



UNIVERSITI TEKNOLOGI MARA KAMPUS ARAU PERLIS

FACULTY OF BUSINESS AND MANAGEMENT

**BACHELOR IN BUSINESS ADMINISTRATION (HONS) HUMAN RESOURCES
MANAGEMENT**

HRM 666: INDUSTRIAL TRAINING REPORT

SWOT AND PESTEL ANALYSIS OF EMPLOYEES' PROVIDENT FUND (EPF)

PREPARED BY:

NAME	MATRIX NUMBER
NUR IRDINA IWANI BINTI MOHD FAIZAL	2021166841

GROUP:

RBA2436B

PREPARED FOR:

ADVISOR: NOOR AFFEEDA RAMLI

EXAMINER: DR. MOHD SAMSURI GHAZALI

EXECUTIVE SUMMARY

Industrial report is one of the compulsory subjects that need to be completed and taken for every student of Bachelor in Business Administration (Hons) Human Resource Management. Employees' Provident Fund (EPF) is one of the companies that I chose to undergo my industrial training programme for being an internship student that allows me to apply the knowledge learned in the academic program. The duration is from 3 September 2023 until 8 February 2024. I have been assigned to the Enforcement Section but still need to do the work in different sections. This report aims to provide an overview of my internship experience and offer recommendations for organizational improvement to ensure more individuals contribute to the EPF. This report covers several parts, including my resume, the company's background, reflections on training during the internship, a Pestle, SWOT analysis, and matrix. Furthermore, I can acquire skills at the workplace in the industry and gain practical experience that can be used for future careers.

Table of Contents

1.0 STUDENT’S PROFILE	1
2.0 INTRODUCTION	2
3.0 COMPANY PROFILE	3
3.1 Company Background	3
3.2 Company Logo	4
3.3 Company Location	4
3.4 Vision and Mission of EPF	5
3.5 Organizational Chart	6
4.0 EPF PRODUCTS AND SERVICES	7
5.0 TRAINING REFLECTION	9
5.1 Duration and Department	9
5.2 My roles and responsibilities	10
5.3 Benefits Gained	13
6.0 PESTLE	15
7.0 SWOT ANALYSIS	19
8.0 SWOT MATRIX	26
9.0 CONCLUSION	30
10.0 REFERENCES	31
11.0 APPENDICES	33

2.0 INTRODUCTION

Industrial training is an important opportunity for all final-year students to gain valuable experience and preparation before entering the workforce. Bachelor of Business Administration (Honors) Human Resources Management students are required to undergo a 24-week, which is a requirement set by the Faculty of Business. This training is an important opportunity for students to gain hands-on experience on how to handle members and work together in a team. It also gives students the chance to network with professionals in the industry and make valuable connections.

Internships are like steppingstones to our future careers. They are not just about learning new skills and getting experience, but they are about discovering who you are and how you handle real-world challenges. Working in a real office environment helps me to see myself in different situations and develop the right attitude to thrive with different people and circumstances.

This internship program helps me in improving my soft skills that can be used for my future career. Working life is very challenging as it requires great effort, commitment, and abilities. These are the something that I need to be prepared and trained for.

3.0 COMPANY PROFILE

3.1 Company Background



Figure 2: Office of Employees Provident Fund

The Employees Provident Fund (EPF) is a social security organization owned by the government in Malaysia under the Ministry of Finance (MOF) that provides retirement benefits to private sector employees. The MOF is responsible for overseeing the EPF and ensuring that it is managed in a sound and responsible manner. The MOF also plays a role in approving changes to EPF regulations and policies. It was established in 1951 and is governed by the Employees Provident Fund Act 1991 (KWSP, 2023). This legislation is designed to offer retirement benefits to its members by effectively and dependably managing their savings. The EPF also offers a practical structure for employers to fulfil both their legal and ethical responsibilities towards their workforce. A contribution refers to the amount of money deposited into individual accounts within the EPF, which is determined by calculating the percentage of an employee's monthly salary. The contribution rate of the EPF depends on the employee's income. The contribution of employees is 11% and the employer is 13%.

3.2 Company Logo



Figure 3: Logo of Employees Provident Fund

3.3 Company Location

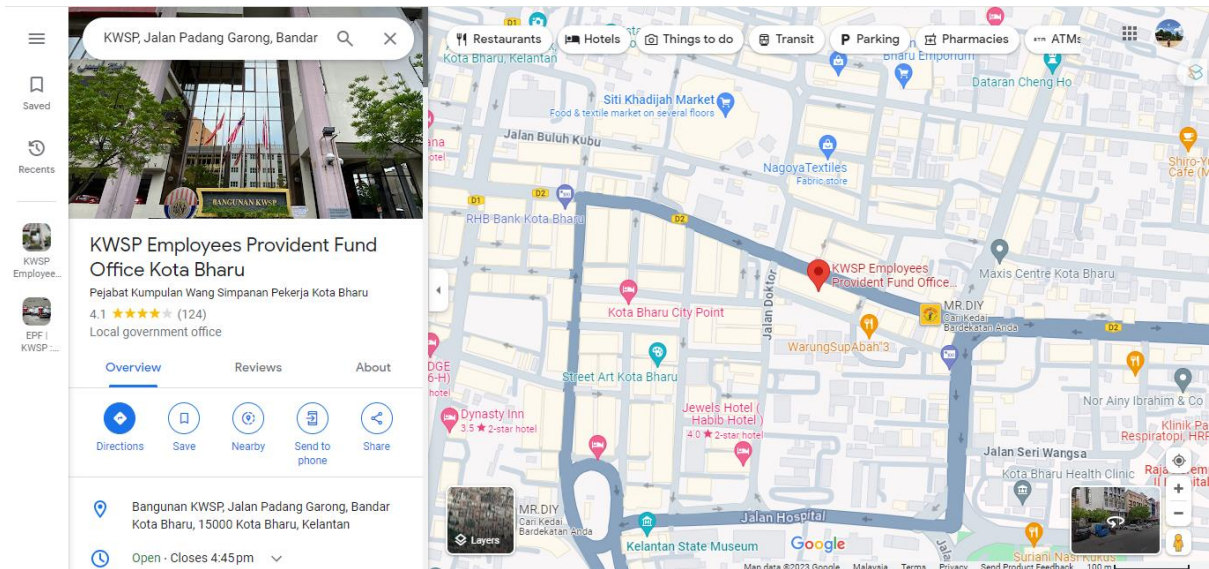


Figure 4: The location of the Employees Provident Fund office

The main EPF Kota Bharu branch is conveniently located at Bangunan KWSP, Jalan Padang Garong, 15598 Kota Bharu, Kelantan. The building is easily recognizable with the KWSP logo displayed prominently. It is strategically situated near the Kota Bharu City Centre, the Palace of Jahar and the Kelantan State Mosque is also within walking distance.

