



**PRESENTATION TO UNIMAP**

**11 July 2012**



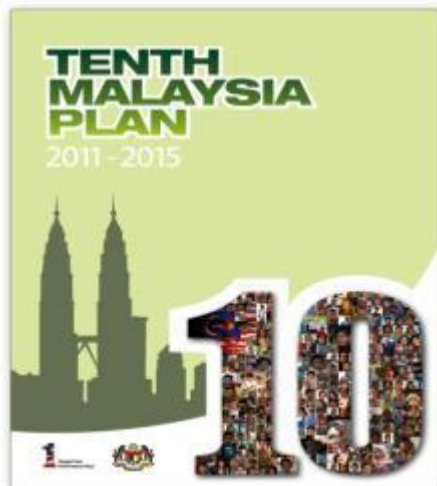
# Agenda

1. Overview of Koridor Utara
- 2. Key Thrust Areas**
- 3. The Views of Employers**



# What is Koridor Utara?

Malaysia pursues a regional approach to economic development





# ...an important economic centre and urban conurbation for Malaysia...

## A brownfield area that has benefited from 40 years of evolution

Business culture, skillsets and logistics have been moulded to provide precision products/services

Koridor Utara covers 7% of Malaysia's land area, but contribute over 20% of Malaysia's GDP

George Town is the #2 largest urban conurbation in Malaysia

### Strong economic activities

>45%

.. of **manufacturing** exports

>30%

.. of **tourist** expenditure

>60%

.. of **agriculture** regions for paddy growing

### Vibrant living environment

2.8M

.. **population** in 5 major centres



.. ranked most liveable city by **Asiaweek, ECA International**



.. inscribed as **UNESCO World Heritage Site** in **July 2008** with unique architecture and cultural townscape

# Koridor Utara's Key Thrust Areas

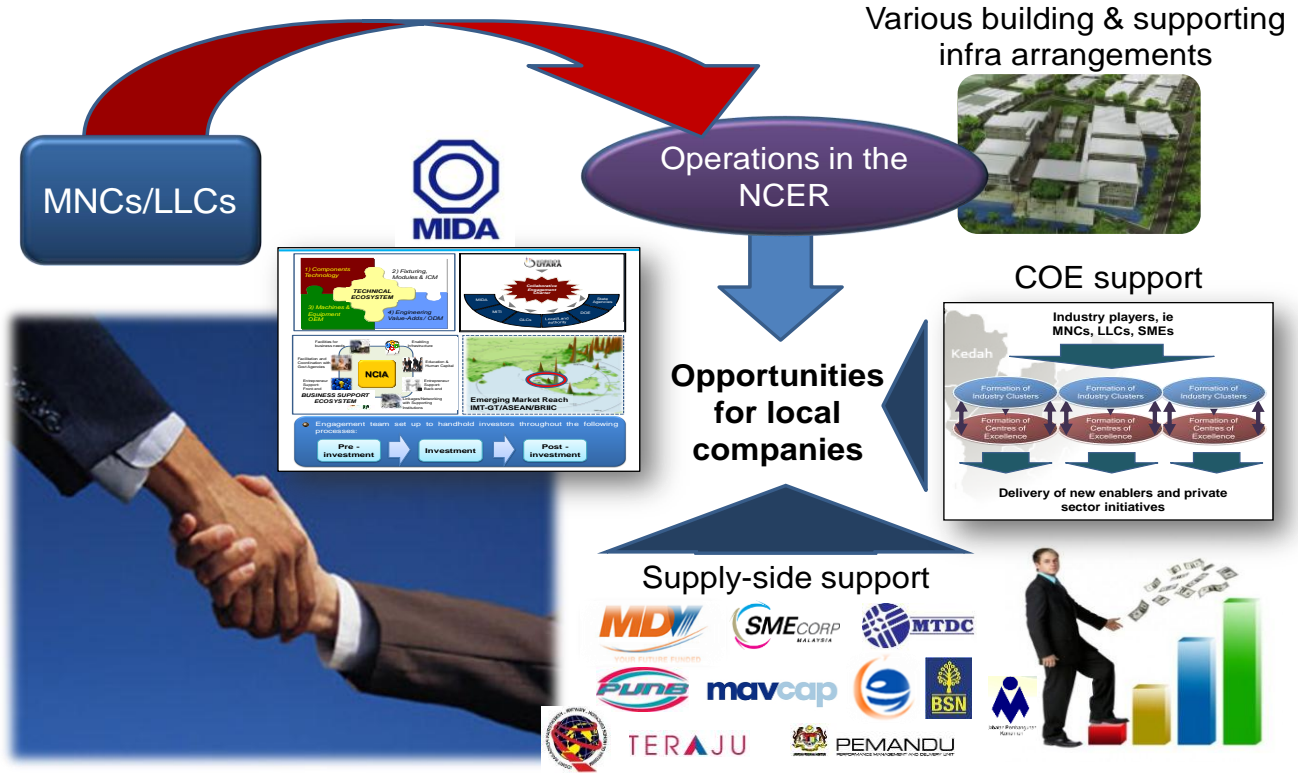
**A Brownfield development that leverages on its own strengths**

Leveraging on the region's key strengths, four key thrust areas have been identified to ensure optimal spill-overs.



