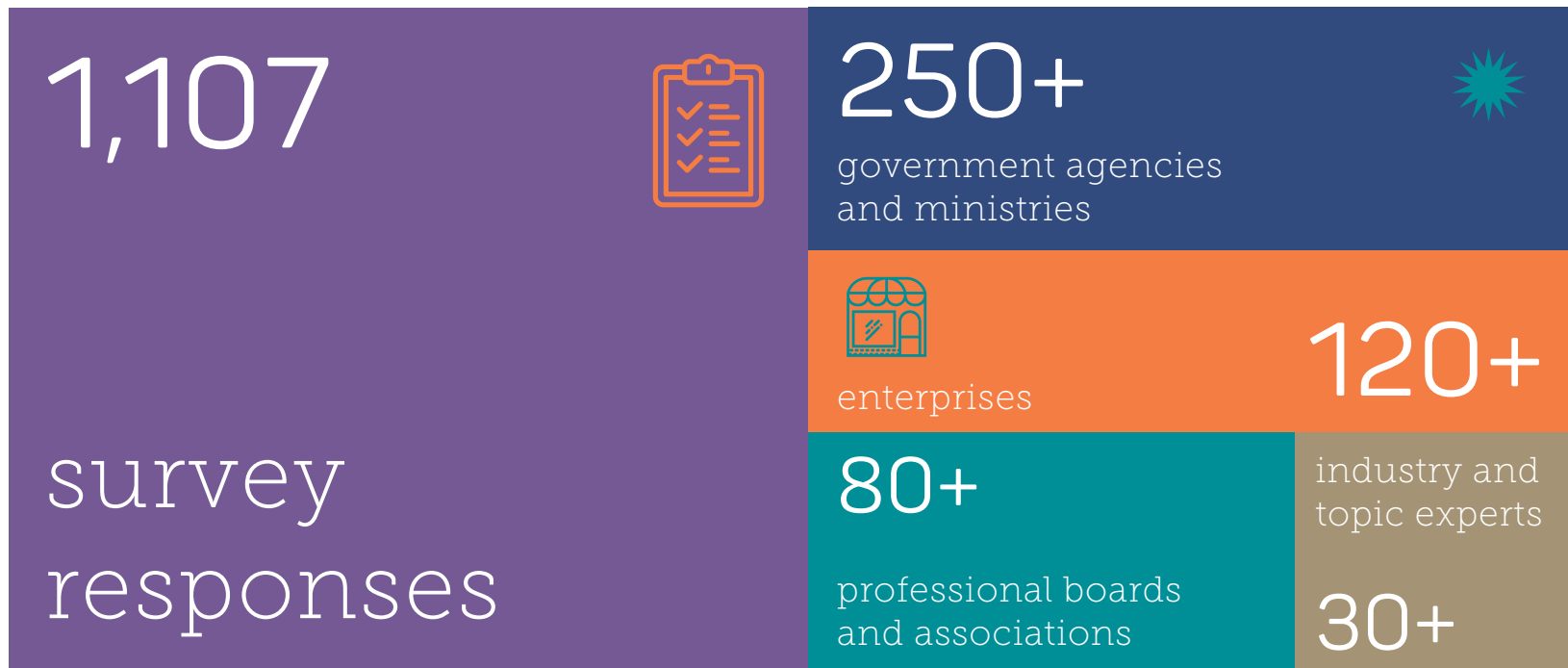




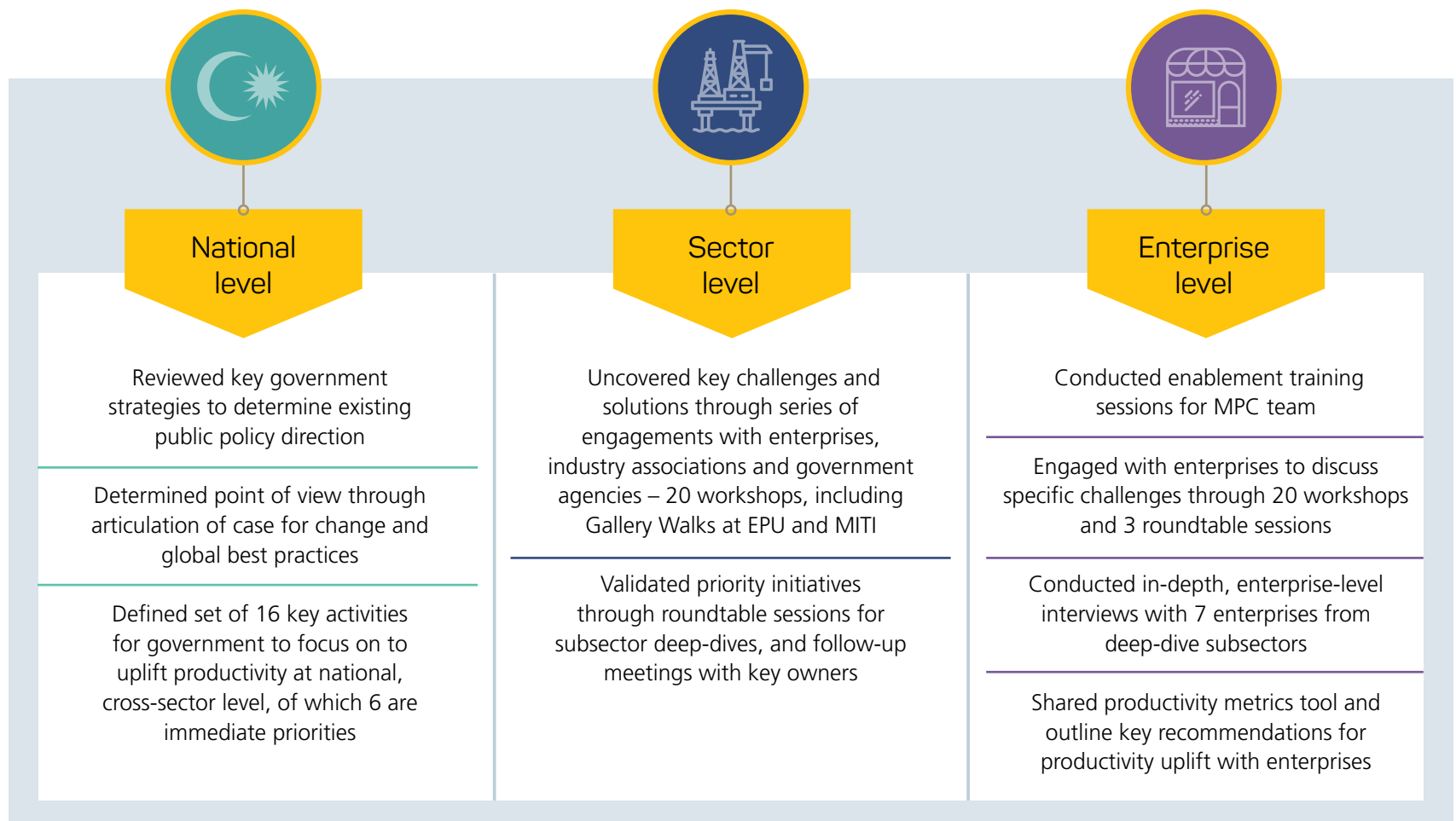
# APPENDIX



An extensive, collaborative and consultative process was employed over the duration of the development of the Blueprint. Perspectives from over 500 stakeholder groups, including ministries and government agencies, industry experts, professional boards and associations, universities, training institutes and enterprises on the ground were

included in the design and development of the Blueprint. Insights from these stakeholders were gathered through workshops, focus groups and interviews. A national survey was also conducted to further understand the perspectives and challenges relating to productivity at the enterprise level, receiving 1,107 responses.

Figure A-1 APPROACH TAKEN TO IDENTIFY PRODUCTIVITY CHALLENGES AT NATIONAL, SECTOR AND ENTERPRISE LEVELS



A key feature of the Blueprint is its emphasis on addressing productivity in a holistic way, at the national, sector and enterprise levels. As such, the approach involved analysing productivity challenges and solutions at each level, enabling a system-wide implementation of programmes and initiatives moving forward (see Figure 7).

At the national level, key government strategies were reviewed in order to evaluate current challenges and identify immediate priorities.

Figure A-2 ADDRESSING PRODUCTIVITY HOLISTICALLY AT THE NATIONAL, SECTOR AND ENTERPRISE LEVELS



At the sector level, the main challenges were uncovered through analysis and engagement with key sector players, including enterprises, industry associations and government agencies, enabling the development of sector specific priority initiatives. Nine priority sectors were identified based on the presence of the following features:

