

# Foreign talent, global expansion

An expatriate service centre aimed at enhancing immigration services

THE Malaysia Expatriate Talent Service Centre or MYXpats Centre is a joint initiative between Talent Corporation Malaysia (TalentCorp) and the Immigration Department of Malaysia, and is overseen by the Ministry of Home Affairs.

The centre aims to better facilitate leading investors and employers to access foreign skill sets required by the industries through the MYXpats Centre.

The opening of the centre was the next step after the launch of the Expatriate Services Division (ESD) last year to improve immigration services. Using a customer-centric approach, the centre will be processing and issuing all Employment Pass (EP) applications and other EP-related passes for expatriates working in Malaysia.

## A tripartite arrangement

According to Siva Kumeren, Head of Foreign Talent Facilitation at TalentCorp, the centre works closely with the Immigration Department and the Home Affairs Ministry on a leverage model. He adds that the idea to set up MYXpats Centre was mooted based on feedback from industry leaders in various sectors who saw the need for a centralised expat immigration service centre.



Siva Kumeren, Head of Foreign Talent Facilitation at TalentCorp, states diversity and retaining the right talent is essential for business growth

## Empowering companies

From July 1 this year, the centre has also implemented the Electronic Referral Visa (eVDR), which enables companies to download and print the visa approval letter, thus ending the requirement for companies to collect the visa approval letter from the Immigration Department. Siva adds that payment for visa charges is also notified through the system.

"We have done a lot more enhancement to better empower companies. One of them is to enable companies to track applications submitted to the Immigration Department. Basically, they can track the cases they have submitted, the details, and they know when a case is expiring for an EP that they have been issued and they can then decide when to apply for renewal," Siva says, adding that the online platform also sends a notification to the company three months before a pass expires.

## Sectors in need of expats services

The biggest sectors in need of expatriate services continue to be from the O&G segment, states Siva. "We also see a growth in business services such as shared services and the manufacturing sector."

Siva explains that the Immigration Department now has a two-step approach to manage the entry of expatriates into the country. The first step is for companies to be registered with the ESD. These companies will need to submit necessary credentials and once they are approved, they can then submit their expatriate application online.

Thus far, there are almost 8,200 companies registered and from these companies, nearly 43,000 applications have been submitted through the platform with about 30,000 EPs issued.

With the establishment of the centre, Siva notes that the priority is to target companies whose businesses are in the key economic areas and to facilitate them better to help drive investment and growth in the country. Ideally, this can then push Malaysia forward as a hub for global businesses.

"We can increase the value of our local knowledge with the right talent. At the same time, we want to ensure that organisations bring in talent with the right intent as they seek to expand globally," he notes.

## Industry views

Dato' Gan Ah Tee, managing partner of BDO Malaysia, says with the introduction of the ESD, the application processes for expatriates are definitely more effective and efficient.

"My colleagues are able to perform online submission of documents for expatriate applications. The savings in terms of time as well as the possibilities of hard copies of documentation going missing are avoided."

"Our foreign talent facilitation specialists are elated that they are able to check the status of applications online without having to wait physically at counters. With these new processes, the time to bring in a foreign talent now ranges between three and five weeks compared to three and five months in the past."

"Another positive experience is the yearly submission and approval of expatriate quota, which reduces the guesswork for approvals as well as the need to justify each and every case," Gan adds.

Thus far, the only drawback that the firm experienced was registering with the ESD where the process took more than three months. This, he says, could prove to be a deterrent for



The MYXpats Centre processes and issues all EP-related passes for expatriates

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— Dato' Peter Halm



Halm believes that access to a global workforce is appreciated for fast progression



Gan says the improved processes and timeliness of approvals is certainly a positive boost

many companies. "Overall, with the improved processes and the timeliness of approvals, the MYXpats Centre has assisted to support BDO's diversity policies as well as regional vision for the firm."

Dato' Peter Halm, vice-president and CFO of Infineon Technologies (Kulim) Sdn Bhd, points out many of their highly skilled expatriate talent come from German-speaking countries, holding official documents such as testimonials and certificates in German.

"We understand that controls are necessary and conditions have to be met but the whole process of collecting, translating and scanning can be better managed," he notes, suggesting that key stakeholders such as the Immigration Department and TalentCorp could hold workshops to provide more clarity on how to reduce the efforts. The company currently use the help of certified translation agencies for its official documents.