# Broadening Private Sector Participation in the Koridor Utara

The nature of the Koridor Utara's engagement with the private sector provides opportunities to local companies.





## NCIA's human capital programmes has helped increase salaries

Segment	KPI	NCADD	NCITES	BeliaKU Mahir
Salary Increase	15%	27%	43%	>25%
Industry Take-up	75%	100%	77%	81%

NCITES adopted as NTEP-PEMANDU for all Corridors

## And NCIA's efficiency has increased

Year	Job and Business Opportunities	NCIA Support	Ratio
2008-09	n/a	n/a	n/a
2010	15,898	7,648	2.08
2011	10,369	3,448	3.01

## But More Importantly...

### NCIA's work has helped a lot of people

- Sustainable opportunities for local companies.
- Setting up of COEs to provide tech support for the private sector.
- Large-scale private sector participation in rural areas - more than 2,000 opportunities created.
- Enhanced paddy yields for 30,000 farmers and stable fertilizer supply for 20,818.
- 150 OKU employed in sustainable activities.
- Emergency response support for flood victims in the Koridor Utara





# The End Game

## NCIA's agenda in regional economic development



[www.koridorutara.com.my](http://www.koridorutara.com.my)



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# Manufacturing Division

## Manufacturing

- Setting up of eco-system for Foundry Cluster (Training Centre, Refurbishment Centre, Bumping Facility)
- Setting up of Test Centre for SSL Cluster
- Harvest private sector participation in relevant support services
- Developing and nurturing local brands
- Expand Private Sector Participation in Koridor Utara

## to position manufacturing/ E&E higher up in the value chain



### EXPANSION OF PRIVATE SECTOR INVOLVEMENT

- Emphasis to be on the economic value proposition
- Business case must be sustainable



### OPPORTUNITIES/VALUE-ADDED TO MNCs & LLCs

- Integrated Operations Support for SMEs in Manufacturing Sector
- Infrastructure Upgrading for KHTP



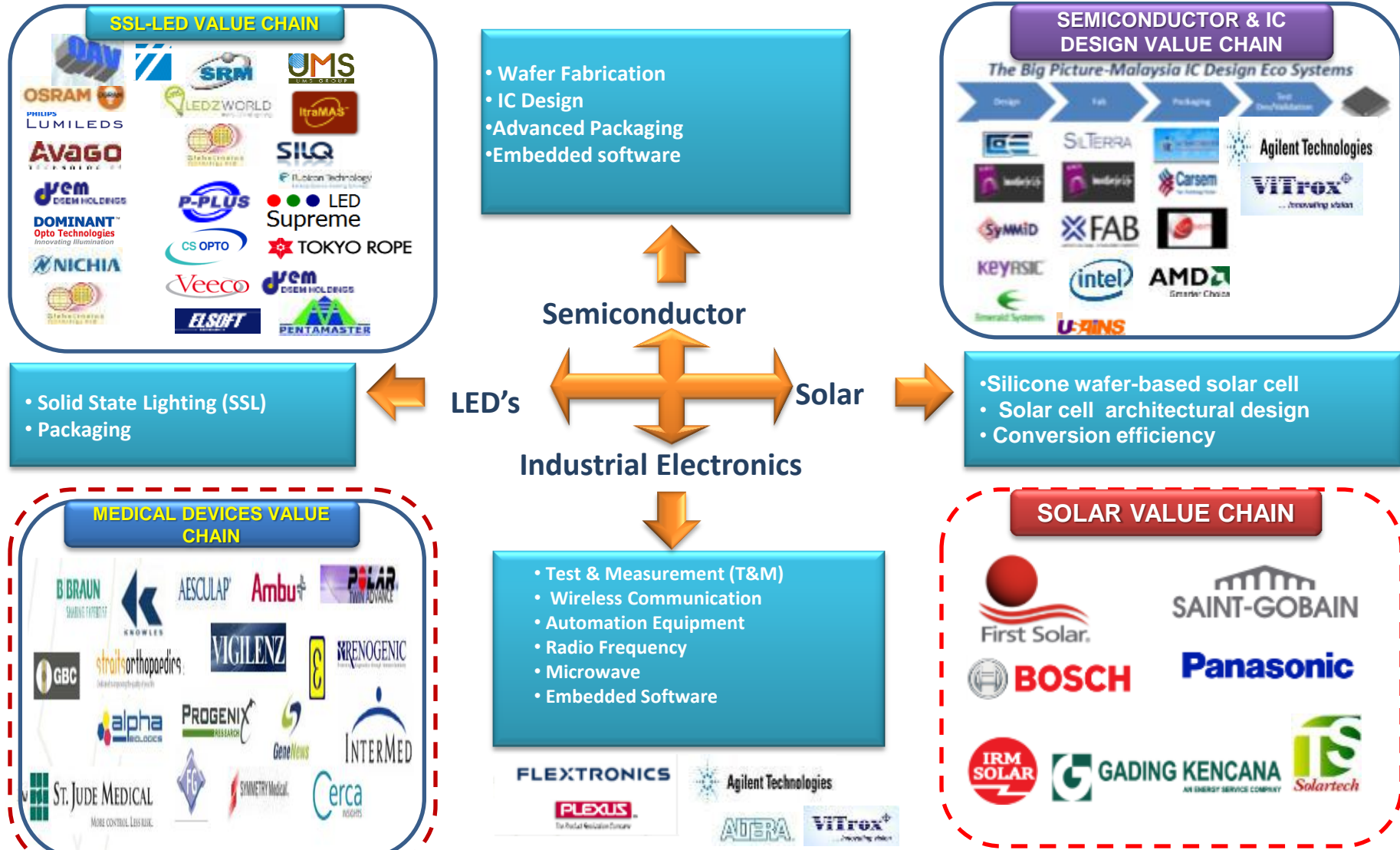
### SME ECO-SYSTEM NURTURING & SUPPORT

- SMI/SME Support Programs
- MIDI Sentral aka CREST
- Hand-holding and networking enablers

# Manufacturing

Government ETP :

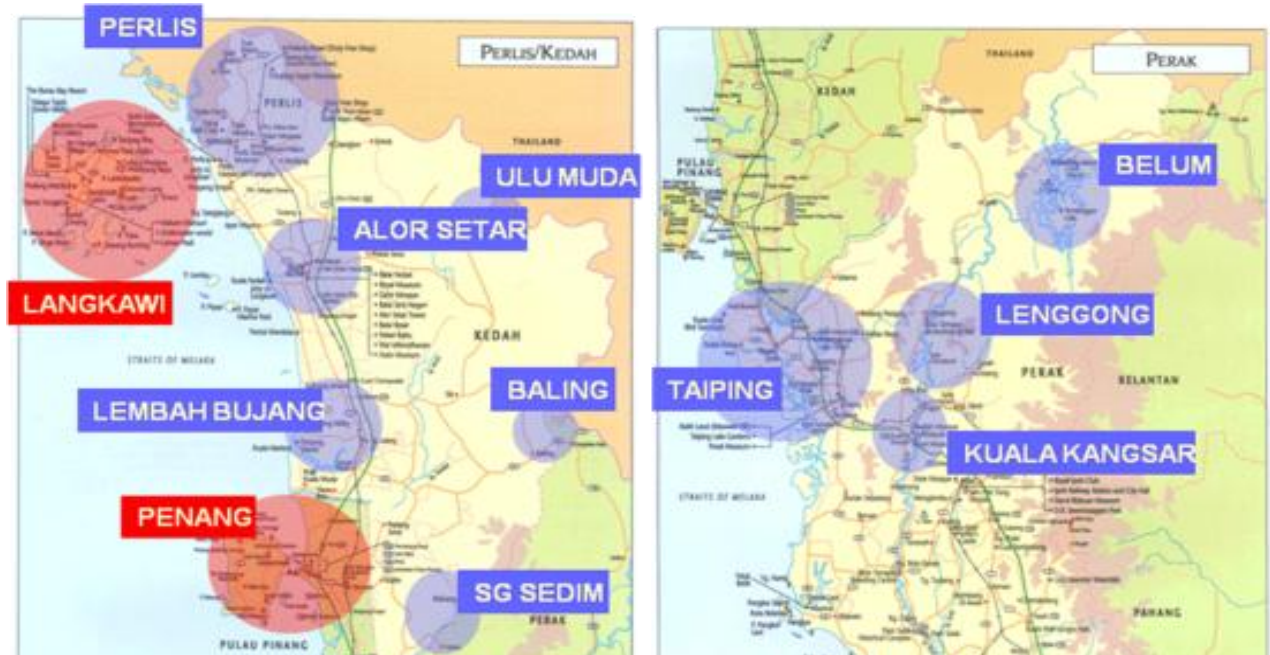
- 4 focus areas for E&E industry & E&E Eco- System



# Tourism Theme in Koridor Utara

## 5 TOURISM THEMES IN KORIDOR UTARA

1. Nature Adventure
2. Health & Wellness
3. Cultural Heritage
4. Business Tourism
5. Affordable Luxury



**2** International Gateways with **PENANG** and **LANGKAWI** and **10** Domestic Clusters / Nodes

11 million Tourists - 2010	Private Sector Collaboration	High-Impact
A Major Tourist Entry Point into Malaysia	To Develop & Implement Critical Sub- Sectors	To Develop high-Impact tourist nodes / cluster

