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# **TalentCorp**

## **Malaysia**

# **Addressing the talent needs of Economic Transformation**

**29 March 2011**

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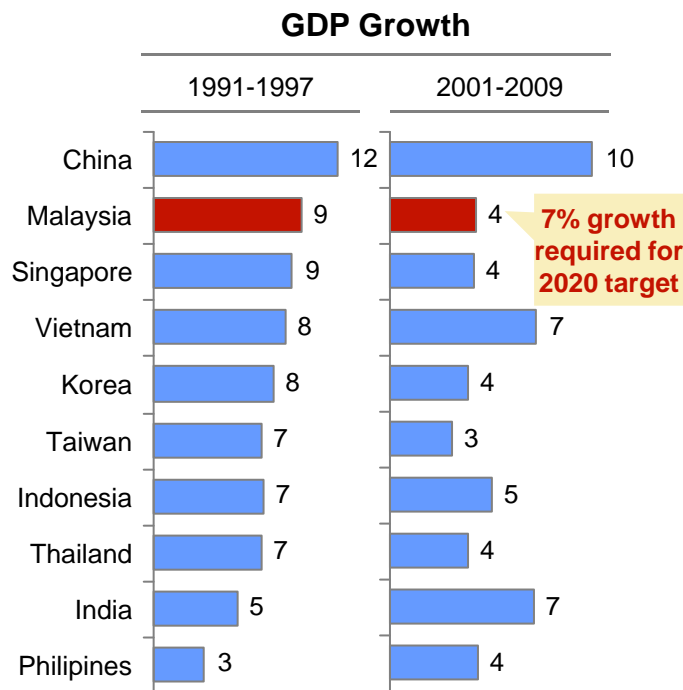
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- 1. Introduction to TalentCorp**
2. Immediate challenges to addressing talent needs

# Talent a pre-requisite for Malaysia to achieve high-income status

## Need to move from middle- to high- income



**Talent a critical enabler**

## War for talent is global and intense

**214 million** international migrants worldwide

By 2030, US and Europe will need to add **25 and 24 million workers**

Not a South-to-North phenomenon – **40%** of worlds immigrants move from one **developing country to another**

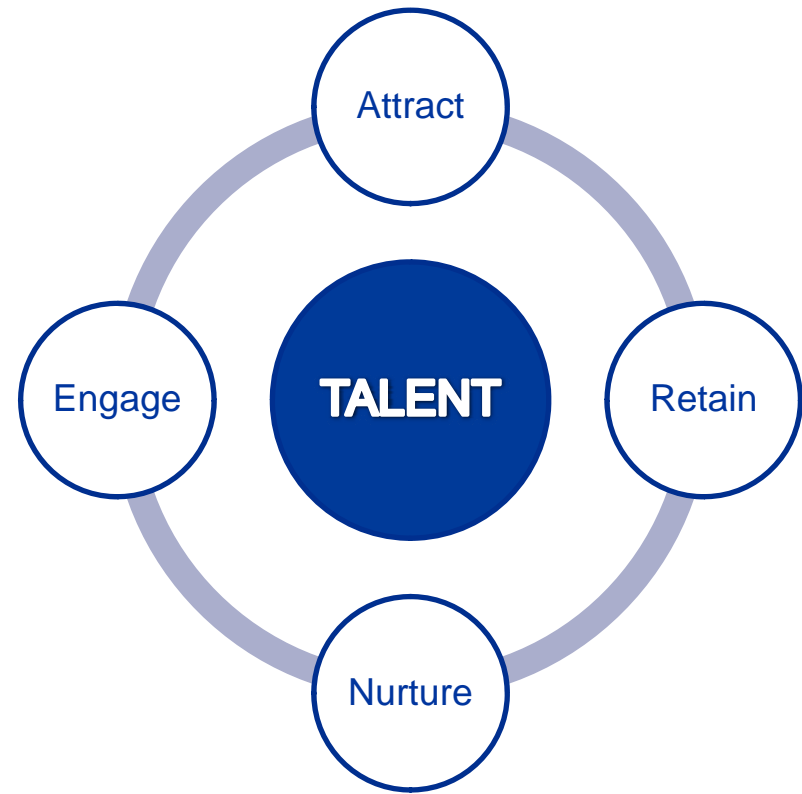
## Malaysia must be choice destination for work

