

Digital Transformation and Digital-led Recovery Post-Covid-19

Kevin Lai

Introduction

The Covid-19 pandemic has affected the economic equilibrium of supply and demand. Businesses and consumers are expected to adapt to a “new normal” following a large-scale economic disruption from the Movement Control Order (MCO). The pandemic has undoubtedly damaged the brick-and-mortar retail business as reported in the news and reports from retail association worldwide. However, the silver lining behind the negativity of the pandemic presents an opportunity for business with minimal human contact and online presence such as grocery deliveries, online learning, takeout food, video streaming and to the extent of closing real estate deals through online notaries.

Digital transformation should be sought after by businesses to build a resilient future in light of the global pandemic. Andreas Carney, Partner of Pinsent Masons, said that the link between business technology and its operational resilience were focused during the current health emergency which could subsequently intensify investments in digital projects. The pandemic shows an unprecedented reliance on technology and data services. Businesses are enabling remote working to cushion the impact brought about by the pandemic. Communications and technology platforms are becoming household names overnight. The European Commission and European Council said that the green transition and digital transformation will play a central and priority role in relaunching and modernising the regional economy.¹

Despite CPA Australia surveys across the Asia Pacific has reported that many Malaysia’s small businesses have reasonably strong finances and usage of digital technology in 2019 where they are well-positioned to manage through the Covid -19 crisis and to recover fairly quickly.² However, the economist said unlike previous recessions in the county, Malaysia’s recovery from the current economic downturn due to Covid-19 will be depending on other nations. Oh Ei Sun, Senior Fellow of the Singapore Institute of International Affairs opined that Malaysia being a vital part of the global production supply chain has become a very open economy and an important trading nation.³

¹ Digital transformation core to coronavirus recovery, Pinsent Masons, dated 30 April 2020, <https://www.pinsentmasons.com/out-law/news/digital-transformation-core-to-coronavirus-recovery>

² Malaysia’s small business well-placed to recover from economic impacts of Covid-19, Malaysian Dutch Business Council, dated 13 April 2020, <https://www.mdbc.com.my/malaysias-small-businesses-well-placed-to-recover-from-economic-impacts-of-covid-19/?cn-reloaded=1>

³ Current economic crash may be worst in Malaysian history: Experts, The Sun Daily, dated 23 April 2020, <https://www.thesundaily.my/local/current-economic-crash-may-be-worst-in-malaysian-history-experts-BB2322892>

Paul Drum, CPA Australia General Manager of External Affairs warned that while the results were positive for Malaysia but past performance is no guarantee of future success. The pandemic left small business small margin for error and businesses to require prudent management while focusing on the changing needs of customers with greater adoption of technology instead of focusing only on good fortune. These are essential for business recovery and ongoing future success.⁴ As Covid-19 continue to spread around the world, the value of Information Technology and digital transformation catapulted to the forefront and organisations are using available technology to accelerate the transition to accommodate the “new normal” brought about by the pandemics.

Malaysia: Digital Challenges and Opportunities⁵

Malaysian enterprises are seen making strides in digital transformation because they see the benefits of doing so however the industries are still facing several challenges that could halt their efforts to be fully digitalized in the upcoming years. Malaysia’s Information Technology spending is forecasted to be approximately RM47.9 billion by 2020 and most of the spending is funnelled into the management of cloud services which signalled that enterprise digital transformation is playing its role in Malaysia. More than 55% of Chief Executive Officers in Malaysia have acknowledged the need to digitally transform while the remainders are having reservation towards digital transformation.

Malaysia’s enterprise delay in digital transformation is contributed by the lack of technical knowledge and organisational silos. The lack of this knowledge and stagnant working culture reflects the maturity of businesses and clearly shows the non-readiness of some enterprises in Malaysia to engage in digital transformation. However, government initiatives such as the National Policy for Industry 4.0 - Industry4WRD and collaboration with technology partner, it has enabled a steady growth in technology adoption among Malaysian companies.