**Koridor Utara  
is rich with  
tourist  
attractions**

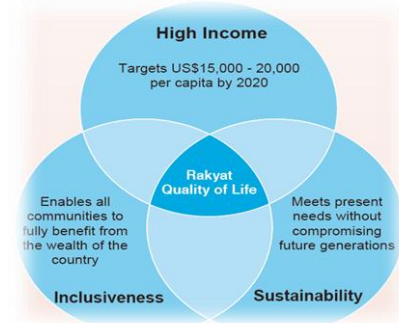


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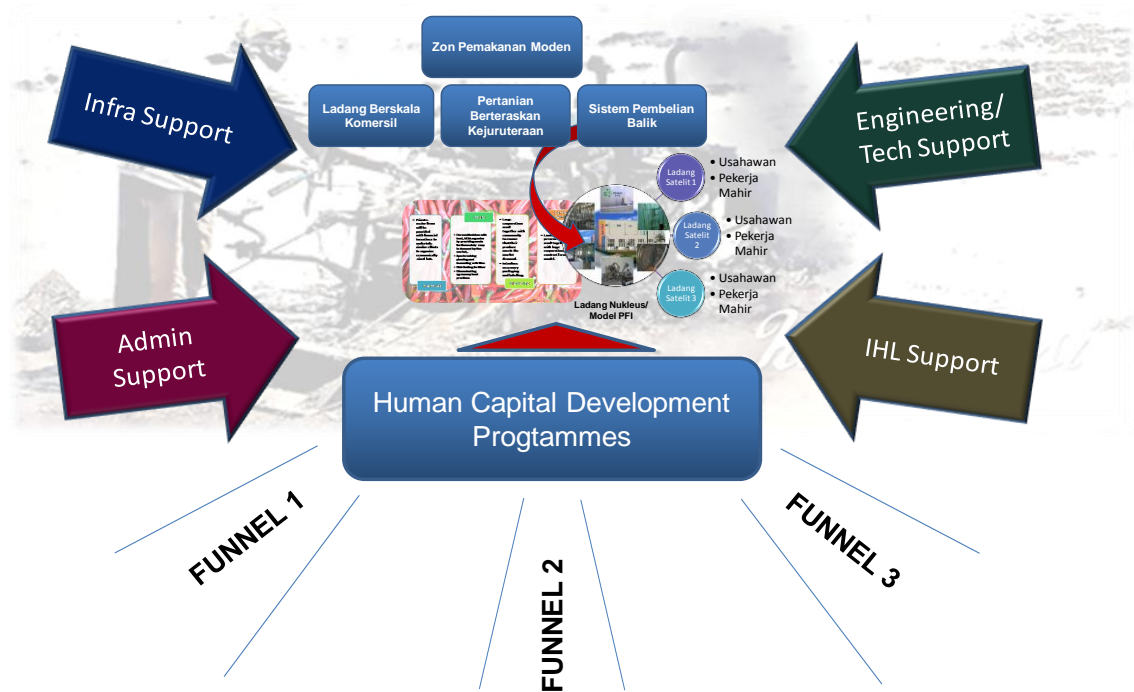


# Koridor Utara To Be A Modern Food Zone

- Commercial-scale
- Engineering/ Technology driven
- Buy-back structures
- Local/ Foreign private sector




- Aquaculture** 
- Horticulture** 
- Paddy** 
- Livestock** 
- Downstreaming** 



# Agriculture

**Koridor Utara  
is rich with  
natural  
resources ;**

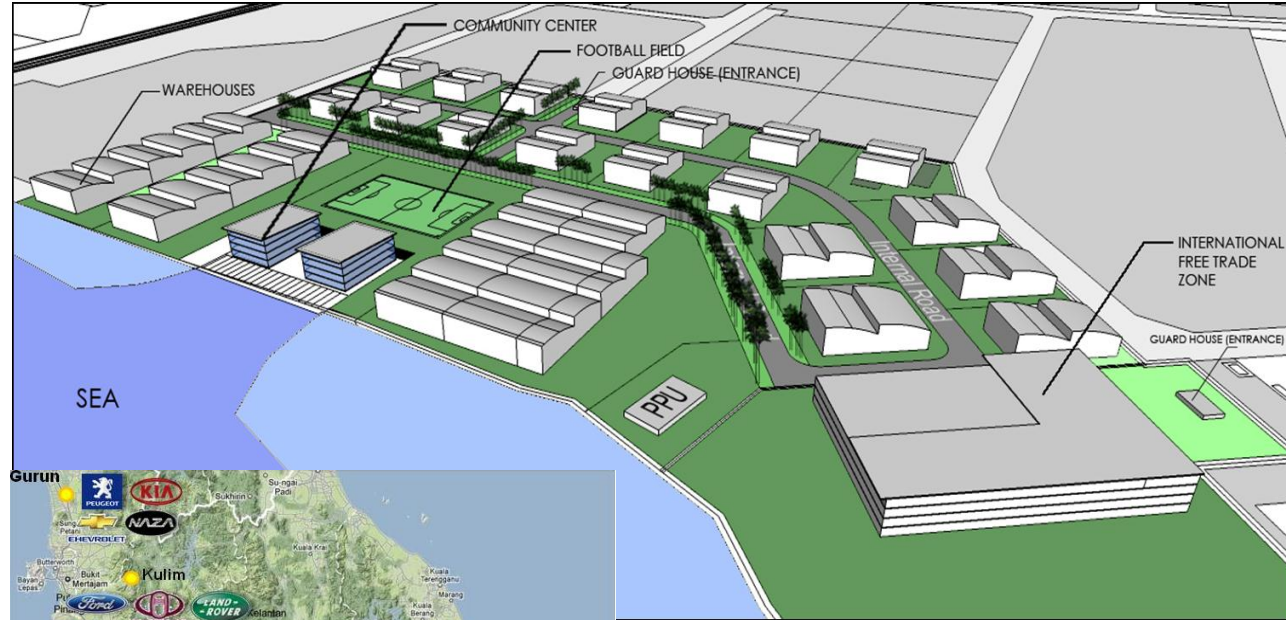
- **Agriculture**
- **Aquaculture**
- **Livestock**





