



IMD World Competitiveness Yearbook, Talent & Digital 2020: summaries

COUNTRY PROFILE

MALAYSIA



WORLD COMPETITIVENESS RANKING **2020**

All data are available from the
World Competitiveness Online.

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MALAYSIA

OVERALL PERFORMANCE (63 countries)



CHALLENGES IN 2020

- Minimising the impact of Covid-19 to economic, social and environment with sound policies.
- Accelerating workforce up-skilling with application of strong online platform mechanism.
- Strengthening productivity and competitiveness through change of mindset and creativity.
- Strengthening infrastructure development to push for economic recovery.
- Intensifying the adoption of fourth industrial revolution technologies for SMEs as game changer.

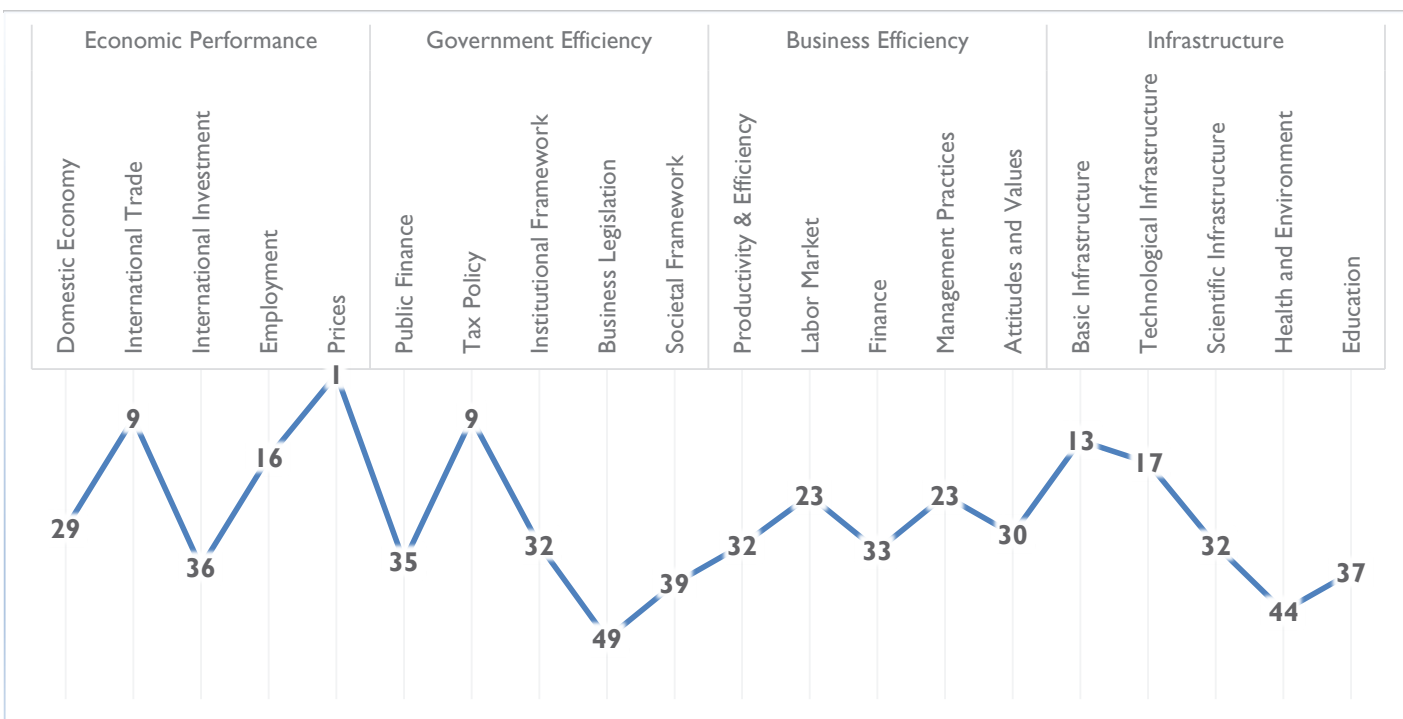
Provided by:

Malaysia Productivity Corporation (MPC), Petaling Jaya, Selangor

BASIC FACTS

		Rank
Capital	Kuala Lumpur	
Land area (square km '000)	330	2019
Exchange Rate (per \$)	4.142	2019
Population - market size (millions)	32.60	2019 25
Gross Domestic Product (GDP) (US\$ billions)	364.7	2019 34
GDP (PPP) per capita (US\$)	33,017	2019 39
Real GDP growth (%)	4.3	2019 8
Consumer price inflation (%)	0.66	2019 14
Unemployment rate (%)	3.30	2019 9
Labor force (millions)	15.58	2019 26
Current account balance (% of GDP)	13.64	2019 2
Direct investment stocks inward (\$bn)	152.5	2018 33
Direct investment flows inward (% of GDP)	2.39	2018 28

