

Organised by:



In collaboration with:



International
Labour
Organization



Supported by:



In conjunction with:



Future-Proofing ASEAN: The Money Behind Human Capital Growth

Wan Yon Shahima Wan Othman
Chief Customer Officer
**Human Resource Development Corporation (HRD Corp),
Malaysia**



Empowering ASEAN's Future: Investing in Skills
for Inclusive Growth and Sustainable Development

WHO ARE WE

1993

The **Human Resource Development Council** was established pursuant to the Human Resource Development Act (HRD Act) 1992, mandated to collect levies from key industries and disburse training grants to employers.

2001

Incorporated into **Pembangunan Sumber Manusia Berhad (PSMB)** through the enactment of the Pembangunan Sumber manusia Act 2001 (replacing the HRD Act 1992)

2021

Rebranded to **Human Resource Development Corporation (HRD Corp)**, a custodian of the nation's talent development aspirations, providing upskilling, reskilling, placement, employment and income-generation opportunities for all Malaysians



OUR MISSION

Improving lives through the promotion of lifelong learning and the acquisition of future work skills



OUR VISION

Every Malaysian Trained and Employable

OUR ROLES & FUNCTIONS

HRD Corp's primary role is to collect levy from eligible employers and disburse training grants for employee development. It is governed by the PSMB Act 2001 as follows:

Section 14 of the PSMB Act 2001

Every employer to whom this act applies shall be subject to human resources development levy at **1% of the monthly wages** of the employee.

"levy" means the human resources development levy imposed under section 14 or 15

Section 15 of the PSMB Act 2001

An employer with less than the required minimum number of employees, may opt to be registered in the class specified in Part II of the First Schedule, shall pay a levy for each of his employee at the rate of **0.5% of the monthly wages** of the employee.

Contributing to the levy allows organisations to claim training grants and access subsidised training programmes, ultimately leading to a more skilled and efficient workforce.

HRD Corp: Today – 32 years later

MALAYSIA'S TRAINING LANDSCAPE

HRD Corp Key Statistics

Data from Year 1993 to Mar 2025

For over 30 years, HRD Corp has played a vital role in the development of Malaysia's human capital and workforce.

Total Number of
Registered Employers
100,606

Total Number of
Employees Covered
4,828,100

Total Levy Collection
RM 17.14 bil

Total Claim Disbursement
RM 12.14 bil

Total Training Places
(1993 – Apr 2025) : **24.241 mil**

CAGR:

17%

Total Financial Assistance: **RM14.72 bil**
(1993 – Apr 2025)

23%

*CAGR: Compound Annual Growth Rate



- Sources:
1. HRD Corp Annual Report for the Year 1993 – March 2025
 2. Statistics of Human Resource Development Corporation (KWPSM) in the Period of 2022 – March 2025

