



UNIVERSITI  
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dan Perniagaan

# INDUSTRIAL TRAINING REPORT

# CREDIT GUARANTEE CORPORATION

# (CGC)

8 MARCH 2023 - 23 AUGUST 2023



NUR ALIA NATASYA BINTI MOHD NOOR

2021123995

BA242 6D

BACHELOR OF BUSINESS ADMINISTRATION (HONS.) FINANCE

PREPARED FOR MADAM ZARINAH BINTI ABU YAZID



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# EXECUTIVE SUMMARY

I am very delighted and thankful to be given the opportunity to undertake industrial training at Credit Guarantee Corporation (CGC) for 6 months which started on 8<sup>th</sup> March 2023 until 23 August 2023. I was assigned under Mr. Mohd Yazid Bin Hairuddin, the Head of the Banking Section in the finance department. This report provides an overview of Credit Guarantee Corporation as well as the findings which are detailed in the appendix. To begin, this report is divided into six chapters. The first chapter is the introduction of student's profile which is my updated resume. The second section is the introduction to the CGC's background which is important for the first step as it describes the company's logo, location, vision, mission, products, and services. Next, the third section, which represents industrial training, discusses in detail each of the internal and external talents or benefits, skills, and experiences that are used and taught throughout industrial training. Then, SWOT analysis is the component that is very important. The most significant findings from the SWOT analysis of CGC's strengths, weaknesses, opportunities, and threats. The recommendation is on how the company may strengthen its strengths, reduce its weaknesses, seize the opportunity, and deal with potential threats while the discussion is on the details from the analysis of SWOT. The fifth section, which is the discussions and recommendations section, goes into more detail into the explanations. The sixth and last section serves as a summary of my experiences while working at Credit Guarantee Corporation (CGC).

# ACKNOWLEDGEMENT

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

Alhamdulillah, all praise to Allah for giving me strength, capabilities, and patience to accomplish my report and completed industrial training for these 6 months.


To begin, I would like to express my heartfelt gratitude to Madam Zarinah Binti Abu Yazid for her guidance, patience, encouragement, and her welcoming personality to assist me in completing my industrial training report. I am so grateful and blessed to encounter and learn from her.

In addition, I would also like to thank my utmost gratitude to my family and friends especially my parents because without their wisdom words, continuous support, and prayer for me, I would not be standing here.

Finally, I want to thank to those who have directly or indirectly helped me through this study. I am truly blessed to learn new knowledges from them for me to practice in the future.



## 1.0 STUDENT'S PROFILE

	<h1>Nur Alia Natasya Binti Mohd Noor</h1>		
<h3>CONTACT INFORMATION</h3>	<h3>EDUCATIONAL BACKGROUND</h3>		
<p>✉ 📞 📍</p>	<ul style="list-style-type: none"><li>• <b>Bachelor in Business Administration (HONS) Finance</b> UITM Cawangan Melaka, Kampus Bandaraya Melaka 2021-Present MUET: Band 3 CGPA: 3.68</li><li>• <b>Diploma in Business Studies</b> UITM Cawangan Johor, Kampus Segamat 2017-2020 CGPA: 3.73</li><li>• <b>Sekolah Menengah Kebangsaan Seksyen 9 Shah Alam</b> 2012-2016 Sijil Pelajaran Malaysia (SPM) Result: 6A, 2B, 1D</li></ul>		
<h3>PERSONAL BACKGROUND</h3> <p>I am currently a finance student at UITM Kampus Bandaraya Melaka. I am independent and willing to try and face obstacles in life to gain valuable experiences.</p>	<h3>ACHIEVEMENTS</h3> <ul style="list-style-type: none"><li>• Graduate with Vice Chancellor Awards (VCA) in Diploma in Business Studies (2022)</li><li>• Dean list for 5 semesters in Diploma in Business Studies (2017-2022)</li><li>• Dean list in Bachelor in Business Administration (HONS.) Finance for semester 2,3 and 4 (2021)</li><li>• Achieved 2nd in Bring-To-Light for Investment and Portfolio Analysis (FIN552)(2022)</li><li>• My team and I have won in group project for the course of International Business in Diploma in Business Studies (2019)</li></ul>		
<h3>PERSONAL SKILL</h3> <ul style="list-style-type: none"><li>• Strong-willed</li><li>• Team-minded</li><li>• Positive mind</li><li>• Adjustable</li><li>• Work-life harmony</li><li>• Trusting</li></ul>	<h3>EXPERIENCES</h3> <ul style="list-style-type: none"><li>• Leader for Activity and Game Bureau in Hotel Professional Etiquette (2022)</li><li>• Participated in Virtual Video Competition Investment Ace (VVCIA) (2022)</li><li>• Member of Bureau Protocol in in Bring-To-Light The Investment Portfolio (2022)</li><li>• Participated in cross word competition organize by TREC (2022)</li><li>• Participated in Career Journey with Bank Islam (2021)</li><li>• Participated and designed stickers for Hari Keusahawanan in Fundamentals of Financial Management (2018)</li><li>• Designed clothes for traditional costumes for group project in Creative and Critical Thinking course (2018)</li></ul>		
<h3>HIGHLIGHTED SKILLS</h3> <ul style="list-style-type: none"><li>• <b>Microsoft</b><ol style="list-style-type: none"><li>1. PowerPoint (Intermediate)</li><li>2. Word (Intermediate)</li><li>3. Excel (Intermediate)</li></ol></li><li>• <b>Adobe</b> Adobe Photoshop (Beginner)</li><li>• <b>Tableau</b> (Beginner)</li><li>• <b>Canva</b> (Intermediate)</li><li>• <b>Chart Nexus</b> (Beginner)</li><li>• <b>Language:</b><ol style="list-style-type: none"><li>1. Malay (Advanced)</li><li>2. English (Intermediate)</li><li>3. Arabic (Beginner)</li></ol></li></ul>	<h3>REFERENCES</h3> <table border="0"><tr><td data-bbox="687 1659 847 1883"><p><b>Miss Nur Haslinda Binti Hashim</b> Program Coordinator BA242 Faculty Business and Management, UITM Kampus Bandaraya Melaka</p></td><td data-bbox="847 1659 1394 1883"><p><b>Miss Amirah Hazimah Binti Borhanordin</b> Lecturer Faculty Business and Management, UITM Kampus Bandaraya Melaka</p></td></tr></table>	<p><b>Miss Nur Haslinda Binti Hashim</b> Program Coordinator BA242 Faculty Business and Management, UITM Kampus Bandaraya Melaka</p>	<p><b>Miss Amirah Hazimah Binti Borhanordin</b> Lecturer Faculty Business and Management, UITM Kampus Bandaraya Melaka</p>
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## 2.0 COMPANY'S PROFILE

### 2.1 COMPANY'S NAME, ADDRESS AND LOCATION

 <p><b>Figure 1: CGC's logo</b></p>  <p><b>Figure 2: CGC's Building</b></p>	 <p><b>Figure 3: Location of CGC</b></p>
<p><b>Credit Guarantee Corporation (CGC) Malaysia Berhad</b></p>	<p><b>Kelana Business Centre/97, Jalan SS 7/2, Ss 7, 47301 Petaling Jaya, Selangor.</b></p>

#### OPERATION HOURS:

Days	Times
Monday	8:30 am–5:30 pm
Tuesday	8:30 am–5:30 pm
Wednesday	8:30 am–5:30 pm
Thursday	8:30 am–5:30 pm
Friday	8:30 am–5:30 pm
Saturday	Closed
Sunday	Closed

**Table 1: CGC's operation hours**



**2.2 COMPANY’S BACKGROUND**

Credit Guarantee Corporation (CGC) is a financial institution that operates as a guarantor company. It was established since July 1972 and had celebrated it 50 years anniversary and gain ‘Golden Jubilee’. Bank Negara Malaysia owned CGC by 78.7% and 21.4% remainder held by various Financial Institutions (FIs) and Development Financial Institutions (DFIs) such as CIMB and Maybank. The objective is ease MSMEs business by providing guarantee cover to small and medium enterprises (MSMEs). Apart from that, CGC has total of 16 branches all around Malaysia and the company’s main branch is the Main Branch. In 2018, CGC has launching its first ever financing application which is imSME. ImSME is the first online SME loan/financing referral platform in the country, presented by Bank Negara Malaysia

(BNM) and powered by CGC. The application is successful as CGC received the ‘Most Innovative SME Financing Platform in Malaysia’ in April 2021. Moreover, in 2022, CGC gain totalling of RM60.1 million for net profit, calculated equity at RM4.2 billion, assets: RM5.0 billion and liability totalling RM 747.3 million. To add, CGC has over 522,000 guarantees and financing valued at over RM90.3 billion.

**2.3 COMPANY’S VISION AND MISSION**



- To be an effective financial institution dedicated to promoting the growth and development of competitive and dynamic small and medium enterprises.



- To enhance the viability of small and medium enterprises through the provision of products and services at competitive terms and, with the highest degree of professionalism, efficiency, and effectiveness.

**Figure 4: CGC’s vision and mission**



## 2.3 ORGANIZATIONAL STRUCTURE

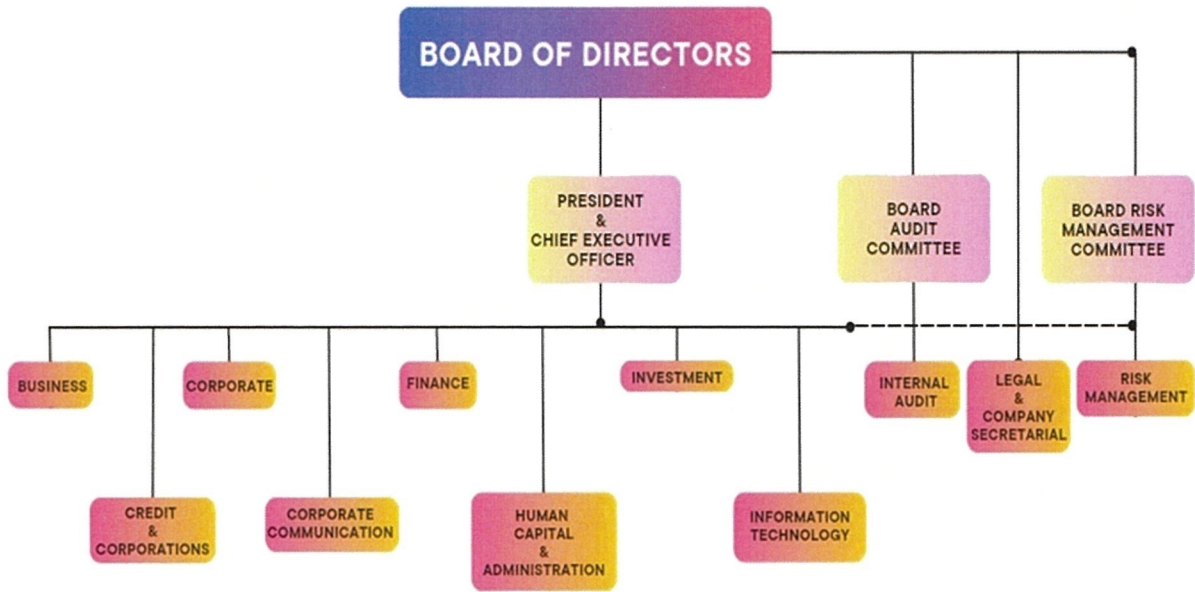


Figure 5: CGC's organizational structures

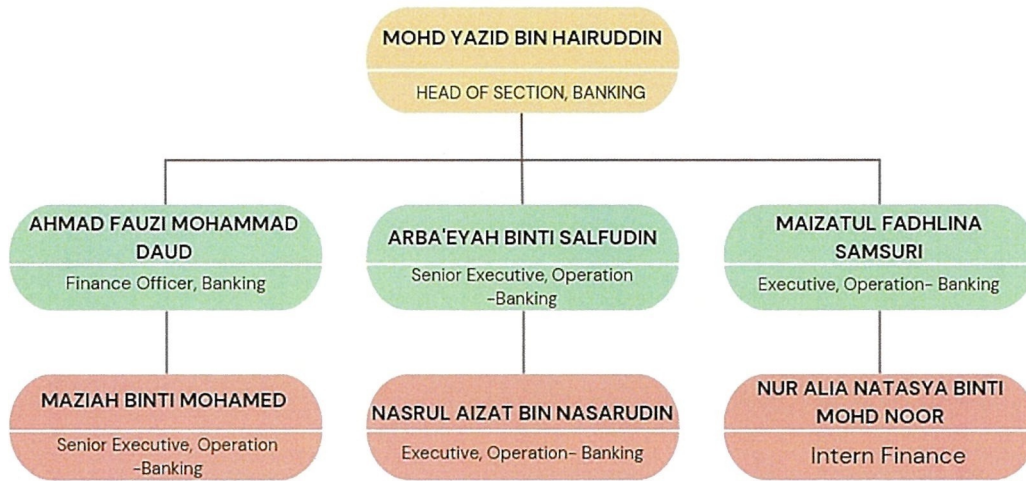


Figure 6: Division of Operation Banking

## 2.4 PRODUCT OR SERVICES OFFERED

Based on the chart below, CGC offered 4 classes of products. Each classes have different schemes. There are as below,

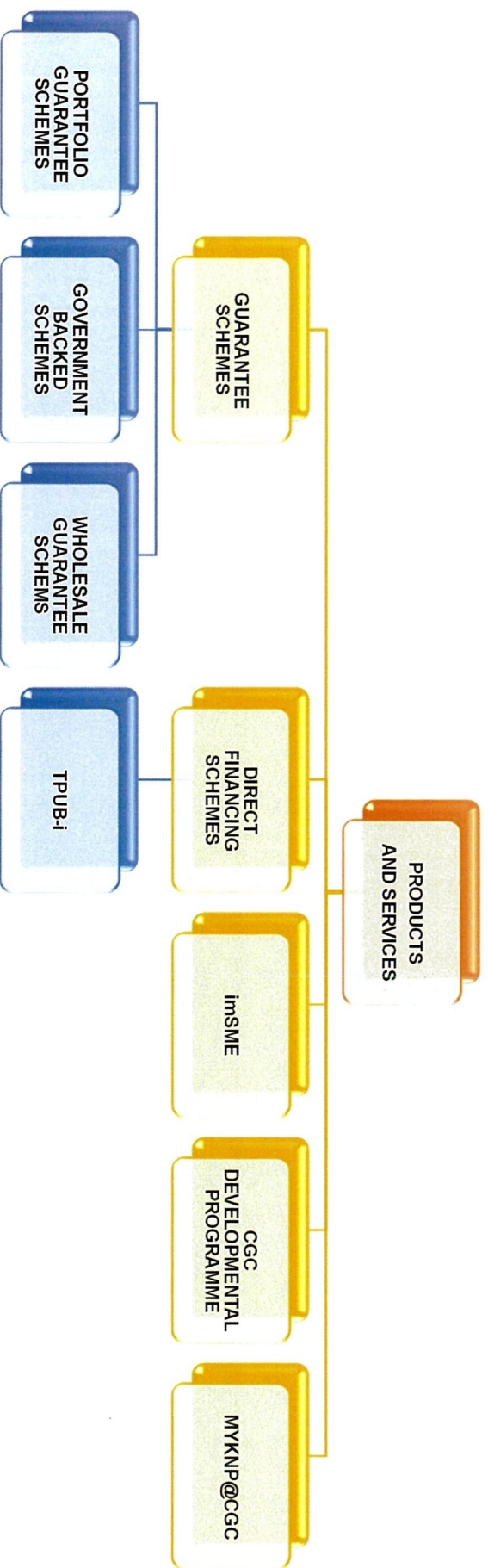


Figure 7: CGC's products and services

<b>PRODUCTS AND SERVICES</b>	<b>EXPLANATIONS</b>
<b>Guarantee Schemes</b>	<p>The guaranteed schemes consist of Conventional and Islamic scheme such as they can choose either Bizjamin Scheme or BizJamin-i scheme. For conventional scheme, CGC offers two standard product schemes for business owners who wish to complete projects but lack collateral and want to obtain the credit facilities they require from financial institutions while in Islamic scheme it followed Shariah-compliant funding.</p>
<b>Direct Financing schemes</b>	<p>To qualified Bumiputera-owned businesses who lack sufficient collateral and want financial support to complete the projects. Additionally, it provides financing to Bumiputera business owners who have been awarded projects or contracts by reputable public or private companies, government-affiliated organisations, statutory organisations, or private corporations but have been unable to obtain money from banking institutions.</p>
<b>imSME</b>	<p>In February 2018, Malaysia's first online platform for SME loan referrals and funding was introduced. An exclusive channel that gives SME business owners access to non-collateral funding and credit options.</p>
<b>CGC Developmental Programme</b>	<p>The CGC Developmental Programme is a thorough curriculum for MSMEs that offers guidance and support on access to funding, especially for those without collateral, right up until discovering new markets for their goods and services.</p>
<b>MyKNP@CGC</b>	<p>Credit Guarantee Corporation Malaysia Berhad (CGC), Agensi Kaunseling &amp; Pengurusan Kredit (AKPK), and Bank Negara Malaysia (BNM) collaborated to establish Khidmat Nasihat Pembiayaan (Financing Advisory Services). A unit of CGC called MyKNP@CGC offers financial advice and suggestions to Small and Medium Enterprises (SMEs) that have had trouble getting bank financing for their businesses.</p>

**Table 2: CGC's products and services**



### 3.0 TRAINING'S REFLECTION

#### 3.1 DURATION SPECIFIC DATE, WORKING DAY, AND TIME

##### Specific date

The specific date for my internship programmed is 8<sup>th</sup> March 2022 – 23<sup>rd</sup> August 2022. The internship should be from 1<sup>st</sup> March 2022 until 18<sup>th</sup> August 2022. However, CGC began its internship program on 8<sup>th</sup> March 2022. The internship occurred for 6 months (24 weeks) within the period.

##### Working days

The working days are Monday to Friday and the employees may apply for work from home (WFH) in between those days. Meanwhile, Saturday and Sunday are rest days. For work from home, the employees need to ask permission from their head of section before apply it.

##### Working time

	Hours	Hours during Ramadhan
Work	8.30 a.m. – 5.30 p.m.	8.00 a.m. – 4.30 p.m.
Lunch	1.00 p.m. – 2.00 p.m.	1.00 p.m. – 1.30 p.m.

**Table 3: Working hours**

**3.2 DETAILS, DEPARTMENT, ROLES, RESPONSIBILITIES, ASSIGNMENTS, AND TASKS**

<b>FINANCE DEPARTMENT</b>			
<b>ROLES</b>			
<b>To assist non-senior executives to generate payment request and voucher for legal, claim, guarantee fee, and TPUB-i.</b>	To assist senior executive by delivering virtual account statement such as CIMB BANK to human resource.	Perform the updated pending authorization.	Assist the closing account for specific schemes.
<b>DESCRIPTIONS</b>			
<b>If my non-senior executive did not present or taking an annual or emergency leave, I am accountable for these works.</b>	This is the role that I was responsible for. I need to hand the virtual account statement every week.	Every morning, I need to do pending authorization to keep updating and alert whether the payment request from head of section had been approved or not.	Perform the closing account for BFM schemes at the end of every month. Every month, our team needs to do closing accounts for each scheme such as BizWanita, BizBina and Bizmula.

**Table 4: Department and roles**

## RESPONSIBILITIES, ASSIGNMENTS, AND TASKS

### a) Conducting clearing general ledger account (clear g/l account) in SAP.

The document number in general ledger account which from excel needs to be deleted or removed. Then, the document numbers need to be removed or deleted in SAP to conduct the clearing.

### b) Perform reverse payment request.

The reverse payment request is conducted by deleting the previous key numbers from bank accounts. It occurs every month after the closing account has been implemented.

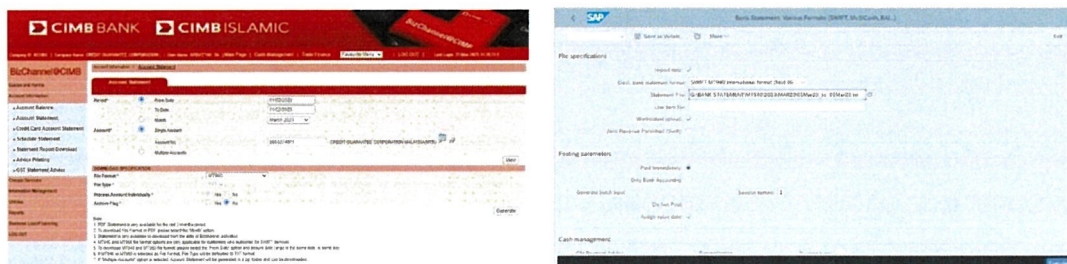


The screenshot shows the SAP 'Reverse Payment Requests Generated Online' form. The 'Key number' field is set to 60920. The 'Document in Payment Request' section includes 'Company Code: 1000', 'Document Number: 6900027334', and 'Fiscal Year: 2023'. The 'Specifications for Reverse Posting' section includes '\* Reason for Reversal: 01', 'Posting Date: 29.05.2023', and 'Posting period: 5'.

Figure 6: Reverse payment request

### c) Generate CIMB bank statement.

These tasks are important as every month I need to generate the bank statement which is MT940 from CIMB Bank and import them in SAP at 'import electronic bank statement'. This is to ensure and to update the payment received from customers and as reference for closing accounts for the end of the month.



The figure consists of two screenshots. The left screenshot shows the CIMB Bank website interface for generating a statement, with fields for account number and date. The right screenshot shows the SAP 'Bank Statement - Import Format (MT940)' form, with fields for 'Statement File' and 'Posting parameters'.

Figure 7 & 8: CIMB bank statement and import electronic bank statement



**d) Update Portfolio Guarantee (PG) fee invoice details in PG income working for closing.**

The portfolio guarantees memo needs to be updated in the income PGSBEWG income report 2023 so that the latest guaranteed fees payment will be updated monthly and for closing account.

Scheme	Portfolio Size	Month of Payment	Actual Loan Repaid	Invoice Date	Invoice No	Amount	GST 6%	Total Invoice
TMS SBE CMB		Q1 4	15 Oct 22 - 1 Jun 23	302,566.30	15 Jan 23	RPI021741	522.83	303,089.13
		Q2 4	15 Jan 23 - 1 Jun 24	596,547,277.50	15 Jan 23	RPI021742	795,763.51	597,343,041.01
		Q3 4	15 Oct 22 - 1 Jun 23	347,038.85	15 Jan 23	RPI021829	475.86	347,514.71
		Total					1,414,826.61	1,416,242.65
CGC 47 PG	TMS Invoice	Q1 1	15 Jan 22 - 14 Feb 22	24,446,300.88	14 Feb 22	RPI021841	305,863.03	24,752,163.91
		Q2 2	22 Feb 22 - 18 Dec 22	58,895,300.45	21 Jan 23	RPI021769	741,278.83	59,636,579.28
		Q3 3	20 Jan 23 - 18 Mar 23					
		Q4 4	20 Mar 23 - 19 Apr 23					
Property CMB		Q1 1	20 Jan 23 - 19 Apr 23					
		Q2 2	20 Jan 23 - 19 Apr 23					
CGC 20 PG	TMS Invoice	Q1 1	18 Jan 22 - 22 Apr 22					
		Q2 2	18 Jan 22 - 22 Apr 22					

**Figure 9: Portfolio guarantees fees**

**e) Assist with Checklists for every beginning of month.**

These tasks occurred after the closing account had been updated in SAP system and excel. We must apply the amount of each balance into the checklist. Then it needs to be approved. For example, conducting checklists for BizBina, BizWanita and BizMula schemes.

No.	Item	Amount
1	PROFIT - Business I.13	RM 139,678.91
2	Profit Income	RM 139,678.91
3	COMPENSATION - Business I.13	RM 58,895,300.45
4	COMPENSATION (2022) - RM 84,341	RM 84,341
5	PROVISION - Business I.13	RM 442,894.21

**Figure 10: Checklist**

**f) Task allocation for CGC FY2022 Annual Report**

Every member of staff at the finance department was obliged to check the CGC's annual report for 2022. This is to make sure that the draft is the same as the audited report in 2022 before published.

### 3.3 GAINS: INTRINSIC & EXTRINSIC BENEFITS

#### ✚ Allowance

An allowance refers to a certain amount of anything that is allowed or authorized under a set of regulations or for a specific purpose. During my internship at CGC, the company provided me an allowance of RM1,200 per month. This is a worth allowance as it is statically associated with diminished financial literacy, lower levels of motivation and an aversion to work.

#### ✚ Experiences

##### i. Townhall

I was able to witness the company annual event that is 'Townhall'. The events talk about CGC's performance from the last year and tell their goals for the near future and give surprises to staff such as bonuses. In this event, we celebrated it with Hari Raya Celebration.

##### ii. Organizing farewell event for Chief Finance Officer

I gained experience in organizing and saving part for the event by helping them in taking orders from each of our teams and looking for the booking tables.

##### iii. Induction days

I got an opportunity to experience induction days at Credit Guarantee Corporation. The activities were conducted to introduce CGC. People who participated consist of new employees and interns.

#### ✚ Knowledge

##### i. Software

At CGC, we used SAP HANA software. Sap is a relational database management system that is in-memory, column-oriented, and created and sold by SAP. The function is to store and retrieve data as needed by the applications. Hence, I can enhance my new knowledge in this area, especially in finance.

**ii. Bank statement**

I can witness and learned the visual of bank statements. I also gained experience in downloading bank statements from bank accounts.

**iii. Microsoft office**

I often used Microsoft excel because I need to conduct the bank reconciliation, pending authorization and closing account for every month.

**↓ Skills**

**i. IT Skills/software**

My skills towards Microsoft office and other software such as SAP have advanced. Due to this, I am more familiar with Microsoft excel and words and I know how to use it in the future.

**ii Flexible teamwork**

Teamwork is important because that is how a company or business gain success. Here, the tasks are related to each team. For instance, team reporting is related to operation bank, and if there were error in either report team or operation team, they need to discuss together. I am so impressed because there are positive in finding the solution. There were no arguments or hatred towards each other. Their focus to solve the errors is more crucial than leave the problems to others. Therefore, the work will be easy and can be done quickly.

**ii. Multitasking**

I can multitask since I have given a few tasks at the same time. However, I can learn and organize the task by completing the nearest deadline.

**iii. Adaptability**

I can adapt to my given task, working hours and the environment. The facilities are also clean and CGC always prioritizes their employee's cleanliness and healthiness. Every 4 hours, the cleaners will clean the floor. Other than that, if there were staff that has Covid-19, CGC will offer their staff the chance to work at home first then come to the office in the evening, which is after lunch. This is because the whole floor will be sanitized in the morning.



#### 4.0 SWOT ANALYSIS

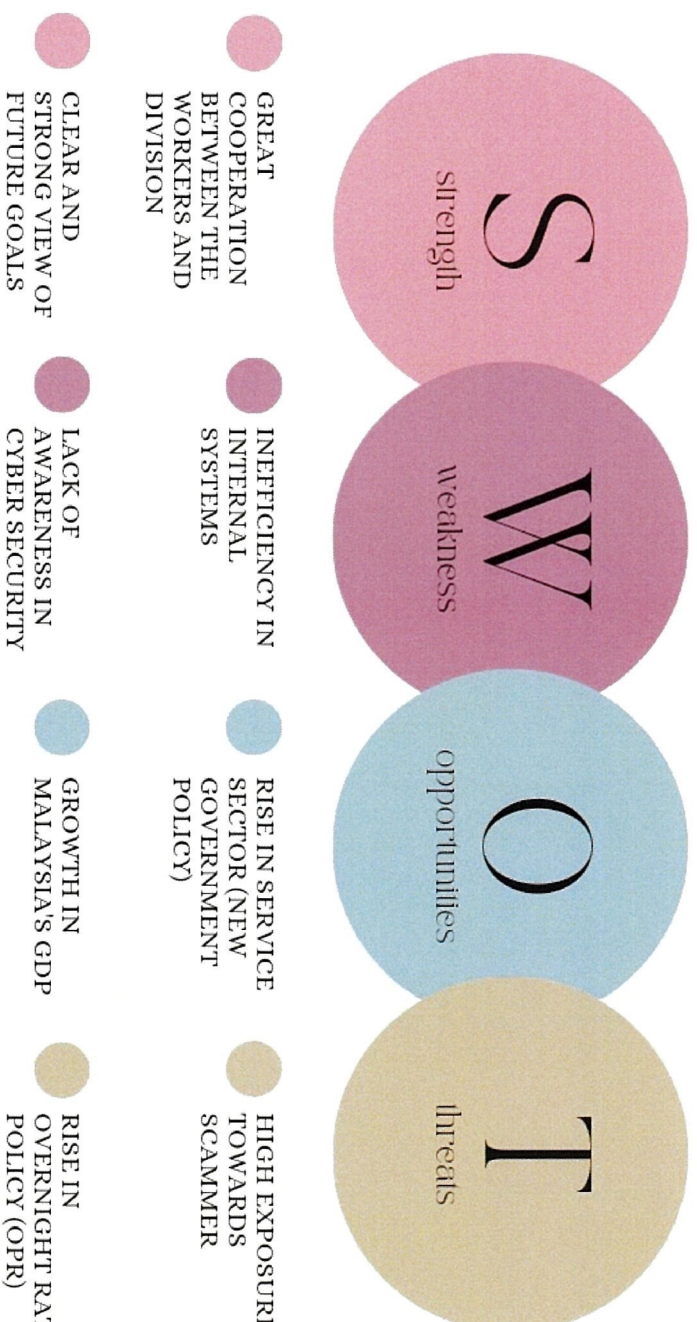


Figure 11: SWOT Analysis

## **5.0 DISCUSSIONS AND RECOMMENDATIONS**

### **5.1 DISCUSSIONS**

#### **5.1.1 STRENGTHS**

##### **1) Great cooperation between the workers and divisions**

At Credit Guarantee Corporation (CGC), in finance department where I am assigning to, the workers are great to cooperate between its workers and the teams. In finance department, it is divided by few teams or divisions namely operation, nonoperation banking and reporting. All these teams are responsible for completing their works where the tasks are related to other divisions. To prove this, when there were some errors in the system from their works in one of those divisions, the other teams in different division will help the worker to find the solutions as the errors was correlated between two teams. The problems were solved quickly and efficiently as they communicate and cooperate well between each other without wasting time to argue. Moreover, they did not blame anyone instead find the correct and wise answers for the mistakes and always give advice so that the mistake would be avoided soon. In conclusion, having a great cooperation between the workers in different divisions contributes to harmonization in the company and thus making the company increased their efficiency and effectiveness in solving problems without any hassles as the completion of the work is more manageable and runs smoothly.

##### **2) Clear and strong view of future goals**

Credit Guarantee Corporation (CGC) has a strong and clear view of its company strategic goals. The company are committed to promote the growth and development of MSMEs. Therefore, CGC created the '5-Year Strategic Plan 2021-2025' with the aspiration 'To be the Partner of MSME Growth across Life Stages'. The result of this plan has made a good process, especially in building and strengthening the digital foundation. For instance, it has covered all the strategic objectives in the 5- Year Strategic Plan which cgc is optimistic about achieving its long-term corporate goals to realise its aspiration as the platform is envisioned to be CGC's main digital engagement channel. When E2 Digital Direct Financing start its development in 2022, it will focus on enabling a fully digitalized direct financing process and offering a seamless

digital client experience for quicker application turnaround. Thus, the growth and development of MSMEs may rise soon through CGC's performance.



Figure 12: 5-Year Strategic Plan

## 5.1.2 WEAKNESSES

### 1) Inefficiencies in internal systems

There is a finance department in every financial institution. It oversees collecting and managing all funds on the organization's behalf. The department oversees income and expenses in addition to ensuring that operations function smoothly with the least amount of disturbance. This heavily correlated with the system they used. For instance, Credit Guarantee Corporation used SAP Hana, Microsoft office and others. As human being can't run from making mistakes, the errors in system from the applications may also emerge. This implies that there is a danger of loss when activities are carried out or implemented because of insufficient or failing systems, people, or external events that may cause operational risk. Currently, when employees perform their duties, they will encounter challenges because of internal system faults and occasionally because of external departments. As a result, the deadline will be extended, and they will need to work together to find solutions. For instance, when I am doing closing scheme for every end of months, there may be errors in some systems because of the formats from other division is different.



## 2) Lack of awareness in cyber security

As Credit Guarantee Corporation (CGC) really cares and concerns about the safety of their employees, cyber security is very important in protecting the personal rights and data of employees. CGC has implemented a mock test for phishing scams and sending a phishing or scam emails. It is carried out every month to give awareness and want to see the awareness of the workers about the danger of threats from outside. However, there are still many workers who open the unknown emails. This can allow outsiders to take the company's data illegally and then use it for their own good. This also poses a threat to traders who using services under CGC.

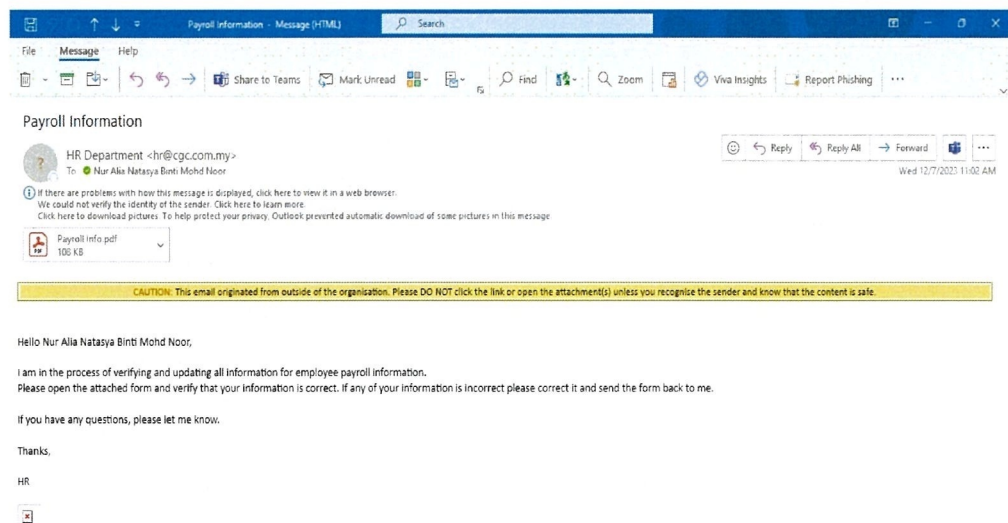


Figure 13: Phishing Email

### 5.1.3 OPPORTUNITIES

#### 1) Increase the service sector (New Government Policy)

Credit Guarantee Corporation main objective is to provide guarantee cover for loan services to minor, small and medium enterprises (MSMEs). The company is part of tertiary sector which is giving services to vendors. In 2023, new government policy had been discussed and conclude in budget 2023 that Malaysia to focus on services sector. Prime Minister Datuk Seri Anwar Ibrahim claim that Malaysia will be focusing on the services sector including green technology, digital economy, and small and medium enterprises (SMEs) in the upcoming 2023 Budget. Hence, this is compatible with CGC because CGC is one of the largest companies in contributing MSME insurance services in Malaysia.

## **2) Growth in Malaysia's GDP**

The foundation of Malaysia's economy is MSMEs. MSMEs made up 907,065 of Malaysia's registered business establishments as of 2020, according to the Department of Statistics Malaysia (DOSM). According to the former transport minister, SMEs were responsible for about 65% of jobs in the nation, although some companies had not yet fully recovered from the Covid-19 pandemic. Over seven million people were employed by the SME sector, which contributed 38.3% of the country's GDP growth. Wee expressed his hope that the government will consider strategies to help SMEs. Additionally, there is a labour deficit in the sector, which requires immediate attention if SMEs are to continue to exist. The Financial Management and Resilience Programme (URUS), which was introduced in October 2021 by The Banks and Agensi Kaunseling dan Pengurusan Kredit (AKPK), aims to support vulnerable sectors experiencing protracted cash flow issues as a result of COVID-19 by offering AKPK's advisory, education, and income support programmes. These means MSMEs will become a bigger and vital contributor in economy and thus increased Malaysia's GDP.

### **5.1.4 THREATS**

#### **1) High exposure towards scammer**

As one of Credit Guarantee Corporation (CGC) weakness are lack of awareness in cyber security, this will lead to increasing in phishing scam which high exposure towards scammer. Scams can be identified in the age of advanced technology thanks to the 2010 Personal Data Protection Act (PDPA). The PDPA was created with seven principles in mind to guard against the exploitation of personal data. However, many businesses adhere to these rules with a lack of rigour, and as a result, we have seen an increase in scams and data breaches, which have undermined public safety and trust. For instance, millions of consumers were impacted by the event involving the data leak from several Malaysian online shopping sites, illustrating the potential impact closer to home in 2020. Personal details were sold online, revealing the extent to which inadequate data security can lead to severe consequences. Thus, not only staff who work in CGC affected but vendors who registered with CGC may also be affected as their business information data stored in CGC.

## **2) Rise in Overnight Rate Policy (OPR)**

Overnight Policy Rate or OPR refers to the interest rate at which commercial banks lend or borrow funds from the central bank, Bank Negara Malaysia (BNM), overnight. The OPR helps commercial banks manage their liquidity and assist BNM in regulating the money supply in the economy. The OPR is also known as the base interest rate as it is the rate at which other interest rates are determined. It is known that Cgc is heavily linked with Bank Negara Malaysia (BNM) which is the BNM owned 78.65%. This means, if overnight policy rate (OPR) increased, then the interest rate will also rise. This causes the guaranteed fee to increase and may cause the trader's loan to the bank to increase. Thus, it may cause traders to seek lower and more appropriate guarantors to accommodate their trading capital.



## **5.2 RECOMMENDATIONS**

### **5.2.1 STRENGTHS**

#### **1) Great cooperation between the workers and divisions**

Interorganizational relationships (IORs) are based on collaboration, coordination, and cooperation, and successful IORs follow these practises. The idea that working with one another in some capacity can be more advantageous for both groups than working independently is the theory behind establishing an interorganizational connection (Clairenstein, 2017). To fulfil their various aims and stay competitive, the workforces of many organisations use several sorts of teams, including production teams, project teams, service teams, and action teams. According to Hartenian, managers and supervisors are becoming more conscious of the fact that teams perform better than individuals do when it comes to delivering results. Consequently, considering this research, I would advise that the executives or team leaders in each division set an example by actively promoting collaboration as one of the fundamental corporate values through training and mentoring. (M. A. Akkas, 2017). To prove this statement, according to Hartenian's research study, Work teams who received mentoring and training showed greater teamwork abilities than teams that did not. Employees of the CGC may benefit from this by improving their relationships, technical and interpersonal skills, job happiness, and performance. Additionally, this fosters cooperation, offers social support, and makes work more exciting and difficult. In essence, research indicates that cooperation yields superior outcomes for organisations compared to individual labour. For instance, Cohen and Bailey discovered that 85% of businesses with 100 or more employees use work teams to accomplish their objectives, and in fact, there is a lot of passion for this workplace organisation. (M. A. Akkas, 2017).

#### **2) Clear and strong view of future goals**

It consistently ranks among the top five management techniques globally (Rigby and Bilodeau 2013; Wolf and Floyd 2017). Strategic planning (SP) is one of the more well-liked management approaches in modern organisations. Its widespread acceptance is based on the belief that it is a successful strategy used by both public and private organisations, with

favourable effects on organisational performance. (Bert George, Richard M. Walker, Joost Monster, 2019). Research shows those businesses that performed successfully, mostly have perfectly formulated and perfectly implemented strategic plan. This can be seen from CGC's 5- year strategic plan for its future goals. It was very clear that CGC wants their company to ease and improve the business life of MSME's. However, to successfully achieve this plan, people who are behind the scenes need to be recognised. This means, there are ways to improve this plan so that the corporation can increase their performance. Therefore, I recommend improving staff satisfaction and retention. This is because, nevertheless each company has strong future goal, the employees need to have their self-empowerment so that the corporation can increase their motivation to give a 100 percent passion and contribution so that the 5-year strategic plan is streamlined. Therefore, giving employees benefits like bonuses or planned time off can make them feel more in control of their work and engaged, but it can also be used to plan initiatives like increased career development, benefits, and workplace culture. (Mary King, 2023). Therefore, not only CGC able to achieve the 5-year strategic plan but also increased employees benefits and life values. In other words, a strategic plan reduces ambiguity and fosters confidence among important stakeholders as well as within the organisation. However, it also fosters a sense of teamwork and shared accountability.

## **5.2.2 WEAKNESSES**

### **1) Inefficiencies in internal systems**

The inefficiencies in internal and external systems are related to operational systems in financing, Internal system inefficiencies are brought on by subpar systems or subpar staff performance, inadequate internal control systems that can result in fraud, accidents in the manufacturing facilities, and operational inefficiency (team, 2023). Operation risk is defined as a direct or indirect loss resulting from subpar or ineffective internal systems, processes, and systems, as well as external occurrences. Systems, structures, people, processes, and products all carry some level of risk. (Borad, 2022). In my opinion, the situations always occurred in finance department. This matter led to few meetings to solve the problems. Based on my humble research, to solve these problems, I suggest that all divisions in finance department need to

conduct a risk assessment. All internal control procedures must therefore go through a risk assessment where staff must determine which failures are most likely to have an impact on CGC. Risks are typically presented in rows and columns in the method's tabular form, reflecting a record of the issue and its resolution. By include columns that display the problem's location, the reasons why controls are insufficient, the person in charge of a specific process, the person who discovered the problem, the solution, and the time the responsible party acted, CGC may put the technique into practise. Thus, the inefficiencies in internal systems can be reduces and avoid if the employees responsible cooperate in conducting the risk assessment. Additionally, risk management should be in line with the goals and objectives of the organisation (Borad, 2022).

## **2) Lack of awareness in cyber security**

When evaluating the security and safety of organisations, security and safety culture is a concept that is becoming more and more significant. It is an aspect of an organization's internal security and safety that has a direct bearing on its general security and safety (Fakhar Imam, 2020). Following the catastrophe at the Chernobyl nuclear reactor, the International Atomic Energy Agency (IAEA) officials used the words security and safety culture for the first time in 1986. Data breaches and cybercriminals have both grown significantly in recent years. The Cybersecurity Business Report estimates that the cost of cybercrime will increase from \$3 trillion in 2015 to more than \$6 trillion by 2021 (Morgan, 2016). On that account, to prevent the lack of alertness in security among employees in Credit Guarantee Corporation, I would suggest implementing security awareness training in CGC. The process of educating people to recognise, understand, and prevent cyber risks is known as security awareness training. It can be applied by knowing and looking the numbers of data breach and phishing attacks via emails through IT Security phishing simulation exercise. The IT and Security Governance can see the data of employees who disobey the phishing emails. The outcome is that those employees will receive email reminders about the phishing scam, and the number of instances before and after cybersecurity awareness initiatives will be compared to determine the effectiveness. If CGC careless about these matters, it will increase the theft and vandalism including the employees will be feel unsafe. In short, Credit Guarantee Corporation needs to implement a



workable security training programme that covers the crucial principles required to stop impending cyber-incidents.

### **5.2.3 OPPORTUNITIES**

#### **1) Increase the service sector (New Government Policy)**

As Budget 2023 stresses on green technology, digital economy, and small and medium enterprises (SMEs), Credit Guarantee Corporation should take this opportunity to boost their company growth. For that reason, I suggest CGC to enhance internal digital capabilities to respond rapidly to market changes (V Scutto a b, M. Nicotra c, M. Del Giudice d e f, N. