



HRD CORP LAUNCHES NATIONAL TRAINING INDEX (NTI)

Revolutionary national benchmark on training effectiveness establishes Malaysia as **highly experienced** in training and development

Kuala Lumpur, 5 September 2023 – Human Resource Development Corporation (HRD Corp) has launched the National Training Index (NTI) today. The ceremony was officiated by Yang Berhormat Tuan V. Sivakumar, Minister of Human Resources.

Developed by HRD Corp in collaboration with representative bodies covering government, academia, research organisation and industry experts, the NTI measures the level of training activeness and activities among Malaysian industries. This includes employers, economic sectors and sub-sectors. It also provides recommendations to relevant bodies on how to improve training activity levels within their respective industries.

This is assessed through three (3) dimensions, Firm Preparedness, Worker Skills Development and Training Provider Effectiveness, and 19 indicators. The first report, the NTI Report 2022, measured 81,706 business organisations with over 4.3 million employees from five (5) economic sectors and 238 subsectors.

The scores in the NTI are in the range of 0.00 -1.00 and categorised into four (4) levels, **Leader** (rating of 0.76 to 1.00), **Experienced** (rating of 0.51 to 0.75), **Adopter** (rating of 0.26 to 0.50) and **Beginner** (rating of 0.00 to 0.25).

According to the NTI Report 2022, Malaysia has achieved a rating of 0.70 overall, putting the country firmly in the **Experienced** category. This means that employers in Malaysia have a high capacity for performance in terms of training preparedness, competencies of training providers, commitment to upskilling and reskilling and high adaptation to digital learning. However, the nation still lacks number of employees attending certification courses, technical and practical hands on learning and low enrolment in recognition of prior learning programmes.

The report concluded that the country should emphasise on providing education and training opportunities for individuals throughout their working lives. Furthermore, many Malaysian organisations have dedicated units for training or training facilities at their premises, indicating a commitment to their employees' training and development.

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Assessing individual sectors, the report showed that the Manufacturing, Services and Mining & Quarrying sectors are in the **Leader** category with a rating of 0.98, 0.85 and 0.77 respectively. On the other hand, the Construction and Agriculture, Forestry are still considered in the **Adopter** category with ratings of 0.44 and 0.48 respectively.

Speaking at the launch, YB V. Sivakumar, said, “The NTI is an initiative that is aligned with the vision of the MADANI Economy, which is to empower our *rakyat*. The introduction of the NTI has proven HRD Corp’s commitment towards building a better-quality workforce while also prioritising integrity in the industry.”

He also added that the NTI will provide the insights and holistic overview of the training and development landscape that will help the government create the right policies and introduce the right initiatives to develop a dynamic and highly adaptable workforce that meet industry demands and expectations.

HRD Corp’s Chief Executive Datuk Wira Shahul Dawood added, “Malaysia ranks in the Experienced category with an index score of 0.70 in 2022. This is a commendable position as it shows that efforts by HRD Corp, the Ministry of Human Resources and industry players in the past thirty years have borne fruit. To boost our rating further and strengthen our training and development landscape, we must focus on getting more Malaysian talents to obtain professional certifications, improve enrolment rates in high-quality technical courses such as TVET and STEM to equip Malaysians with modern industrial skills and provide training and alternative pathways to those who did not undergo formal or technical education.”

He also shared that HRD Corp has anchored such initiatives since its inception and urged more organisations to participate in the effort to uplift the quality of our workforce.

The NTI Report will be published annually to ensure its relevance for industry players. It is the first index of its kind not just in Malaysia but also the region. HRD Corp also hopes that the NTI will not just be a local industry benchmark, but also set the gold standard for training and development in Southeast Asia in the future.

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About Human Resource Development Corporation (HRD Corp):

Human Resource Development Corporation (HRD Corp) was established in 1993 as the Human Resources Development Council. It was incorporated into Pembangunan Sumber Manusia Berhad through the enactment of the Pembangunan Sumber Manusia Berhad Act 2001.

As an agency under the Ministry of Human Resources, it is responsible for collecting levy from key industries and disbursing training grants to registered employers through its internal mechanisms known as the Human Resources Development Fund (HRDF).

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In April 2021, HRDF became HRD Corp. The name change reflects its new responsibilities, directions and mission. These include expanding its workforce, upskilling and reskilling efforts to all Malaysian employers and individuals, and providing income-generating opportunities to all communities in need.

This transformation is in line with HRD Corp's ambition of driving Malaysia's talent development aspirations for the long term.

For more information, visit the HRD Corp website – www.hrdcorp.gov.my.
