

12/04/2001

Bilateral skills swap to facilitate re-skilling of retrenched workers

Zainal Rampak

ACCORDING to the central bank's Governor, Datuk Dr Zeti Akhtar Aziz, STARS will "prepare staff of financial institutions who are voluntarily leaving the industry with various skill requirements. They will be re-skilled with competencies catering to the needs of a more knowledge-based economy for entry into other industries."

The National Union of Bank Employees has estimated that the voluntary separation scheme which was introduced by bank managements as a result of ongoing institutional mergers will result in about 15,000 employees losing their jobs.

These employers have been quick in downsizing but slow in discharging their moral responsibilities as loyal corporate citizens.

Though our retrenchment numbers are not alarming by international standards, they are, nevertheless, a cause for concern when one were to take into consideration the "domino effect" that such mergers will eventually have on support-industries and services and, by extension, jobs in these sub-sectors.

The preliminary effects of these mergers are already being felt by the local workforce.

There is a long haul ahead of us, and we need all the collective stamina that we can possibly mobilise.

Our re-skilling efforts need to be looked at from the following standpoints:

- \* Age and competency profiles of retrenched employees;
- \* Basic educational attainments;
- \* Previous job descriptions and responsibilities;
- \* Job aptitude profiles;
- \* Matching skill types requested by workers with training facilities available;
- \* Matching employers' skill requirements with workers' effective acquisition of employable skills;
- \* Constantly monitoring workers' skills acquisition and measuring them with the prevailing needs of the employment market;
- \* Assessing the effective role of newly acquired skills in career development through job enrichment and upward mobility;
- \* Determining the ultimate effectiveness of re-skilling as an important factor for achieving sustainable development through job security;
- \* Effectively utilising re-skilling efforts to upgrade employee productivity and enhancing national competitiveness.

These 10 key indicators for re-skilling are by no means exhaustive. The advent of the knowledge-based economy (k-economy), spearheaded by globalisation and information technology, has brought forth its very own "green house effect".

I call it the "green house effect" because the several intermediate stages that lead to the eventual transformation of production economies to knowledge economies, at the behest of international trading agreements such as the World Trade Organisation (WTO), have indeed caused the rapid depletion of scarce resources in developing countries. These include land, raw materials, capital and entrepreneurial skills.

The depletion of this "resource layer", if not addressed sufficiently early, will accentuate the "domino effect" discussed earlier and give rise to further socio-political instability in the region.

The recently concluded Fifth Asean (Association of South-East Asian Nations) Finance Ministers Meeting has endorsed Bilateral Swap Arrangements within Asean countries as well as with Asean Plus Three, namely Japan, China and South Korea.

The objectives of these bilateral financial arrangements are to reduce member states' continued dependency on international financial institutions for funding support.

This will be achieved by stabilising balance of payments in the countries concerned through an innovative and carefully designed trade payments set-off system.

In like-minded fashion, these countries can also embark on Bilateral Skills Swap Arrangements which should, among other things, address the following core issues:

- \* Capacity of local training institutions to effectively re-skill retrenched workers;
- \* Availability of training equipment and teaching aids;
- \* Funding support for re-skilling efforts;
- \* Apprenticeship and "under study" programmes for skills requiring hands-on training and supervision, such as venture capital management and laser technology;
- \* Mentoring approaches for acquiring user-friendly employable skills;
- \* Reconciling the disparities between skills available and the skills needed in terms of location, wages and benefits;
- \* Embarking on short-, medium- and long-term plans for re-skilling programmes that are consistent with competitiveness and actual need.

While we look at re-skilling, let us also spare a thought for sustainable job creation.

For instance, the advent of e-business, spearheaded by the Internet, resulted in the mushrooming of hundreds of dotcom companies in the US.

Almost all of them were involved in speculative trading activities such as fund management and stock-broking.

The prevailing economic downturn in the US has resulted in mass closures of these dotcom enterprises, and it has been reported that about 405,000 jobs have been lost till date, and the counting is still going on.

Several leading fund management agencies have also announced massive job cuts among their ranks as more investible funds get parked in long-term securities to reduce imminent risks caused by volatile exchange rates. Though I may sound rather controversial, these jobs are essentially "virtual" jobs and not "real" jobs. Prime Minister Datuk Seri Dr Mahathir Mohamad was certainly not wrong when he collectively referred to these enterprises not long ago as "bubble dotcom" as they do not trade in tangible products, but are mere speculators.

As Malaysians, we should be more concerned with attaining sustainable development by creating "real", productive and high-technology jobs in the country, which is the hallmark of Vision 2020.

(END)