## The need for foreign talent

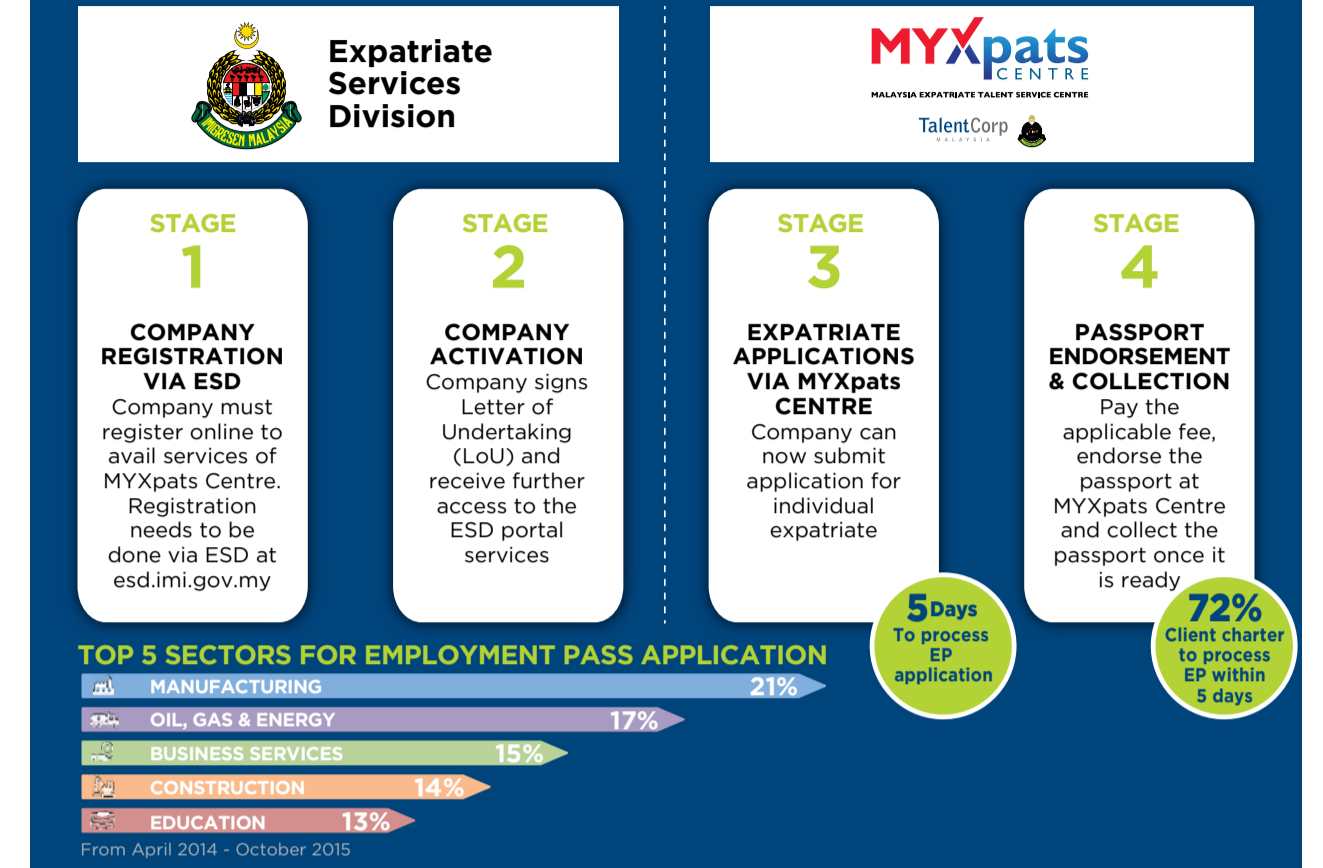
According to Gan, while it is more sustainable to have a larger workforce made up of local talents, there are situations where a certain skill set or expertise is not yet available here.

"When Malaysia first introduced the GST regime, we just did not have the local capability. In fact, BDO decided then that we needed to bring in foreign expertise to set the tone and allow for the transfer of knowledge. We hired quite a few foreign GST experts and talent from Australia during that period," he shares.

"Naturally, as many businesses now trade across borders, it is useful to have foreign talent on board to be liaisons to deal with their national counterparts in their own language and cultural context," he points out, adding that in this instance, BDO has hired talent from ASEAN and China.

"We now have a much wider pool of foreign talent to support our business needs. Also, as the regional senior partner for BDO ASEAN, MYXpats Centre facilitation is in line with the call by ASEAN leaders for regional integration and a freer flow of services," he adds.