# One Automotive Hub

Automotive  
Logistics Hub:  
Efficient  
logistics  
support for  
Koridor Utara  
automotive  
players to  
attract more  
assembly  
contracts for  
ASEAN market



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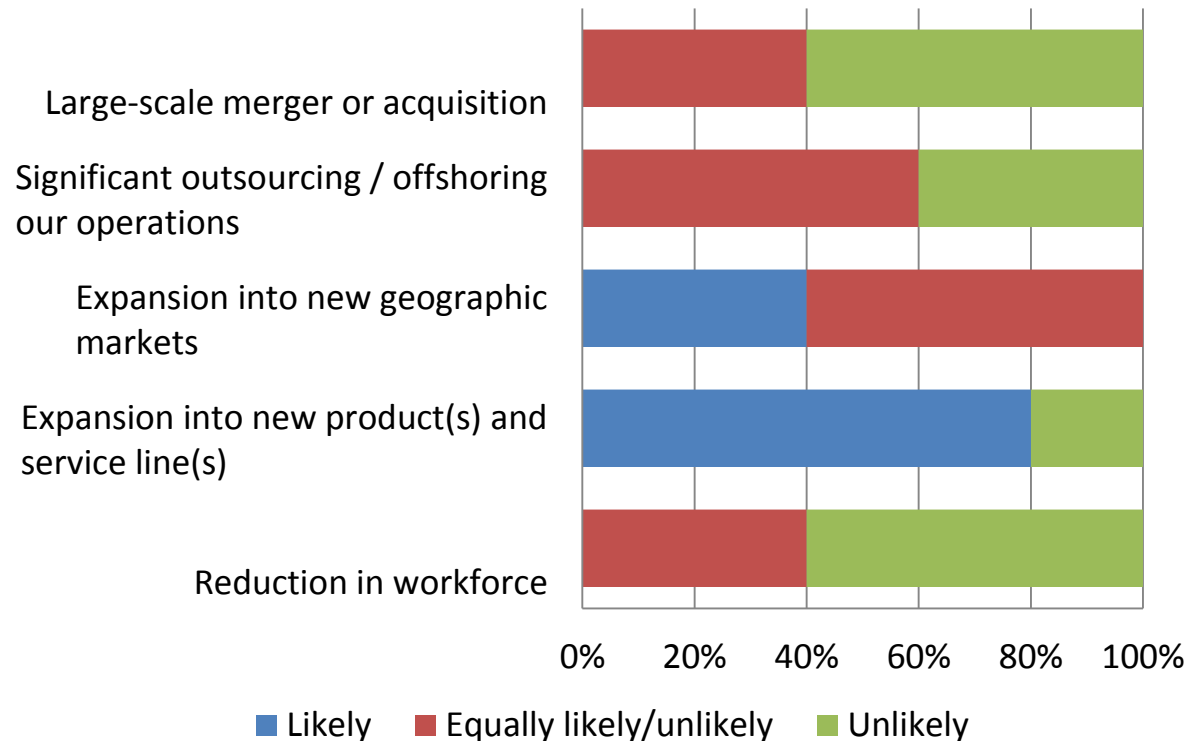
# VIEWS BY E&E COMPANIES IN NCER

## *The Business Context - A rising tide?*

Majority anticipate growth-focused actions, ranging from expanding into new geographic markets as well as products and services. Also, for most parts of the respondent, large-scale workforce reduction are not in the horizon

Survey in 2010

## Planned strategic actions over the next 18 months



# ORGANIZATION'S VIEW OF GRADUATES DURING RECRUITMENT

	Total number of employees			Grand Total
	"1-99"	"100-999"	"1000+"	
Communication skills	88%	86%	82%	86%
Team-working skills	85%	84%	84%	85%
Integrity	81%	86%	82%	83%
Intellectual ability	81%	84%	78%	81%
Confidence	80%	81%	78%	80%
Character/personality	81%	79%	60%	75%
Planning & organisational skills	74%	72%	75%	74%
Literacy (good writing skills)	68%	72%	75%	71%
Numeracy (good with numbers)	68%	67%	69%	68%
Analysis & decision-making skills	64%	67%	73%	67%

The IEB survey confirms that most employers view social skills and personality type as more important than their degree qualifications (60% rate a 'good degree qualification' as important) and IT skills (61% consider these important). 'Soft' skills including communication skills and team working are the most important capabilities sought among new graduates, with over 85% of employers regarding these as important.

