



**PEMBANGUNAN SUMBER MANUSIA
BERHAD**

KEMENTERIAN SUMBER MANUSIA

**STRATEGIC INITIATIVES
IMPLEMENTATION GUIDELINE**

SME GRADUATES

1. PURPOSE

- 1.1 The purpose of this guideline is to inform CEOs and owners of Small & Medium Enterprises (SMEs) and universities in Malaysia on the procedure and implementation mechanism of the **SME GRADUATES Scheme**.

2. OBJECTIVE

The objectives of the SME GRADUATES Scheme are:

- 2.1 To develop management skills as well as analytical and creative decision-making competencies for SME owners.
- 2.2 To produce a generation of SME owners who have the ability to cut through the complexity of organizational life and to lead and inspire their subordinates to higher levels of achievement by becoming fluent and integrated to new innovative thinking in their daily life.
- 2.3 To provide opportunities to Malaysian SME owners to learn business fundamentals and enhance their current competencies in business management skills.

3. TYPE OF THE TRAINING COURSES

- 3.1 The types of training courses provided under the SME GRADUATES Scheme focuses on developing management skills, analytical and creative decision making competencies for SME owners.
- 3.2 This scheme provides an experiential learning programme, comprises of interactive lectures by subject matter experts, industrial visits and knowledge sharing by local successful SMEs.
- 3.3 There are three important elements in the SME GRADUATES Scheme:

i) Interactive lectures

Lectures in classroom training provided by subject matter experts of local universities and government agencies.

ii) **Business Networking**

Besides the classroom training, opportunities are also given to the participants to visit ASEAN countries to learn about best practices and business networks regionally.

iii) **Knowledge and experience sharing by local SME Champions**

The scheme also combines formal input and experiential learning within a peer group of other SME owners, sharing and learning from experience over the period of four (4) months.

3.4 There are two types of training methodologies in the SME GRADUATES Scheme;

i) **Classroom trainings**

Classes for the trainees will be conducted during the weekend, with a minimum of 192 hours, within four months. The classroom training will be conducted based on the leadership and management modules prepared by the university.

ii) **Local & international visit**

During the classroom trainings there will be an industrial visit by the participants to local companies and ASEAN countries. The industrial visit will boost the participants' knowledge and foster innovation to develop their business to a broader scale.

3.5 It is compulsory for the trainees to complete all 9 modules which prepared by the universities, which are:

Module 1: Leadership and Management World Class Performance for SMEs

Module 2: PLWS by JPP

Module 3: Creative Marketing and Business Success

Module 4: Accounting and Financial Management

Module 5: Entrepreneurship and Business networks

Module 6: Business Opportunities, Growth & Model

Module 7: Law and Ethics

Module 8: Operational Management and Quality

Module 9: Specific Module for each university

- 3.6 The above mentioned modules will be prepared by the universities except for module number 2 – Productivity Linked Wages System (PLWS) one day / 8 hours class, which will be prepared by Jabatan Perhubungan Perusahaan (JPP).

4. TARGET GROUP

- 4.1 The target groups for this scheme are:

- SME Business Owners or
- Chief Executive's Officers (CEO)

*The name of trainees must be stated in **form 49**

- 4.2 All SME business owners who are employers / trainees must meet the official national SME definition subject to the latest Amendment & Expansion of the PSMB Act 2001, as per the table below in order to be eligible for 100 per cent sponsored cost fee.

Sector	Medium
Manufacturing Mining & Quarrying	10 - 200 full-time Malaysian employees
Service & Other Sectors	10 - 75 full-time Malaysian employees

5. ELIGIBILITY, ROLE & RESPONSIBILITIES OF APPOINTED UNIVERSITIES

- 5.1 The criteria for the university to participate in this scheme as a training provider are:

5.1.1 PSMB Registered Training Provider.

5.1.2 Local universities.

5.1.3 Submit their course plan, schedule for the training course, module and plans for the industrial visit which will be evaluated and approved by PSMB for the scheme.

- 5.2 Universities will be the secretariat, implementer and facilitator for the SME GRADUATES Scheme, and are required to conduct a graduation ceremony for all successful trainees.
- 5.3 Upon completion of the training course, universities **need to ensure all trainees have obtained the certification**, and must conduct an assessment of the performance and effectiveness of the training and also prepare an **Outcome Report** as per the given grant approval by PSMB.
- 5.4 Trainings classes can be conducted at venues depending on their convenience and the university is required to provide all necessary facilities during the training.
- 5.5 The university will be collecting the registration fee of RM2, 500.00 upon enrollment of the training courses. The fees will be refunded to participants upon submission of the Outcome Report to PSMB.

6. SUBMISSION OF TRAINEE APPLICATION BY APPOINTED UNIVERSITY

- 6.1 The university is required to submit the **Applicant details in the PSMB online application system** for PSMB's evaluation and approval processes at least **1 week (7 working days) before commencement of the training** with the following supporting documents:
- i. Copy of Mykad
 - ii. Company Form 49
- *Applicants must be Malaysians either working with PSMB Registered Employers or non - PSMB Registered Employers.
- 6.2 The university is required to **keep the hardcopy of the application forms (prepared by University to Participants' Registration)** and

supporting documents. PSMB has the right to request the original documents for inspection purposes at any time.