## MYXpats Process Overview



## Sectors that are serviced by MYXpats Centre



"Malaysia, being one of the more developed countries in ASEAN, has a key role to play to encourage the movement of professional services like accounting and advisory. With the smoother process, BDO has been able to bring in talent either directly or colleagues from ASEAN countries to train or have an exchange of knowledge and understanding of how to do business in the different ASEAN countries."

Similarly, at Infineon, the need for experts from around the world is due to the type of business the company is in. Foreign talent is needed for complex semiconductor wafer processing in a multinational organisation, especially in areas of technology development, technology or manufacturing expertise, operational planning and other areas.

"In Kulim, we continue to grow in terms of technologies, products and technological requirements since our establishment in 2005. This growth requires continuous support and knowledge sharing from our worldwide

locations. As a multinational company, we appreciate the access to a global workforce. This allows us to build a competent and strong workforce in Malaysia," says Halm.

"To be flexible and have fast progress, we need fast access to our global resources, industry-friendly policies with a corresponding lean administration and supportive agencies," he states.

## MYXpats Centre is located at:

Level 16, Surian Tower  
No 1 Jalan PUJ 7/3, Mutiara Damansara,  
47810 Petaling Jaya, Selangor

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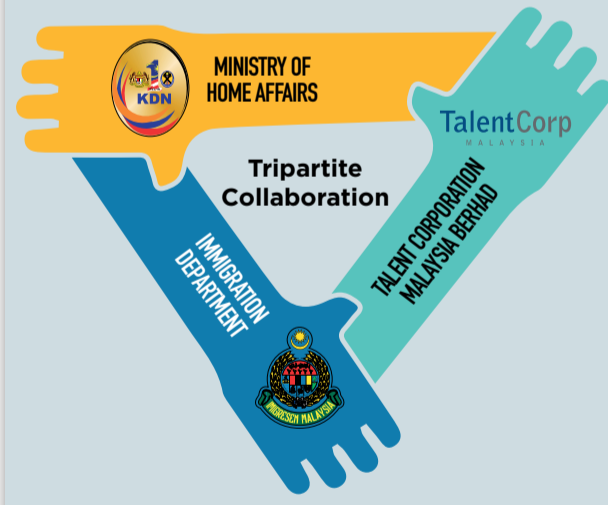
## A TRIPARTITE COLLABORATION: DRIVING THE TRANSFORMATION

THE Government is committed to streamline and simplify expatriate services as an enabler to transform Malaysia into a preferred country for investment and top talent.

Towards this end, the Ministry of Home Affairs, the Immigration Department and TalentCorp have joined hands to form a joint working committee to oversee expat-related policies and implementation

This tripartite collaboration resulted in moving the Immigration service delivery from a Product Centric to Customer Centric approach. As part of the change, MYXpats was established as a full fledged centre for all expatriate needs incorporating the following:

- >> Integrated Data Sharing Platform
- >> Online services to submit expatriate applications
- >> Reliable decision support system



"The feedback that was given to us centred on the issue of retention of good expatriate talent in the country. Previously, the process of hiring or renewing the EP was lengthy and complicated. Faced with uncertainty, this expatriate would seek employment in another organisation or country.

When they leave an organisation, Siva notes, the loss of this talent means the loss of knowledge and skills, incurring operational gaps in the company and the costlier option of hiring new personnel. Retaining the right talent was imperative for the effective knowledge transfer and the continuous growth of an organisation's business.

As such, to further ease application processes, the MYXpats Centre was established. Siva adds that while the Ministry of Home Affairs drives the policy changes that are required, the Immigration Department together with TalentCorp takes charge of the operations and application process at the centre.

## Approval within five days

The Prime Minister announced last year a target for EP applications to be processed within five working days for employers registered with the Immigration Department. From January to May 2015, 54% of EP applications were approved within five days. Since the MYXpats Centre started operations in June 2015, more than 70% of EP applications have been approved within the five-day client charter.

Siva states that currently, the average stands at 72% (from January to October 2015) and he hopes the centre will be able to close the year with that percentage of success.

"It is important to facilitate the application faster because of the turnaround time in the organisation itself. They need resources to come in quickly for project implementations and systems development. Organisations appreciate that they are able to process and get their resources in quickly and more effectively. This was the challenge before where it took a long period before they (expatriates) could even get into the employment pipeline," he states.

Siva stresses there is no fees for the service offered at the centre. "It is absolutely free when you apply through the online facility. The only charges incurred are the immigration fees. There are also no fees needed for companies to sign up."

Statistically, the Klang Valley currently has the highest concentration of expatriates followed by Penang and Johor Bahru. According to Siva, once the centre in the Klang Valley has been stabilised, there are plans in the pipeline to open up centres in Penang and Johor next year.

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