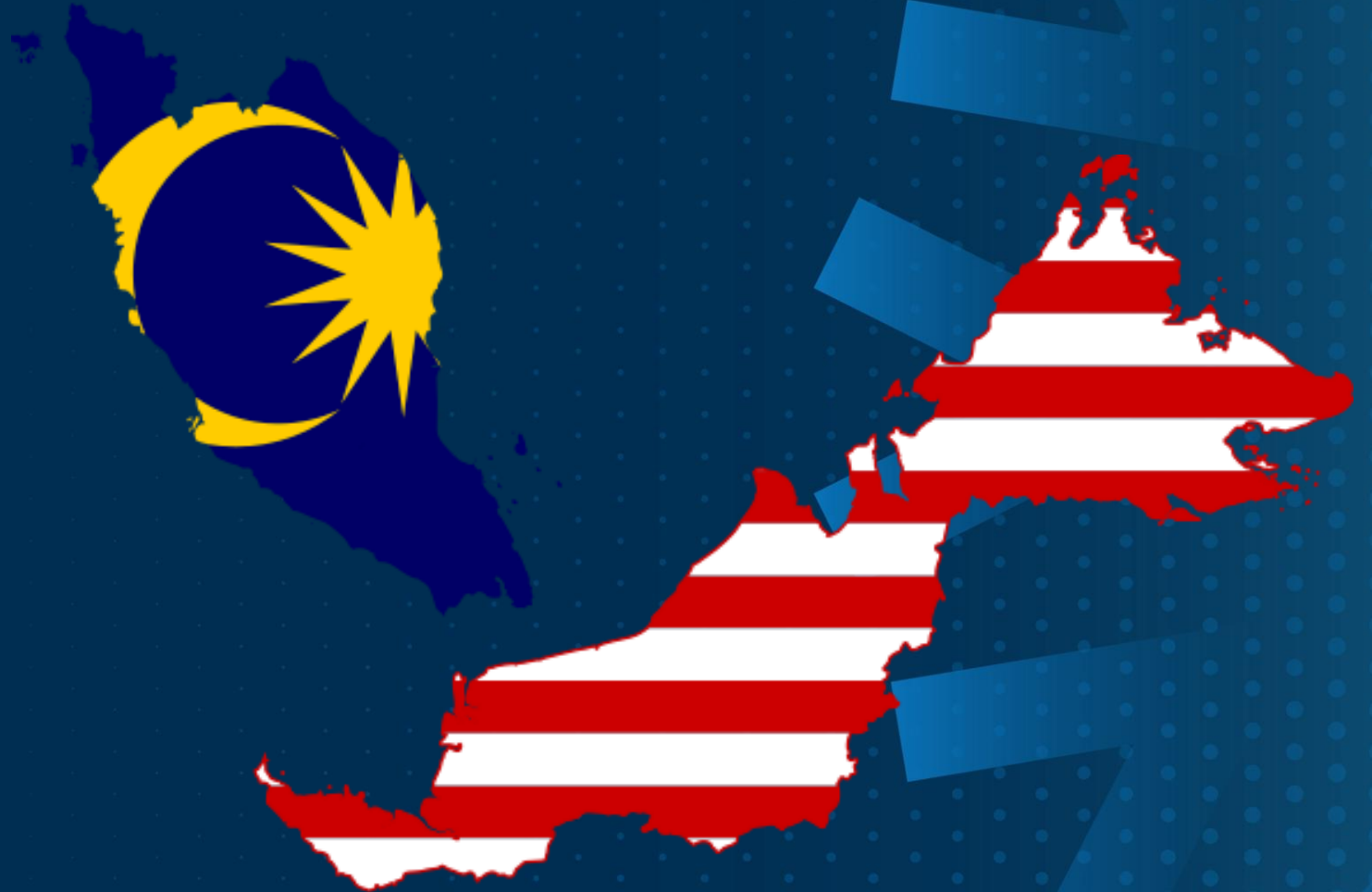
MALAYSIA'S TRAINING LANDSCAPE

SMEs in Malaysia

Data as of April 2025

97.4% of all registered business establishments in Malaysia are Small and Medium Enterprises (SMEs).

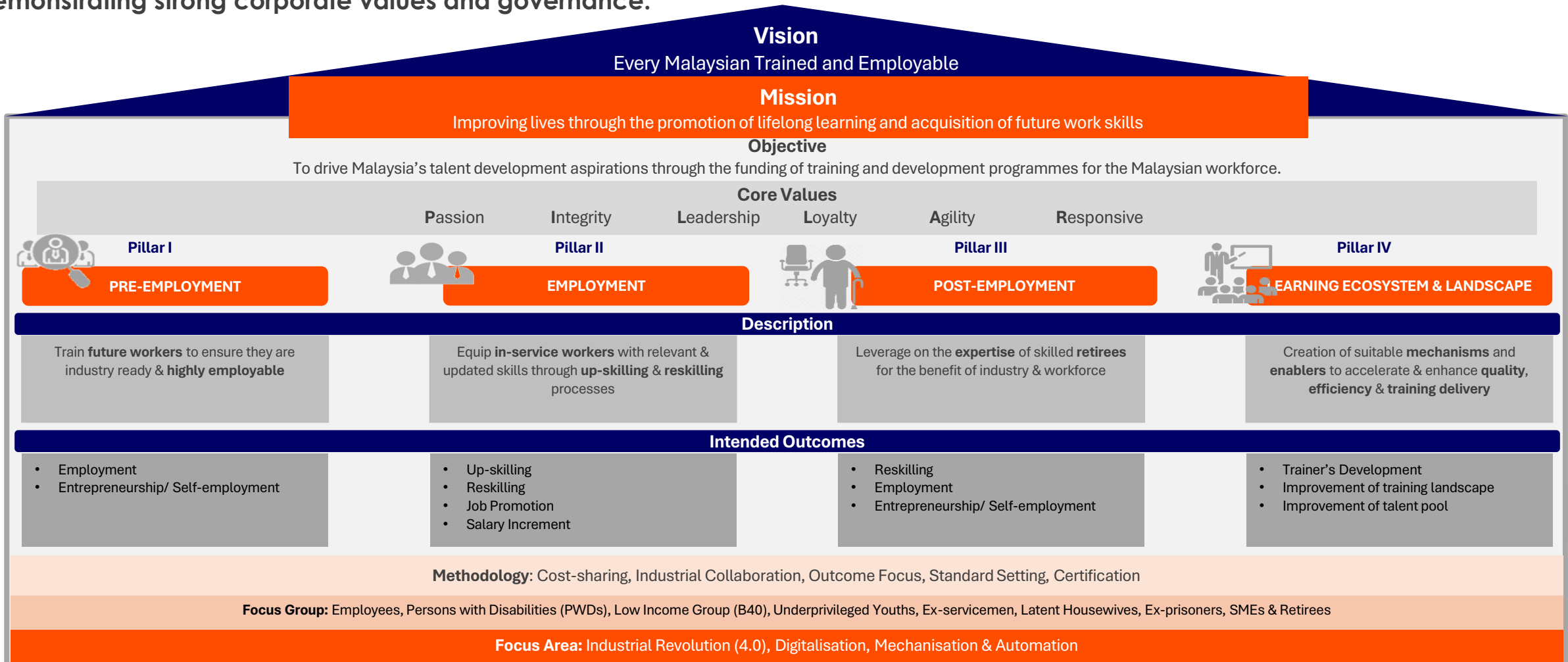
92.0% of all registered business establishments under HRD Corp in Malaysia are Small and Medium Enterprises (SMEs).