# IMPORTANT SKILLS & CAPABILITIES BY DEGREE OF INTERNATIONALIZATION

	Has an international parent company	Some international dealings	No international dealings	Grand Total
Communication skills	82%	87%	86%	86%
Team-working skills	91%	82%	88%	85%
Integrity	85%	85%	76%	83%
Intellectual ability	79%	87%	67%	81%
Confidence	64%	84%	81%	80%
Character/personality	73%	71%	88%	75%
Planning and organisational skills	70%	71%	86%	74%
Literacy (good writing skills)	67%	77%	60%	71%
Numeracy (good with numbers)	73%	69%	62%	68%
Analysis and decision-making skills	76%	64%	71%	67%

*“We are experiencing a lot of applications from candidates who are lacking in communication skills, who do not possess the ability to sell themselves in an interview.”*

*...HR Manager Monarch*

87.5%  
People Knowledge



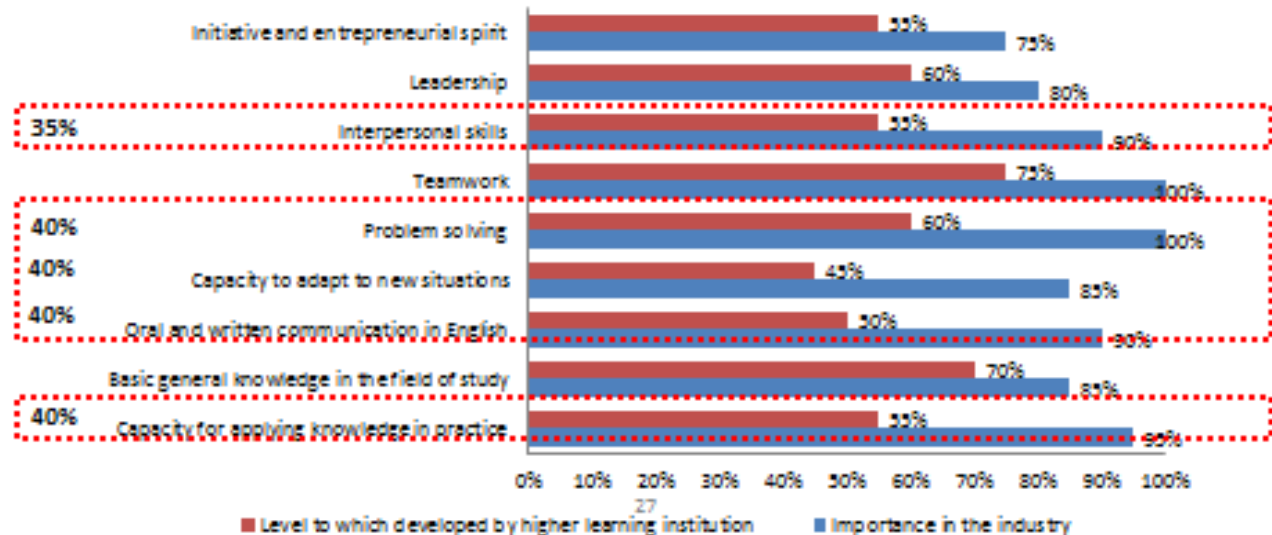
12.5%  
Product Knowledge

## SOFT-SKILLS IMPORTANT TO THE INDUSTRY

Core competencies and skills are the source of competitive advantage as it enables organizations to introduce new array of new products and services. Exhibit 4 shows that decision-making ranked first, followed by problemsolving, interpersonal skills and applying knowledge.