3.4 Vision and Mission of EPF

i) Vision

‘Helping members achieve a better future’

KWSP helps Malaysians live worry-free by building a safe nest for their golden years

ii) Mission

‘Safeguard member’s savings and deliver excellent services’

This focuses on the practical and administrative aspects of managing members’ contributions and ensuring they are secure and accessible

EPF QUALITY POLICY

‘We are committed to continuously providing quality & innovative services to fulfill our customer needs’

EPF OBJECTIVES

- Safeguard members’ savings and deliver excellent services
- Help members achieve a better future
- Provide financial assistance to members in need
- Promote the development of the Malaysian economy

EPF GOAL

Our goal is to help you create a comprehensive retirement plan that aligns with your financial goals, lifestyle aspirations, and desired level of comfort (KWSP, 2023)

3.5 Organizational Chart

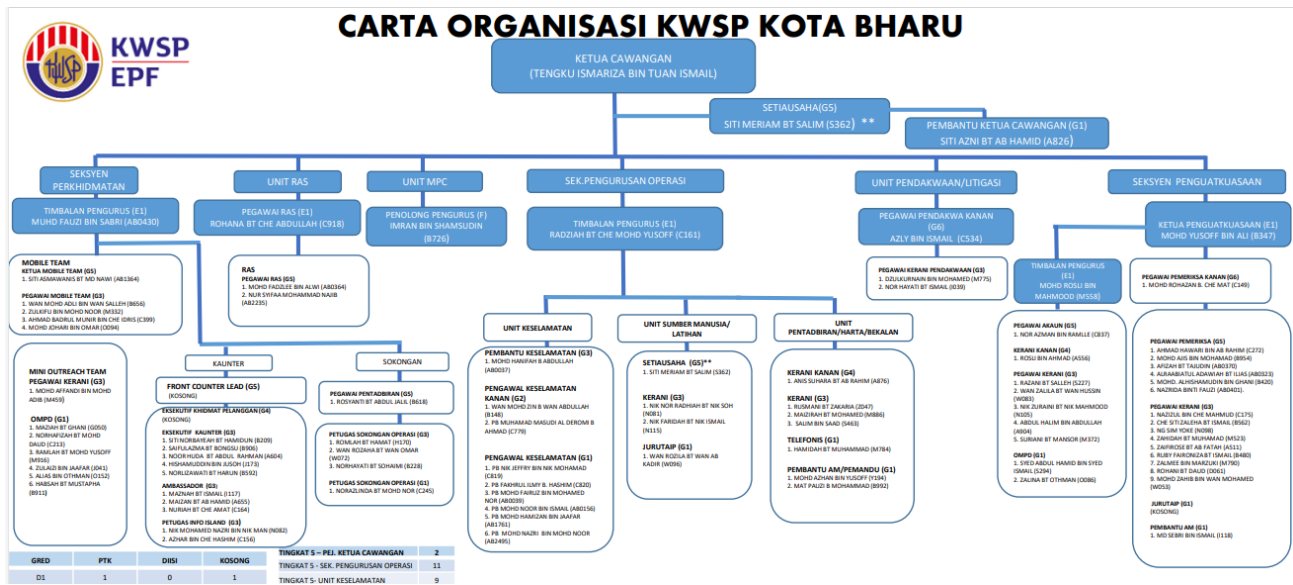


Figure 5: The organizational chart of Employees Provident Fund, Kota Bharu branch

4.0 EPF PRODUCTS AND SERVICES

4.1 i-Syariah

The Simpanan Syariah mostly known as i-Syariah is a savings option managed by invested by the EPF following the Shariah (EPF 2023). It is to provide an avenue for Muslim members to have Shariah-compliant retirement savings for their consumption including in performing Hajj and Umrah as well as for their family without any doubt on the source of the fund. Moreover, to ensure members' savings will not be used for purposes that contravene with Syariah principles, especially interest, gambling, and gharar often found in investments in conventional and insurance.

4.2 i-Saraan

i-Saraan or voluntary contribution introduced by EPF. It offers an opportunity for self-employed members without fixed incomes and employees of the gig economy to obtain exclusive government incentives for retirement purposes, subject to the established requirements. The benefits that they will get are annual dividends, special incentives, tax exemption, and death benefits. The contributors can receive 15% of the total contribution up to a maximum of RM300 in the current year following payment terms and conditions.

4.3 i-Lindung

i-Lindung is a self-service platform through i-Akaun (Member) which can be used to purchase protection products under the Member Protection Plan (MPP). Members are allowed to purchase insurance/takaful products from Insurance and takaful Operators (ITOs) that have been approved by the EPF or self and member's families consisting of the member's spouse and children. The types of protection offered are life protection and critical illness protection.

4.4 Retirement Advisory Service (RAS)

Aim to help members not only be financially literate but also understand the sustainable retirement options that can increase their retirement savings. EPF also offers retirement planning consultation, financial planning consultation, and EPF products and services consultation. RAS advisors can also help members make informed decisions about their EPF savings, such as when to withdraw their savings and how to choose a retirement payout option. Moreover, RAS advisors can provide guidance on a variety of topics, including estimating retirement income needs, managing EPF savings, Investing for retirement, and Retirement planning strategies.

4.5 i-Invest

This is a self-service online platform that allows EPF members to invest a portion of their Account 1 savings in approved unit trust funds. This is a good option for members who want to grow their savings faster and have a higher risk tolerance. Members can invest in as many funds as they want to buy, but the total investment amount cannot exceed 30% of Account 1 savings. EPF also encouraged the use of the i-Invest platform, as it offers advantages such as lower initial sales charges compared to other methods, greater flexibility, functionality, and convenience for members to invest, carry out transactions, and monitor their investment funds across various financial management institutions (FSMOne Investment Marketing, 2023)

5.0 TRAINING REFLECTION

5.1 Duration and Department

As a practical student entering working life for the first time, I was apprehensive and anxious about the task assigned. However, I count myself lucky to have a company filled with people who are both concerned about and eager to assist one another. Learning from more experienced co-workers is a huge benefit of working for a large corporation. The typical workday begins on Sunday until Wednesday and the shift is from 8 AM to 4.45 PM while on Thursday, with daily shifts from 8 AM to 4.30 PM.

During my first week of internship, I was responsible for helping the staff in the service section as I have been placed in that section. Here, I have learned many things about EPF's services to its customers, such as registering for an EPF account, converting from a conventional account to a Syariah account, making nominees, paying for study loans, and many more. In addition, I was also taught how to use the kiosk and EPF website to perform customer transactions. I have also learned about providing quality customer service, addressing inquiries, and assisting with account-related matters.

Moreover, during my second week of internship, I was placed in the enforcement section until the last day of my internship. This section is about to deal with employers that need to pay for contributions to their employees.