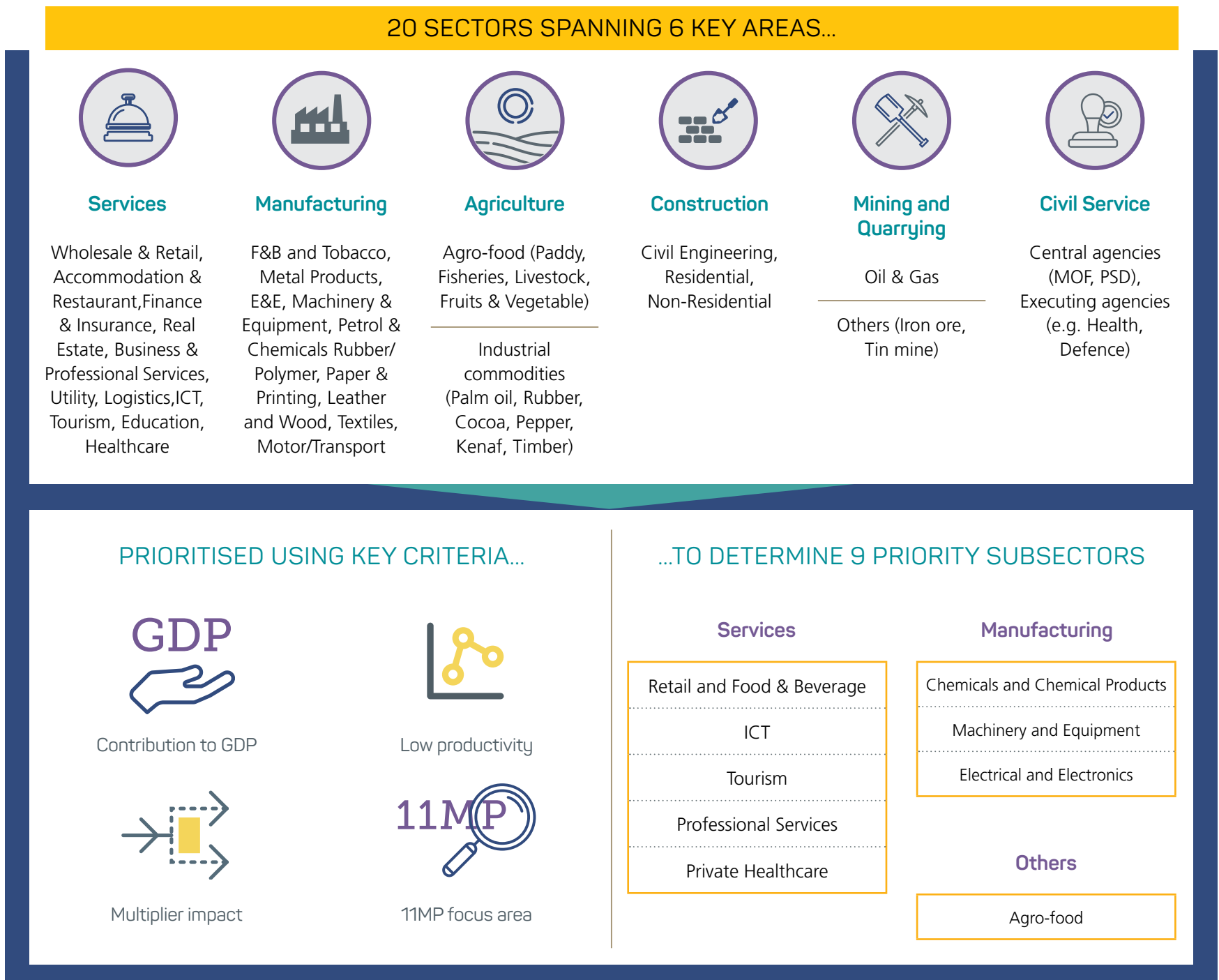
- Contribution to GDP
- Share of workforce
- Opportunity for productivity improvement
- High multiplier effect
- Readiness to implement productivity improvement

Out of the nine priority subsectors, three subsectors were selected as deep-dive subsectors, which were explored in more detail. These three subsectors, namely: retail and F&B, electrical & electronics, and chemicals and chemical products, were selected for the following reasons:

- Significant size and highly visible
- Underperformed productivity growth with large gaps when compared to the best-in-class sector benchmarks
- Strong stakeholder support
- Potential for quick-to-impact results

At the enterprise level, a selection of Malaysian enterprises was identified to be part of a pilot programme to diagnose productivity challenges. From the programme's findings, key recommendations were identified to raise the productivity of these enterprises.

Figure A-3 NINE PRIORITY SUBSECTORS IDENTIFIED AS NEEDLE-MOVERS



## BOX A-1

## NUMEROUS ENGAGEMENT SESSIONS HAVE BEEN HELD WITH GOVERNMENT, INDUSTRY, EXPERTS AND OTHERS

### Workshop, Roundtables and Presentations

#### 2 sets of workshops were conducted engaging with public and private sector stakeholders

- E&E, M&E, Chemicals, Tourism, Professional Services, Healthcare, Agro-food, Retail and F&B
- Workshop 1: Uncover productivity challenges
  - 9 workshops with over 246 attendees
- Workshop 2: Prioritise and further define initiatives
  - 6 workshops with almost 140 attendees

#### Roundtable sessions held for deep-dive subsectors

- Retail and F&B, Agro-food, and Chemicals and Chemical Products
  - 3 roundtables with over 80 attendees