### 2012 forecasted Global Talent Index (Asia Pacific)

- 1 Singapore
- 2 Australia
- 3 China
- 4 Hong Kong
- 5 New Zealand
- 6 Japan
- 7 India
- 8 Taiwan
- 9 South Korea
- 10 **Malaysia**
- 11 Thailand
- 12 Philippines
- 13 Vietnam
- 14 Indonesia
- 15 Sri Lanka
- 16 Pakistan
- 17 Cambodia

**Must be among top destination for talent by 2020**

# Addressing the talent needs of Malaysia's transformation



**MISSION:**  
To do what it takes  
to meet the talent needs of  
Malaysia's economic transformation

## Taking a demand driven approach to address talent needs



### Malaysian talents

1

Attract and engage  
Malaysian  
Diaspora

2

Nurture and  
leverage on  
Malaysian talents  
in Malaysia



### Global/ foreign talents

3

Unleash  
and retain foreign  
talents within  
Malaysia

4

Attract and  
facilitate entry of  
foreign talents into  
Malaysia



# Key principles guide scope and operating model

## Scope

**Anchored on the Economic Transformation Program (ETP)**

**Selectively intervene for highest impact**

- Focus on targeted interventions
- Not an umbrella organisation

## Operating Model

**Do what it takes -- may act as an advisor, facilitator, or implementer**

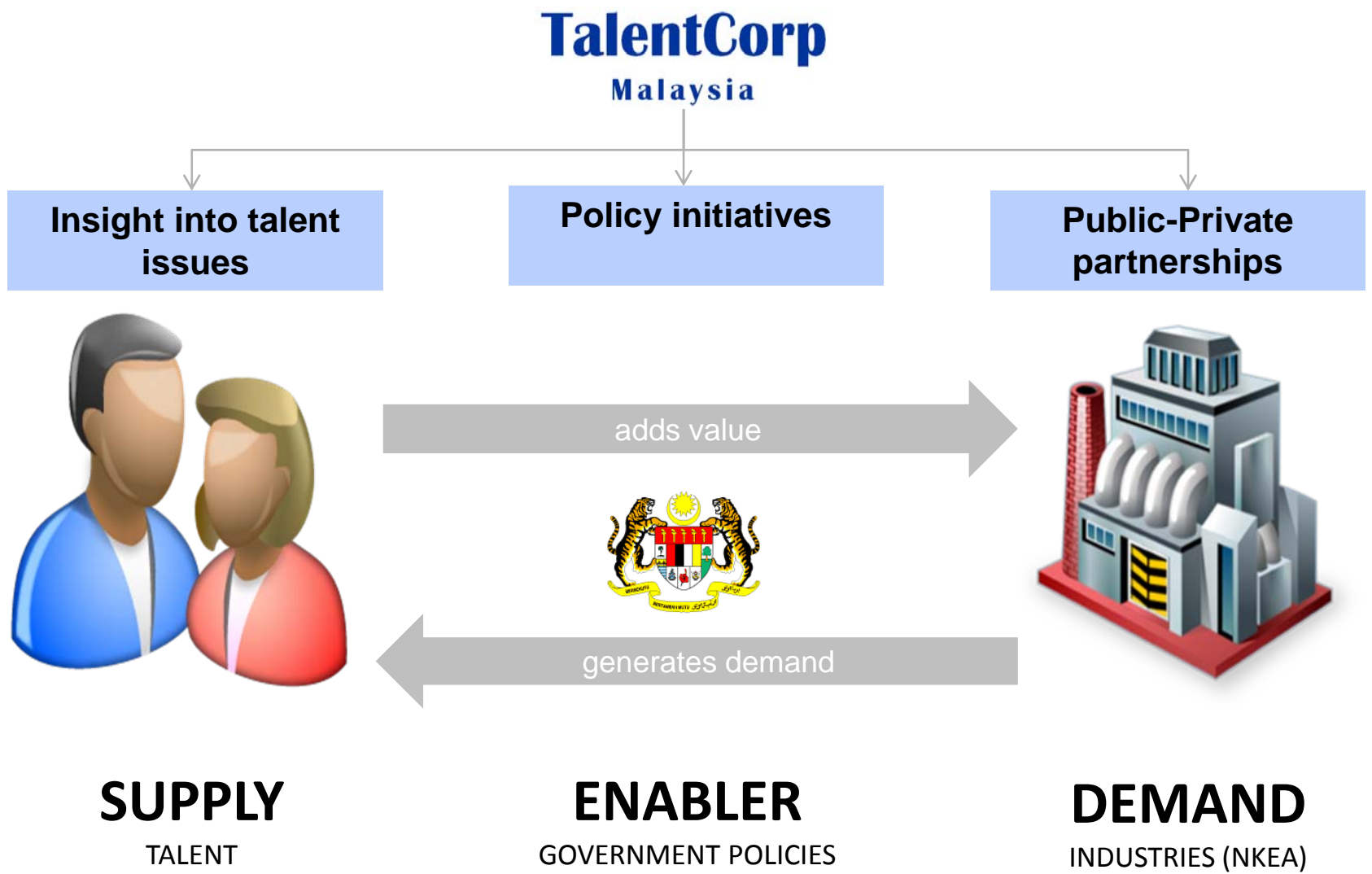
**Anchored on demands of both industry and talent**

