

## **eREZEKI PARTNERSHIP MODEL WITH HIGHER LEARNING INSTITUTIONS (HLIs)**

### **1.0 INTRODUCTION ON CROWDSOURCING**

Crowdsourcing is recognised as one of the “disruptive technology trends” that is already affecting businesses and the traditional employment sectors. As reported by The World Economic Forum (WEF) in its publication ‘*Future of Jobs*’ (Jan 2016), Crowdsourcing is one of the top 10 trends affecting industries with certain industries such as the Professional Services, Financial Services and Investors, as well as Information and Communications Technology (ICT), already feeling the impact.

In term of market size, The World Bank Group via its report, ‘*The Global Opportunity in Online Outsourcing*’ (June 2015), highlighted that the online outsourcing and crowdsourcing firms are projected to grow by an average of 33% per year and that the market size of this industry will expand to circa US\$15 to US\$20 billion by 2020. In this context, crowdsourcing is the crowd-model of traditional outsourcing activities, enabled by digital technology, fuelled by ubiquitous connectivity, and driven by today’s individualistic enterprising spirit.

Crowdsourcing is also considered as a major component of the Sharing Economy which many countries are now giving serious focus, with Malaysia included. The economic implications of this more flexible workforce are significant. Workers can pursue more meaningfully independent lives. Businesses can access the exact right skills and people or assets they need at the exact right time. A more nimble economy is expected and potentially more innovative, more competitive, and better able to deal with the fluctuations of global markets.

### **2.0 BACKGROUND OF eREZEKI**

The eRezeki is a national programme based on crowdsourcing concept and its variety of models. The Government of Malaysia via MDEC, has taken a unique country-level approach in developing and managing local crowd-labour or crowd workers, especially since the programme targets to benefit the population in the bottom forty percent of the income strata or referred to as the B40.

When it was first launched in 2015, eRezeki’s primary focus is to match the local crowd workers with suitable service-based task/job, starting with the introduction of simple digital micro-tasks coming from the more matured crowdsourcing market, i.e. international clients mainly in the US, which are channelled by MDEC’s international crowdsourcing platform partner. There was no local player in the digital micro-task category of crowdsourcing, which combines both human inputs and machine algorithm to undertake large scale works.

The international crowdsourcing platforms normally are in need of ‘qualified’ crowd workers to attend to paid (production) digital micro-tasks in their pipeline within specified timelines. Typically, the paid tasks in the pipeline will be pushed/offered to a qualified pool of registered crowd workers. Worker qualifications can be generic and very basic in nature without any specific skill requirement. However, some platforms might have their own assessment tools to qualify workers prior to allowing them to perform paid tasks.

The local crowdsourcing industry has accelerated over the last 3 years, with new players mushrooming, albeit mostly focusing on the digitally-enabled tasks or services (“uber” based model for various kind of services). In contrast to the internationally-sourced digital micro-task, the digitally-enabled category are mainly tasks from the local market. These digitally-enabled tasks are very much location-based and non-digital in nature, which are offered or distributed online to the crowd. In tandem with the growing local crowdsourcing industry, the eRezeki’s local platform partners have also substantially increased in number, distributing and offering various types of task or demand for services from the local market. These local platforms are also in need to match the tasks on their platform with the suitable crowd workers.

One of eRezeki’s key value propositions is indeed about efficiently matching the demand from the crowdsourcing industry with the supply of services from Malaysian citizens, and vice versa. Hence, profiling of eRezeki participants is a vital and incessant process in the eRezeki system that will enable a proper demand-supply matching function – the first attempt in the world to process and match wide spectrum of tasks/jobs/services of different complexities and origins with a national-level crowd of different skills/qualifications/experience.

In addition to the digital micro-task and digitally-enabled task categories as described above, the eRezeki Program also includes digital work category, which is directed towards B40 community with specific skills and qualifications (e.g. unemployed graduates, under-employed graduates, retrenched workers and pensioners).

**Table below summarized the 3 categories of work on eRezeki:**

<b>Work Category</b>	<b>Description</b>	<b>Examples</b>
Digital Works	<b>Domain specific work / tasks</b> such as application development, creative work and language-based work. <b>Requires specific skills to perform the work and longer time to perform the work / tasks.</b>	<ul style="list-style-type: none"> <li>• Web Development</li> <li>• Mobile Application Development</li> <li>• Creative Design e.g. Graphic, Logo</li> <li>• Software Testing</li> <li>• Audio/Video Transcription</li> <li>• Document Format Conversion</li> <li>• Video Footage/Sound Clips</li> </ul>

Digitally Enabled Tasks	<b>Work / tasks</b> such as survey, running errands and domestic services which were <b>distributed online but has to be performed offline / on-site.</b>	<ul style="list-style-type: none"> <li>• Survey / Census / Price Watch</li> <li>• Mystery Shopper</li> <li>• Part-time work / crew</li> <li>• Running Errands / Delivery services</li> <li>• Domestic Services such as Plumber, Electrician, Cleaner etc.</li> </ul>
Digital Micro Tasks	<b>Simple task</b> involving data entry, processing of images or actions that <b>requires no-specific skills or high level of skills to perform the tasks. Tasks can be performed and completed within few minutes.</b>	<ul style="list-style-type: none"> <li>• Data Entry</li> <li>• Data Cleansing</li> <li>• Photo / Image Moderation</li> <li>• Download-Install</li> <li>• User Experience (UX) Feedback</li> <li>• Search Engine Optimization (SEO)</li> <li>• Social Media related tasks etc.</li> </ul>

### 3.0 eREZEKI PROGRAM DELIVERY

In delivering its value propositions to the different user communities, the current eRezeki Programme delivery model can be depicted as follows:



In concept, anyone can register and participate to be crowd worker as long as he or she can access the internet. Whether or not one will qualify or able to land a job or task via digital platforms is purely depending on one's ability and competitiveness in providing services or skills in the open and free market. In the context of eRezeki, the Government is providing the necessary support and assistance in term of soft and hard infrastructure, particularly to the B40 community to enable them to participate and earn income as crowd workers.

## **Social Obligation**

In the effort to create a more levelled playing field to ease B40 participation, and considering the target community's (1) geographical diversity in urban and rural areas, (2) different ICT literacy level, and (3) varying degree of broadband access; the Government recognises the importance of having some form of facility to assist accessibility, on-boarding, training and, to some extent, provisioning of enabling environment for the community to perform crowdsourcing tasks.

Hence, another important component of the programme is the eRezeki centre facility. These physical centres are meant to serve those B40 who need to be facilitated or trained in using eRezeki system and its partner platforms, to practice and qualify themselves as workers for certain types of task, or to have accessibility or work place to perform the tasks. The centre is essentially the go-to place for the surrounding community to find out anything about eRezeki, especially for those who are less savvy in discovering eRezeki on their own using the internet, and for those who prefer face-to-face approach.

Since the beginning of the programme, there are only 6 eRezeki centres, purposely set-up under eRezeki and fully funded by MDEC. With the approval of the Economic Planning Unit of Prime Minister's Department (EPU) and the Ministry of Communications and Multimedia (KKMM), these 6 serve as test cases towards development of sustainable digital work centres, to be based on crowdsourcing and impact sourcing business models. The rest of the current (and future) physical centres that serve the eRezeki programme are designated by leveraging the existing telecentre type or computer lab facilities with broadband, as already available nation-wide. These include, among others, Pusat Internet 1Malaysia (under MCMC), Pusat Internet Desa (under KKMM), Urban Transformation Centres (UTCs), relevant facilities operated by State Agencies and State Development Corporations, and computer labs under Kolej Komuniti, HLLs, libraries etc. These will be progressively designated to function as the physical centres for eRezeki (based on various collaboration models with MDEC).

It is indeed a conscious decision by MDEC to optimally leverage the existing infrastructure already invested by the Government through various agencies and statutory bodies for the purpose of serving the community. This is instead of funding development of more new centres under eRezeki. In line with the Government Transformation Programme (GTP) model and principles, a collaborative approach with multiple ministries, agencies and organisations of relevance, instead of silo, is applied in serving the shared national and social agenda. MDEC also welcomes any private sector organisations who wish to offer suitable facilities as Pusat eRezeki or Wakil eRezeki, towards attaining common social goals.