COMPETITIVENESS LANDSCAPE



PEER GROUPS RANKINGS

ASIA - PACIFIC (14 countries)



POPULATIONS > 20 MILLION (29 countries)



MALAYSIA

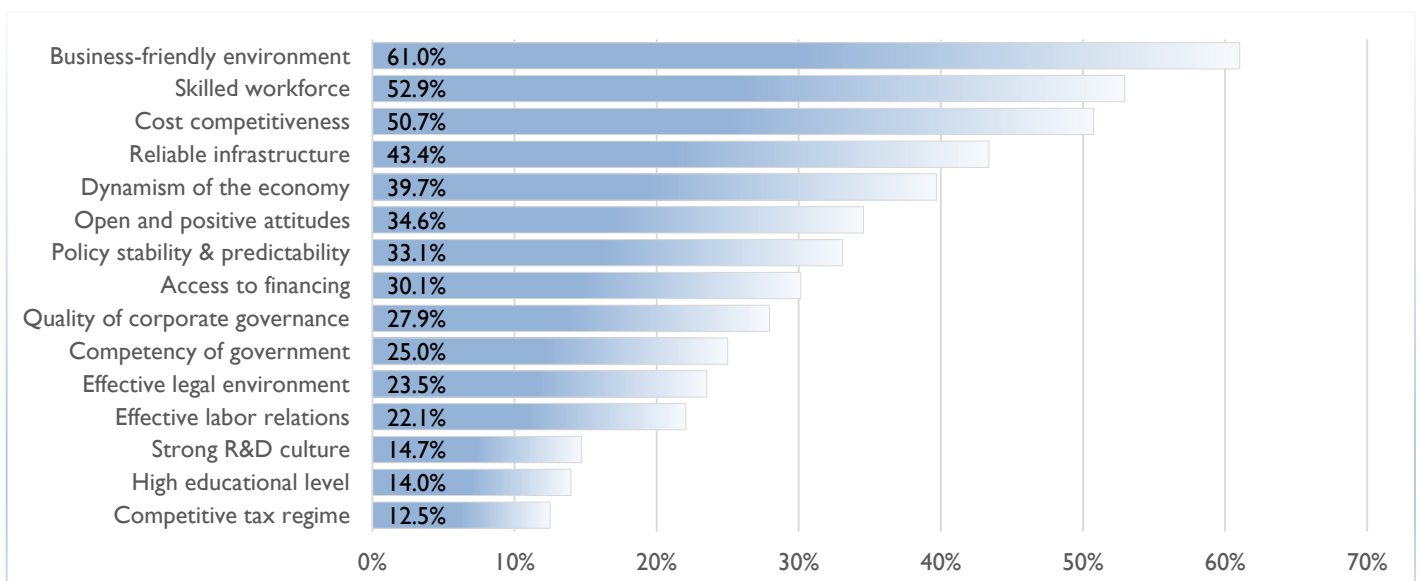
COMPETITIVENESS EVOLUTION

The criteria below highlight the 15 biggest Improvements and the 15 biggest Declines in the overall performance of the economy. They are determined by the largest percentage changes in the value of each criterion from one yearbook to the next.

IMPROVEMENTS	WCY 2019	WCY 2020	DECLINES	WCY 2019	WCY 2020
1.4.04 Employment - long-term growth	1.07	2.55	2.3.08 Exchange rate stability	0.009	0.040
4.2.16 High-tech exports (%)	28.15	52.77	1.1.18 Gross fixed capital formation - real growth	1.45	-2.14
3.2.14 Labor force long-term growth	1.51	2.72	4.1.07 Population - growth	1.25	0.62
1.2.02 Current account balance	9.46	13.64	2.5.04 Risk of political instability	5.63	3.81
4.4.23 Environment-related technologies	0.07	0.10	2.4.14 Start-up days	13.5	17.5
1.5.01 Consumer price inflation	0.97	0.66	4.4.18 Renewable energies (%)	4.2	3.4
2.4.07 Government subsidies	1.97	1.56	2.4.09 State ownership of enterprises	6.09	5.04
4.5.10 Student mobility inbound	3.15	3.79	2.4.03 Public sector contracts	5.67	4.74
4.1.20 Electricity costs for industrial clients	0.090	0.077	2.3.12 Bureaucracy	5.03	4.21
4.3.18 Number of patents in force	20.1	22.4	4.4.26 Pollution problems	5.83	4.91
1.2.12 Exports of commercial services (\$bn)	36.66	40.81	2.3.13 Bribery and corruption	4.46	3.78
1.5.06 Gasoline prices	0.55	0.49	3.2.18 Skilled labor	6.88	5.99
2.4.15 Start-up procedures	9.5	8.5	2.4.18 Immigration laws	6.19	5.40
2.5.12 Unemployment rate - gender ratio	1.16	1.06	2.5.05 Social cohesion	6.10	5.34
2.2.01 Collected total tax revenues	13.14	12.03	2.4.08 Subsidies	5.79	5.08