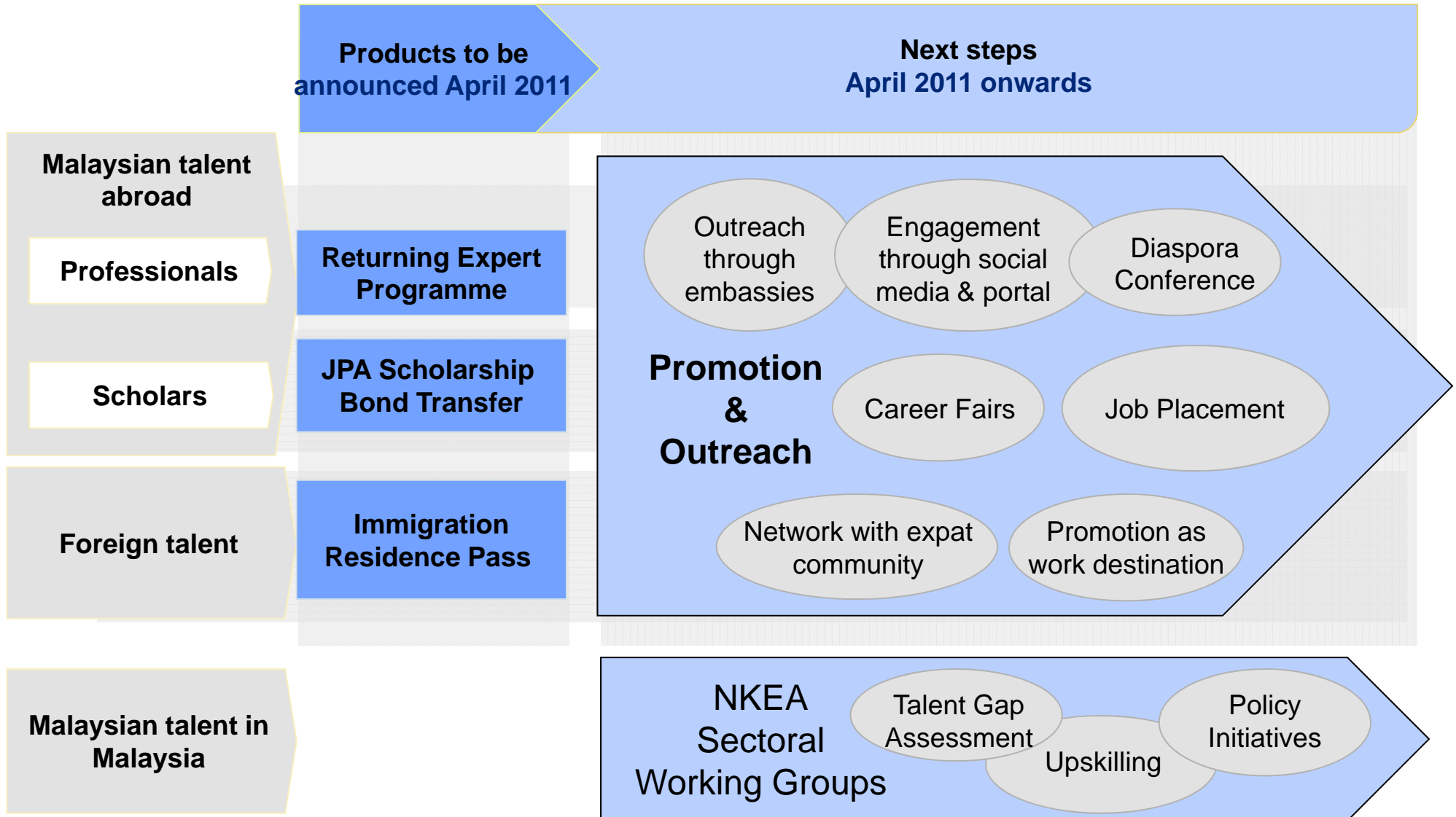
- Act as a bridge with Government

**Drive leveraged impact**

- Deliver outcomes by working with those best positioned to drive impact
- Work through industry, develop network of ambassadors & partners

# Catalysing a virtuous cycle between industries and talent





# Returning Expert Programme now under TalentCorp and under review

## Current Eligibility

Malaysian citizen working overseas

Education not Government-sponsored

Not internal transfer

Academic qualifications & overseas working experience

## Current Incentives

Duty & tax exemption for cars

PR for foreign spouse / children

International school enrollment

Tax-free personal effects

To align to the needs of the economic transformation

Under review – new incentives to be announced soon

# Residence Pass: A key instrument to facilitate talent

## Long-term, but finite

- Valid for a finite period of time
- Eg. 5-10 years (long-term)
  - Unlike PR, which is permanent in nature

## No constitutional rights

- Privileges of PR status not valid
- Citizenship for children, etc

## Employer-independent

Flexibility to residence Pass holder to reside and change jobs in Malaysia

## Residence Pass



## Variant for diaspora

- Engaging ex-Malaysians
- Eligibility – Malaysian descent
  - Long-term permit to stay, work, live & be educated in Malaysia