HRD CORP

Strategic Initiatives Map

Support the attainment of HRD Corp's Vision, Mission and Objective through all its existing and future initiatives while demonstrating strong corporate values and governance.



TRAINING SCHEMES AND STRATEGIC INITIATIVES

Training Schemes (Levy-Based)

1. HRD Corp Claimable Courses
2. Industry Training Scheme (ITS)
3. Future Workers Training (FWT)
4. On-the-Job Training (OJT)
5. Computer-Based Training (CBT)
6. Information Technology (IT)
7. Recognition of Prior Experiential Learning (RPEL)
8. Training Facilities & Renovation (ALAT)
9. Skim Latihan Dual National (SLDN)
10. Skim Bantuan Latihan (SBL)
11. Skim Latihan Bersama (SLB)

Strategic Initiatives (Government Fund)

1. PLM Seniors Back in Action (SEBA)
2. PLM Second Chances and Opportunities for People to Excel (SCOPE)
3. PLM PWD Development
4. PLM MSME Development
5. PLM B40 Development
6. SME Skills
7. Recognition of Prior Experiential Learning (RPEL)
8. RISE4WRD

NATIONAL AGENDA

Industry Revolution 4.0
(IR4.0)

Technical and
Vocational Education
and Training (TVET)

Micro, Small, & Medium
Enterprise (MSME)

Unemployed
Graduates

B40 Group and
Vulnerable
Communities

The Sectoral Training Committee (STC) is established as an advisory and consultative committee to HRD Corp regarding training needed by the industry.

STC will enable HRD Corp to understand critical industry needs for skills and competencies through the perspective of the industry.



DELIVERABLES UNDER STC

- 01** Develop IndSF documents
- 02** Promote levy utilization
- 03** Provide strategic insights on talents & skills
- 04** Promote published IndSF documents to industries

OVERVIEW

A comprehensive Skills document which is co-produced by HRD Corp and Key Industrial Players & Associations.

TARGET GROUP

A guide for individuals, employers, and training providers on the training required for specific skills according to job levels in the respective industries.

Four (4) Main Components in IndSF:



Sectorial
Information



Career
Pathway



Skills
Description



Training
Program

16 PUBLISHED INDSF DOCUMENTS



"Each published IndSF document will be available for download on the Industrial Skills Framework webpage on the HRD Corp website –

<https://hrdcorp.gov.my/indsf>

A **comprehensive measure of the level of training development capacity and commitment of employers in Malaysia.**