#### Presentations held across various productivity topics

- World Economic Forum breakfast panel discussion on the Productivity Paradox, attended by almost 80 local client and WEF attendees
- Productivity and Competitiveness Forum by MPC, attended by around 200 attendees
- Productivity Expert Series on 4th Industry Revolution, attended by almost 70 attendees



### Focus Groups and Interviews

#### Focus groups and interviews with public and private sector stakeholders for additional subsectors

- Oil & Gas, Utilities, Logistics, Civil Service, ICT, Financial & Insurance, E&E, Manufacturing
- Highlighted productivity challenges and identified available plans in place to address them
- 6 focus group discussions with almost 70 attendees



### Online Productivity Survey

#### Distributed to employees across all sectors covering topics:

- Importance of productivity, metrics tracking and usage
- Productivity challenges and potential productivity enablers
- Received input from 1,107 respondents, as of 22 July 2016
  - 237 respondents from manufacturing sector
  - 569 from services sector
  - 256 from other sectors
  - 45 from civil service





# GLOSSARY

Acronym	Definition
11MP	Eleventh Malaysia Plan, 2016-2020
ASEAN	Association of Southeast Asian Nations
bn	billion
CAGR	Compound annual growth rate
CCM	Chemical Company of Malaysia
COE	Centre of Excellence
COFEMER	Comision Federal de Mejora Regulatoria
CSV	Creating Shared Value
DISF	Domestic Investment Strategic Fund
DOA	Department of Agriculture
DOSM	Department of Statistics Malaysia
E&E	Electrical and electronics
ECL	Enterprise Clean Loan
EPD	Enterprise Productivity Diagnostic
EPU	Economic Planning Unit, Prime Minister's Department
F&B	Food and Beverages
FDI	Foreign direct investment
FMM	Federation of Malaysian Manufacturers
FTE	Full-Time Equivalent
GAP	Good Agricultural Practices
GDP	Gross domestic product
GLC	Government-linked company
GMP	Good Manufacturing Practices
GRP	Good Regulatory Practices
HACCP	Hazard Analysis and Critical Control Points
HIP	High Impact Programme
HRDF	Human Resources Development Fund
ICE	Integrated Centre for Export
ICT	Information and Communication Technology
IUM	International Islamic University Malaysia
IMD	Institute for Management Development
IT	Information Technology

Acronym	Definition
JATI	Jalinan Universiti dan Industri
JKPDA	Jawatankuasa Pelaburan Dana Awam
JPC	Japan Productivity Centre
KPI	Key performance indicator
M&E	Machinery and equipment
MATRADE	Malaysia External Trade Development Corporation
MCOs	Managed Care Organisations
MDEC	Malaysia Digital Economy Corporation
MFP	Multi-factor productivity
MIDA	Malaysian Investment Development Authority
MITI	Ministry of International Trade and Industry
mn	million
MNC	Multinational Corporation
MOA	Ministry of Agriculture & Agro-Based Industry Malaysia
MOF	Ministry of Finance
MOHA	Ministry of Home Affairs
MOHE	Ministry of Higher Education
MOHR	Ministry of Human Resources
MPC	Malaysia Productivity Corporation
MTDC	Malaysian Technology Development Corporation
MyGAP	Malaysia Good Agricultural Practices
NPDIR	National Policy on the Development and Implementation of Regulations
NPP	Nuclear power plant
p.a.	per annum
p.p.	percentage point
PCG	PETRONAS Chemicals Group
PEMUDAH	Special Task Force on Service Delivery (Pasukan Petugas Khas Pemudahcara Perniagaan)
PETRONAS	Petroleum Nasional Berhad
PLWS	Productivity-Linked Wage System
PPP	Purchasing Power Parity



Acronym	Definition
PPRN	Public-Private Research Network
PSD	Public Service Department
R&D	Research and development
R&D&C	Research, development and commercialisation
R&D&D	Research, development and design
R&D&I	Research, development and innovation
RM	Ringgit Malaysia
RONA	Return on net assests
SARI	Semi Aerobic Rice Intensification
SIRIM	Standards and Industrial Research Institute of Malaysia
SME Corp	SME Corporation Malaysia
SMEs	Small and medium enterprises
TPAs	Third Party Administrators
TV	Television
TVET	Technical and Vocational Education and Training
UiTM	Universiti Teknologi MARA
UKM	The National University of Malaysia (Universiti Kebangsaan Malaysia)
UMS	Universiti Malaysia Sabah
USAID	The United States Agency for International Development
USM	University of Science, Malaysia (Universiti Sains Malaysia)
VA	Value add
WCY	World Competitive Yearbook
WEF	World Economic Forum
WTO	World Trade Organisation

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