## Targeted at top talent

- Offered only to top foreign talent
- Family of holder eligible for RP

**Phased implementation beginning 1 April 2011**

# Addressing talent issues at a sectoral level

Objective

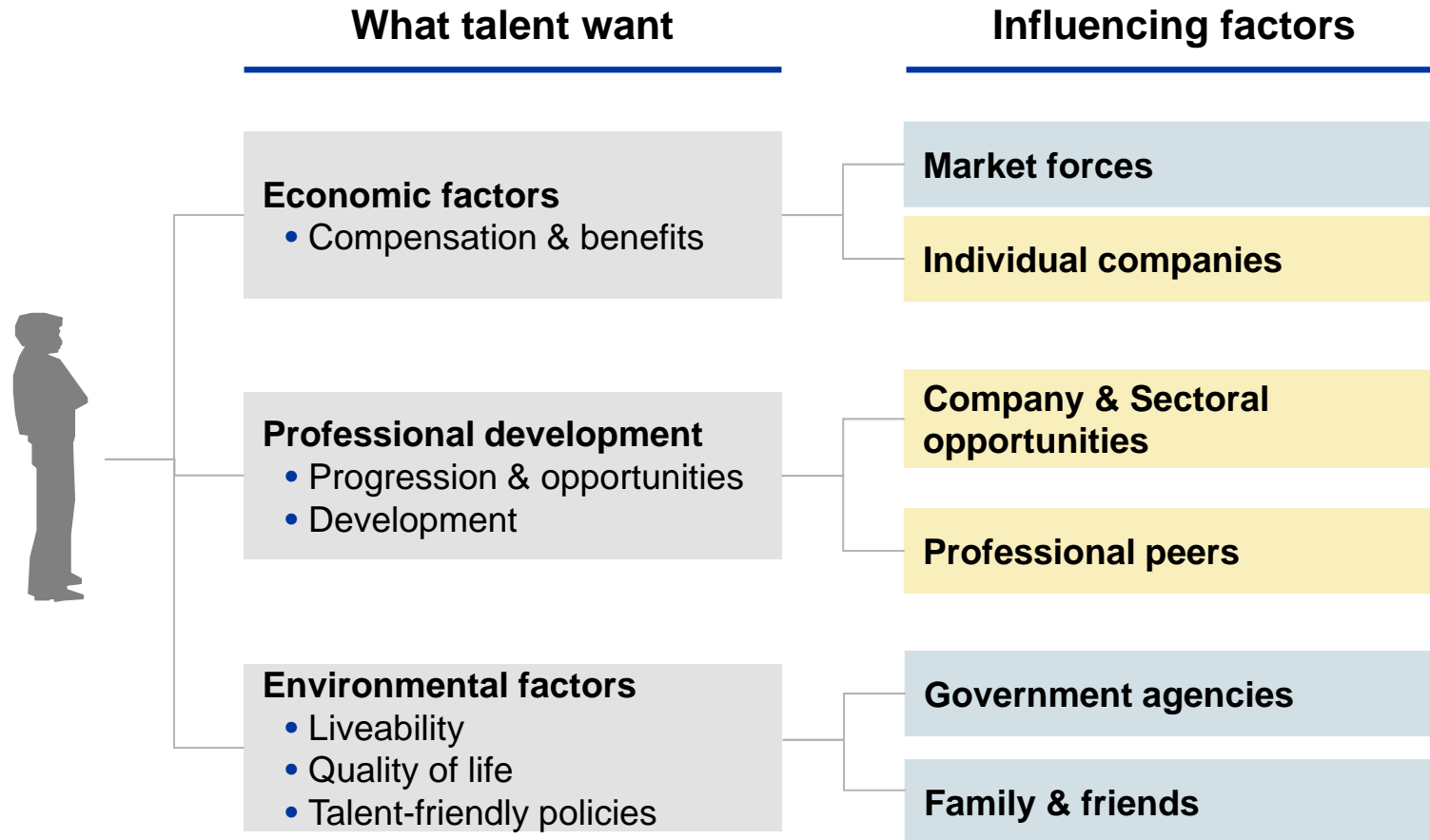
Convene for leveraged impact



- 1 Articulate talent challenges**
  - Attracting
  - Nurturing
  - Retaining
- 2 Develop concrete proposals on solutions**
- 3 Implement solutions and highlight discrepancies**

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# Talent consider multiple factors in choosing workplace



