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Demand-based Industry-driven Skills Training

Skilling and Reskilling Jobseekers for Employment

February 2020

Demand-based Industry-driven Skills Training

Overview

Implementing Institution(s):	Pusat Pembangunan Kapasiti (Centre for Capacity Building)
Region(s) of Implementation:	Brunei Darussalam
Timeline:	July 2017 – July 2020
Beneficiaries:	School Leavers and unskilled jobseekers
Total cost incurred/resources required:	Fund allocations from National Development Plan (Rancangan Kemajuan Negara) 33 workshops and training grounds, 86 trainers, 10 Registered Training Organizations, 21 PPK staff

INTRODUCTION

Job Employment Trends in Brunei

In Brunei Darussalam, there has been a high unemployment rate, especially among the low-qualified locals who have only primary or secondary level qualifications. Local graduates are mainly interested in clerical and lower white collar office jobs, preferably in the public sector. Many vacancies in manual, skilled and semi-skilled sectors such as agriculture, technical and the vocational trades are filled up by foreign workers.

With recent national policies to grow and diversify economy through foreign direct investment, increase of export-oriented industries as well as spin-off opportunities for local businesses, employment for locals in various industrial sectors are being created. This would require local youths to be trained with industry-specific workplace skills to fill in the relevant increased labour demands to the desired levels of staff productivity.

Skilling and Reskilling of Local Jobseekers at PPK

The Brunei government is cognizant that a qualified workforce is the most important capital for the economic and social development of the country. While typically 35% to 40% of Brunei jobseekers (registered in JobCentre Brunei - system) only have up to 'O' level or below, the Ministry of Home Affairs together with the Ministry of Energy, Manpower and Industry, have introduced the Local and Foreign Workforce Ratio and expect more local participation in the private sector and industries.

The Centre for Capacity Building (PPK) was thus established to offer training programs for unskilled job seekers who do not have the required academic results to qualify into TVET post-secondary education institutions such as Institute Brunei Technical Education (IBTE); thereafter to help them qualify for various jobs in the private sector including foreign direct investment companies. PPK's vision is to produce job ready prospects by aligning skills training to

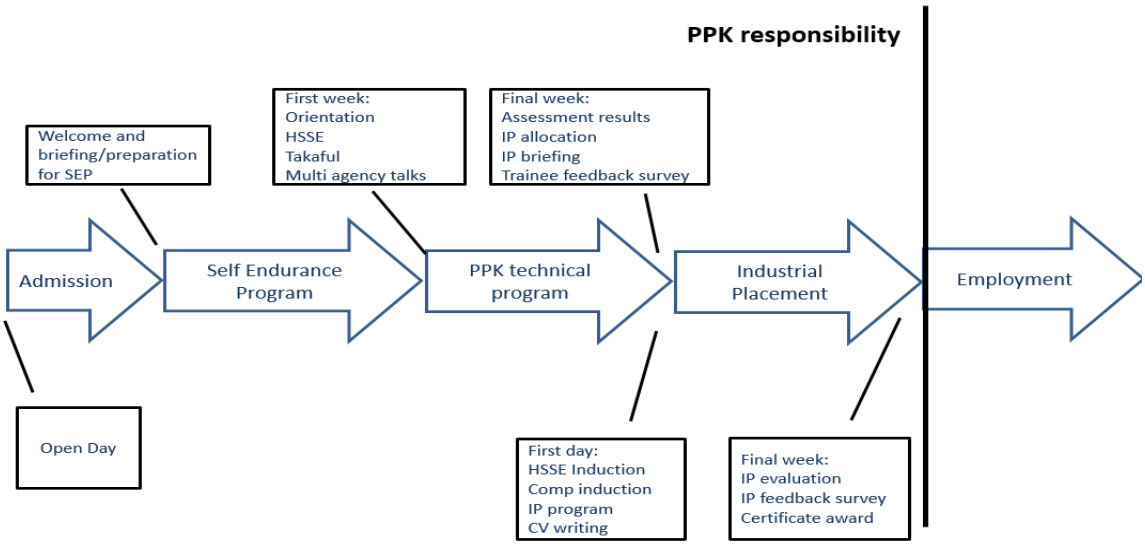

Figure 1: PPK Training Structure

the job market in Brunei Darussalam.

