



HUMAN RESOURCES DEVELOPMENT FUND

HRDF-TEE: KEY TO UNLOCKING TRAINING VALUES

HRDF-TEE: UP-CLOSE

Nation building is expensive. At the Human Resources Development Fund (HRDF), a share of employee's salary is invested for their capability building while significant and extensive government expenditure is channelled here for continuous upskilling and reskilling of Malaysian workforce. For the prosperity of the nation, this is a price worth paying as the World Bank study shows that HRDF registered firms active in training have increased productivity rate by 3%.¹ This is higher than the non-HRDF registered firms' rate of just 1% whilst the National Labour Productivity rate in 2019 is at 2.2%.²

Thus, the duty of HRDF must extend beyond designing schemes and facilitating training but to ensure continuous improvement of HRDF training courses and schemes/initiatives as well. This is the premise of HRDF Training Effectiveness Evaluation (HRDF-TEE). HRDF-TEE is a structured evaluation mechanism designed to assess HRDF training schemes beginning November 2019.

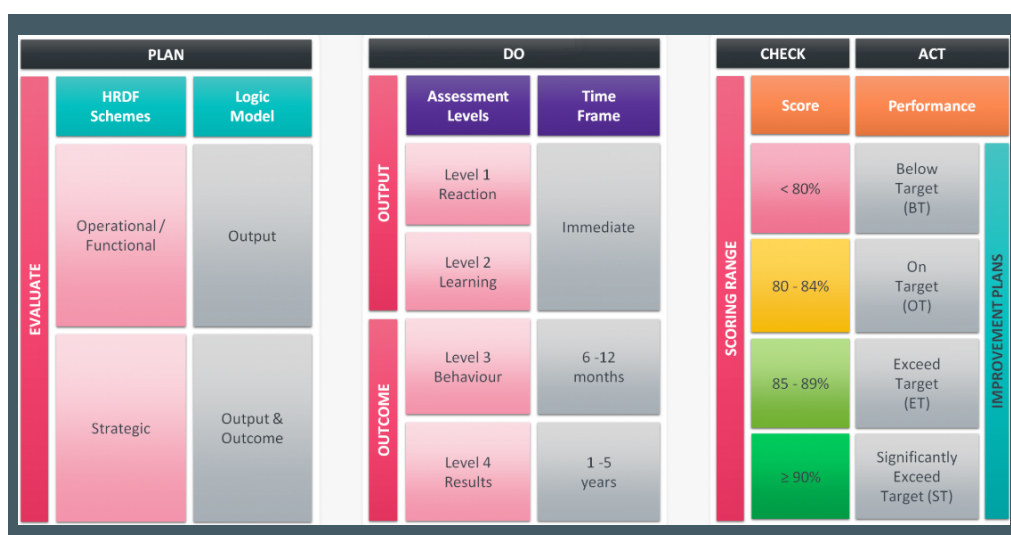


Figure 1:
HRDF
Evaluation
Framework

1. Study on Effectiveness of the Human Resources Development Fund

2. https://www.dosm.gov.my/v1/index.php?r=column/cthemByCat&cat=438&bul_id=anh2Nlc3RUdWeEFYNzdZMFpEdkt1dz09&menu_id=Tm8zcnRjdVRNWlWpWjRlbmtlaDk1UT09

Taking a holistic approach in assessing specific measures, HRDF-TEE is divided into two types of assessments:



1 OUTPUT ASSESSMENT

Evaluates the **immediate reaction** of trainees and captures training experience:



- Course quality
- Training experience
- Duration
- Recommendation
- Training delivery
- Resources
- Customer service



Issued to trainees on the final day of the course.



2 OUTCOME ASSESSMENT

Assesses the **actual understanding** and the **usage/application** after the training. Learning outcomes must meet the SMART approach:



S : Specific
M: Measurable
A: Achievable
R: Realistic
T: Time-bound



Issued to trainees at least six (6) months after the course ended.

IDENTIFYING THE NEED FOR HRDF-TEE

Despite the milestones achieved by the HRDF in over 25 years, the approach of employers in selecting training and training providers remains mostly stagnant. Employers often rely on their networks and word-of-mouth whilst sales representatives promote courses and training providers to human resource personnel. Unfortunately, this mechanism keeps employers in the dark as they remain unaware of the wide variety of courses and training providers, which may better align with their training needs.