■ Influenced at company level

# Malaysia's value proposition to talent lies with individual companies

**Weaker  
value proposition**

**Stronger  
value proposition**

**Malaysia**

**Sector level**

**Company level**

**At macro level, not highly  
differentiated from other  
developing countries**

**Attractive internationally  
competitive sectors**

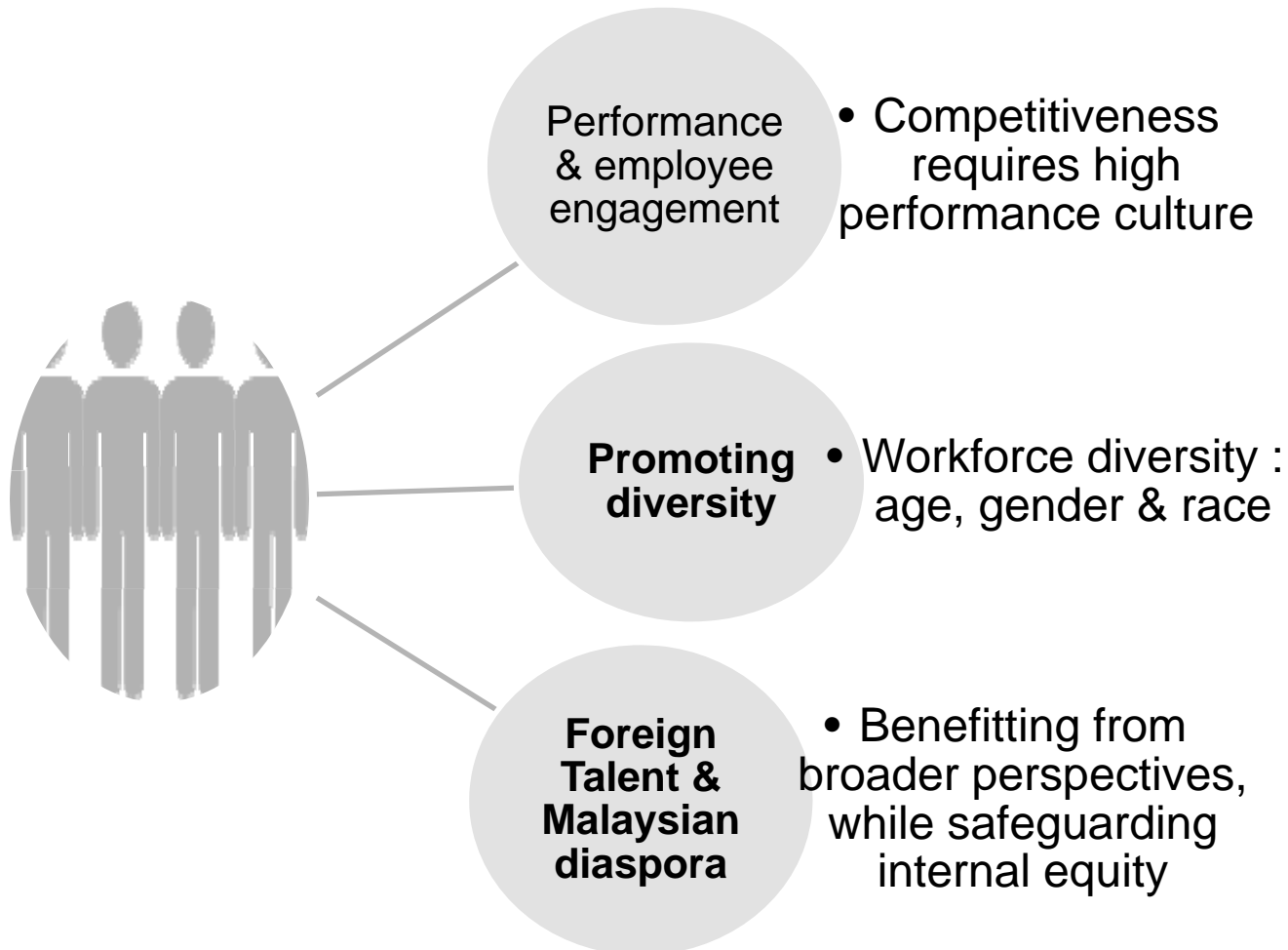
- e.g Financial Services,  
Palm oil, Telco, Oil & gas,  
ICT, Education etc

