

HUMAN RESOURCES DEVELOPMENT FUND



DRIVING HUMAN CAPITAL DEVELOPMENT: HRDF'S STRATEGY

HUMAN CAPITAL investment has proven to be crucial to the economic, political, and social growth of a nation. Classical economists from the likes of Adam Smith and David Ricardo have attributed the wealth of a nation to productive labour – with capital as both a key organising force in boosting labour productivity and as a catalyst for economic progression.

However, as published in HRDF's Industry Training and Participation (ITP) Report 2018, in comparison to our neighbours Singapore and Australia, Malaysia is still behind when it comes to structured employee training, as illustrated in this graph:

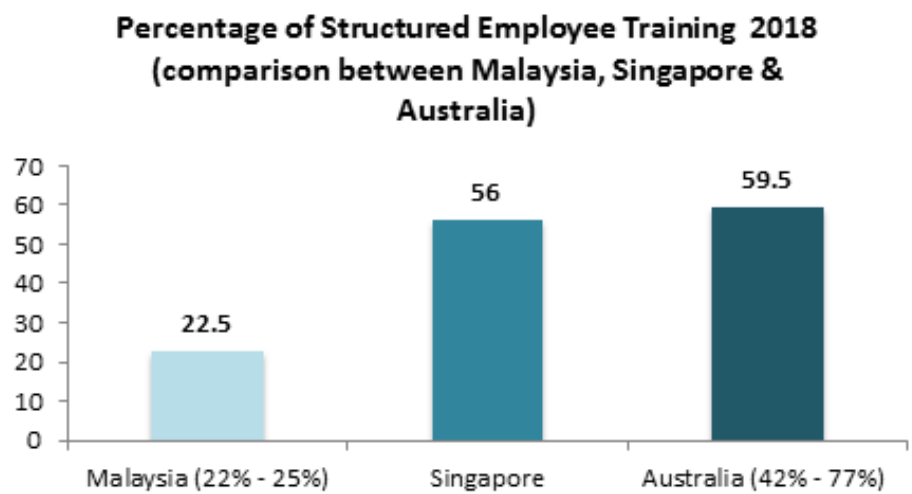


Table 1.0 - Comparison of structured employee training between Malaysia, Singapore, and Australia

Upholding the mandate conferred by the Ministry of Human Resources (MoHR), HRDF is determined to intervene and propel learning and development initiatives for the nation, and place us on par with our neighbours.

This article reveals the **four (4) steps involved in the creation of HRDF's current strategy for driving the nation's human capital development**, as well as plans for the near future.

1 Alignment of Mission and Vision

Mission

Spearhead the learning and development of the Malaysian workforce



Vision

Every Malaysian employee trained

HRDF plays a crucial role in supporting the Ministry of Human Resources (MoHR) towards achieving its goals, hence the necessity in aligning its mission and vision in this direction.

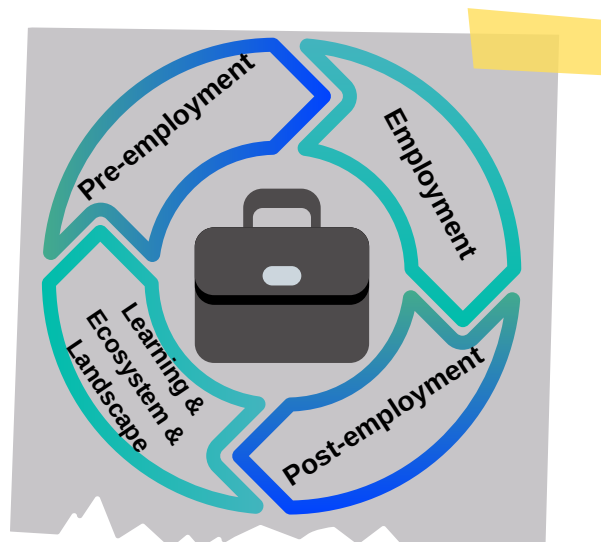
Though its mission has remained the same over the decades - to “Spearhead the Learning and Capital Development of the Malaysian Workforce” - in 2019 HRDF changed its vision to “Every Malaysian Employee Trained”.