KEY ATTRACTIVENESS INDICATORS

From a list of 15 indicators, respondents of the Executive Opinion Survey were asked to select 5 that they perceived as the key attractiveness factors of their economy. The chart shows the percentage of responses per indicator from the highest number of responses to the lowest.



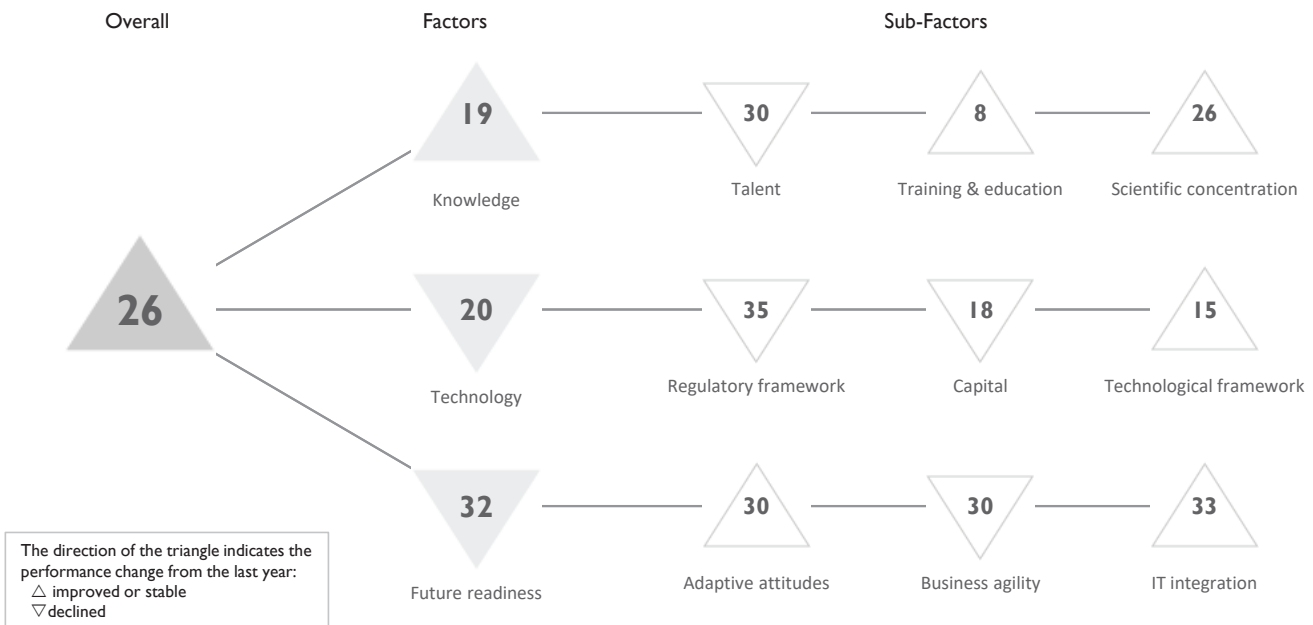
WORLD COMPETITIVENESS DIGITAL RANKING **2020**

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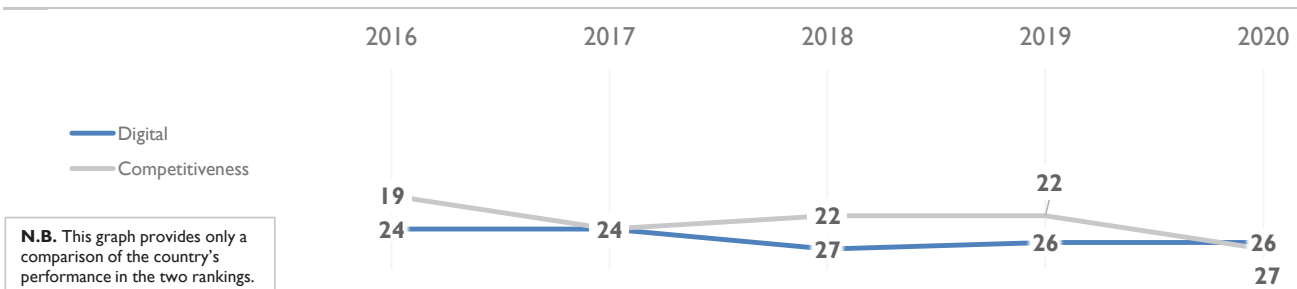
OVERALL PERFORMANCE (63 countries)