**Leading corporations &  
progressive employers**

**Challenge of articulating value proposition at a network level  
and leveraging on our individual efforts**

# Challenge of managing Diversity & Equity

Driving for the needs of tomorrow, working around the constraints of today



Solutions ?  
Policies  
vs.  
HR  
practices

**Malaysia in 2020 will need to be a destination, synonymous with global talent**

**TalentCorp will take demand-driven approach to talent issues**

**We need to work together to address talent needs**

- Building a network to attract & retain talent
- Managing diversity & equity

**TalentCorp looks forward to your continued support in addressing talent needs**

# Network with us

1

## Be our ambassador – Spread the word!



### Tell others of TalentCorp ...

- What TalentCorp is all about
- Initiatives



### ... across your network ...

- Professional network
- Friends and family



### ... where ever you go

- Within or outside of Malaysia

2

## Participate in our networking initiatives

### Networking portal<sup>1</sup>

- Upload your company profile



### Homecoming event<sup>2</sup>

- Outreach to diaspora
- Corporate sponsorship



### Talent network

- Allow us to call upon you should talent seek info on Telco

# Employment Pass liberalisation

## Issues on employment pass which were raised during syndication by TalentCorp

### Employment Pass parameters which were perceived to inhibit entry of top foreign talent

- Need for identified understudy to renew employment pass

*"To apply for my permit, I need to identify an understudy 2 years in advance" – (Head, E&E player)*

- 10-year employment pass limit, with 2-year renewals

*"Foreign talent less likely to commit & invest in Malaysia if subject to limits"*

- Need to show lack of suitable local candidates for a role

*"I need to advertise my position in national newspapers every year" – (CEO, Healthcare player)*

- Hence, announcements on 6 December 2010 on liberalising understudy, tenure limit and advertising requirement

## TalentCorp role in supporting KDN / Immigration Department's efforts to facilitate entry of talent

### Act as a bridge between Government and industry needs

- Developing criteria for highly skilled talent based on industry needs and specific qualification metrics (education, salary, sector, etc)
- Engaging in dialogue with relevant Government agencies in policy development and balancing potentially competing policy objectives

### Identification of top talent

- Top foreign talent to be identified and proactively approached
- Would help reinforce Malaysia's commitment of being open for business and openness to talent

### Extend mandate of TalentCorp to assist in vetting applications by top talent

- To assume mandate similar to BNM/ SC for employment of foreign talent in financial services sector

**Active intervention needed given global war for top talent**

# Programmes have been identified based on needs

Eight focus areas for 2011

