

Newspaper	THE STAR
Date	19/09/2017B

Gearing up for Industry 4.0

The Star - 19/9/2017 Pg. 25

INDUSTRY 4.0 is now a popular topic. Recent months have witnessed many seminars on the subject. The reasons for the flurry of activities are quite obvious. Industry 4.0, or the Fourth Industrial Revolution as some people would like to call it, has become a global phenomenon. Experts agree it is almost unstoppable.

The only way for industries to compete in the future is through embracing the technologies emerging from the umbrella of industry 4.0. Businesses which fail to measure up to the new standards will lose out.

I recently spoke at three seminars on industry 4.0 in Selangor, Johor and Penang respectively. A group representing business entities from Bavaria Germany was in Malaysia for a week to promote opportunities for collaboration between Bavarian companies and our local SMEs. The Malaysian Investment Development Authority (Mida) helped to organise the three workshops together with the respective state hosts, which were Invest Selangor, Johor State Investment Agency, and the state investment arm of the Penang government. All the workshops were well attended and the participants

showed a high degree of enthusiasm for industry 4.0.

I am aware that a national blueprint on industry 4.0 is currently being worked out by a few government ministries. This is very encouraging but a word of caution on the eventual execution. More often than not, we produce excellent policy and blueprint documents but we fall on two major accounts. One concerns the insufficient buy-in from the key stakeholders and the other is due to very little effort being devoted to the monitoring and evaluation of the policy implementation. As such, most policies and master plans remain under-implemented.

We cannot afford to repeat such mistakes for industry 4.0.

The central feature of industry 4.0 is effective communication not only between humans but also between machines as well as the human and machine interface. In the ideal case, machines would become autonomous. What this means is that industry 4.0 calls for the development of intelligent systems to enable efficient interoperability of all elements in production and manufacturing.

Technology is undeniably a key success factor for industry 4.0. It is

not just about developing our own technology, but we must also have the capacity to receive technologies developed elsewhere.

And capacity here is not limited to having the financial muscle to buy technologies but also, and more importantly, to operate, maintain and improve wherever possible the imported technologies. Building the right talent is therefore critical, and this is where the education system will have to be reviewed.

During the seminar in Penang, one common issue raised was the concern about losing jobs to robots. Apparently, some have estimated that more than 60% of the existing jobs would be lost under industry 4.0. While this may be true, we must not forget that more new jobs would be created. We need to know what these new jobs are so that the necessary talent pool can be prepared. Most likely, the new jobs would relate to software design, sensor development, micro-electronics and the like. Whatever it is, jobs which call for strategic thinking and creativity will still remain within the human domain.

In order to effectively drive the industry 4.0 blueprint, we need to have a kind of central hub which will not only showcase businesses

that have successfully embraced industry 4.0 but also industry 4.0-driven innovation facilities and networking.

During the series of workshops with the group from Bavaria, we had a snapshot briefing on the Kulim High Tech Park. The Park has definitely come a long way since its inception. It is now hosting many industry 4.0-related businesses including a new facility for BMW and OSRAM, both from Bavaria.

With the building of new innovation facilities plus the real possibility of a new airport to complement Penang, Kulim High Tech Park has all the ingredients of a potential hub for industry 4.0.

In fact, even the proposed Rubber City, earlier planned to be on the Thai border, would be best moved to the Kulim Park. Rubber products manufacturing is better positioned near ports than the material supply source.

With the right strategy, Kulim should be the new regional driver of industry 4.0.

**PROFESSOR DATUK DR AHMAD
IBRAHIM**
UCSI University
Fellow Academy of Sciences
Malaysia