

Take5 for business

Volume 13 Issue 11 - 10 December 2024

Shaping the future workforce

EY Work Reimagined Insights -
Malaysia (Fifth Edition)



The better the question.
The better the answer.
The better the world works



Shape the future
with confidence

Shaping future workforce across new dimensions

The global workforce has evolved into one with personalized experiences and expectations. The EY 2024 Work Reimagined Survey unveils how work today is increasingly disconnected from old ideas of career, reward and workplace.

This survey echoes a recent TalentCorp study on the impact of artificial intelligence (AI), digital and green economy on the Malaysian workforce, revealing the changing nature of work.

As new technologies influence the workforce, organizations can look towards building “Talent Advantage” by aligning strategies for culture, expanded rewards and agile skill-building.

“

Legacy talent strategies are becoming ineffective as advanced technologies ascend.

The younger generations seek new experiences, future skills and flexible working practices.



Low Choy Huat

Malaysia People Consulting Leader;
Partner, Ernst & Young Consulting Sdn. Bhd.

Five key dimensions of Talent Advantage



Business outcomes of adopting Talent Advantage:

7.8x companies have successfully navigated external pressures

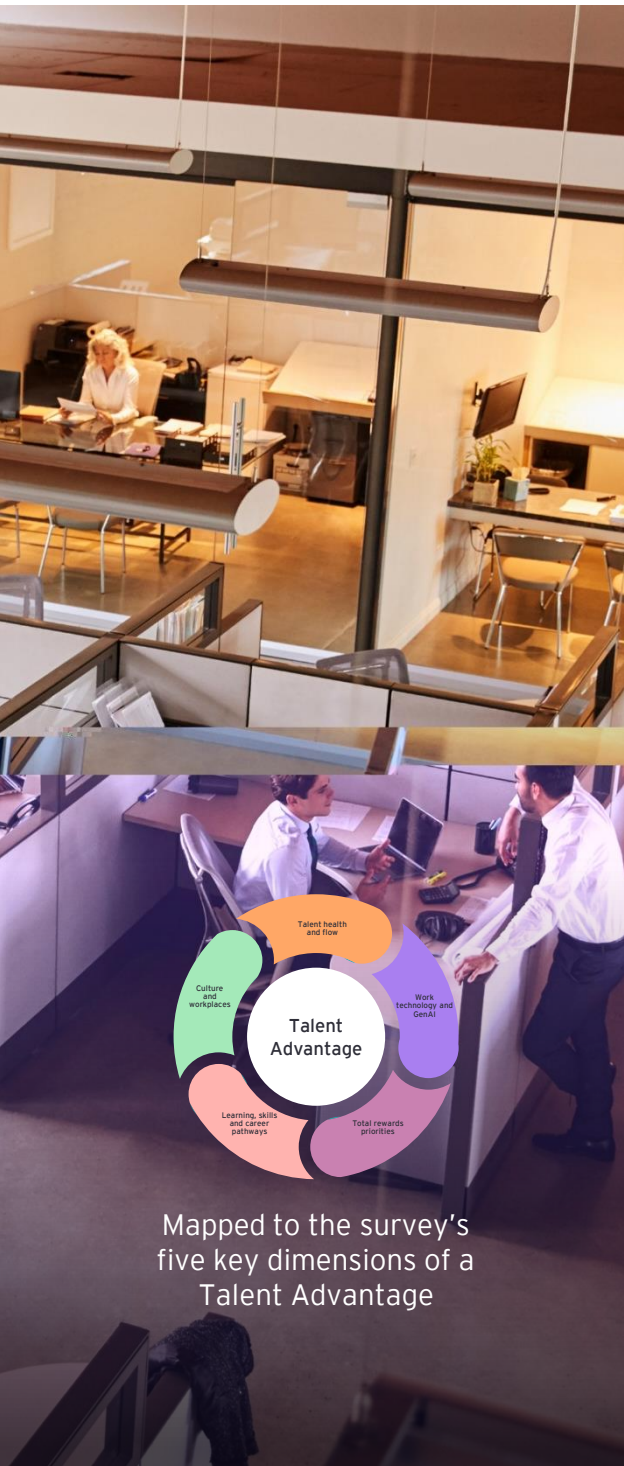
6.5x productivity has significantly improved in the past two years