Five (5) main economic sectors and **238** sub-sectors scoring index

Insights on learning and development perspectives

Area of strengths and improvements of each sector

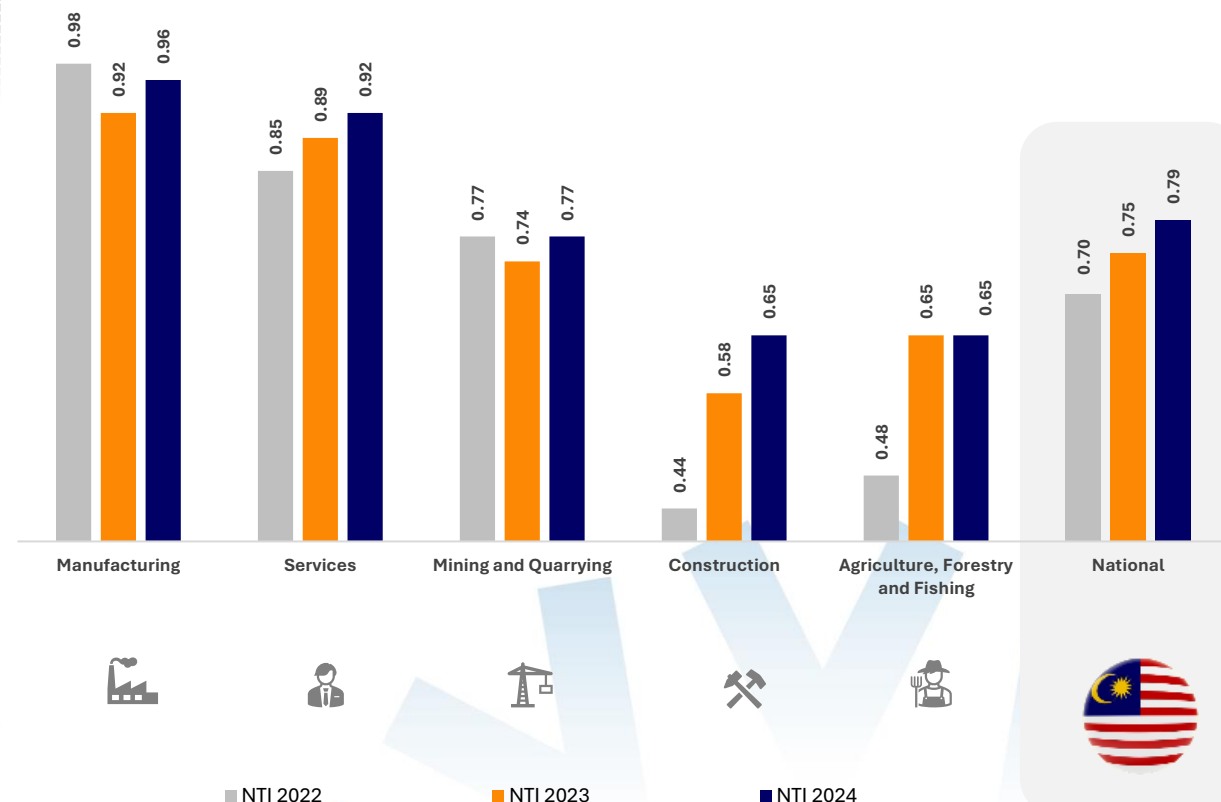
The index score are derived from: **3** dimensions **19** indicators

Firm Preparedness/ Readiness/ Training Commitment

Worker Skill Development

Training Provider Effectiveness

Comparison of the National Training Index (NTI)
for the Year 2022, 2023 and 2024
according to Economic Sectors



The report highlights a **consistent upward trend** in the NTI score, increasing from **0.70** in 2022 to **0.75** in 2023, and reaching **0.79** in 2024.



OVERVIEW

Malaysia's premier e-learning platform that offers all Malaysians unlimited access to free and premium high-quality and internationally recognised skills development courses.

The platform empowers Malaysians to learn anytime, anywhere and from any device, enabling them to embrace lifelong personal and professional development.

TARGET GROUPS

Individuals

Employers

Training Providers

Strategic Partners

470,000

registered users

1,590,000

total enrolments

2,000

total number of courses

63,000

total number of Premium courses

PROGRAM LATIHAN MADANI

HRD Corp has implemented a policy where **15% of unused levy funds** from employers are reallocated to a programme called **Program Latihan MADANI**. This initiative aims to provide training opportunities to **micro-SMEs and underserved communities**, ensuring that the funds contribute to workforce development where it's most needed.



*Empowering Senior Citizens
Through Upskilling and Reskilling*

Objective: To equip retirees and senior citizens with relevant skills and knowledge

Purposes: To support their re-entry into the workforce in new sectors or roles, and to enable income-generating opportunities



*Empowering Formerly Incarcerated
Individuals Through Skills
Development*

Objective: To provide practical skills and vocational training within a supportive and rehabilitative environment

Purpose: To support successful reintegration into society through employment and income-generating opportunities, promoting long-term personal growth and stability



*Empowering Persons with Disabilities
Through Skills and Certification*

Objective: To equip persons with disabilities (PWDs) with essential skills through competency-based training and certification programs

Purpose: To enhance workplace inclusion and support their integration into society through meaningful employment and income-generating opportunities



*Strengthening Workforce
Sustainability and Business
Resilience*

Objective: To enhance workforce sustainability, reduce employee turnover, and build business resilience

Purpose: To improve the global competitiveness of Malaysia's SMEs in an increasingly dynamic market environment

CONCLUSION

Having a strong and inclusive financing mechanism is key to **building a future-ready workforce**. By strategically reinvesting levy funds into targeted initiatives for SMEs, informal sectors, and underserved communities, HRD Corp's adaptive strategies demonstrate how a levy-based system can be both equitable and future-focused, enabling inclusive, demand-driven workforce development in Malaysia.

Approaches that not only maximize the value of every ringgit collected but also achieve the following:



Strengthens national talent development



Fosters business resilience



Supports Malaysia's long-term economic competitiveness

Thank you