IMPLEMENTATION OF THE PRACTICE

Demand-based Industry-driven Skills Training

PPK practices "demand-based industry-driven skills training", where programmes are custom developed based on specific industries' competency and manpower needs. Courses are open for registration upon confirmation of demand from industry and are informed by feedback from Ministry of Energy, Manpower and Industry after consultation with industry stakeholders. Training programs are industry-driven; focusing on imminent required skills in industry, each sectors' competence framework and standards.

In its objective to enable a competent national workforce and to address local unemployment through skilling or reskilling jobseekers to obtain the competencies required by industry, their strategies include:

i. Targeting sectors where local employment is low.
For example, in the construction sector (with the biggest number of migrant workers) and transport sector.

ii. Working with clients who wish to pursue Local Business Development (LBD) targets. *The LBD policy for Brunei Micro Small and Medium Enterprises (MSMEs) encourages companies to maximize opportunities for local content; for example using local employment and utilizing local goods and services in its activities, in order to develop capabilities and competitiveness for the sustainable development of Brunei Darussalam.*

iii. Training and supplying local manpower to Foreign Direct Investment (FDI) projects.
HengYi Industries – developer of an oil refinery and aromatics plant at Pulau Muara Besar, Brunei has committed to conditional offers of employment to PPK trainees.

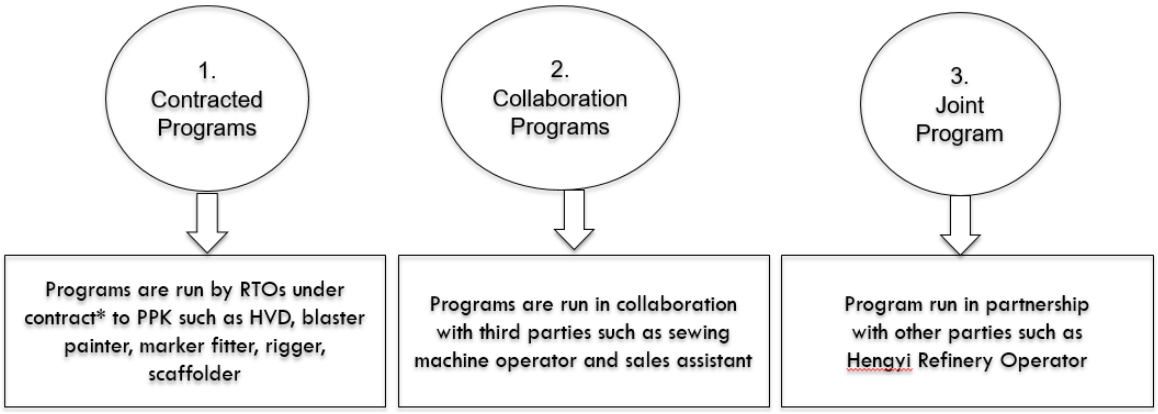

Figure. 2 : Types of Collaborative Programmes at PPK

iv. Running shorter training programs to speed up supply.

Training at PPK generally lasts between 1 – 9 months; including 2 – 3 months of industrial placement training. PPK complies with industry standards via their Registered Training Organizations (RTOs) and is working at international accreditation for added recognition value and quality assurance.

v. Working closely with stakeholders (industry/employers) to address labour supply and demand.

Training programmes offered reflect the demands from the industries; and offered through contracts with RTOs, collaboration with third party companies or in partnership with FDIs (see Figure 2).

Industry Collaboration Training Cycle

PPK involves internal and external stakeholders in every stage of its planning, implementation, monitoring and evaluation.

Table 1 : The Roles of the Stakeholders

Internal stakeholders	***Role***	***External stakeholders***	***Role***
MEMI Management	*Steer and approve*	*Ministry Of Finance*	*Provide budget*
Manpower Policy and Planning Unit (MPPU)	*Prepare and holds the budget.* *Provide demand data and analysis*	*Ministry of Education*	*Provide the location* *Provide management secondees*
Local Business Development (LBD)	*Assist companies to achieve their LBD targets*	*Ministry of Development*	*Design and build new facilities* *Repair the existing school buildings*
Industry Competency Framework (ICF)	*Determine the number of COEs*	*Institute Brunei Technical Education*	*Provide advice on management and implementation matters*
Registered Training Organisations (RTOs)	*Deliver the training*	*Hengyi Industries Sdn, Bhd.*	*Provide mobilization plan* *Provide COEs*
		Brunei Shell Joint Ventures (BSJV)	*Provide advice* *Provide management secondees* *Contribute financial support* *Provide additional training facilities* *Provide subject matter experts*
		Trainees	*Undertake training and provide feedback*
		Community	*Promote PPK*

