By Chris Daniel Wong , Co-Chair PEMUDAH Technical Working Group on Digital Economy Start-Up Investment cum President, Malaysia Digital Chamber of Commerce (MDCC)

MALAYSIA has transitioned to the endemic phase of Covid- 19 which means in all likelihood the nation will soon be able to see social and economic life return to pre- pandemic normalcy.

We can expect productivity to improve and grow and even surpass the pre pandemic level because people have been `hungry' to come out. The indicators will soon be blinking as we see cross regional transactions taking place and business travellers take to the skies.

Labour productivity fell 5.4% in 2020 as announced by the Malaysia Productivity Corporation (MPC). It was the first contraction since the 2009 Global Financial Crisis but that is not unsurprising considering Malaysia and the world at large were clueless and grappling with how to move forward during the first wave of the pandemic in 2019. The new normal was not in place yet.

Now that the borders are open, merchandise trading activities will resume and expand and that will translate into inflow and outflow of foreign exchange earnings which will also boost the productivity level.

The disruptive impact of technology and digitalisation, induced by the pandemic, has enabled employees to upskill and reskill themselves to survive the transition and transformation in the workforce but mismatch issues pose questions on the effectiveness of many of these training courses.

Those from Gen Y, most of whom have basic degrees, benefit the most from these upskilling and reskilling courses compared to Gen X and the Baby Boomers. But the latter groups, backed by a wealth of working experience, should pick up the fundamental elements in these courses so as to better manage their young workforce.

The Productivity Report by MPC talks about the steps to be taken collaboratively by various parties to rise from the impacts of the pandemic. The Special Task Force to Facilitate Business (PEMUDAH) has reached out to government departments and agencies to work hand in hand instead of working in silos. If an agency takes the lead, the others should step back and lend support.

We have witnessed the outcome of collaboration between agencies when China's e commerce giant Alibaba made a grand entry into the DFTZ (digital free trade zone) and successfully rolled out in less than a year. Malaysia Digital Economy Corporation Sdn Bhd (MDEC) took the lead and the others provided the support namely Malaysia External Trade Development Corporation (MATRADE), the customs department and Malaysia Airports Holdings Berhad.

For MyDigital to catalyse the country's economic recovery as well as enhance productivity through the application and adoption of digital technology, the appointment of a major cloud service provider (CSP) for the Malaysian government is a significant move to drive digital transformation in the public sector.

Many a time member of the public have complained about a system breakdown in a government department and during the MCO and CMCO periods it can be exasperating for the applicant because of the `by appointment ‘directive.

All these back-end issues need to be fixed if Malaysia wants to realise its ambition to become an exporter of home-grown technology or digital technology otherwise it can take at least 13 years to 25 years. We missed our chance of being a net exporter of digital solutions in the Asia-Pacific region had Grab, a homegrown start-up originally called MyTeksi, not moved its headquarters to Singapore. Now that airasia Super App is taking shape and is expected to be the leading Online Travel Agency (OTA) in the region, some intervention by the government may be needed to help Capital A Berhad (formerly AirAsia Group).

Private enterprises in the country can only move forward if we have a good public delivery system in place above having a good infrastructure and policies.