OVERALL & FACTORS - 5 years

	2016	2017	2018	2019	2020
OVERALL	24	24	27	26	26
Knowledge	22	17	17	19	19
Technology	16	18	22	19	20
Future readiness	28	27	29	28	32

COMPETITIVENESS & DIGITAL RANKINGS



PEER GROUPS RANKINGS

ASIA - PACIFIC (14 countries)



POPULATIONS > 20 MILLION (29 countries)



- Overall top strengths
- ▷ Overall top weaknesses

KNOWLEDGE

Subfactors	2016	2017	2018	2019	2020
Talent	26	27	24	22	30
Training & education	11	3	10	11	8
Scientific concentration	27	26	30	27	26

Talent	Rank
Educational assessment PISA - Math	43
International experience	32
Foreign highly-skilled personnel	25
Management of cities	22
Digital/Technological skills	30
Net flow of international students	24

Training & education	Rank
Employee training	31
Total public expenditure on education	33
Higher education achievement	40
Pupil-teacher ratio (tertiary education)	28
► Graduates in Sciences	1
► Women with degrees	4

Scientific concentration	Rank
Total expenditure on R&D (%)	25
Total R&D personnel per capita	39
► Female researchers	11
R&D productivity by publication	28
▷ Scientific and technical employment	50
High-tech patent grants	19
Robots in Education and R&D	21

TECHNOLOGY

Subfactors	2016	2017	2018	2019	2020
Regulatory framework	21	30	29	29	35
Capital	7	9	12	14	18
Technological framework	21	19	32	20	15

Regulatory framework	Rank
▷ Starting a business	52
Enforcing contracts	28
▷ Immigration laws	44
Development & application of tech.	20
Scientific research legislation	26
Intellectual property rights	34

Capital	Rank
IT & media stock market capitalization	23
Funding for technological development	23
Banking and financial services	21
Country credit rating	36
Venture capital	30
► Investment in Telecommunications	8

Technological framework	Rank
Communications technology	42
Mobile Broadband subscribers	29
Wireless broadband	19
Internet users	41
Internet bandwidth speed	36
► High-tech exports (%)	3

FUTURE READINESS

Subfactors	2016	2017	2018	2019	2020
Adaptive attitudes	29	28	30	30	30
Business agility	17	12	15	17	30
IT integration	30	34	35	33	33

Adaptive attitudes	Rank
E-Participation	28
▷ Internet retailing	45
Tablet possession	27
Smartphone possession	26
Attitudes toward globalization	27

Business agility	Rank
Opportunities and threats	35
World robots distribution	22
Agility of companies	34
Use of big data and analytics	26
Knowledge transfer	25
Entrepreneurial fear of failure	36

IT integration	Rank
E-Government	41
Public-private partnerships	17
Cyber security	29
▷ Software piracy	45

WORLD TALENT RANKING **2020**

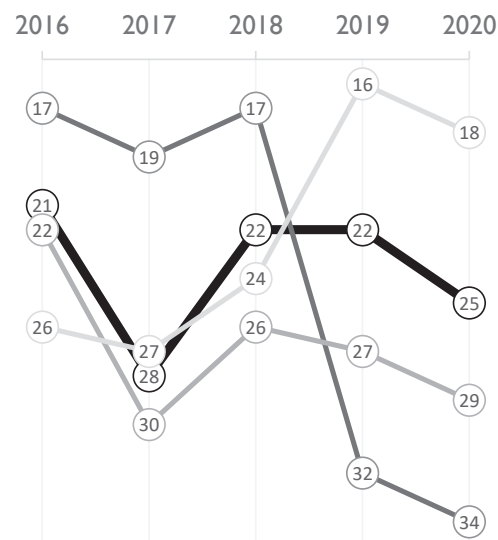
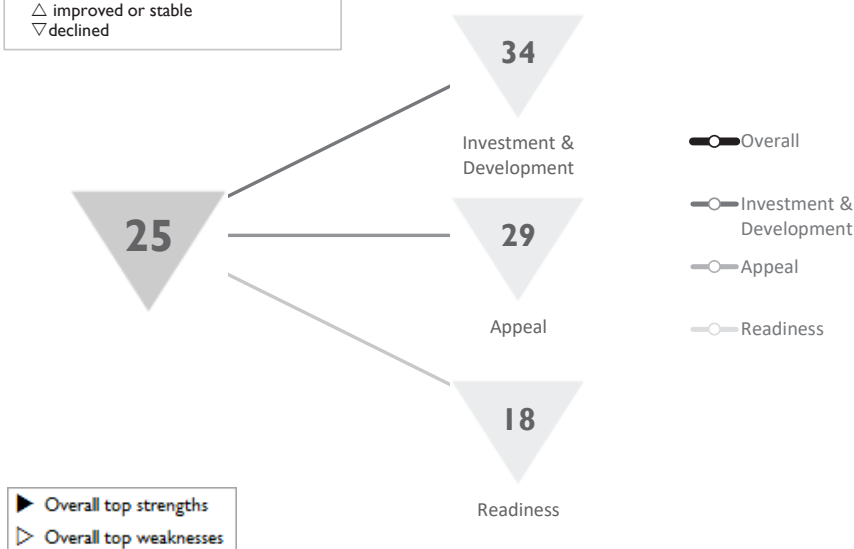
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MALAYSIA