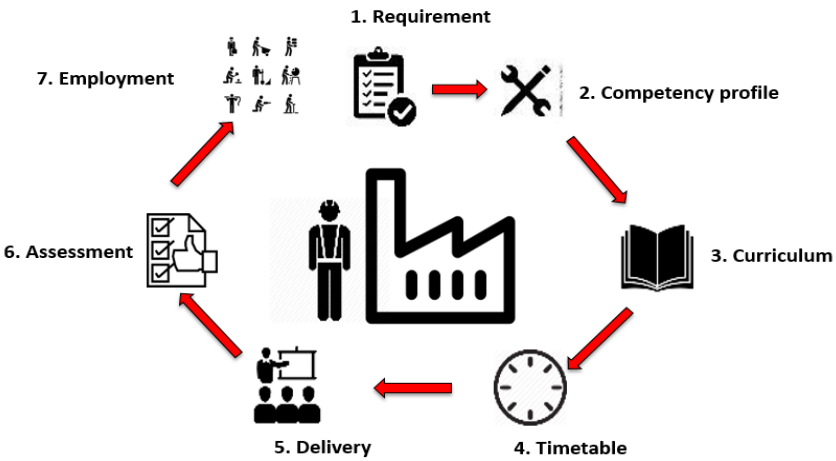

Figure 3 : Industry Collaboration Training Cycle

Industry collaboration is requisite to PPK's demand-based industry driven practice. As such, industry is engaged in all stages of the training collaboration cycle (see Figure 3).

1. ***Requirement*** - Identifying the skills required for the job demanded
2. ***Competency Profile*** - The breakdown of the skills and knowledge the tasks require
3. ***Curriculum*** - The development and design of the program curriculum including assessments and teaching aids
4. ***Timetable*** - A complete schedule to finish the curriculum within the program duration
5. ***Delivery*** - Programs are delivered by Registered Training Organizations according to the timetable set by PPK
6. ***Assessment*** - Internal assessment is done by RTOs and witnessed by PPK. Milestone/final assessments are additionally verified by appointed external assessors and for internationally accredited programs, by institutional assessors
7. ***Employment*** - Graduates seek employment in accordance to their Conditional Offer of Employment (COE) or via Job Centre Brunei (JCB) job matching process

IMPACT OF IMPLEMENTATION

PPK has established itself as an accessible post-secondary institute for Bruneians; whose 'friendly' entry requirement is unconstrained by academia and designed to help those leaving school without credits to gain skilling or re-skilling training from industry experts.

Its shorter training time to employment (between 1 month to 9 months) have catered for immediate vacancies and industry skill demands; while providing job prospects to local graduates. 96% of PPK graduates gain employment upon completion of training (till December 2019) as standard procedures are in place to facilitate graduates' job entry in cooperation with industries, private sectors and Job Centre Brunei (see Figure 4).

Most graduate trainees settle in their jobs with ease as they are acclimatized to realistic working conditions, learning fundamentals in Health, Safety and Environment (HSE) via authentic learning environments. Programmes are designed with 20% theory and 80% practical content to cater for the hands-on preference of the trainees and industrial placement focuses on manual tasks. Additionally, industry experienced instructors provide trainees with up-to-date industrial knowledge and practices.

