality investment is vital to enable the creation of skilled jobs with higher salaries and wages. Under Budget 2021, the government has allocated RM35 billion through KWC-19 economic stimulus package for people empowerment, propelling businesses and stimulating the economy. This intervention is timely because the pandemic situation has resulted in many workers at risk of losing their jobs. Many workers struggle to acquire the necessary skills to remain relevant in this constantly evolving labour market.

To prevent workers from being left behind, both businesses and governments must collaborate to equip workers with the skills they need to adapt to the post-pandemic world of work. The past years have seen an apparent acceleration in adopting new technologies among the companies and industries. These new technologies drive future growth across industries and increase the demand for new job roles and skillsets.

### **3.0 Objectives**

#### **a) The objectives on industrial upskilling programme**

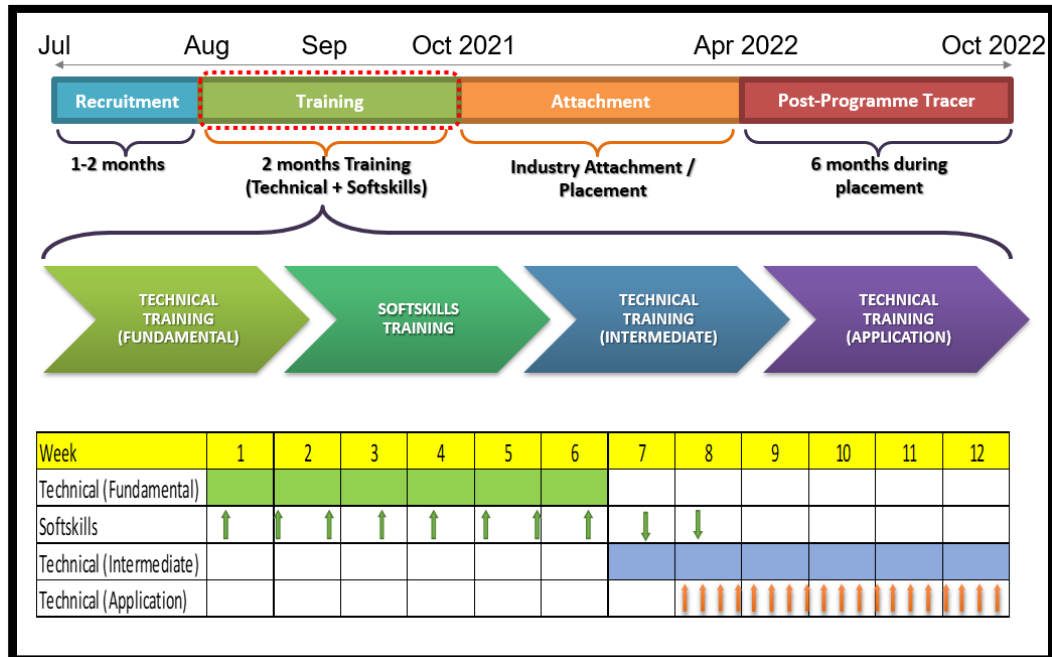
- i. To create the highly talented engineering workforce for the industry needs
- ii. To equip Malaysian fresh graduates to be ready for engineering industry
- iii. To provide training for those unemployed technicians to be more employable during the tough time which applicable for both fresh diploma graduates and retrenched technicians
- iv. To increase the competency of the technicians and productivity of the manufacturing sector.
- v. To provide coaching to graduates in supply chain management to develop appropriate skills and industry knowledge to gain employment in manufacturing companies to undertake planning, purchasing, sourcing, stock and inventory management, risk mitigation and other supply chain-related jobs.
- vi. To provide coaching to graduates to enhance their adaptability skills so that they can gain employment in manufacturing and services companies, as follows:
  - Knowledge and skills to manage work in the New Normal;
  - A better understanding of work demands in the New Normal; and
  - Development of versatile and self- managed mind sets.

### **4.0 Expected Deliverables**

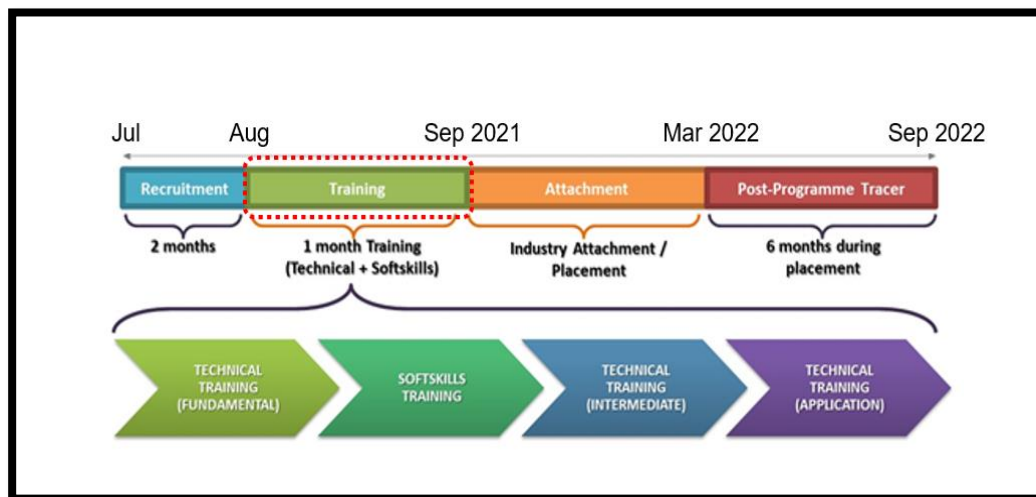
- i. A total of 490 trainees' will participate in Industrial Upskilling Programme and expected to be employed with collaboration from Malaysia Semiconductor Industry Association (MSIA).

## 5.0 Proposed Timeline

- i. Industrial Upskilling Programme for Engineering Graduates (Unemployed & Yet-to-be Employed), Retrenched Engineers (from same E&E Industry and Crossover from other Industry)



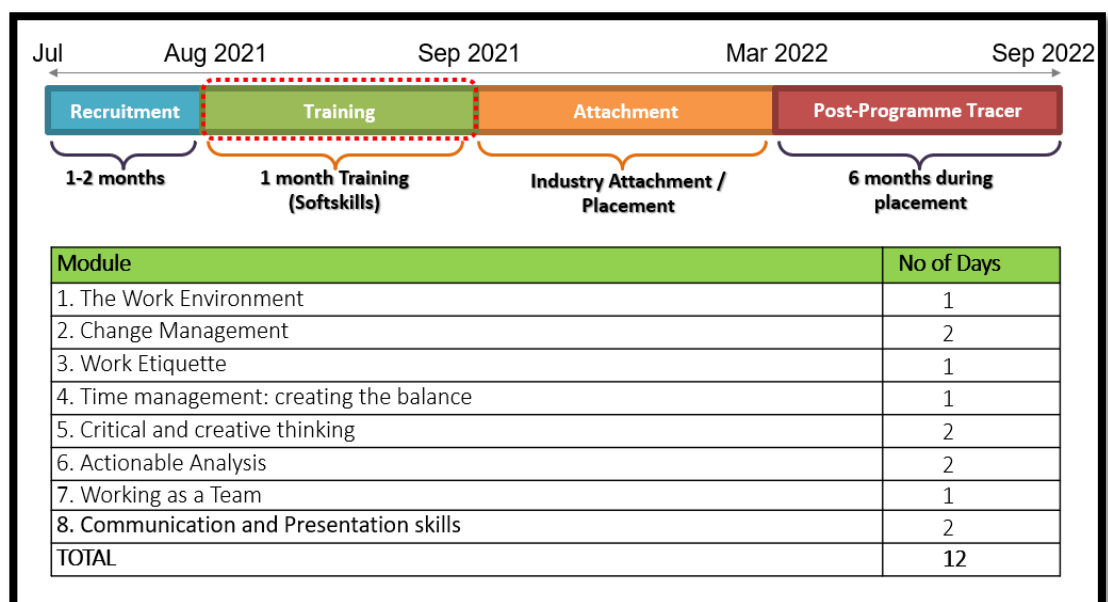
- ii. Industrial Upskilling Programme for technician (unemployed/student and retrenched technician)



iii. Industrial Upskilling Programme for Non-Engineering - Supply Chain Management



iv. Employability in The New Normal



## 5.0 Estimated Cost

The total estimated cost to conduct this project is as follows:

### i. Industrial Upskilling Programme

Programme	Target number of company / trainees	Cost per pax (RM)	Total Allowance (RM)	Cost (RM)
<b>Industrial Upskilling Program (Fresh Engineers)</b>				
• Embedded Systems & IoT – 40 days	35 trainees	7,100.00	70,000.00	248,500.00
• Product & Test Engineering – 40 days	35 trainees	7,100.00	70,000.00	248,500.00
• Software Engineering – 40 days	35 trainees	7,100.00	70,000.00	248,500.00
• Industry 4.0 – 40 days	35 trainees	7,100.00	70,000.00	248,500.00
<b>S/Total</b>	<b>140 trainees</b>		<b>280,000.00</b>	<b>994,000.00</b>
<b>Industrial Upskilling Program (Retrenched Engineers)</b>				
• Embedded Systems & IoT – 35 days	35 trainees	6,800.00	61,250.00	238,000.00
• Product & Test Engineering – 35 days	35 trainees	6,800.00	61,250.00	238,000.00
• Software Engineering – 35 days	35 trainees	6,800.00	61,250.00	238,000.00
• Industry 4.0 – 35 days	35 trainees	6,800.00	61,250.00	238,000.00
<b>S/Total</b>	<b>140 trainees</b>		<b>245,000.00</b>	<b>952,000.00</b>

Programme	Target number of company / trainees	Cost per pax (RM)	Total Allowance (RM)	Cost (RM)
<b>Industrial Upskilling Program (Unemployed Technician) – 16 days</b> <ul style="list-style-type: none"> <li>Practical Electronics Manufacturing with TVET Model</li> <li>Practical Electronics Manufacturing with TVET Model</li> </ul> <b>S/Total</b>	35 trainees	2,450.00	28,000.00	85,750.00
	35 trainees	2,450.00	28,000.00	85,750.00
	<b>70 trainees</b>		<b>56,000.00</b>	<b>171,500.00</b>
<b>Supply Chain Management Upskilling Program – 20 days</b>  <b>S/Total</b>	35 trainees	2,850.00	35,000.00	99,750.00
	35 trainees	2,850.00	35,000.00	99,750.00
	<b>70 trainees</b>		<b>70,000.00</b>	<b>199,500.00</b>
<b>Employability in the New Normal - Upskilling Program - 12 days</b>  <b>S/Total</b>	35 trainees	2,000.00	21,000.00	70,000.00
	35 trainees	2,000.00	21,000.00	70,000.00
	<b>70 trainees</b>		<b>42,000.00</b>	<b>140,000.00</b>
<b>TOTAL COST</b>			<b>*RM 693,000.00</b>	<b>RM2,457,000.00</b>

\*Allowance = RM50 per day per pax(including RM30 for meals, RM20 for data/hostel)

ii. Proposed Incentive for Company

Programme	Target number of trainees	Cost per pax (RM)	Cost (RM)
i. <b>Trainee</b>			
• Engineers	280 trainees	1,000.00	280,000.00
• Technician	70 trainees	600.00	42,000.00
• Supply Chain Management Upskilling Program	70 trainees	1,000.00	70,000.00
• Employability in the New Normal Upskilling Program	70 trainees	1,000.00	70,000.00
<b>S/Total</b>	<b>490 trainees</b>		<b>RM462,000.00</b> **one-off payment

Summary of estimated cost

No.	Item	Cost (RM)
1.	Industrial Upskilling Programme	3,150,000.00
2.	Proposed Incentive for Company	462,000.00
	<b>Total</b>	<b>3,612,000.00</b>

## 6.0 Approval From BOM

The consideration and approval of the Board of Management (BOM) is sought to undertake the promotion work of wayup.my and all relevant nexus involved with the total estimated cost of RM 3,612,000.00 utilising the Kumpulan Wang Amanah COVID-19 (KWC-19) budget.

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Date: 28/6/2021


Reviewed by:



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Date: 28/6/2021

Supported by:



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