

PERBADANAN PRODUKTIVITI MALAYSIA (MALAYSIA PRODUCTIVITY CORPORATION)

Peti Surat 64, Jalan Sultan, 46904 Petaling Jaya Selangor, Malaysia

Tel: 03-7955 7266, 7955 7050, 79557085

Fax: 03-7957 8068 (E), 7955 1824 (B), 7954 0795 (Promosi)

Lorong Produktiviti Off Jalan Sultan, 46200 Petaling Jaya, Selangor, Malaysia.

http://www.mpc.gov.my

## FOR IMMEDIATE RELEASE

16 February 2021

## CONSTRUCTION COMPANIES ARE URGED TO GET ACKNOWLEDGED AS SHARED PROSPERITY ORGANISATIONS TO ATTRACT MORE LOCAL WORKERS

More companies have been acknowledged as shared prosperity organisations under e-Shared Prosperity Organisation (eSPO) Acknowledgement Certificate, driven by Malaysia Productivity Corporation (MPC). As at 12 February 2021, nearly 700 companies from various sectors have received the e-certificate and acknowledged by the Ministry of International Trade and Industry (MITI) and Ministry of Human Resources (MOHR) as shared prosperity organisations. However, the take-up rate among construction companies is still low at only 47 companies.

eSPO acknowledges companies that implement Productivity-Linked Wage System (PLWS), a flexible wage system which is based on gain-sharing and mutual wealth creation between employer and employee. The initiative aims to encourage more companies to implement PLWS as aligned with Shared Prosperity Vision 2030 (SPV 2030) towards equitable distribution of economy for all Malaysians across income groups, ethnicities, regions, and supply chain.

MPC Director General, Dato' Abdul Latif Haji Abu Seman said, "Research has indicated that implementation of PLWS has increased business profitability, performance, and productivity where incentives, compensations, and bonuses are fairly distributed to employees. The flexible wage system also allows employers to adapt to the changing economic situation where there is impartiality in managing workers' salaries and benefits. As such, shared prosperity organisations have the advantage as employees' choice of workplaces. Through eSPO, MPC hopes to see more construction companies to be acknowledged as shared prosperity organisations. This can attract more locals to work in the construction business, hence reducing the reliance on foreign workers."

The sentiment was shared by Datuk Ir. Ahmad 'Asri Abdul Hamid, Chief Executive Officer (CEO), Construction Industry Development Board (CIDB) Malaysia in his statement, "CIDB welcomes MPC's call for more construction companies to be acknowledged as shared prosperity organisations. While the practice of profit sharing especially in terms of performance bonus has been in the construction industry for some time, other criteria such as multiskilling and multitasking, cost saving as well as reduction of wastage incentives need to be enhanced. Knowing that every aspect towards company's business goal is considered and

fairly compensated, employees will engage and contribute more."

"To be acknowledged as shared prosperity organisation under eSPO wouldn't be difficult for construction companies as some criteria have already being implemented. I strongly urge construction companies to participate in the programme. There is nothing to lose and everything to gain. Acknowledged eSPO companies entails conducive and fair working environment, and this is what employees are looking for in an employer. This is what the locals

are looking for." he added.

To date, there are 40 construction companies that have been acknowledged as shared prosperity organisations under eSPO. Among the companies are UEM Sunrise Berhad, Projek Lintasan Kota Holding Sdn. Bhd. (large size), Mewah Kota Sdn. Bhd., PIJ Property Development Sdn. Bhd. (medium size), MNH Padu Resources, Dynamic Fire Defence (small size), Uniframe Marketing Sdn Bhd and WS Integrated Sdn Bhd. (micro size).

Construction companies that are interested to apply for eSPO Acknowledgement Certificate may visit http://www.mpc.gov.my/espo/.

End.

For Media Enquiries: Huda Atiqah Samsir (0137261950) or atiqah@mpc.gov.my

## **About Malaysia Productivity Corporation (MPC)**

Malaysia Productivity Corporation (MPC) is a statutory body under the Ministry of International Trade and Industry (MITI). MPC promotes productivity, quality, and competitiveness to the industries and organisations in Malaysia. MPC's vision is to be the leading organisation in productivity enhancement for global competitiveness and innovation.

Released by MALAYSIA PRODUCTIVITY CORPORATION