A survey shows that 85% of organisations involved with the survey are in the midst of their transformation however only 7% in Southeast Asia can be classified as a digital transformation leader. This 7% are organisations with at least a third of their revenue derived from digital products and services. Small and Medium Enterprises (SMEs) are struggling because most of them have lacklustre leadership and lack the agility to adapt. There is also the possibility of conserved enterprises to not have the right understanding of the importance of digital transformation and perceived that digital implementation is costly. This calls for

⁴ Current economic crash may be worst in Malaysian history: Experts, The Sun Daily, dated 23 April 2020, <https://www.thesundaily.my/local/current-economic-crash-may-be-worst-in-malaysian-history-experts-BB2322892>

⁵ Malaysia’s small business well-placed to recover from economic impacts of Covid-19, Malaysian Dutch Business Council, dated 13 April 2020, <https://www.mdbc.com.my/malaysias-small-businesses-well-placed-to-recover-from-economic-impacts-of-covid-19/?cn-reloaded=1>

Malaysian enterprises to adopt a leaders' mindset to build their digital ecosystem to grow their value chain and it is time to make the change in the pandemic situation.

Companies that emulate business models that work in other countries such as e-payments, ride-sharing and its alike are higher as compared to innovative start-ups in Malaysia. It is important to note that the market can only support a small number of players serving the same need. Many companies are also engaged in software research and development instead of hardware research and development, which were claimed to be more complex. The Chairman of Malaysia's National Information, Communication and Technology Association (PIKOM) have recommended that for SMEs to holistically embrace digitalization, the team must have strong management and long-term vision to drive the agenda.

The country also lacks the right Information Technology skills despite having the appropriate skill sets in the electronics sector. It is of utmost importance that the lack of skills in niche Information Technology sectors such as the elements that form the Industry 4.0 is set in place to propel the country's digital transformation ambition. The root of the challenge is the lack of right Information Technology skills was because most Information Technology support infrastructure and software systems are proprietary. Malaysia as a whole is still lacking experts in different strands of technology which included embedded systems and Internet of Things hardware designers. This lack of experts is also contributed by the fact that brain drain occurs within the nation with IT experts advancing their career in neighbouring countries.

Sunny Park, Assistant General Counsel and APAC Regional Director for Corporate, External and Legal Affairs of Microsoft ASEAN opined that a mindset shift is required to take place among the SMEs in parallel with digital transformation. Although talks about digital transformation have been going on for many years, the adoption of technology remains less than ideal. She noted that part of the recent stimulus package announced by the government should have a policy for businesses mainly the SMEs. The subsidy is not sufficient and businesses are needed to rescale and upscale their operation to embrace the digital technology for their business to move forward in a different post-pandemic climate. She further mentioned that the policy should provide inclusiveness which extends technology usage across different sectors namely healthcare, education and the financial sector.

The challenges above are supported also by John Low, Co-Managing Partner of Roland Berger for South East Asia where he mentioned that there is a lack of investment in the digital industry, the low pace of digital adoption by enterprises and shortage of digitally skilled workforce. He also connected the dots by stating the fact that Malaysia lack of the right skills in information technology is mainly contributed by the mismatched of digital or critical skills demand and academic curriculum in current schooling systems and job markets.⁶

⁶ Government needs to consider policies to help maintain business continuity-Microsoft, BERNAMA, dated 21 May 2020, <http://www.newstream.asia/biz/govt-needs-to-consider-policies-to-help-maintain-business-continuity-microsoft/>

Based on the Global Connectivity Index 2019, Malaysia was ranked 32 out of 79 countries in terms of connectivity and scoring 48 out of 120 points. Malaysia may have rapidly improved their broadband download speeds and broadband penetration within the last few years and has outperformed many other Southeast Asian countries. The country still needs to support businesses in the future by providing a structured approach to digital adoption to ensure businesses maintain their competitiveness in the digital world. The call to digitalise Malaysian companies will enhance global competitiveness, strengthen growth and productivity in the manufacturing industries, create high-value jobs and reduce dependency on foreign labour - which in turn strengthen SMEs.⁷

Digital Transformation, Digital Divide and Covid-19

Most of the countries across the world have implemented national lockdown and Malaysia practised MCO which was gradually modified to ensure economic continuity. The pandemic has forced countries to have a work culture shift from the usual office setting to those of remote work and classes were taught through distance learning as steps to contain the spread of the pandemics. Regardless of the term used for any form of isolation during this pandemic, it was also during this pandemic that signalled the needs to transform many industry and businesses from retail to education.