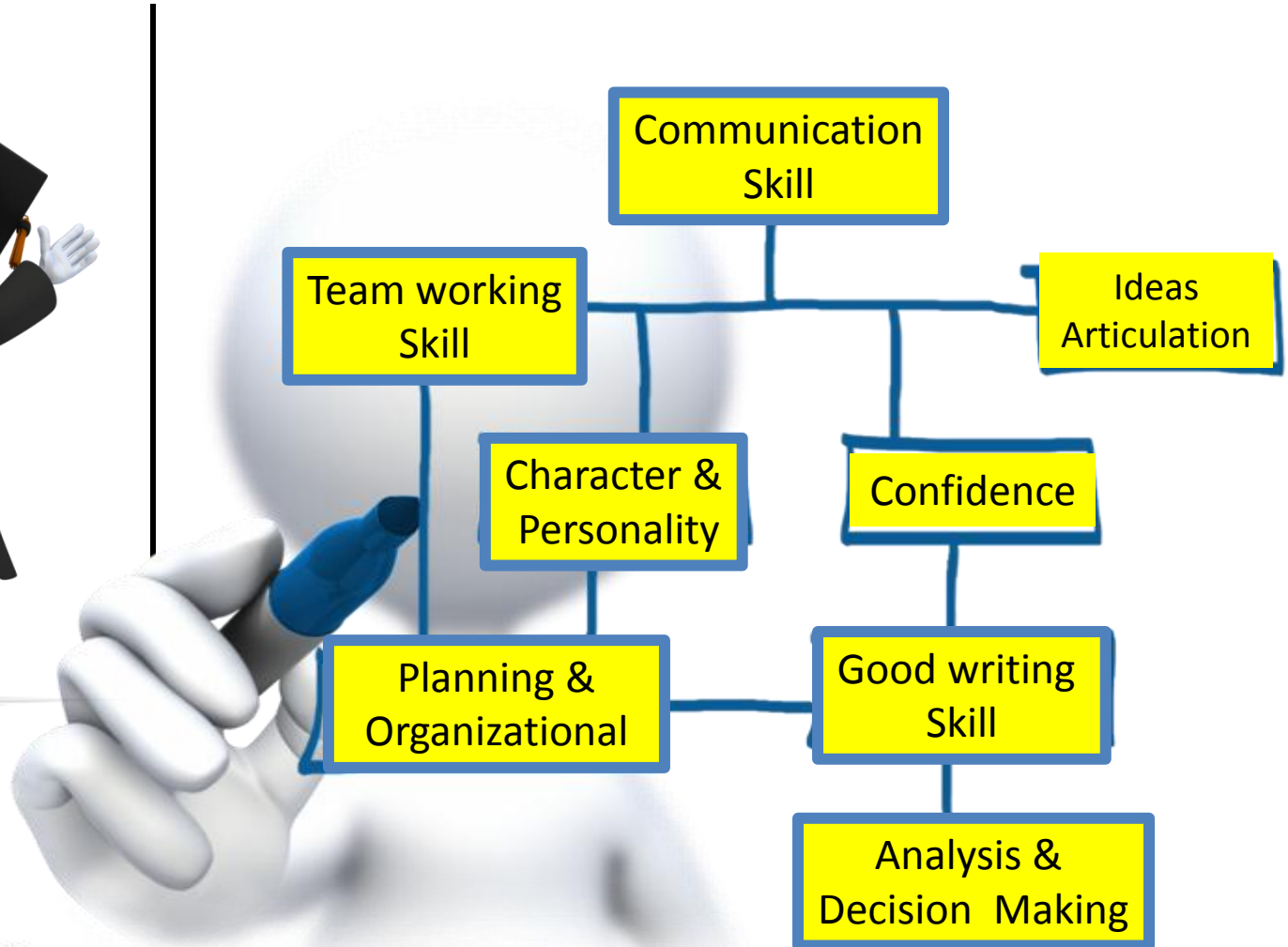
Local fresh graduates are required to be trained one to two years to become productive— companies that provide such training during this period will lose productive work.

Matching skill set and competencies



# THE LITTLE DIFFERENCE .....

The  
Scroll



# BeliaKU Mahir

**On-going programs to encourage foreign & local investment; economic growth in the core sectors of the Northern Corridor**



High Tech,  
High Touch,  
R&D-based



Entrepreneurship,  
Up-skilling



Front-end

**Catalyst for employment generation through participation of academia and industries**

- To improve skills and employability of human capital in the Northern Corridor to meet the needs of the private sector in manufacturing, agriculture, logistics and tourism, and entrepreneurship.
- To increase number of high value-added work / quality; an opportunity for the people of the Northern Corridor to increase income
- To increase number of research and development based activities among high-tech companies; and supply chain development
- To build and expand basic skills among the locals; thus minimize issues of early school leavers and unemployment.
- To develop entrepreneurship skill



# BeliaKU Mahir

target groups are:

The youth in high school and local community

The school leavers and graduates of higher education institutions

The existing workforce

## Components

- Selection of training program/module; Industry relevant curriculum
- Cost sharing in human capital development.
- Job placement(least 80%)
- Program monitoring during training and at least 6 months after completion of training and job placement program.
- Purchase equipment and supplies. (if applicable)
- Quick wins and long-term solutions in human capital development
- Involve industry in curriculum development and teaching.
- Provide a platform for local companies and multinational corporations to cooperate in the development of the supply chain to value-added activities and R & D. (if applicable)