5.2 My roles and responsibilities

1) Manage to check for employers' contributions every month

Every month, all employers are required to make monthly contributions to the EPF by the 15th. My responsibility is to verify these payments through the KWSP Support Center. I need to access the KWSP Support Center by using the employers' number. For each employer, I will verify if the current month's contribution has been made. If the employers have not contributed yet, I need to take their personal information like phone numbers to follow up with them. Meanwhile, for the employers with a history of non-payment exceeding three (3) months, I will mark their records with a star symbol that does not pay for many more months, I need to make a star symbol. The reasons are, that some employers may currently have no staff, resulting in no contributions due, and certain companies may be in the process of deactivating their employer account.

2) Update contributions with the employers

For the next process, I need to update and follow up with the employers that have not made any payment for that month through WhatsApp and call. The reasons are to remind them to pay for the contributions and to know the reasons of the employers that have not made any contributions yet. So, my task is to send the reminder for each month and state the month that they need to pay. For example, for the wages for November 2023, the contribution month should be made before the 15th of December 2023 to avoid any late payment charge.

3) Create a system for deactivation files

For deactivation files, I need to create new system in Excel for deactivation files to separate each month and to ensure that the files can be find by staff if there any companies or employers that want to reactivated their employers account back. Currently, in my record, the deactivation files have almost 2000 files starting from 2021 until 2023. Before this, the staff need to find the find by using the date of the deactivation files and sometimes the staff cannot find the right files and also it consume much time. So, I need to create a system namely File Tutup Batal numbering to make it easier for the staff to find the needed files and also can save time. For example, I can literally enter the employer name and find in which box the files is located at.

4) Attend customer and member

The task is to serve customers and members that came to the KWSP. During my internship, I was placed at Enforcement Section, but at the same time I also need to go to Service Section to do cross selling every month. At Service Section, I usually assisted customers and members in registering their EPF account, changed their phone number, reset the password, registered for i-Akaun (ahli) and change to i-Syariah account. I have also promoted the members that have no employers and self-employed to register in i-Saraan to get incentives from the government. In 2024, the government has increased the incentives from RM300 to Rm500 and maximum incentives is RM5,000 for the lifetime. I have also assisted the members to registered for nomination account. Moreover, I also assisted employers to activate their employers account and teach them on how to login to the employer account and how to pay for the monthly contribution.

5) Manage active, deactivated, and disposal files

In EPF, we do have many files related to the employers that contains all the detailed and reports regarding of all the transaction that have been made by the employers. My task is to find the right files according to the employers' number if the staff ask me to help them. In the meantime, I need to ensure that the files are organized and arranged at each rack according to the employers' number to make it easier for the staff to find the right files needed. Next, for the deactivation files, I need to ensure that all the files are already in File Tutup Batal system. The task is for example, if the staff wants to reactivate their employer account, I need to find the file in the system by entering the employers name and find the file in which box but, before it, I need to print out 'Pertanyaan Akaun Majikan' and place it to ensure that the employers have no outstanding payment. We cannot place the files in the same boxes if the company still have outstanding payment. For the disposal files, I need to print new label including the box number and the date of disposal and placed all the files in the new boxes.

6) Manage complaint reports from the employees

In the enforcement section, we do have the report from the employees if the employers did not pay for their monthly contribution. So, I need to search for the complaint report by using employee number in the system, print all the detailed reports and evidence, and put it in files for each staff. I was also assigned to manually enter all the detailed information in KWSP 11361A. Next, I also manually write the detailed employees in 'Pendaftaran Kes Aduan'. The other task is to check between Form A and the remuneration list to know whether the employer contributed or not in 2023 from June 2023 until October 2023 (contribution from July 2024 until November 2024).

7) Cross-Selling report data

During my 18th week, I was assigned to do cross-selling data for January 2024. I have taken that responsibility as I know that I can improve my Excel skills and gain knowledge. As I have no experience in doing cross-selling data, I need to learn more about how to make a chart and table. This is a great opportunity for me because I can polish my knowledge and do other work in other sections. The task was, to gather the data for EPF products and services in January 2024 from each internship/protégé student and key in the data in an Excel file and make it a table and chart as it is required as the internship/protégé student at EPF to do cross-selling every month. The products are, i-Syariah, registered for i-Saraan, Voluntarily Excess (VE), and Voluntarily Contribution (VC).

8) Organize and be directly involved in EPF programs

EPF branch Kota Bharu always has programs that can tighten the bonding between staff and also help staff skip their work routine and get a new fresh mind. For example, EPF Kota Bharu has a Family Day program and National Sports Day. As an internship student, I have taken the responsibility, challenge, and opportunities to be one of the committee members in that program. During Family Day, my task was to handle the games for two days like target shooting, putting water inside the bottle, calculating the scores on each game, and giving the coupons to the winners for them to claim for the gifts. Other than that, I and my friends also needed to arrange and organize the gifts according to the games and also assigned to handle the food and water for all employees including their family members. Moreover, during National Sports Day, I have assigned to handle games like archery, 'melontar gelang dalam kon', and 'boling botol' and the task is to take the score for each of the staff. At the same time,

I had the chance to get to know the other EPF staff from other branches like Kuala Krai and Tanah Merah because they also came and joined National Sports Day.

5.3 Benefits Gained

1) Communication skills

Effective communication is the cornerstone of quality customer service. During my internship, I have gained knowledge on how to offer the greatest services to the customers or members that came to the EPF for all of their business. At the same time, I encountered customers and members of EPF with various concerns and questions about their EPF accounts. Apart from that, I have managed to develop customer service skills that involve empathizing with their needs, actively listening, and addressing their concerns with patience and understanding. Next, dealing with customers' and members questions also required me to portray a positive and professional attitude. I need to have good communication skills in terms of giving instructions and explaining to them about the i-Syariah account because most of them are still not familiar with the i-Syariah. For example, a member expresses confusion about the process of converting their conventional account to a Syariah account. So, I need to explain the differences between the two accounts and provide the customer with informative resources, answer their specific questions, and address any concerns they might have about the Syariah. So, for the final result, I am successfully making an informed decision about their account type and registering the members with the Syariah account. So, I believe that good communication can make members feel valued and have a positive impacts on the company.

2) Problem solving skills

At EPF, we always receive a lot of problems, and questioning from the members and customers. As an intern at EPF, luckily, I managed to handle all the problems faced by the members. Addressing customer concerns and finding solutions to their queries has developed my problem-solving skills and critical thinking abilities. For example, the most common problem is when the members forget their user ID and password and it is unable to access their online account. So, my task is to verify the member's identity, guide them through the password reset process, provide clear instructions and steps to reset the password and create a temporary password for them. So, the result is, I managed to help members regain access to their i-Akaun (ahli) to do other transactions like register for nomination and print statement details.

3) Ability to multitask

Multitasking is a crucial skill, especially when I need to handle diverse tasks on the same day. My duties encompassed a blend of customer service, administrative tasks, and data management. Moreover, during my internship, I was placed in the Enforcement Section but I still had to cover the job and work from the other sections like the Service Section and Operational Section. For example, at Service Section, I need to provide comprehensive service to the customers and members in registering their EPF account, printing their statement details and reset their password. I need to ensure that I managed time properly because I need to do my routine work at Enforcement Section as well to do job at Service Section. Sometimes, I need to handle two to three tasks at the right time. Through this, I have realised that I can do multiple job and the same time without feeling pressure. This challenge really taught me on how to organize time and ensure that I can finish all the task in same day. I found it fun to do multiple job because it boosts my productivity.