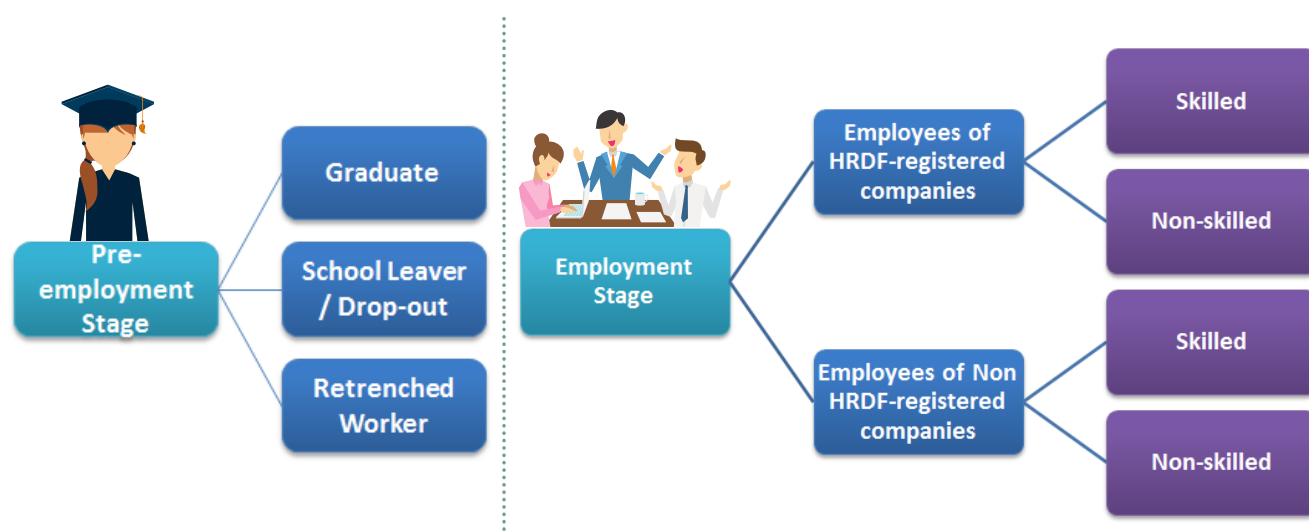
2 Identification of Critical Parameters

Equipped with a clearly defined mission and vision, the next step in HRDF’s strategy planning involves the identification of critical parameters involved. The aim is to view matters not only from the individual’s perspective, but also to consider the tools and environments which affect lifelong learning.

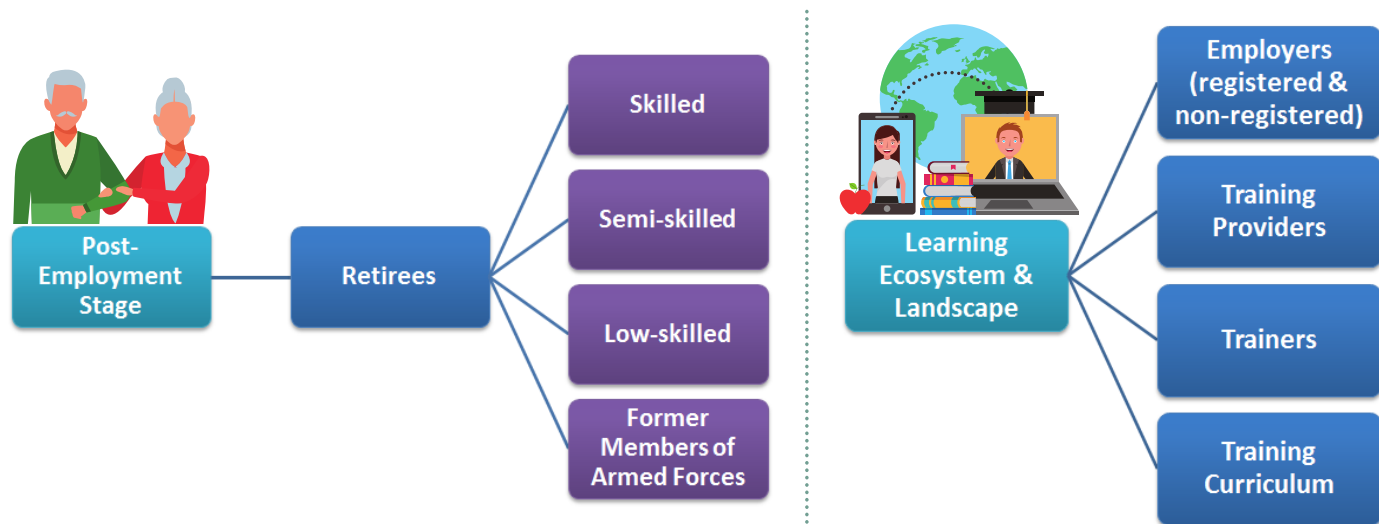
The first parameter includes the three (3) stages of employment, i.e. **pre-employment, employment, and post-employment**, as well as a consideration of the **learning ecosystem and landscape**.



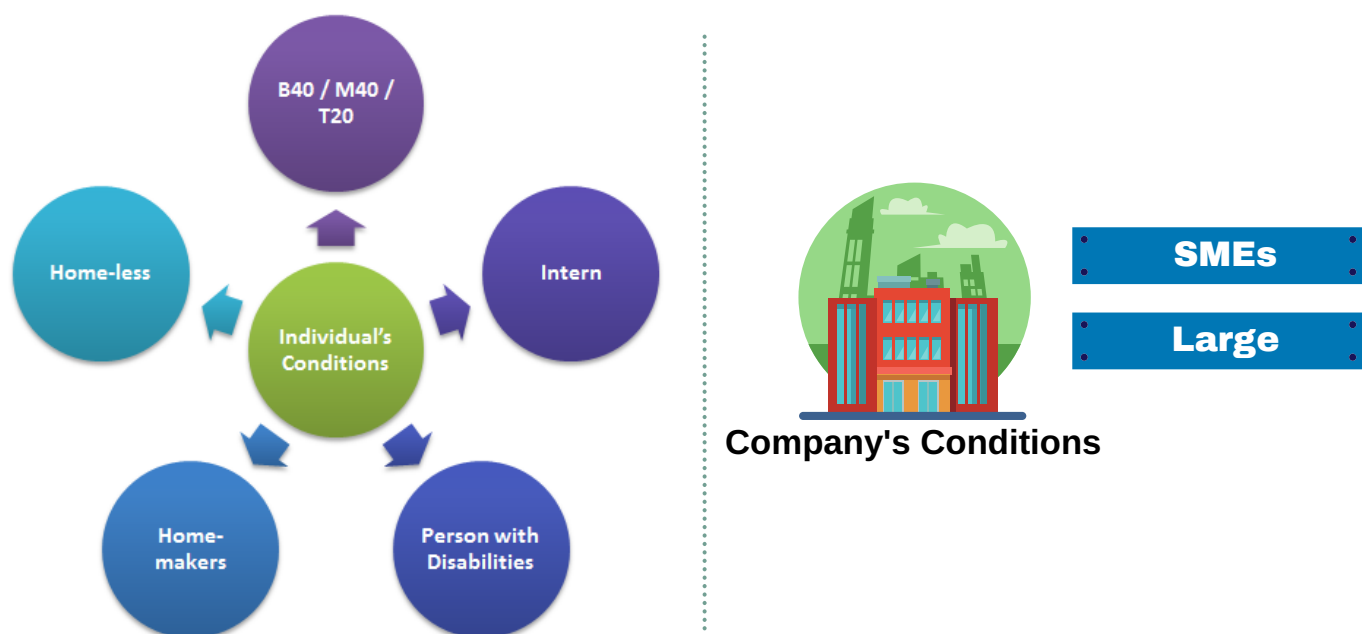
The second parameter involves the identification of the major target groups involved for all three (3) stages of employment as well as the learning ecosystem & landscape. For example, before a person is employed (**pre-employment stage**), he or she could either be a graduate, a school leaver or school dropout, or even a retrenched worker who is seeking re-employment.



For the **employment stage**, there are two groups, i.e. employees of HRDF-registered companies and employees of non HRDF-registered companies. These two groups are further split into skilled and non-skilled categories, in accordance with the Malaysia Standard Classification of Occupations 2008 (MASCO).



The **post-employment stage** target group consists solely of retirees (skilled, semi-skilled, and low-skilled as well as former members of the armed forces). As for the **learning ecosystem and landscape**, the target group consists of employers, training providers, trainers, and the training curriculum.



The final parameter involves the understanding of the probable conditions and processes tied to these target groups. Beyond the individual, this parameter also looks into corporations, be it small, medium, or large.

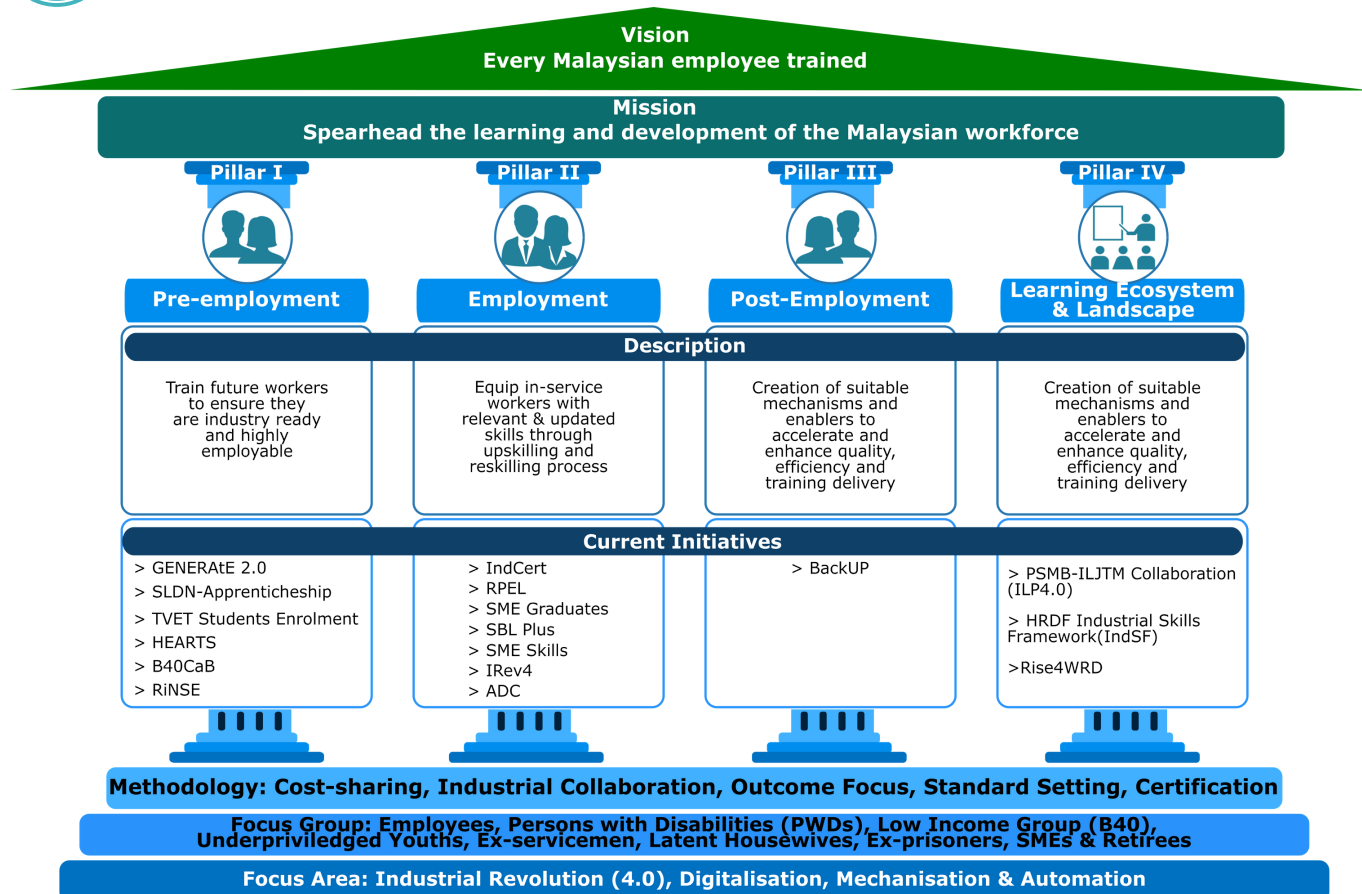
3 Creation of an Outcome-based Concept Model

With the understanding of all parameters involved, HRDF devised the Outcome-based Concept Model as a reference point for strategic planning. The logic behind this model is simple yet effective – to first list all identified parameters, then list the intended results or outcomes to be achieved, and finally list the initiatives which are tied to said results and outcomes.

Pillar	Target Group	Focus Areas: Conditions & Processes										Intended Results & Outcomes	Initiatives
		T20	M40	B40	Interns	OKU	Homeless	Homemakers	Ex-Convicts	SMEs	Large		
Pre-employment	1. Graduates	/	/	/	/	/	/	/	/	-	-	Employment	-GENERATE -Future Workers Training (FWT) - HEARTS
		/	/	/	/	/	/	/	/	-	-	Entrepreneurship/ Self-employment	
		/	/	/	/	/	/	/	/	-	-	Continuation of Studies	Industrial Training Scheme (ITS)
	2. School Leavers or School Dropouts	/	/	/	/	/	/	/	/	-	-	Employment	-SLDN-Apprenticeship - HEARTS
		/	/	/	/	/	/	/	/	-	-	Entrepreneurship/ Self-employment	
		/	/	/	/	/	/	/	/	-	-	Continuation of Studies	N/A
	3. Retrenched Workers	/	/	/	/	/	/	-	/	-	-	Employment	N/A
		/	/	/	/	/	/	-	/	-	-	Entrepreneurship/ Self-employment	

This model highlights the gaps which could be filled with new initiatives (grey boxes), however, if these gaps do not fall within the purview of HRDF, they are listed as non-applicable (N/A).

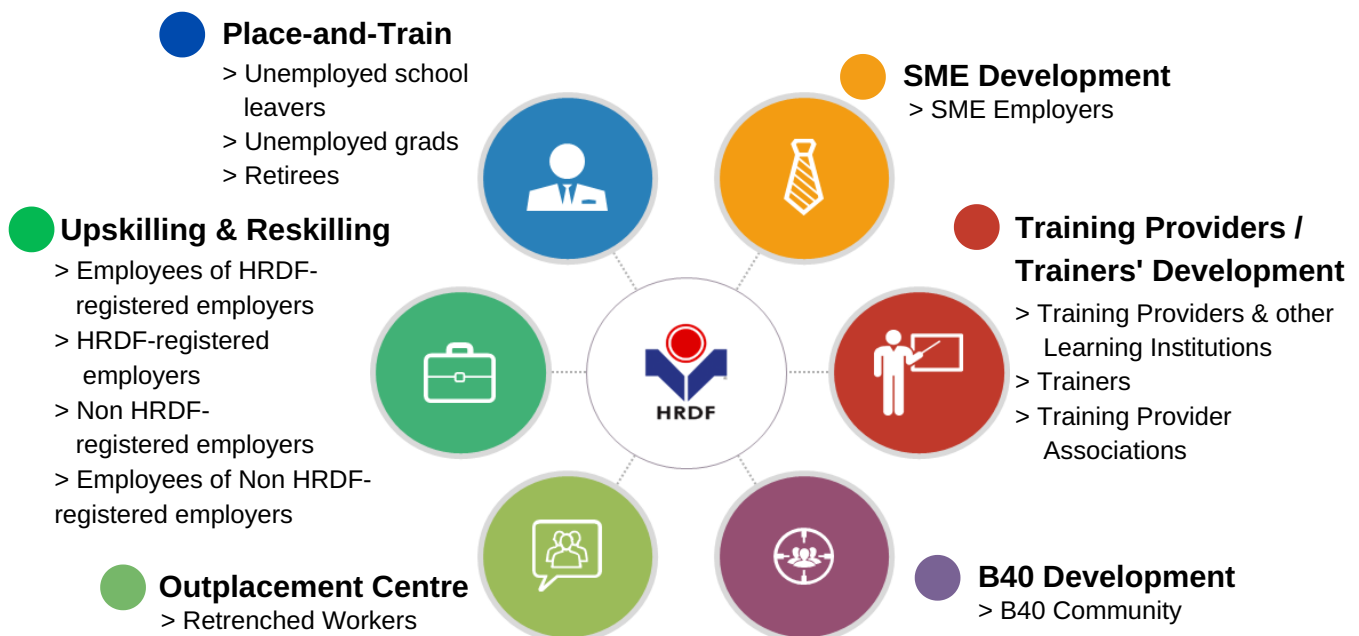
4 Creation of the HRDF Strategic Map



The above diagram depicts HRDF's current Strategic Initiatives Map, designed with the principles of lifelong learning in mind and backed by the Outcome-based Concept Model to deliver efficient solutions in the form of training initiatives.

However, in light of the recent Covid-19 pandemic, the economic landscape has experienced major disruption across the globe, resulting in a sudden halt in training and employment activities. As reported by the Department of Statistics Malaysia (DOSM) in April 2020, the number of jobs lost to the COVID-19 pandemic to date was estimated to be around 2.1 million in Malaysia. Logically, the government has shifted into “damage control” mode by placing more emphasis than ever on place-and-train initiatives (among others) to combat retrenchment and prevent prolonged unemployment amongst Malaysian citizens.

This, in turn, has invoked the necessity to broaden HRDF's scope of coverage with regards to its stakeholders, in order to support the government in its endeavours to rejuvenate the economy post Covid-19. As such, HRDF plans to enhance its strategy for human capital development, with special focus on initiatives which cover **six (6) main clusters**, as follows:



By placing emphasis on these six (6) clusters, HRDF is able to better plan and distribute its resources in support of training development. HRDF is committed to continuously improve its suite of offerings by employing the most efficient and effective strategies for the continuous acceleration of our human capital development. HRDF will actively engage various stakeholders for the purpose of further improving existing initiatives and developing new ones, to ensure that its strategic direction is constantly aligned with that of the industry.

To learn more on HRDF, visit: <https://www.hrdf.com.my/>



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