

Google “high income nation Malaysia” and you get close to 800,000 references. To say that it is a hot topic would be an understatement. From warungs by the roadside to the swankiest restaurants, Malaysian are giving their opinions on what it will take to achieve that desired status.

TAILORED APPROACH TO BRING BACK TALENT

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Being neither an efficient low-cost country nor a high-value economy, Malaysia is currently “trapped in the middle” of its desired journey to be a developed nation by 2020 with a per capital income (GNI) of over US\$15,000 (RM47,800) from the current level of US\$7,000.

What are some of the characteristics of a high-value economy? Having a high-value economy usually involves high levels of innovation and R&D investment, strong collaboration between industry and academia, the successful translation of research into marketable products and services, a high quality education and training system which equips industry with the right skills, and flexible labour markets on top of an effective and efficient governmental machinery to support wealth creation. Countries which show such characteristic include Switzerland, the US and Singapore, which were ranked No.1, No.2 and No.3 respectively in the 2010 Global Competitiveness Index.

For Malaysia to achieve the status of high-value economy, I suggest the following initiatives:

1. An out-of-the-box approach to bring back Malaysian talents who are working abroad. Merely a better compensation package will not do. Ask them what would make them return and also stay. A tailor-made

approach should be considered instead of “a one size fit all” approach, for example, allowing some of them to work freelance, selling the fruits of their labour on a project basis as part of their overall reward basket.



2. In the 2Q Vistage-MIER CEO Confidence index, 79% respondents viewed English language proficiency as highly important when recruiting for executive and managerial positions. Also, 84% said our local graduates are not meeting the level of English proficiency they required. A revamp of the education system or giving flexibility to educational institutions to teach more subjects in English may be necessary to produce more students with the right level of English proficiency to support

industries doing regional and global business, and to acquire technical knowledge.

3. Implement an uncompromising open tendering system for all large projects by all government and governmental agencies. Using Transparency International’s Integrity Pact for such tenders could ensure minimum leakage and timely deliveries.

4. Being more open to foreigners with the right technologies as well as the necessary capital to acquire substantial or controlling stakes in existing Malaysian companies to help us move up the value chain.

The above-mentioned initiative would also help make our country more attractive to foreign investors.

For further information, please contact:

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