5.8x significantly overperforming in current economic conditions

Source: EY 2024 Work Reimagined Survey

Insights on Talent Advantage

EY conducted the fifth installment of the Work Reimagined Survey to understand the rapidly shifting future of work. In Malaysia, the survey polled 250 employees and 50 employers, providing insights into the changing nature of work. Set out below are five key insights on talent advantage for Malaysia workforce in 2024.



1

Talent health and flow

Employees' desire to quit has increased despite economic growth.

2

Work technology and GenAI

AI adoption grow rapidly, demands immediate and proactive action.

3

Culture and workplaces

Cultural perception conflict between employers and employees in new ways of working (NWoW).

4

Total rewards priorities

Pay is important, but total rewards need to reflect employee priorities.

5

Learning, skills and career pathways

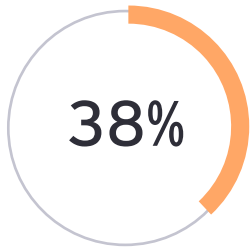
Skills development is a top priority, but the "how" and "why" must be aligned.

Source: EY 2024 Work Reimagined Survey

Insight 1: Talent health and flow

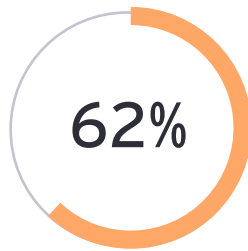
The desire to quit among Malaysian employees has risen, with career development, compensation and workplace environment being their primary concerns.

In contrast to 2023, career growth and pay are now the top reason employees leave. Enhancements to development, reward and workplace are required.



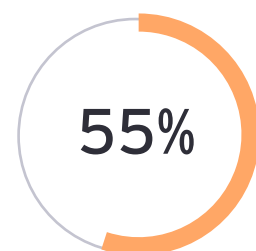
of Malaysian employees feel they lack sufficient time or opportunities for development, despite **69%** recognizing the **importance of building skills** for career advancement.

26% less than global counterparts



of Malaysian employees emphasized that enhancing **bonuses and incentives** to recognize their **performance and contribution** is crucial for boosting their satisfaction.

25% more than global counterparts

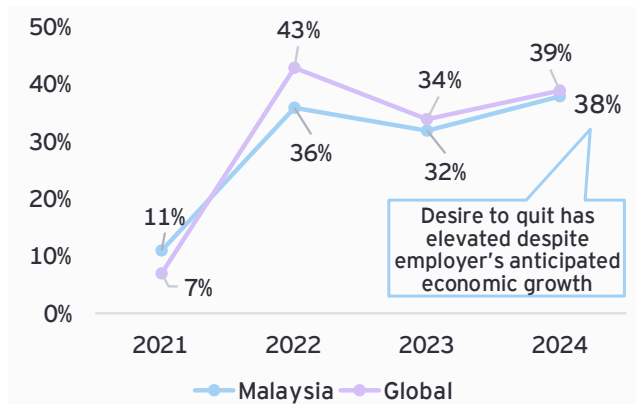


of Malaysian employees highlighted that **increased flexibility in work schedules, hours** and the ability to **work anywhere** would enhance their satisfaction.

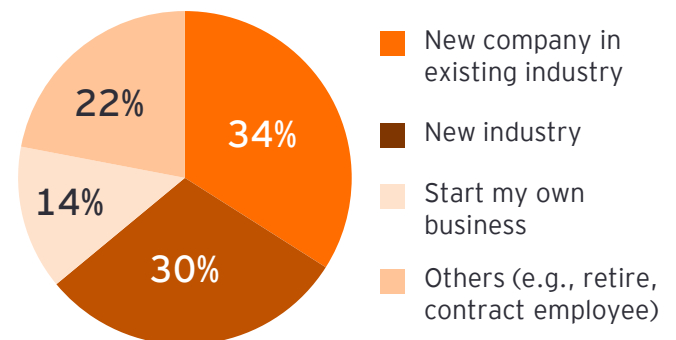
3% more than global counterparts

Employees' desire to quit

Despite anticipated economic growth, more global and Malaysian employees express a desire to quit.