On the other hand, training providers and trainers are losing the business opportunities to market their services due to limited access to employers. Due to the absence of an unbiased third party overseeing and streamlining assessment of the courses, there is no assurance of course quality and training providers' performance records. This indicates a lack of confidence among employers and employees that training experience will be valuable.

A Look at Global Training Evaluation: Singapore and United States of America



SkillsFuture Singapore³

- Training Quality and Outcomes Measurement (TRAQOM)⁴
- To raise the **quality** of SSG-funded Continuing Education and Training (CET) programmes.



United States Office of Personal Management⁵

- 2011 OPM Training Evaluation Field Guide (Kirkpatrick's Model).
- To assist agency training representatives in evaluating training effectiveness and in demonstrating **training value** to stakeholders and decision makers.⁶



³. <https://www.skillsfuture.sg/>

⁴. <https://www.ssg.gov.sg/training-measurement.html>

⁵. <https://www.opm.gov/policy-data-oversight/training-and-development/>

⁶. https://www.opm.gov/policy-data-oversight/training-and-development/reference-materials/training_evaluation.pdf

RATINGS & REVIEWS: A NEW NORM FOR THE NATION

The consumer decision-making process is evolving. With the global rise of e-commerce, rating culture is becoming a fundamental element in companies such as eBay, Amazon, Uber, and Airbnb, just to name a few, promising transparency, trust, and quality in their products and services.

Citing a study by Harvard Business Review for businesses on Yelp: 'a one-star increase in Yelp rating leads to a 5%-9% increase in revenue.'⁷ In contrast, more than three negative reviews may lead to a loss of potential customers by 59.2%.⁷ Thus, the widespread use of the rating systems by companies greatly influences their purchasing decision.

HRDF-TEE and the digital rating culture intersect at HRDF Learning and Training Hub (LATiH).⁸ Currently, under development, LATiH is HRDF's online learning marketplace where employers and employees will have access to their desired courses or training nationwide, based on criteria such as skills, learning outcomes, content, location, duration, price range, and trainer. Like Trivago, where you book hotel rooms, LATiH is where you book training.



An important feature of LATiH is the ratings of the courses, which may become an opportunity for training providers and trainers alike. Presently, HRDF is monitoring the manual implementation of the Output Assessment, which generates the ratings that will be made available at LATiH. Once LATiH is launched, the Output Assessment will be digitalised, enabling trainees to evaluate and review courses on their smart devices once the training is completed. This is the way forward of HRDF for the benefit of all its stakeholders.

**A 1 STAR INCREASE ON
YELP RATING LEADS TO A
5%-9%[↑] IN
REVENUE**
Harvard Business Review



⁷. <https://www.hbs.edu/faculty/Pages/item.aspx?num=41233>

⁸. <https://latih.hrdf.com.my/>

KNOW THE VALUE IN YOUR CHOICES

As the business landscape becomes increasingly competitive, improving employees' performance is imperative within emerging markets. As new markets emerge, so does HRDF-TEE; both have a profound impact on training and development. This structured evaluation mechanism will serve as a benchmark and publish ratings of training courses conducted with additional in-depth information. This will eventually help businesses to grow, improve their productivity and prepare for the future.

Benefits and Value Propositions of HRDF-TEE

EMPLOYERS & EMPLOYEES

Access to **extensive market** of training with course ratings



Convenient and **flexible access** to choose training

Understanding of **learning outcomes**



Informed decision in selecting courses

TRAINING PROVIDERS

Ability to **benchmark** performance



Identify areas for **improvement**

Receive immediate **feedback**



Assess Outcome of **training investment**

" EVALUATION OF THE PAST IS THE FIRST STEP TOWARD VISION FOR THE FUTURE "

Chris Widener

In conclusion, with the vision of having every Malaysian employee trained, it is essential to bridge the gap between employers (industry's needs) and training courses (offered by training providers). HRDF-TEE is the key to close the gap.

This is especially necessary now with recent changes that is driving businesses to digitalise. Hence, it is timely for HRDF-TEE to leap forward, as the nation must embrace many new norms and selecting the best training to propel the economy forward.

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

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