# Engagement Model

## BeliaKU Mahir

## CoE @ Industry

### NCIA

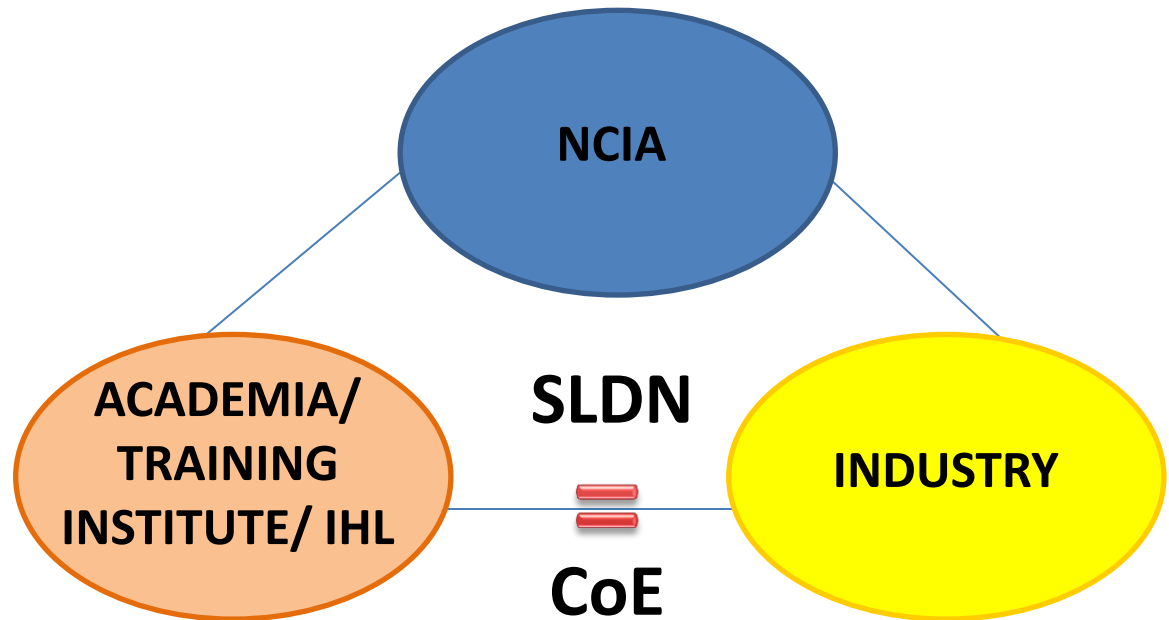
- *Facilitate funding*
- *Develop Center of Excellence for various clusters*
- *Facilitate Curriculum Development*
- *Post Program / Implementation Monitoring*

### ACADEMIA / TRAINING INSTITUTE / IHL

- *Of the job training*
- *Curriculum Development*
- *Research and Innovation*

### INDUSTRY

- *On the job training*
- *Equipment Sharing*
- *Job Placement*
- *Provide resource for curriculum development*



Industry academia collaboration

Ex : Wafer Fab Cluster (*SNUCoE = Silterra + Unimap*)

Solar Cluster (Professional)



**TERIMA KASIH**



# BeliaKU Mahir – Deliverables

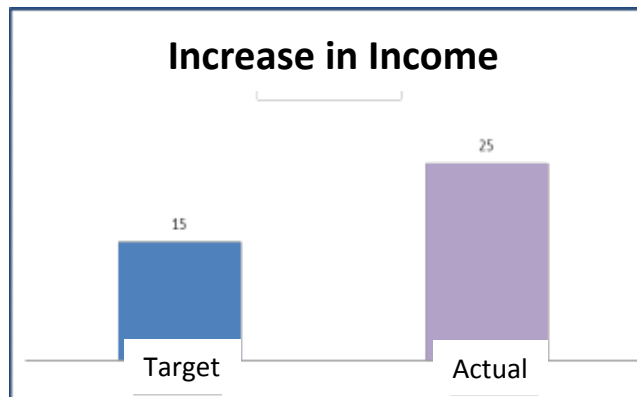
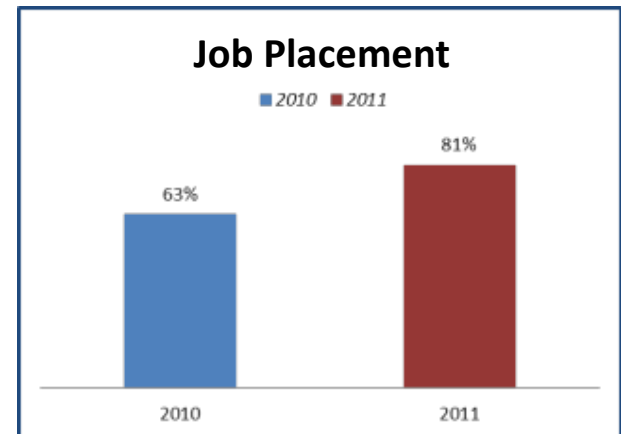
- Must be core sectors:  
Manufacturing, Tourism,  
Agriculture & Logistics

Job placement  
guaranteed upon  
completion of training.  
Place and Train

Commitment to human  
capital development  
cost sharing

Increase in the  
percentage of income  
earned after the  
program

Sustainability of the  
program



- Job placement rate of graduates = 81%  
KPT target = 75%

Increase in Income = 25%  
The original target NCIA = 15%

Human capital development cost  
sharing increased to 39% (year 2011)  
from 27% (year 2009-2010)