### **Pusat eRezeki and Wakil eRezeki**

Due to the different form, capacity, and functions, as well as known limitations of the existing facilities, which are owned and managed by various organisations, the eRezeki centres can be categorised into two (2) as follows:

<b>Category</b>	<b>Scope</b>
Pusat eRezeki	<ul style="list-style-type: none"> <li>• Facilitate the process of registration</li> <li>• Provide training in the intricacies of eRezeki portal and system control</li> <li>• Facilitate eRezeki online training</li> <li>• Provide training slots based on needs and for walk-ins</li> <li>• Provide work space and means to perform task</li> <li>• Provide guidance during working on eRezeki tasks, and assistance in understanding instruction, particularly digital micro-task, but limited to only assignment briefs</li> </ul>
Wakil eRezeki	<ul style="list-style-type: none"> <li>• Facilitate the process of registration</li> <li>• Provide training in the intricacies of eRezeki portal and system control</li> <li>• Facilitate eRezeki online training</li> </ul>

In essence, the major users of Pusat eRezeki and Wakil eRezeki are the general public B40 nation-wide who need help or facilitation in order to participate in eRezeki. Typically as a start, these B40 are introduced to simple task under the digital micro-task category as it suits their profile very well. For general public B40 located in Klang Valley and major cities such as Penang and Johor Bahru, the digitally-enabled tasks (location-based and non-digital) are also available to start with, since the demand for such crowd-based services in these locations is growing.

Unlike Pusat eRezeki, Wakil eRezeki may not be able to offer work space and means for community to perform crowdsourcing tasks, but it certainly offers eRezeki on-boarding and training facilitation either on scheduled or walk-in basis. For examples:

- Wakil eRezeki at Kolej Komuniti offers only scheduled training session, since the facility primarily serves as a computer lab for their student courses during weekdays. In the case of Kolej Komuniti, eRezeki training is positioned as part of their 'Life-long Learning' modules, offered to general public during weekend.
- Wakil eRezeki at Pusat Internet 1Malaysia (coming soon) offers guidance and facilitation for walk-ins to register and use eRezeki system. Scheduled training session on eRezeki introductory and basic modules for the surrounding community is also offered when there is sufficient demand. Similar to other users of Pusat Internet 1Malaysia, eRezeki participant is also subject to the same term and condition imposed by MCMC or the operator, and may use available workstation on first come first serve basis.

Both Pusat eRezeki and Wakil eRezeki do not provide training on digital work per se. However, community may choose to do self-learning on digital works by using the eRezeki's online learning contents.

For digital work, a different approach is being deployed. This is considering the highly competitive nature of the global market place (on digital crowdsourcing platform), which requires a more intensive training methodology with months of coaching and mentoring support. This is offered under the eRezeki Global High Income Program (a sub-program under eRezeki). Those B40 with degree qualification as well as students in higher learning institutions are the primary target of the programme. This includes unemployed / underemployed graduates, students in HLIs from selected faculties, retrenched workers and pensioners.

## 4.0 eREZEKI GLOBAL HIGH INCOME PROGRAMME

MDEC has been promoting the Digital Work Track since the launch of the eRezeki Programme. However, as the media attention was more on general public B40 performing digital micro-tasks, little information was shared on digital work.

The pilot of eRezeki Global High Income programme started in May 2016 and ran for about 7 months, with the participation of about 600 participants divided into several intake batches. The result of each batch was very promising with a total net income of RM2.7 million accumulated by all participants within less than 3 months. Based on the pilot success, and recognising the global crowdsourcing trend, plus the opportunities, challenges and potential implications that digital work market will pose to Malaysia, YAB Prime Minister in October 2016 directed MDEC to scale-up the Digital Work Track from 2017 onwards. YAB Prime Minister also decided that focus of this Track should be on the highly skilled / experienced B40, unemployed graduates and retrenched workers, as well as preparing the students in the local universities to have the option to become an independent global digital worker.

This decision is indeed timely, and serves to guide the expansion of the eRezeki programme as a whole and in a much accelerated manner. The phenomenal change of how businesses and people work, from the highly structured traditional employment to freelancing / independent contractor model, is already evident in the landscape of the US workforce, with 34% of the total workforce or 53 million Americans currently working as freelancers either as full-time or part-time basis (as reported in *Freelancing in America: A National Survey of the New Workforce, 2015*).

Moving forward and acknowledging the importance of a more structured and coordinated engagement with Higher Learning Institutions (HLIs) in order to scale up the impact, particularly to university students nation-wide, MDEC is currently revising and putting forward several potential working models with the HLIs.