OVERALL PERFORMANCE (63 countries)

The direction of the triangle indicates the performance change from the last year:
 △ improved or stable
 ▽ declined



Investment & Development

		Value	2020 Rank
Total public expenditure on education	Percentage of GDP	4.4 %	34
▷ Total public exp. on education per student	Spending per enrolled pupil/student, all levels	3,267 US\$	42
▶ Pupil-teacher ratio (primary education)	Ratio of students to teaching staff	11.70 ratio	12
Pupil-teacher ratio (secondary education)	Ratio of students to teaching staff	11.30 ratio	22
Apprenticeships	are sufficiently implemented	5.31 Survey [0..10]	28
Employee training	is a high priority in companies	6.13 Survey [0..10]	31
▷ Female labor force	Percentage of total labor force	39.01 %	55
Health infrastructure	meets the needs of society	7.30 Survey [0..10]	23

Appeal

		Value	2020 Rank
▶ Cost-of-living index	Index of a basket of goods & services in the main city, including housing (New York City = 100)	68.50 index	13
Attracting and retaining talents	is a priority in companies	6.50 Survey [0..10]	41
Worker motivation	in companies is high	5.97 Survey [0..10]	31
Brain drain	(well-educated and skilled people) does not hinder competitiveness in your economy	5.24 Survey [0..10]	30
Quality of life	is high	7.00 Survey [0..10]	33
Foreign highly-skilled personnel	are attracted to your country's business environment	5.99 Survey [0..10]	25
▷ Remuneration in services professions	Gross annual income including supplements such as bonuses, US\$	13,564 US\$	41
▷ Remuneration of management	Total base salary plus bonuses and long-term incentives, US\$	119,219 US\$	42
▶ Effective personal income tax rate	Percentage of an income equal to GDP per capita	10.53 %	15
Justice	is fairly administered	6.23 Survey [0..10]	27
Exposure to particle pollution	Mean population exposure to PM2.5, Micrograms per cubic metre	16.04 micrograms	29

Readiness

		Value	2020 Rank
▶ Labor force growth	Percentage change	1.97 %	12
Skilled labor	is readily available	5.99 Survey [0..10]	30
Finance skills	are readily available	6.43 Survey [0..10]	33
International experience	of senior managers is generally significant	5.80 Survey [0..10]	32
Competent senior managers	are readily available	6.10 Survey [0..10]	24
Primary and secondary education	meets the needs of a competitive economy	6.53 Survey [0..10]	29
▶ Graduates in Sciences	% of graduates in ICT, Engineering, Math & Natural Sciences	40.77 %	1
University education	meets the needs of a competitive economy	6.31 Survey [0..10]	32
Management education	meets the needs of the business community	6.32 Survey [0..10]	39
Language skills	are meeting the needs of enterprises	6.82 Survey [0..10]	28
Student mobility inbound	Foreign tertiary-level students per 1000 inhabitants	3.15 number	27
▷ Educational assessment - PISA	PISA survey of 15-year olds	431 Average	44

About the Institute for Management Development (IMD)

IMD is an independent academic institution with Swiss roots and global reach, founded almost 75 years ago by business leaders for business leaders. Since its creation, IMD has been a pioneering force in developing leaders who transform organizations and contribute to society.

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We believe that this consistency at the forefront of our industry is grounded in IMD's unique approach to creating "Real Learning. Real Impact". Led by an expert and diverse faculty, we strive to be the trusted learning partner of choice for ambitious individuals and organizations worldwide. Challenging what is and inspiring what could be.

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