

The Human Touch In Developing Talent

The Human Resources Development Fund (HRDF), an agency under the Ministry of Human Resources, is tasked with developing quality human capital and a world-class workforce in Malaysia to help the nation achieve its status as a developed country by 2020. Fireflyz sits with CEO Dato CM Vignaesvaran and gets his thoughts about the state of the country's talent and steps that should be taken to retain them.



Dato CM Vignaesvaran...
CEO of The Human
Resources Development
Fund (HRDF)

GOVERNED by the Pembangunan Sumber Manusia Bhd Act 2001 (PSMB Act 2001), HRDF was given a mandate by the Malaysian Government to catalyse the development of a competent workforce that will contribute to Malaysia's vision of a high-income economy.

Since its inception, HRDF has also evolved in its role from managing a sizeable fund to becoming a one-stop-centre for providing novel HR development solutions to the critical mass of Malaysian small medium enterprises.

Vignaesvaran first joined HRDF in 2010 as the general manager of the Training Grant Division, and in 2012 stepped up as the deputy chief executive (operations), before being appointed the CEO in 2014.

Brain Drain: Myth Or Reality

The brain drain in Malaysia has been a hotly debated topic for some time now. Vignaesvaran has a very pragmatic view on what is happening. As he put it, this is a predicament that every country is facing, not just Malaysia. He feels that one of the reasons for brain drain could also be due to the Malaysian ecosystem not being strong enough to support high-end employment.

"It could be a controversial statement – but I think Malaysians are not being paid well enough," said the 43-year-old. "If I am a Malaysian who is very good at what I do, and a company from Singapore, for example, offers me the same salary - being paid in Singapore dollars, I will jump ship and go there."

He acknowledged that there are other factors that are in play that decides whether a person leaves or stays at a company, but ranks salary scale as one of the main motivational factors.

Vignaesvaran pointed out that Malaysia hires people with top skills from other countries – offering them enticing expat packages - thereby contributing to that particular country's brain drain too. "We have to accept that the brain drain phenomenon happens everywhere and this whole issue has been blown out of proportion on the local front," the UKM graduate said very succinctly.

“With the new generation coming into the workforce, HR departments will have to adjust themselves and think out of the box to realign to their mindset and prevalent generational trends.”

One of his pet peeves is also about how Malaysians always complain about the state of affairs in the country but waxes lyrical about the “greatness of other nations”. He said: “Malaysians in general should stop beating themselves up about the way things are and to start really appreciating what they have. The ‘grass is greener on the other side’ mind-set is too prevalent in the country.”

He related a story of how his Swiss friend is puzzled as to why Malaysians were so unhappy. “From the weather to the tax rates, the gentleman said the country was just amazing,” he says with a chuckle.

Think Out Of The Box

He also believes that Malaysian employers have to be more creative on top of the remuneration packages that they offer. He quoted an example of a visit to a factory that produced motorcycles in Germany. “There was no one working on the factory floor when our group arrived.

When questioned about this, the tour leader said that break times were determined by the shift leader and were not set in stone.

“If the shift leader observed that the energy levels were flagging, he would call for a short break. As long as the production KPI’s were met, there was not an issue.”

Vignaesvaran added: “There needs to be a paradigm shift with HR practitioners. They cannot still think that their role is to do hiring, firing and payroll. The ‘feel good factor’ in a workplace is becoming as important as the salary.”

More Challenges Ahead

With AFTA and AEC – there will soon be a free movement of labour initiative coming into effect in this part of the world, similar to what is in place in the EU. Vignaesvaran feels that employers should come up with steps to ensure that the talent in the company is retained and groomed so that this free movement of labour does not cause too much disruption to businesses.

Also, with Gen X and Gen Y flooding the market, employers will have to realign themselves to the way that this new workforce thinks. Employers will have to challenge the status quo and allow the new generation of workforce to challenge the boundaries that have been set. He said: “With the new generation coming into the workforce, HR departments will have to adjust themselves and think out of the box to realign to their mindset and prevalent generational trends.

“They have the financial freedom, as they are often supported by their parents, hence they would just leave a job if they are unhappy with it,” said the former state hockey player.

This is the challenge that the HR of companies will face. They will have to decide if they want to nurture this talent, if they are extremely good at what they do, or follow the set ways and let the person go if they start to rock the boat.



Helping Hand For SMEs Through NHRC

Research conducted by HRDF (The Human Resources Development Fund) into why SME’s (Small, Medium Enterprises) were not growing at the projected rate showed that the big stumbling block was Human Resource management. The NHRC (National Human Resource Centre) was created to tackle this issue.

SMEs have been the backbone of economic growth in Malaysia due to their sheer numbers, size and nature of operations. For Malaysia to achieve a developed nation and high income status, they are expected to be an important driver of growth. Building human capital capabilities in these SMEs would be one of the key determinant factors.

Recognising the importance of HR best practices in organisations, NHRC will provide strategic and operational HR support to SMEs.

The centre will play the role of effective HR department with a strong focus on strategic and change management processes covering the following areas:

- Recruitment and Assimilation
- Performance Appraisal and Development
- Training and Development
- Compensation (including Productivity Linked Wage System)
- Skills Structure & Succession Planning
- Supporting Policies (including workplace flexibility & work environment)

“This is a service where SME’s can call in, or email, any questions that they may have,” said the HRDF CEO.

“There is a pool of HR professionals on-board who will be on hand to answer these queries. Approximately 63 sectors are covered, and the company has to be a member of HRDF to make use of this service.”

HRDF approached specialists in each sector to ensure that as many scenarios and issues were covered and that all the answers were relevant.

He added: “This service is here to help SME’s with their HR issues. I hope that more of them will register and make use of it.”

To get further information on NHRC and enjoy its services, kindly go browse www.nhrc.com.my, call 1800-88-4800 or alternatively, drop your queries at support@hrdf.com.my.