

**HUMAN RESOURCE DEVELOPMENT IN MALAYSIA:
CHALLENGES IN PREPARING FOR THE NEW ECONOMY**

**A thesis submitted to the Graduate School in partial
fulfilment of the requirements for the degree
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ABSTRACT

Future growth is associated with the new economy or the k-economy. It is one that is driven by knowledge. The objective of this study is to descriptively analyse the challenges of the Human Resource Development (HRD) in Malaysia in preparing for the new economy. This paper try to identify and discuss current challenges and future challenges for HRD in facing future growth. For the current challenges, the focus is on the inadequate supply of skilled manpower and knowledge workers and for the future challenges, it is about globalization. All the data in this study are obtained from the secondary data such as books, article, journal, economic report and others by using data for the period 19952005. In conclusion the paper proposed a policy response and recommendation to take in facing future growth for HRD.

ABSTRAK

Pertumbuhan ekonomi di masa hadapan adalah berasaskan ekonomi baru atau k-ekonomi. Ekonomi baru dilahirkan berasaskan pengetahuan iaitu perubahan ekonomi daripada p-ekonomi kepada k-ekonomi. Matlamat utama kajian ini untuk membangun Pembangunan Sumber Manusia (HRD) dalam menghadapi cabaran ke arah ekonomi baru. Cabaran yang perlu dihadapi adalah cabaran semasa dan akan datang. Cabaran semasa ini terdiri daripada kekurangan penawaran tenaga kerja yang berkemahiran dan k-pekerja. Manakala cabaran akan datang yang perlu setiap negara hadapi adalah terdedah kepada persaingan global atau dunia tanpa sempadan yang dikenali sebagai pengaruh globalisasi. Kajian ini berbentuk penyelidikan deskriptif yang menggunakan data sekunder yang diperolehi daripada buku, jurnal, laporan ekonomi dan sebagainya yang mana data yang digunakan adalah antara tahun 1995-2005. Sebagai kesimpulan, kajian ini mencadangkan supaya tindakan bersama diambil dalam menghadapi pertumbuhan masa hadapan bagi HRD.

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LIST OF ABBREVIATION

AFTA	- Asian Free Trade Area
ELX	- Electronic Labor Exchange
HRD	- Human Resource Development
ICT	- Information Communication Technology
IT	- Information Technology
LAN	- Local Area Network
MDC	- Multimedia Development Corporation
MEF	- Malaysian Employer Federation
MP	- Malaysia Plan
MSC	- Multimedia Super Corridor
MTUC	- Malaysian Trade Union Congress
OECD	- Organization for Economic Co-Operation & Development
S & T	- Science and Technology
US	- United State
WTO	- World Trade Organization

CHAPTER ONE

INTRODUCTION

The importance of human resource development can hardly be denied. Human resource development continued to be given priority in support the implementation of a productivity-driven growth, which required highly skilled, trainable and knowledge manpower. Emphasis continued to be given to increase accessibility to education at all levels in line with the democratization of the education policy. At the same time, the long- term objective of generating a highly trained labor force to meet the demand of the New Economy remains in focus that human resource development is an important element in enhancing the nation's competitiveness. For knowledge to be factored in the development equation of the new economy, it is important that we recognize the framework needed to support the pursuance of learning and knowledge creation.

In the New Economy, we foresee changes in our all works of life. This is mainly due to changing economic, social, political and technology environment facing by the nation like issues relating to opportunity and threats of globalization, liberalization, World Trade Organization (WTO), Asian Free Trade Area (AFTA) and k-economy are deliberated at numerous meetings and dialogues.

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