Where do Malaysian employees plan to go?

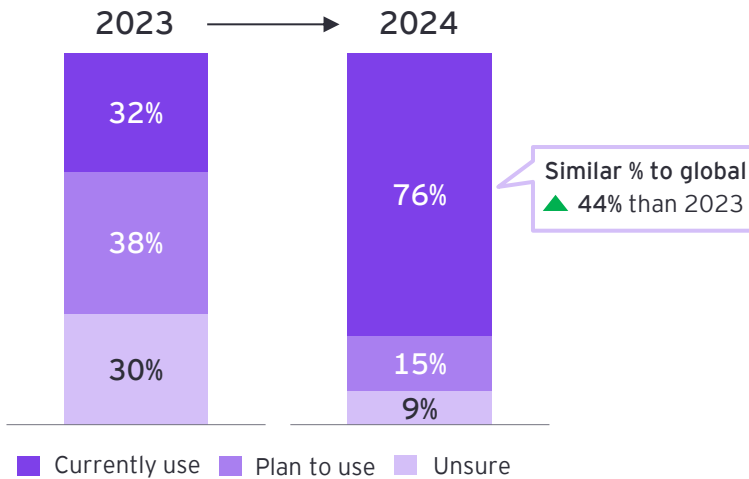


Source: EY 2024 Work Reimagined Survey

Insight 2: Work technology and GenAI

AI adoption grows rapidly, demands immediate and proactive action.

Employees' usage of GenAI at work



Both employers and employees in Malaysia believe that GenAI has a significant impact at work, mainly in:

- 1 Employee productivity
- 2 Ways of working flexibly
- 3 Ability to focus on high-value work

Adoption of GenAI in the workplace increased from 32% to 76% between 2023 and 2024, suggesting that many employees who planned to use it have now become actual users.

Source: EY 2024 Work Reimagined Survey

Highly-impacted and emerging roles due to AI

Technological changes caused by AI will either displace jobs or require continuous skill adaptation, while also creating demand for emerging roles needed to drive future advancements and innovations.

Common characteristics of highly-impacted roles

At risk of convergence or displacement



Manual and routine tasks

Production assembler, service crew



Entry-level jobs

Store assistant, cashier



Predictable and structured environments

Customer service representative, document controller



Data-driven analysis and decision making

Accounts receivable analyst, data analyst

Common emerging roles

Navigate the changes brought about by AI, digital and green economy



Data engineer



AI specialist



Data scientist



Sustainability specialist

Source: Impact Study of Artificial Intelligence, Digital, and Green Economy on the Malaysian Workforce, TalentCorp, 2024

Insight 3: Culture and workplaces

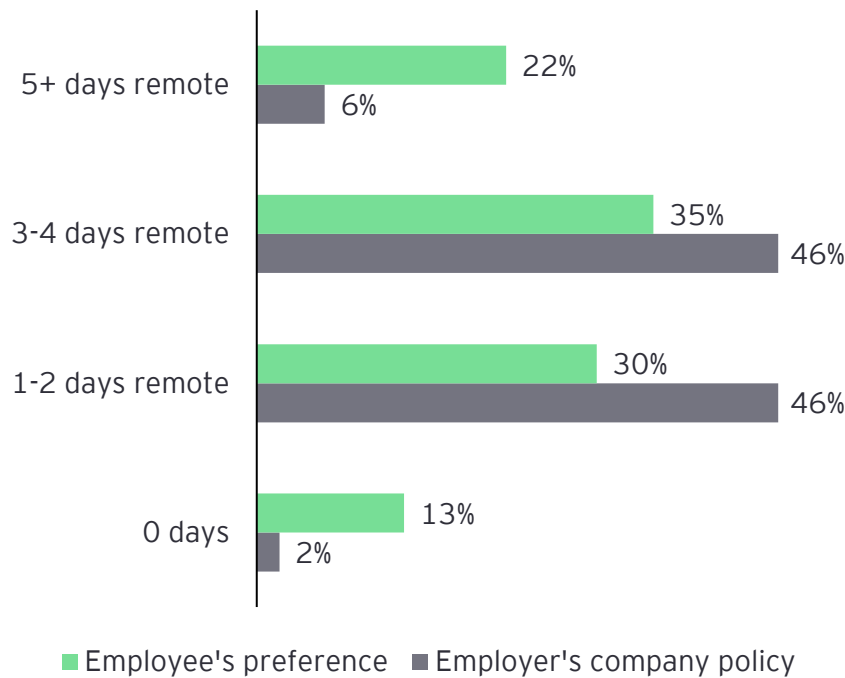
Cultural perception conflict between employers and employees highlights the importance of new ways of working (NWoW) to create a nurturing and productive workplace.

More Malaysian employers see culture improving post-pandemic, but fewer employees agree. An aligned approach to NWoW is vital for fostering a culture where employees feel nurtured and productive.

■ A disconnect is also seen across the globe with an average of 19% more employers believing their culture is better than employees perceive it to be.

■ In line with global and 2023 trends, employees' hybrid preferences and company policies are generally aligned for up to four offsite days each week.

Malaysian employees preferred remote workdays vs. company policies allowed



Survey highlight

Majority of Malaysia responses from both employers and employees support working offsite for three to four days a week, aligned with global responses.

Source: EY 2024 Work Reimagined Survey

Insight 4: Total rewards priorities

Pay is important, but total rewards need to reflect employee priorities.

Pay remains a concern of employees, but employee concerns are more nuanced and comprehensive, meaning employers need a more holistic and personalized view of reward programs. Employers overestimate employees' total rewards satisfaction by an average of ~20%. While issues of compensation are still top of mind to employees but more tied to performance rather than just inflation.



Set out below are the top five total rewards priorities between employees and employers in Malaysia:

Top five total rewards enhancements employees want from their company

- 1 Bonus and incentives to recognize performance and contribution
- 2 Health and well-being benefits
- 3 Flexible schedules and work hours
- 4 Paid time-off
- 5 Total compensation to reflect cost of living

Top five total rewards employers are planning

- 1 Bonus and incentives to recognize performance and contribution
- 2 Flexible schedules and work hours
- 3 Health and well-being benefits
- 4 Training classes to build skills
- 5 Work anywhere or outside of primary home location

Source: EY 2024 Work Reimagined Survey

Insight 5: Learning, skills and career pathways

Skills development is a top priority for employees and employers, but the “why” and “how” must be aligned.

More than three-quarters (75%) of employees agree that changing jobs and skills requirements are moderately or substantially changing the way they work.

A majority of both Malaysian employers (69%) and employees (90%) believe that acquiring new skills creates better opportunities and growth in the workplace.

To remain relevant, having the right skills are essential to meet market demands

In-demand skills are becoming increasingly vital as organizations are shaping the future workforce. These in-demand skills are key in preparing the workforce to address evolving challenges and seize opportunities within their respective sectors.

In-demand soft/power skills	In-demand technical/prime skills
1. Adaptability and resiliency	1. Big data analytics
2. Cognitive skills	2. Cloud computing
3. Communication	3. Data engineering
4. Critical thinking	4. Data management
5. Digital and AI fluency	5. Data visualization
6. Empathy	6. Data storyboarding
7. Innovative thinking	7. Network security
8. Learning and agility	8. Eco-design principles
9. Sustainability awareness	9. Sustainable business practices
10. Teamwork and collaboration	10. Waste management

Source: *Impact Study of Artificial Intelligence, Digital, and Green Economy on the Malaysian Workforce*, TalentCorp, 2024

Level of agreement with organization’s learning and development initiatives



Source: EY 2024 Work Reimagined Survey

Moving forward

How can you achieve your Talent Advantage?



Source: EY 2024 Work Reimagined Survey

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