4) Learn new software

At EPF, we use the system to handle all the things related to the employers especially at Enforcement Setion. For example, I have learned to use the KWSP Support Center to check the contributions from the employers every month by keying in their employers' numbers. From there, we can get details of employers' information for the next process of reminding the employer to pay for the contribution. So, every month, I need to use the KWSP Support Center to track their contribution. Next, KWSP 1195 is used to check the outstanding balance for late charge payments and dividend. Besides, the Enforcement Management System is used to check whether the employer is still active or not and the commence and cease liability.

5) Data management system

As an intern student, I got the opportunity to create a new system by using Excel. My task is to key in and record all the deactivation files in one Excel file namely File Tutup Batal that can be accessed by the staff who want to find the files for the reactivation process. Before this, the problem is, that it is hard for the staff to find the needed files in which boxes, and it consumes a lot of time. By doing this system, I just need to enter the name of the company, and less than 1 second I already can find the files on which boxes. So, this system will make it easier and can save time. So, from 2021 to 2024, there are more than 2000 deactivation files with no outstanding balance, that are already recorded in Excel.

6.0 PESTLE

A PESTEL analysis is a strategic framework commonly used to evaluate the business environment in which a firm operates (Peterdy,2022). However, according to Oxford University, PESTEL analysis is a framework that businesses can use to identify and assess the political, economic, social, technological, environmental, and legal factors that could impact their operations (Barrington, 2021). Moreover, this is also a process of gathering and analyzing information about the internal and external environment of an organization.

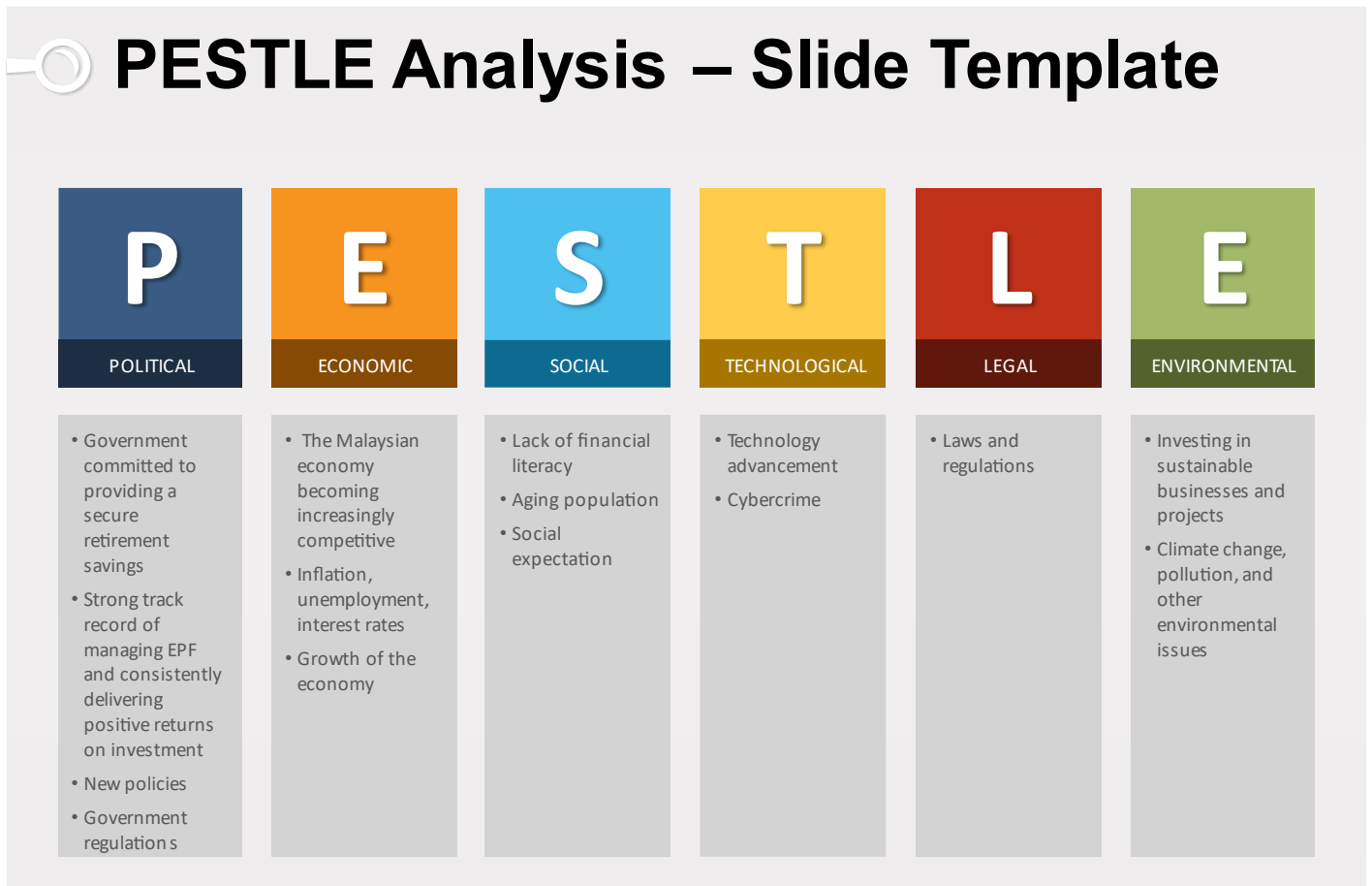


Figure 6: PESTLE for EPF company

1) POLITICAL

The EPF in Malaysia is a government initiative aimed at providing secure retirement benefits for members. Also, the EPF is subject to government regulations regarding employee benefits and retirement funds. Any changes in these regulations can directly affect the operations and functioning of the EPF. Therefore, the EPF needs to stay updated and compliant with the evolving government policies. The EPF's performance and management are closely tied to the political instability of the country. A stable political environment ensures continuity in policy implementation and provides a sense of security for EPF members. On the other hand, political instability can introduce uncertainties that may impact the management and performance of the EPF. Next, the government may introduce new initiatives or collaborate with the EPF to enhance retirement planning and provide additional benefits for EPF members. This collaboration between the government and the EPF reflects the political commitment to address the retirement needs of Malaysians. In conclusion, by staying aligned with government regulations and adapting to changes in the political landscape, the EPF aims to ensure the financial security of its members during their retirement years.

2) Economic

The EPF's returns can be influenced by the state of the Malaysian economy. In the event of a recession, there may be a decline in demand for products and services, which can put pressure on the EPF's returns. Economic factors such as inflation, interest rates, and unemployment also play a role in shaping an organization's profitability. However, the EPF can benefit from the steady growth of the Malaysian economy. As the economy expands, there are more job opportunities and higher incomes, leading to increased contributions to the EPF. Conversely, during economic downturns or recession, there may be a decline in contributions due to job losses. It is crucial for the EPF to closely monitor economic conditions and adapt its strategies accordingly. By staying informed about economic indicators and trends, the EPF can make informed decisions to optimize returns and provide stable retirement benefits for its members. In conclusion, the EPF's operations and performance are influenced by the economic factors in Malaysia.

3) Social

A study conducted by the Malaysia Financial Planning Council found that a significant number of Malaysians have low financial capability and lack knowledge of how to manage their money (editor, 2022). The lack of financial literacy can hinder the EPF's efforts to increase savings among its members. According to CNA, around 4% of Malaysians can afford to retire. The aging population in Malaysia is another factor that could put pressure on the EPF's resources. EPF chief strategy officer, Nurhisham Hussein said Malaysia is projected to be an aging nation in 2030 when the age group of 60 and above surpasses 15 percent of the total population (Lim, 2023). With a larger proportion of the population entering retirement age, the EPF may need to adjust its strategies and policies to ensure the fund remains sustainable and can continue to provide retirement benefits to its members.

Next, other factors that influence the EPF are evolving social expectations and demands from employees regarding the fund's management and benefits. As society changes, employees may have different expectations for their retirement savings and may seek more flexibility or additional benefits from the EPF.

4) Technological

The pace of technological change can bring both opportunities and threats to organizations. On one hand, the rise of digital technology gives opportunities for the EPF to invest and improve its services. Embracing digital technologies also helps EPF reach a wider audience and provide more efficient and convenient services. However, the EPF also needs to be mindful of the risks associated with cybercrime and data security. As technology advances, cybercriminals have more risk of fraudulent activities. The EPF needs to strike a balance between leveraging technology for growth and innovation while implementing robust security measures to protect member information.

5) Legal

Employment laws

Tax regulations

The EPF is subject to a few regulations that impact its operations. Employment laws play a crucial role in governing the EPF's operations. These laws determine the rights and obligations of both employers and employees, including matters related to eligibility criteria, benefits calculations, and the withdrawal process. For EPF, compliance with employment laws is crucial to ensure that the contributions made by employees are properly managed and protected. For example, employment laws may specify the minimum age to contribute EPF, the percentage of salary that should be contributed, and the conditions under which funds can be withdrawn to ensure fairness and transparency in its operation.

Moreover, tax relief is a way to incentivize individuals to prioritize their retirement savings and take responsibility for their financial future. EPF is expanding the annual tax relined scope to include voluntary contributions. In summary, tax regulations play a crucial role in determining the tax treatment of EPF contributions and withdrawals.

6) Environment

EPF is committed to investing in sustainable businesses and projects. By doing so, the EPF aims to reduce its risk exposure and improve its long-term returns. Environmental issues such as climate change, pollution, and other environmental concerns can have a significant impact on an organization's operations and costs. By investing in sustainable businesses and projects, EPF can help mitigate these risks. Sustainable investments focus on environmentally responsible companies and take steps to reduce their impact on the environment. Investing in sustainable businesses and projects also aligns with the EPF's commitment to responsible investing. This approach not only helps protect the environment but also contributes to the EPF's overall investment strategy.

7.0 SWOT ANALYSIS

A SWOT analysis is a planning process that helps your company overcome challenges and determine which new leads to pursue. SWOT stands for strengths, weaknesses, opportunities, and threats (Skye, 2023). It is used to evaluate a company's competitive position and to develop strategic planning (Will, 2023).

SWOT ANALYSIS OF THE EMPLOYEES' PROVIDENT FUND (EPF)

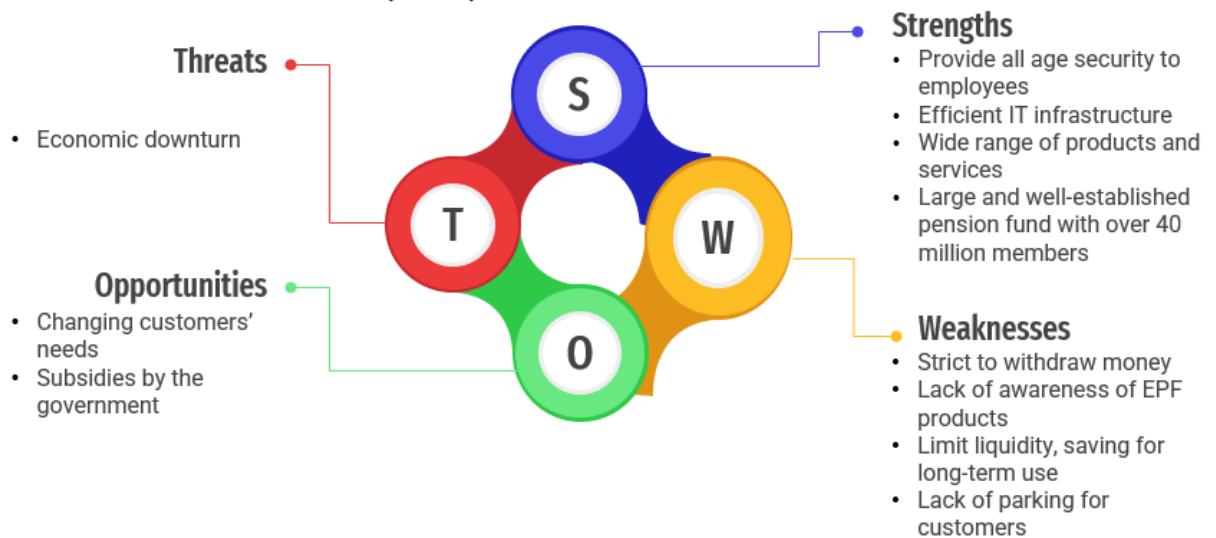


Figure 7 : Swot Analysis for Employees' Provident Fund

7.1 Strengths

Strengths describe what an organization excels at and what separates it from the competition (Will, 2023). A strength is a resource or capacity the organization can use effectively to achieve its objectives. However, in the business world, strengths can either be tangible or intangible. Strengths include the traits and qualities your employees possess and their flair that offers your organization consistency

1) **Provide all age security to employees**

EPF's primary goal is to provide old-age security to employees. This is a valuable strength, as it gives employees peace of mind of knowing that they will have a financial cushion to rely on in retirement. As for now, members can save their money until 100 years old instead of 75 years old and still receive the dividend for every year as long they keep saving their money in EPF. From the early stages of their careers to the approaching retirement years, EPF aims to support individuals in building a secure financial future.

As employees who are just starting their careers, EPF provides a solid foundation for long-term savings. This involves mandatory contributions, both from the employee and employer, ensuring a consistent and structured approach to building financial security over time. EPF serves as a form of social security for employees, providing them with a safety net during working years and retirement. It aims to alleviate financial burdens and promote a sense of security among employees, knowing that they have savings for their future needs. Overall, EPF's objective is to provide all-aged security to employees by promoting savings, ensuring retirement benefits, and offering financial stability throughout an employee's working life.

2) **Efficient IT infrastructure**

EPF has embraced technological advancements, enhancing its operations and member services. EPF has invested in a robust and scalable IT infrastructure, capable of handling millions of member accounts and transactions with speed and stability to ensure smooth processing. Furthermore, KWSP has developed and implemented digital services to streamline various processes. This includes online platforms and applications that allow members to access their accounts, and check balances without the need for physical visits to the EPF offices. The efficient IT infrastructure allows members to have convenient access to their EPF account through secure online portals or mobile applications. Next, with the adoption of efficient IT infrastructure, EPF

places a strong emphasis on data security including secure authentication to safeguard member data and maintain integrity of the system. EPF also regularly updates its technological infrastructure to stay current with advancements. It is to ensure that the fund remains agile, adaptable to emerging technologies, and capable of incorporating the latest features and security measures for the benefit of its members. Lastly, by embracing technological advancements, EPF is shaping the future of retirement savings, making it more accessible, efficient, and user-friendly for all Malaysians.

3) **Wide range of products and services**

EPF has offered their customers and members by focus on providing retirement savings and benefits for employees in Malaysia. EPF also offers a range of products and services related to contributions, savings, and withdrawals. Mandatory contribution, i-Saraan, i-Sayang, and i-Suri are examples of the products that are offered by the EPF. EPF also provides withdrawal options for various purposes, such as retirement, education, medical expenses, and housing. Members can withdraw their EPF savings based on specific conditions and eligibility criteria. Moreover, EPF also offers online services and mobile applications that allow members to access their accounts, check their balances, print statement details, and receive updates conveniently through their smartphones.

4) **Large and well-established pension fund with over 14 million members**

The EPF continues to record growth of new member registrations at 365,519, adding to the total number of EPF members as of 30 September 2023 of 15.99 million with total active members is 8,527,203 (KWSP, 2023). Active members are those who have contributed to EPF at least once in the last 12 months.

EPF Q3 2023 MEMBERS / EMPLOYERS REGISTRATION

Indicator	Q3 2022 <i>(as at Sept 2022)</i>	Q3 2023 <i>(as at Sept 2023)</i>	Growth <i>(Q3 2022 and Q3 2023)</i>
1. Members			
Total members	15,607,802	15,992,971	2.47%
Active members	8,257,476	8,527,203	3.27%
New member registrations	510,354	365,519	(28.38%)
2. Employers			
Total employers	582,990	603,326	3.49%
New employer registrations	74,781	63,902	(14.55%)

This represents a healthy growth from their earlier figures, and it speaks volumes about the importance Malaysians place on secure retirement planning.

The high membership demonstrates the trust Malaysians have in EPF as a reliable and secure platform for managing their retirement savings. Besides, this growth presents both opportunities and challenges for EPF, such as ensuring efficient service delivery, diversifying investment options, and catering to the diverse needs of its members.

7.2 Weaknesses

Weaknesses are areas or characteristics where a business is at a competitive disadvantage relative to its peers. Like strengths, these can also be more qualitative or quantitative. For example, include inexperience in management, and high employee turnover (Peterdy, 2022).

1) Strict to withdraw money

EPF has strict rules and regulations governing withdrawals to ensure that members' savings are primarily used for retirement purposes. The strict withdrawal rules aim to promote financial discipline among members, encouraging them to plan for long-term financial security rather than relying on early access to their EPF savings. Moreover, EPF is responsible for protecting members' interests and ensuring their savings are used wisely. Account 1 is generally inaccessible until the retirement age of 55, and Account 2 is more flexible, but withdrawals are still subject to certain conditions like house purchase, education, or serious illness.

2) Lack of awareness of EPF products and services

Despite being a crucial social security scheme, many individuals may not fully understand the range of benefits and provisions offered by EPF. EPF's products and services may not be adequately communicated to employees. The information may not reach all individuals, especially those in remote areas, informal sectors, or with limited access to communication channels. As a result, employees may not be aware of the various benefits they are entitled to. The regulations and guidelines governing EPF can be complex for the individual to comprehend the scheme, leading to a lack of awareness about the specific products and services available. Next, a lack of financial literacy and understanding of retirement planning contributes to the lack of awareness of EPF's products and services because many individuals may not be aware of the importance of long-term savings, retirement planning, and the role of EPF can play in ensuring financial security.

3) Limit liquidity and savings for long-term use

Limited liquidity can be perceived as a potential weakness, especially when members encounter unforeseen financial challenges requiring immediate access to their savings. This limitation arises from the fundamental design of EPF contributions, which are structured for long-term savings and retirement planning.

Members facing unexpected financial needs, such as medical emergencies, educational expenses, or other urgent requirements, may find the current withdrawal options restrictive. This inability to access funds when needed can be seen as a weakness for those who require more flexibility in managing their finances. By limiting liquidity, EPF aims to discourage premature withdrawals and promote disciplined savings habits that can sustain individuals throughout their retirement years.

4) Lack of parking for customers

EPF also has a problem with a lack of parking facilities for its customers and members. This issue can create inconvenience and frustration for individuals visiting EPF. The customers and members struggle to find parking spaces available and may have to spend additional time searching for parking spaces. For example, while assisting the member, he said that it is hard for him to find available parking because of the limited parking space.

7.3 Opportunities

1) Changing customer needs

People in Malaysia are increasingly interested in planning for their retirement and investing their money in EPF. This is a big opportunity for EPF to offer more types of products and services to help meet this demand. As contributors' needs and expectations evolve, EPF can seize this opportunity by adapting its services to align with these changes.

Adapting to changing customer demand not only allows EPF to enhance member satisfaction but also prevents avenues for innovation and growth. By proactively evolving demands, EPF not only meets the immediate needs of contributors but also positions itself as a dynamic and member-centric institution, fostering loyalty and attracting new members. Moreover, during the tabling of Budget 2024, Prime Minister Datuk Seri Anwar Ibrahim announced that flexible accounts would be introduced where contributors could access them at any time. Meanwhile, Economic analyst Associate Professor Dr Ahmed Razman Abdul Latiff believes that the plan by EPF to introduce EPF Account 3 is probably to cater to the needs of those contributors (S. Birruntha, 2023). EPF should stay agile and be open to regular updates based on changing needs. Lastly, by actively engaging with members, staying informed about industry trends, and being responsive to changing customer needs, EPF can ensure Account 3 meets the expectations of its contributors and remains a valuable component of the overall EPF offering.

2) Subsidies by the government

Prime Minister Datuk Seri Anwar Ibrahim said the government will continue providing subsidies to the contributors in Budget 2024. However, he emphasized that subsidies need to be targeted to avoid leakage and to ensure they only benefit deserving groups. For the i-Saraan programme it will be increased to RM500 per year, limited to RM5,000 for life.

Acknowledging the contribution of housewives to family development and in nation-building, the government seeks to enhance its incentives for the i-Suri programme that will be contributed by housewives under the age of 60, registered in the e-Kasih database (Adib Povera, 2023) and it will be increased to RM300 per year, limited to RM3,000 for life (Noris, 2023). Furthermore, the government also made an additional contribution of RM 500 to its 1.4 million members aged between

40 to 55 with savings in Account 1 below RM10,000 (The Star Online, 2024). This incentive seeks to encourage EPF members with low savings and who are nearing retirement age to continue to save and accelerate the accumulation of their retirement savings (The Star Online, 2024).

7.4 Threats

1. Economic downturn

During an economic downturn, when the country is facing tough times with less money circulating and job losses, the EPF acting like a significant savings account for many, encounters several challenges. The influence of an economic downturn on EPF membership growth can be analyzed based on various factors. During an economic downturn, there is often a decrease in job opportunities and an increase in unemployment rates. This can potentially lead to a slowdown in EPF membership growth as fewer individuals are being employed and contributing to the EPF. Moreover, during the economic downturn, many companies may face financial difficulties, leading to a decline in their ability to contribute to the EPF. With fewer contributions, the EPF company's overall funds may decrease, affecting its ability to generate returns and provide adequate benefits to its members.

Furthermore, the performance of the EPF's investments may also be affected by economic downturn. If the market experiences a decline, the value of the EPF's investment portfolio may decrease, potentially leading to lower returns for the fund. This can impact financial sustainability and its ability to provide attractive returns for its members.

8.0 SWOT MATRIX

	<p>S-STRENGTHS</p> <p>S1: Provide all age security to employees</p> <p>S2: efficient IT infrastructure</p> <p>S3: Wide range of products and services</p> <p>W4: Large and well-established pension fund with over 40 million members</p>	<p>W-WEAKNESSES</p> <p>W1: Strict to withdraw money</p> <p>W2: Lack of awareness of EPF products</p> <p>W3: Limit liquidity, saving for long-term use</p> <p>W4: Lack of parking for customers</p>
<p>O-OPPORTUNITIES</p> <p>O1: Changing customers' needs</p> <p>O2: Subsidies by the government</p>	<p>SO STRATEGIES</p> <p>S2O1: Leverage the efficient IT infrastructure to develop more innovative products and services that cater to changing customer needs</p> <p>S1O2: Collaborate with the government to provide more subsidies to encourage more individuals to keep saving in EPF</p>	<p>WO STRATEGIES</p> <p>W2O1: Launch awareness campaigns to educate the public with the benefits of EPF products to align with increased customer demand</p>
<p>T: THREATS</p> <p>T1: Economic downturn</p>	<p>ST STRATEGIES</p> <p>S3T1: Offer range of products and service during economic downturn</p>	<p>WT STRATEGIES</p> <p>W3T1: Improve liquidity options and flexibility in withdrawal policies to address concerns during economic downturns</p>

Table 1: SWOT Matrix Strategy for EPF company

1) Strength and Opportunity Strategy (S0)

- Leverage the efficient IT infrastructure to develop more innovative products and services that cater to changing customer needs (S2 O1)

As EPF navigates the continually evolving economic and social landscape, the EPF is committed to reshaping its services and experiences to better meet the needs of our members. EPF is transitioning from traditional counter transactions to offering personalized advisory services that cover various aspects of EPF members' financial journey. Our commitment to seamless and integrated solutions is driving the reimagining of our digital experience. By leveraging cutting-edge technology, EPF is enhancing the convenience and effectiveness of its digital platforms. For 2023, the development of a new interactive platform has been launched. Through this platform, EPF intends to provide an engaging and user-friendly interface that caters to a wide range of member needs.

-Collaborate with the government to provide more subsidies to encourage more individuals to keep saving in EPF (S1 O2)

Collaborating with the government to secure additional subsidies represents a strategic move for the EPF. By actively collaborating with the government, EPF can advocate for and implement policies aimed at encouraging increased contributions to members' EPF savings. These subsidies can function as potent motivators for individuals to sustain and potentially augment their contributions to EPF. This strategy aligns the EPF's objectives with broader national goals related to economic stability and individual financial well-being. For example, for i-Saraan. The EPF introduced the i-Saraan initiative in 2018 to encourage those who are self-employed, gig-workers, part-timers, or even housewives to contribute ore within their means voluntarily, and for 2024 the government announced that the incentives are increased from RM250 to RM300 annually (Bernama, 2023). I-Saraan registered members increased by 48% to 1.07 million in 2023 from 725,944 in 2022

2) Weaknesses and Opportunities Strategy (WO)

-Launch awareness campaigns to educate the public about the benefits of EPF products to align with increased customer demand (W2 O1)

Implementing awareness campaigns to educate the public about the benefits of EPF products and services is a strategic initiative aimed at aligning the growing demand from customers. By launching targeted campaigns, the EPF can proactively communicate the advantages and features of its products to a wider audience. For example, EPF outreach is designed to reach out to members and potential members, particularly those who may not have easy access to their services. As at June 2023, a total of 4,429 outreach activities were conducted (Azanis Shahila Aman, 2023). Additionally, EPF chairman Tan Sri Ahmad Badri Mohd Zahir said the EPF is continuously strengthening its outreach programmes nationwide (Yunus, 2023). Going forward, EPF plans to strengthen its Mobile Team by adding more mobile teams and Mobile KWSP (Truck), focusing on further intensifying outreach activities, particularly in undeserved rural and remote areas.

3) Strengths and Threats Strategy (ST)

-Offer range of products and services during economic downturns (S3 T1)

EPF can expand its products and services offered to retain members in the face of challenges posed by economic downturns. By diversifying its offerings, EPF can adapt to the changing landscape and cater to the evolving needs of its members. In times of financial uncertainty, members often seek stability and reassurance regarding the safety of their investments. By offering a variety of investment and savings instruments, EPF can provide options that suit their risk tolerance and financial objectives. Next, EPF can introduce new ways to invest, save, and offer extra financial services. The goal is to remain and keep current members and attract new ones by providing a wide range of options that fit various financial goals. Adding diverse products is also a way for EPF to manage risks during economic downturns. This approach not only aligns with the EPF's commitment to providing financial security but also reinforces the trust and confidence of its members during times of economic uncertainty. By actively addressing members' concerns and offering stable investment choices, the EPF demonstrates its adaptability and commitment to safeguarding the financial well-being of its members.

4) WT STRATEGIES (WT)

- Improve liquidity options and flexibility in withdrawal policies to address concerns during economic downturns (W3 T1)

EPF can consider improving liquidity options and flexibility in withdrawal policies. Liquidity refers to the ease with which an asset can be converted into cash. By enhancing liquidity options, the EPF can provide its members with more flexibility in accessing their funds during challenging economic times. The EPF could adopt a more structured and systematic approach to improve liquidity accuracy during periods of economic uncertainty. This could involve closely monitoring cash flow projections, optimizing investment strategies, and ensuring sufficient liquidity reserves to meet potential withdrawal demands. Moreover, during an economic downturn, an individual may face financial hardships and require access to their EPF savings. The EPF could consider implementing more flexible withdrawal policies, such as allowing partial withdrawals or expanding criteria for withdrawal eligibility.

9.0 CONCLUSION

In conclusion, EPF plays an important role in ensuring the security of members' retirement. By diligently managing and investing members' contributions, adhering to regulations, and continuously adapting to changing economic conditions, the EPF remains dedicated to safeguarding the retirement savings of its members. Through its efforts, the EPF aims to provide a reliable and sustainable source of income for members during their retirement years, contributing to their overall well-being and future financial security.

Throughout my internship at EPF, I have gained invaluable insights into the complex and dynamic world of finance and, specifically, the crucial role EPF plays in securing retirement savings for Malaysians. The exposure to various departments, the mentorship received from experienced professionals, and the hands-on involvement in all jobs and works equipped me with valuable knowledge and skills. The dedication of EPF's employees to member welfare and long-term financial security was inspiring, and I am confident that the knowledge and experience gained during this internship will be a valuable asset in my future career endeavours.

10.0 REFERENCES

Adib Povera. (2023, October 16). *EPF to restructure, introduce flexible accounts to maximise contributors' savings*. NST Online; New Straits Times.

<https://www.nst.com.my/news/nation/2023/10/967608/epf-restructure-introduce-flexible-accounts-maximise-contributors-savings>

Azanis Shahila Aman. (2023, August 15). *EPF: All-time high of 8.47 million active members helped grow contributions to RM50.48bil in 1H2023*. NST Online; New Straits Times.

<https://www.nst.com.my/business/2023/08/943147/epf-all-time-high-847-million-active-members-helped-grow-contributions>

Barrington, R. (2021, October 29). *What is a PESTEL analysis?* Oxford College of Marketing Blog. <https://blog.oxfordcollegeofmarketing.com/2016/06/30/pestel-analysis/>

Bernama. (2023, October 3). *2024 Budget: Introduce a reward system to attract more i-Saraan contributors, says financial planner*. NST Online; New Straits Times.

<https://www.nst.com.my/news/nation/2023/10/962406/2024-budget-introduce-reward-system-attract-more-i-saraan-contributors>

editor. (2022, January 10). *Low EPF savings due to lack of financial literacy*. BusinessToday.

<https://www.businesstoday.com.my/2022/01/10/low-epf-savings-due-to-lack-of-financial-literacy/>

PF. (2023). *KWSP - Simpanan Shariah: Shariah-Compliant Savings Option*. Kwsp.gov.my.

<https://www.kwsp.gov.my/en/member/simpanan-shariah>

KWSP. (2023, November 17). *KWSP - EPF RECORDS RM47.86 BILLION TOTAL INVESTMENT INCOME FOR 9M 2023*. Kwsp.gov.my.

<https://www.kwsp.gov.my/en/web/guest/w/epf-records-rm47.86-billion-total-investment-income-for-9m-2023>

Lim, I. (2023, October 29). *Report: Is ageing Malaysia facing retirement "time bomb" with insufficient EPF savings?* Malay Mail ; Malay Mail.

https://www.malaymail.com/news/malaysia/2023/10/29/report-is-ageing-malaysia-facing-retirement-time-bomb-with-insufficient-epf-savings/99010#google_vignette

Noris. (2023, October 13). *Budget 2024: Contribution Limits For I-Suri, I-Saraan To Be Raised*. Kementerian Kewangan Malaysia .

<https://www.mof.gov.my/portal/en/news/press-citations/budget-2024-contribution-limits-for-i-suri-i-saraan-to-be-raised>

S. BIRRUNTHA. (2023, November 24). *Lower dividends for EPF Account 3?* NST Online; New Straits Times.

<https://www.nst.com.my/business/corporate/2023/11/982059/lower-dividends-epf-account-3>

The Star Online. (2024, January 10). *EPF pays out RM708mil govt additional contribution incentive*. The Star. <https://www.thestar.com.my/news/nation/2024/01/10/epf-pays-out-rm708mil-govt-additional-contribution-incentive>

Yunus, Y. (2023, September 4). *EPF continuously strengthening outreach programmes nationwide, says chairman*. Borneo Post Online; Borneo Post Online.

<https://www.theborneopost.com/2023/09/04/epf-continuously-strengthening-outreach-programmes-nationwide-says-chairman/>

11.0 APPENDICES



Document Information

Analyzed document	EPF REPORT_NUR IRDINA IWANI_2021166841.pdf (D184819920)
Submitted	2024-01-29 09:15:00 UTC+01:00
Submitted by	
Submitter email	2021166841@student.uitm.edu.my
Similarity	3%
Analysis address	affeda.UITM@analysis.ouriginal.com

Sources included in the report

SA	UNIVERSITI TEKNOLOGI MARA (UITM) / SIT1_NURZAHIRA_YAHYA_2021113693_MGT666_EPF.pdf Document: SIT1_NURZAHIRA_YAHYA_2021113693_MGT666_EPF.pdf (D172793661) Submitted by: hidayahmatnor@uitm.edu.my Receiver: hidayahmatnor.UITM@analysis.ouriginal.com	1
SA	UNIVERSITI TEKNOLOGI MARA (UITM) / Original INDUSTRIAL TRAINING REPORT NUR ALISYA AFIFAH.pdf Document: Original INDUSTRIAL TRAINING REPORT NUR ALISYA AFIFAH.pdf (D172175000) Submitted by: 2021112869@student.uitm.edu.my Receiver: halida552.UITM@analysis.ouriginal.com	2
SA	UNIVERSITI TEKNOLOGI MARA (UITM) / Internship Final Report_Nur Fatin Atirah binti Mohamad Asri_2021120563.pdf Document: Internship Final Report_Nur Fatin Atirah binti Mohamad Asri_2021120563.pdf (D171879443) Submitted by: 2021120563@student.uitm.edu.my Receiver: rabia284.UITM@analysis.ouriginal.com	1
SA	UNIVERSITI TEKNOLOGI MARA (UITM) / Kumpulan Wang Simpanan Pekerja (KWSP) by Nur Diana Syahadah Binti Abdul Wahid.pdf Document: Kumpulan Wang Simpanan Pekerja (KWSP) by Nur Diana Syahadah Binti Abdul Wahid.pdf (D157256701) Submitted by: 2020982537@student.uitm.edu.my Receiver: norshamshina.UITM@analysis.ouriginal.com	1
SA	UNIVERSITI TEKNOLOGI MARA (UITM) / MUHAMAD ADI AKMAL BIN MOHAMAD SHUKRI (2021488788)_BA242_MGT 666_OURIGINAL.pdf Document: MUHAMAD ADI AKMAL BIN MOHAMAD SHUKRI (2021488788)_BA242_MGT 666_OURIGINAL.pdf (D184808462)	1