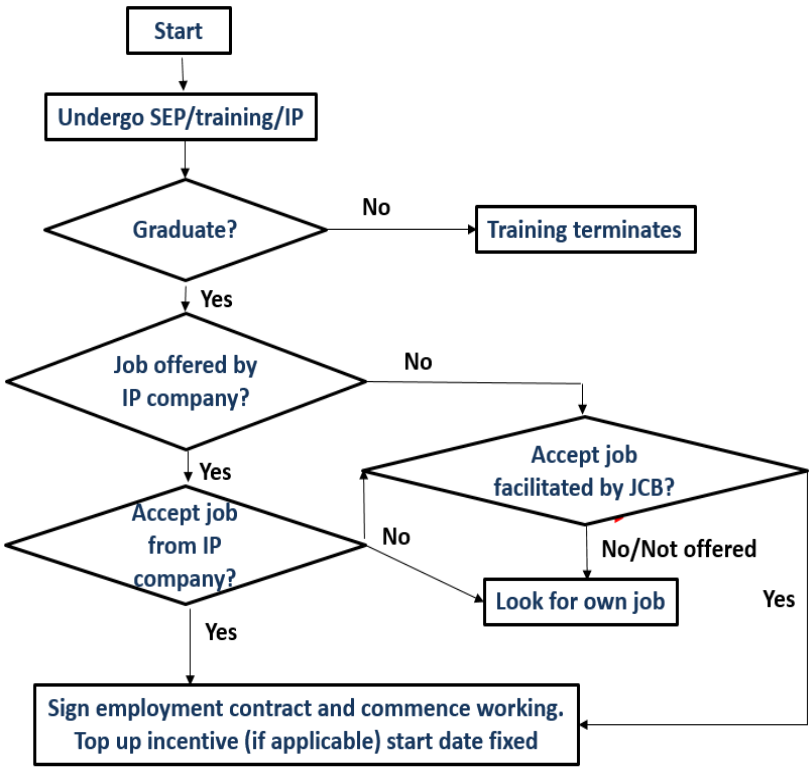

Figure 4 : Process from Training to Employment

A developed salary framework called "top-up incentive", helps to ensure graduates remain employed as long as possible in a relevant job. This attractive scheme pays the graduates the equivalent of their training allowance for up to 36 months, in addition to their monthly salary (applicable to jobs with starting salaries less than $700 per month), and is not *TAP or SCP deductible. Top-up incentive will be discontinued when the graduate resigns to work in an unrelated field or is terminated by the employer.

*(*Tabung Amanah Pekerja / Supplemental Contributory Pensions are government-initiated pensions schemes applicable to Bruneian citizens and permanent residents)*

LESSONS LEARNT AND FUTURE OUTLOOK

PPK's initial manpower demand from a major FDI project – a refinery and petrochemical complex – resulted in 2836 conditional offers of employment in different disciplines, and expedited the completion of whole training infrastructure in a record 32 days. The main lesson learnt from such big scale FDI project is that training and manpower supply and demand must take into account the speed and duration of project execution.

In order to cater for the requirements of more FDI projects, there needs to be a large supply pool of jobseekers and preferably a ministerial directive to replace foreigners with qualified locals. A robust economy and gross domestic product (GDP) growth over an extended period is requisite to create and sustain new jobs.

Industry recognition and collaboration has been a critical success factor for PPK in providing quality skills training to match supply to demand. This would not have been possible without the support of the Ministry of Energy, Manpower and Industry (MEMI) who spearheads the LBD initiative amongst existing employers, drive LBD requirements for incoming FDI projects and manages work permit applications for foreign workers. This demonstrates the importance for policy makers to take account of the bilateral relationship between government and the private sector in tackling jobs and unemployment.

PPK envisions its centre to become the blueprint, model and leader in vocational skills training to enable a competent national workforce in Brunei Darussalam. Skills training

programs will, in future, be quality-assured by external verifiers among industry experts. In the longer term, more programs will be designed to equip (upskill) not only jobseekers but also the employed, with relevant skills to service incoming FDIs, other industries and employers.

The government of Brunei Darussalam, in its quest to diversify the country's economy, has identified five key investment priority clusters – downstream oil and gas industry, business services, halal, innovative technology and creative industry, tourism. Manpower planners, education providers and employers should thus come together to ensure training in the trend of future jobs.

CONCLUSION

The Brunei government, through the 11th National Development Program (Rancangan Kemajuan Negara 2018-2023), has funded the establishment of PPK to develop vocational skills training and professionalization of skilled labour.

PPK's implementation of "demand-based industry-driven skills training" has improved the employment opportunities for school leavers through providing matching job prospects in industries of demand; enabling locals to skill themselves and be qualified to work in a number of fields in the private sector and foreign direct investment (FDI) companies.

Following the restructuring of Ministry of Energy, Manpower and Industry in November 2019, PPK will continue to play a role in fostering partnerships with industry players, training and education institutions to ensure local graduates remain competitive and employable. This is important to address the unemployment issues through sustained action.

FURTHER INFORMATION

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