## 5.0 WORKING MODELS

The collaboration models between MDEC and HLIs for the eRezeki Programme will be guided based on following:

### General eRezeki (Focus: Digital Micro-task and Digitally-Enabled Task)

No.	Model	HLI's Roles & Responsibilities	MDEC's Roles & Responsibilities
1.	HLI operates a 'Wakil eRezeki', providing eRezeki training to B40 communities (students)	<ul style="list-style-type: none"> <li>Designate existing lab facility with broadband to</li> </ul>	<ul style="list-style-type: none"> <li>Train HLI's personnel/ trainer to qualify as</li> </ul>

	and staff) within the HLI's compound, without any charge.	<p>function as Wakil eRezeki</p> <ul style="list-style-type: none"> <li>• Provide dedicated personnel/trainer.</li> <li>• Plan/schedule eRezeki training sessions.</li> </ul>	<p>General eRezeki Master Trainer.</p> <ul style="list-style-type: none"> <li>• Provide re-training and trainer support</li> <li>• Provide tracking and monitoring system</li> </ul>
2.	HLI operates a 'Wakil eRezeki', providing eRezeki training to B40 communities (students and staff) within the HLI's compound, and also to surrounding B40 communities without any charge.	<ul style="list-style-type: none"> <li>• Designate existing lab facility with broadband to function as Wakil eRezeki</li> <li>• Provide dedicated personnel/trainer.</li> <li>• Plan/schedule eRezeki training sessions.</li> </ul>	<ul style="list-style-type: none"> <li>• Train HLI's personnel/ trainer to qualify as General eRezeki Master Trainer.</li> <li>• Provide re-training and trainer support</li> <li>• Provide tracking and monitoring system</li> </ul>

### eRezeki Global High Income Programme (Focus: Digital Work)

No.	Programme	HLI's Roles & Responsibilities	MDEC's Roles & Responsibilities
1.	Crowdsourcing; Digital Work Force Elective Course/Embedded Subject	<ul style="list-style-type: none"> <li>• Manage and assign lecturers for the Elective Course.</li> <li>• Participate in the Training of Master Trainer (ToT) session conducted by appointed eRezeki Global High Income Programme partner.</li> </ul>	<ul style="list-style-type: none"> <li>• Develop Elective Course modules and grading methodology.</li> <li>• Train HLI lecturers (as assigned by the respective HLIs) to run the course.</li> <li>• Provide and periodically update online learning contents.</li> <li>• Provide post-training coaching and mentoring support to students.</li> </ul>

			<ul style="list-style-type: none"> <li>• Provide tracking and monitoring system on earning performance.</li> <li>• Provide subject matter expert support to lecturers (for teaching).</li> </ul>
2.	<p>Hosting eRezeki Global High Income Centre, in collaboration with MDEC</p> <ul style="list-style-type: none"> <li>• Centre is open to public participating in the eRezeki Global High Income Program, without restriction of working hours</li> <li>• Training in the Centre is for public participants only, to be run directly by MDEC or appointed eRezeki Global High Income Programme partner</li> <li>• Opportunity to create an agency model, managed by Business Unit(s) of Faculty/University, with income model towards sustainability</li> <li>• Opportunity to create a Digital Work Incubator, renting workspace and</li> </ul>	<ul style="list-style-type: none"> <li>• Designate existing facility as eRezeki Global High Income Centre. Facility shall include: <ul style="list-style-type: none"> <li>◦ computer lab (a minimum of 30-seat) with sufficient broadband capacity</li> <li>◦ convenient eatery for participants</li> </ul> </li> <li>• Appoint dedicated manager and support team to manage the facility</li> </ul>	<ul style="list-style-type: none"> <li>• Provide funding for centre facility and meal provision for qualified trainee participants</li> <li>• Provide management team and trainers to run the Centre</li> <li>• Provide and periodically update online learning contents on freelancing</li> <li>• Provide post-training coaching and mentoring support to participants</li> <li>• Provide tracking and monitoring system on the performance of Centre's digital freelancers</li> </ul>

	providing related services for digital enterprises, based on separate commercial arrangement with MDEC's eRezeki Global High Income Programme partner		
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Collaboration to set-up and operate an eRezeki Global High Income Centre in collaboration with MDEC will be based on a set of criteria, which include:

- Value propositions from respective HLLs in recruiting, developing and managing highly active and highly “engaged” digital freelancing workforce
- Market and locational factors, in term of training capacity requirement / demand, and local talent quality
- Conducive environment for freelancing work and lifestyle

Notwithstanding the above, approval to operate the eRezeki Global High Income Centre is also subject to MDEC's resources and capacity, and expansion plan, as approved by the Economic Planning Unit of the Prime Minister's Department, Ministry of Finance and Ministry of Multimedia and Communications.