- 6.3 The university **must ensure that information of the trainees are keyed into the system accurately**, particularly the name and the NRIC. Any enrolment with incorrect information will be queried or may be rejected. It is advisable that all information of trainees enrolled in the system is verified before submission to PSMB for approval.
- 6.4 The number of trainee for each class is **maximum of 25** pax. Universities can conduct the classes with a **minimum** of 10 trainees. However, the grant approval shall be made based on the number of trainees. For each class, universities must make sure at least 70 per cent of the participants are PSMB registered Employers.
- 6.5 The maximum **course fee that can be claimed for each trainee is RM4, 400 per pax, funded by PSMB**. Meanwhile, the course fee for the international industrial visit (transportation) will be fully borne the company and PSMB employers can claim for it using their HRD Levy.
- 6.6 PSMB requires session plans (*Jadual Latihan*) of classes implemented by the universities. The Session Plan is required for monitoring and inspection purposes. The session plan must be in line with the total training days / hours approved by PSMB. Changes in the session plan must be informed to PSMB at least 3 days before commencement of the training course.
- 6.7 The application will be queried if the details and supporting documents of the trainee is not complete. Employers are required to **reply to the queries 3 days before commencement of the training class**.

- 6.8 The average time to process a submitted application from the university **is 48 hours**. PSMB is not responsible for any queried or rejected application after commencement of the training.
- 6.9 **Replacement of trainee is strictly prohibited** after the approval has been given. If the approved trainees withdraw during the evaluation process, no claim can be made.

7. INSPECTION

- 7.1 PSMB will conduct verification visits to the training venue to check on the compliance and attendance of participants during the verification visit by PSMB's officers, universities and trainees must give their fullest cooperation.
- 7.2 During the verification visit, PSMB officers will check the attendance of the trainees. If a trainee is found absent during the verification visit, PSMB officers will an absent stamp on the attendance form. The original stamped attendance form must be attached during the payment submission.
- 7.3 The university must ensure the person in-charge during the training is capable of assisting the PSMB officers in charge during the verification visit and must always be reachable through phone.

8. CLAIM PROCEDURE

8.1 CLAIMS BY TRAINING PROVIDER

- 8.1.1 First claim submission for 50% course fee must be made via online applications by the university within two (2) months after completion of training and trainees' graduation ceremony by the University.

8.1.2 To claim the course fees, universities are required to prepare the following documents upon submission of claims to PSMB for the verification process:

- i. Invoice
- ii. Participant Attendance
- iii. Participant certification

8.1.3 Payment for the course fee is subject to the number of training days attended by each trainee. A trainee is required to complete the training with at least 80 per cent of attendance. No payment will be made for attendance below 80 per cent.

8.1.4 The final 50% of course fees can be claimed submitted via online by the university within four (4) months after the first claim is made. The claim will be submitted together with the Invoice and Participants Outcome Report.

8.1.5 Total claim duration is **within six (6) months after approval. Claims submitted six (6) months after approval will not be entertained.**

8.1.6 PSMB may take up to **14 days to process** each claim received.

8.1.7 Once the payment has been approved, a notification email will be sent to universities. The details of the course fee as well as other the allowable cost matrix will be detailed in the email.

8.2 CLAIMS BY PARTICIPANT

8.2.1 Claims submitted for transportation allowances during the international industrial visit can be submitted within two (2)

months by PSMB Employers after the training programme and trainees' graduation ceremony is completed.

8.2.2 Each participant needs to pay a commitment fee of RM2,500 which is not PSMB Claimable upon enrollment but the full sum will be returned upon the submission of the Outcome Report from the University.

9. TRAINING EVALUATION

9.1 In order to **obtain feedback on the trainings** they have attended, a **Training Evaluation Form** will be provided to all trainees upon the completion of the training. Trainees must complete the form and submit it to the University accordingly.

9.2 The **Outcome Report** of the trainees needs to be submitted to the University within four (4) months after the graduation **for PSMB to evaluate actual result of the training participated by employers. There (3) elements of the outcome report are:**

- i. Product and Service Improvement
Intended Improvement plans for business growth after completion of the SME GRADUATES Scheme.
- ii. Profits and Productivity
Expected Increase in profits and positive growth in the productivity.
- iii. Training and Development
Training and developments plans for business growth

9.3 The involving parties such as Employer/Training Provider/Participants shall be responsible for providing necessary information and documents upon the request of PSMB in the event of audit, or evaluation within 5 years from the completion of the training.

10. LEGAL ACTION

Employers and Universities are strictly advised to adhere the terms and conditions stipulated in this guideline. Legal action will be taken if any of the parties involved fail to comply with this requirement.

11. AMENDMENTS

PSMB reserves the right to change or amend the guidelines to strengthen the implementation of the SME GRADUATES Scheme. Universities will be notified for any changes made to strengthen the implementation of the scheme.