The amount of digital transformation supports by technology industries for their customers was further prioritised and executed during the pandemic. The efforts and changes will make it harder to revert to the way businesses were run before the pandemic. The reality was triggered by the fact that Covid-19 will impact many in-person activities and spaces from open offices to travel and events. The motivation to change is also encouraged by the positive impact digital transformation has on businesses. Hari Sribivasan shared in a LinkedIn Official Blog post that in the first week of April, people spent 1.7 million hours of learning content on LinkedIn Learning compared to 560,000 hours in the first week of January which is a threefold increase in time spent for learning.

With digital transformation being encouraged across all industries and businesses, the workforce will need to acquire new digital skills that prepare them for the future workplace which was accelerated by the ongoing pandemic. The technological shift will see a working adult training or retrain in technological skills while school-going generation school syllabus and higher education training might see the needs to re-evaluate their programs to accommodate the accelerated progress of digital transformation.⁸

⁷ Global Connectivity Index-Malaysia, Huawei, date accessed 29 May 2020, <https://www.huawei.com/minisite/gci/en/country-profile-my.html###>

⁸ Digital Transformation and Digital Divide Post Covid-19, Forbes, dated 11 May 2020, <https://www.forbes.com/sites/carolinamilanesi/2020/05/11/digital-transformation-and-digital-divide-post-covid-19/#b46239016565>

Box 1: Technological Innovation in Pandemic Situation

India - The country have started to utilize more frequently the BYJU's online learning platform along with apps like the Unacademy, Shaw Academy, Udemy and GradeUp. The Solid Works apps triggers children imagination as the apps comes with tools to create style, design and print 3D models.

South Korea - The government launched “Korean-version New Deal” where it focuses on increasing state investment in artificial intelligence (AI), fifth-generation (5G) telecommunications services and renewable energy to boost growth and jobs with a cost of 31.3 trillion won (RM109.14 billion).

Singapore - Open government data enabled detailed mapping of the outbreak, robots are delivering meals and medication to patients.

China - Robot and drones are used to deliver medical supplies and AI was used to scan and spot infected area. Chinese-e-commerce giants are ramping up development of robot deliveries.

In Southeast Asia, digital transformation is on the rise and it was expected that 48% of the region's GDP will be derived from digital products and services by 2021. However, Malaysia is trailing behind Singapore, Japan and South Korea.⁹ Digital transformation is inevitable in the Covid-19 pandemic. The governments are expected to shapes policies that embrace technology and data usage. Data are supposed to move freely to key stakeholders to create a profound impact on a nation's economic recovery and global leadership. In Malaysia, Microsoft is ready to work with the government to ensure that the government strategies to move forward will be more resilient and ensure continuity in businesses during a future pandemic or natural disasters.¹⁰ Companies are starting to look at the expansion of drones and robot deliveries however three issues need to be addressed - the autonomous technology take time to mature, companies need to identify scenarios that require autonomous delivery robots and regulations about the use of robots have yet to be finalized.¹¹

However, it is important to consider the periphery communities when it comes to digital transformation. Digital transformation may not be prepared to happen in a holistic way when there is a digital divide happening. Distance learning regardless for school or self-improvement will not arrive for thousands of kids and adults who did not have access to broadband or a device. In the pandemic situation, many families are

⁹ Malaysia's small business well-placed to recover from economic impacts of Covid-19, Malaysian Dutch Business Council, dated 13 April 2020, <https://www.mdbc.com.my/malaysias-small-businesses-well-placed-to-recover-from-economic-impacts-of-covid-19/?cn-reloaded=1>

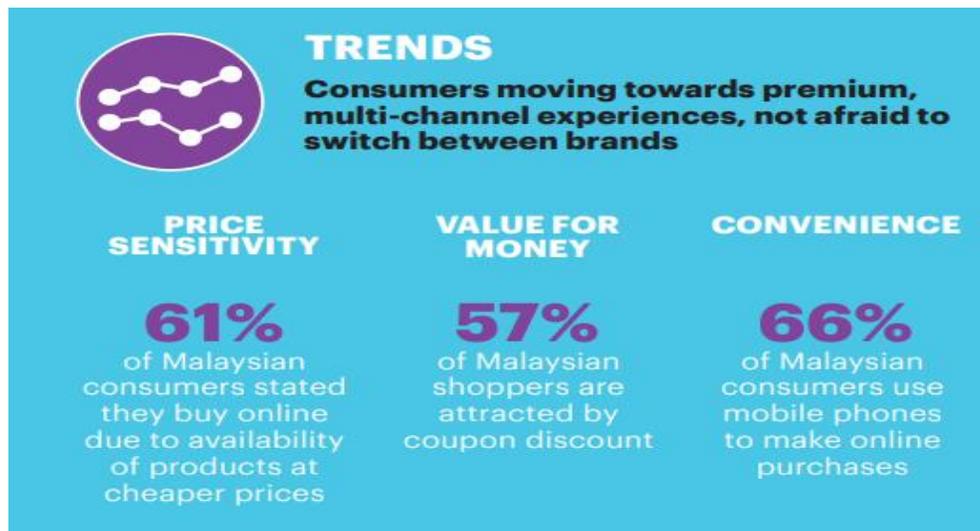
¹⁰ Government needs to consider policies to help maintain business continuity-Microsoft, BERNAMA, dated 21 May 2020, <http://www.newstream.asia/biz/govt-needs-to-consider-policies-to-help-maintain-business-continuity-microsoft/>

¹¹ Coronavirus lockdown sparks expansion of drones and robot deliveries, Nikkei Asian Review, dated 24 April 2020, <https://asia.nikkei.com/Opinion/Coronavirus-lockdown-sparks-expansion-of-drones-and-robot-deliveries>

facing financial where retrenchment and unemployment happened since the country's MCO period. With their financial strain, it is almost impossible for underprivileged children to embrace the "new normal" quickly and resume schooling like their peers.¹²

Digital transformation has emerged as a powerful lifeline which proofs its relevance to its users. China is using robots to disinfect hospitals and drones to deliver medical supplies; while in South Korea, authorities are tracking potential carrier using cell phones and satellite technology.¹³ Daniel Zhang, Chairman and Chief Executive Officer of Alibaba said despite the impact of the pandemic, the company Gross Merchandise Value (GMV) achieved US\$1 trillion across its digital economy this fiscal year. The ability for Alibaba to achieve this GMV was contributed mainly by the shifting consumer behaviour during the pandemic and enterprise operations. Consumers are engaging online shopping more often meanwhile retail are forced to embrace online sales as brick-and-mortars retail are heavily affected by the pandemic and "new normal".¹⁴

Another interesting report by Accenture also shows the trend of digital transformation gearing towards digitalised market based on three areas: price sensitivity, value for money and convenience. The following shows the trends before the spread of the Covid-19 and these trends were believed to change in the upcoming years.



¹² Digital Transformation and Digital Divide Post Covid-19, Forbes, dated 11 May 2020, <https://www.forbes.com/sites/carolinamilanesi/2020/05/11/digital-transformation-and-digital-divide-post-covid-19/#b46239016565>

¹³ How Malaysia can thrive in the Post Covid-19 economy, The Edge Malaysia, dated 8 May 2020, <https://www.theedgemarkets.com/content/advertise/how-malaysia-can-thrive-in-the-post-covid-19-economy>

¹⁴ Alibaba's Daniel Zhang on Growth and Digital Transformation in the Post-Coronavirus Era, Alizilla, dated 22 May 2020, <https://www.alizila.com/alibaba-daniel-zhang-growth-and-digital-transformation-post-coronavirus/>

Despite the positive outlook of the technology industry, employees from the sector are worried that they would be replaced by automation including tools used by employers to cope with the impact of the pandemic. KPMG reported that an estimated 67% of workers in United States technology companies are concerned about losing their jobs to digital capabilities powered by artificial intelligence, machine learning and robotic software.¹⁵ However, South Korea project of incorporating technology-led recovery aimed at establishing a social safety net for all people by creating 550,000 jobs.¹⁶ This is proof that technology is not here to fully substitute labour force.

The Minister of Finance, Datuk Seri Tengku Zafrul Tengku Abdul Aziz said that the Ministry of Finance together with the Economic Planning Unit (EPU) of the Prime Minister's Department has started engaging stakeholders from various industries to get their feedback on efforts to restore and develop the economy. This was to reflect the Prime Minister Tan Sri Muhyiddin Yassin announcement that the government would formulate a comprehensive short, medium and long term economic recovery plan to revive economic activities quickly. Tengku Zafrul said the long term strategy would see measure formulated to safeguard the country's economic, nature and social thrust with digital technology playing an integral part to ensure country's sustainability and competitiveness in the future.¹⁷

Although there was a plan to integrate technology to ensure economy continuity and sustainability, there are no substantial news or ideas about the technology adoption in the long term plan thus the following section will view the efforts of the Malaysian government and provide recommendations for further digital adoption in the post-Covid-19 environment.

Malaysia and It's Digital Strategies

During this pandemic, the Malaysia Digital Economy Corporation (MDEC) launched the #DigitalVsCovid movement. Among the efforts that stemmed from the movement includes the introduction of SME Digital Quickwins to continue assisting Covid19 impacted businesses. The SME Digital Quickwin has two key focus areas explained as follow:

- a.) To facilitate the process of connecting technology solution providers with SME which will ensure businesses can tackle and overcome the challenges faced by them during the pandemic.
- b.) To look ahead and plan on next steps/exit plan after MCO was lifted that will focus mainly on accelerating the recovery phase and enabling SMEs to become highly adaptable towards the post-

¹⁵ Tech workers fear their jobs will be automated in wake of coronavirus, Wall Street Journal, dated 27 May 2020, https://www.wsj.com/articles/tech-workers-fear-their-jobs-will-be-automated-in-wake-of-coronavirus-11590571801?mod=hp_minor_pos4

¹⁶ South Korea eyes post-pandemic economic recovery with 'new deal', BERNAMA, dated 1 June 2020, <https://www.theedgemarkets.com/article/south-korea-eyes-postpandemic-economic-recovery-new-deal>

¹⁷ MoF to formulate economic recovery plan post Covid-19-Zafrul, The Edge Markets, dated 24 April 2020, <https://www.theedgemarkets.com/article/mof-formulate-economic-recovery-plan-post-covid19-%E2%80%94-zafrul>

MCO era. This will include talent retention and ecosystem growths and empowering SMEs during the post-MCO and Covid-19 period.¹⁸

MDEC collaborated with local technology companies to help businesses and the general public to embrace the digital transformation in the face of the pandemic. E-Learning platforms are expanded to meet the needs of school students, teacher and those at tertiary education along with adult in the workforce that wish to upskill or re-skill themselves. The following table shows the number of companies and the Higher Education Institute offering digital platforms:

Programmes	Number of Platforms
Digital Platform for school teacher and students	26 companies
Higher Education Based Digital Platform	16 Higher Education Institute
Digital Platform for trained professionals and courses for corporate and businesses including SMEs	82 companies

Low-income group peoples are now able to earn an income through various simple and easy digital jobs that are available with the right training. They were also able to run an online business through an online platform. There are three categories of eRezeki scheme as follow:

- a.) **Micro-sized Digital Task** - Under this category jobs or task are categorised as easy and does not require any specialized skills or in-depth expertise. Some will require some training but could be quickly addressed to carry out the work.
- b.) **Digital jobs** - Under this category, various online platforms that offer multiple work opportunities are available for freelancers. Entrepreneurs and small- and medium-sized enterprises can register as a digital workforce/freelancers on these networks. This includes the MDEC's Global Online Workforce (GLOW) initiative. Once registered, they can bid for projects/tasks that match their skillsets.
- c.) **Non-technical jobs** - Under this category, job or task that does not require any technical know-how are made available and can be bidded for or assigned through online platforms. However, most roles will not require online connectivity or digital know-how. The nature of the jobs that could be bidded usually involves research work and surveys, data collation and domestic service engagement or management.

Go-eCommerce is an online entrepreneurial platform that offers tools that can help build and accelerate online transition for businesses. The platform already has a comprehensive guide for SMEs and Micro-SMEs that are interested in expanding their operations onto eCommerce platforms.

¹⁸ MDEC Introduces SME Digital Quickwins to Continue Assisting Covid-19 Impacted Businesses, Malaysia Digital Economy Corporation, dated 8 April 2020, <https://mdec.my/wp-content/uploads/SME-Digital-Quickwins-.pdf>

MDEC has also compiled a list of digitalisation of business operation by categories such as point of sale services (16 platforms), human resources technology (33 platforms), data and tech analytics (24 platforms), media and digital marketing (14 platforms), delivery services (5 platforms), financial technology (6 platforms) and insurance technology (5 platforms).

MDEC launched the #DigitalVsCovid Movement with the Ministry of Communication and Multimedia along with government agencies that are involved with combatting Covid-19 to share the various solutions that technology and digital applications have to offer.¹⁹

On 6 May 2020, the Sarawak Government has also announced the formation of a Sarawak Economic Action Council to formulate economic agendas for the state to recover from the Covid-19 pandemic. The Chief Minister Datuk Patinggi Abang Johari Tun Openg said that the economic agendas will run through to 2030 and the state's economic, social and government sectors would be anchored on digital economy and environmental sustainability by raising the importance of data centres as the driving force for innovation in digital applications.²⁰

On 20 May 2020, Huawei Malaysia introduced the Huawei ASEAN Academy which intends to empower digital talent through its dedicated training module and form a part of Malaysia's vision of becoming the region's Digital Hub. Huawei aims to nurture 50,000 Malaysian talents over the next five years with an RM3 million investment spread across various business and technology sectors. The academy will be providing more than 3,000 Information, Communication and Technology courses facilitated by 100 skilled trainers to nurture national digital talent. The collaboration between Huawei and the Ministry of Communication and Multimedia could be traced back since 2001 where Huawei collaborated with higher learning institutions, government agencies and state government as part of its mission to develop the digital economy of Malaysia.²¹

Malaysia state government and government agencies have created plans to allow digital transformation to take place in an accelerated phase. But as mentioned in the previous section, despite the pandemic accelerating digital transformation, the digital divide still occurs and the mentality of some businesses are not geared to embrace the digital transformation. Thus, the government must address the area that supports the digital transformation especially in terms of digital infrastructure in the country.

¹⁹ Overcoming the challenges of Covid-19 with digital technology, Malaysia Digital Economy Corporation, date accessed 29 May 2020, <https://mdec.my/digitalvscovid-the-general-public/>

²⁰ Sarawak forms SEAC for post Covid-19 economic recovery, The Edge Malaysia, dated 6 May 2020, <https://www.theedgemarkets.com/article/sarawak-forms-seac-post-covid19-economic-recovery>

²¹ Huawei launches ASEAN Academy to empower digital talent and nurture Malaysia's digital ecosystem, Huawei Malaysia, dated 20 May 2020, <https://www.huawei.com/my/press-events/news/my/2020/huawei-launches-asean-academy-to-empower-digital-talent-and-nurture-malaysia-digital-ecosystem>

Recommendations

The government may have established a public-private partnership with several technology proprietors and government agencies have created guidelines and initiatives for businesses and the general public. State governments also step up by integrating technology into the economic recovery plan for the post-Covid-19 situation. However, the existence of only one national policy for Industry 4.0 and an ongoing network infrastructure expansion nationwide - National Fiberisation and Connectivity Plan launched last year mark the nation's unpreparedness for digital transformation. The following are the recommendation to go forward with the digital transformation from several levels:

1. **Acceleration of Digital Infrastructure**

The National Fiberisation and Connectivity Plan (NFCP) launched in 2019 were targeted to be completed in a 5-year timeframe. However, the political turmoil in the first quarter of 2020 and change of government have not updated progress on the NFCP. In this pandemic climate, many enterprises are starting to embrace the digital transformation thus the government must **revise and accelerate** the timeframe of NFCP to accommodate the changing dynamics of the new normal.

2. **Revision of timely and relevant courses for Post-Covid-19 generations**

The Malaysian Education syllabus has blind sighted the fact that Information, Communication and Technology is pivotal in the country's development. Students from primary and secondary schools are only trained in basic technical knowledge and those who venture into technology-related courses are allowed to have formal exposure to advance technology skills and knowledge. The Ministry of Education must start to **revise and manage** school syllabus by integrating extensive ICT skills to school going students. Meanwhile, the Ministry of Higher Education should **evaluate available technology-related courses and reflect on its content and relevance to prepare adult students for the "new normal" and Industry 4.0.**

3. **Recalling, Maintaining and Creating job opportunities**

The lack of ICT skills is contributed by two factors - lack of experts with right ICT skills and brain drain of local talent as highlighted in the challenges section. The Malaysia government should consider **recalling** all Malaysian digital experts and practitioner working abroad to return and provide professional ideas in terms of technology. Recalling Malaysian from abroad is not sufficient, the government must observe suggestion 1 and 2 to provide a sense of job security to recalled Malaysian as a step of **maintaining** their relevance in the country and finally with the right people and skills from returning experts, people with proper qualification would be trained appropriately and technology job **creation** would emerge. By completing this cycle, Malaysia will potentially move forward as a Techno-community.

4. **Engage, Innovate and Create value-added for industries**

With many businesses and industries engage the usage of technology in their daily operation. The government should review the robotics and analytical proprietors engaged by other nation in their daily operation regardless of the sectors. After a thorough review of the proprietors, respective government agencies and ministry could **engage** with a list of approved proprietors to discuss adopting their technology in the businesses and governance matters of the country. The step to engage is not sufficient as the nation will need to **innovate**. By bringing in ready-made technology, technology experts and practitioner could spend time and funds in research and development to study imported technology and **innovating** technology products for the nation. Through **innovation**, companies engage in manufacturing technology products **create** value not only for the technology sector but across all other sectors namely manufacturing, education, healthcare and businesses, this, in turn, create demand and supply of techno-labour in the country.

5. **Creation of Digital Transformation policy across all sector and government services**

The Digital Transformation policy should be created in the moment of pandemics and future emergencies. The policy should act as protection and opportunities for every layer of the society to be able to enjoy the potential and benefits of digital transformation. As digitalisation transform the landscape of privacy, it is important to ensure the safety of data transmission and enhance cybersecurity measures to prevent any possible breach of law from any party. The policy should also outline sources for a different group of community to enable them to share the pie from digital transformation. Generally, the policy should entail - cybersecurity protection, approved technology-related businesses, groups of community entitled to access digital transformation, governance over digital transformation matters and legal explanation on the practices allowed and not allowed by the digital transformation initiative.

SUMMARY

The uncertainties of the pandemic situation have accelerated digital transformation and many nations are embracing the new normal with technology-led recovery mechanism in place especially among workplace and government services. However, the Malaysian mindset has not changed and the digital infrastructure is not fully ready. Thus, the recommendation above is a push for the government to address the issues that were considered challenges for Malaysian to fully embrace digital transformation and going forward into Industry 4.0. It is also important to note that even with the government paradigm shift in governance, businesses and people plays an equally important role in understanding the needs for digital transformation. The pandemics have forcefully strengthened the disruptive force of technology in the traditional setting and most countries, including Malaysia, are embedding the idea of technology in their economic recovery plans post Covid-19. This is the sign that acceleration in planning and execution must

be thought through as it triggers a chain reaction from education, governance, labour market and industrial economy continuity and sustainability in the environment of new normal.

2 June 2020

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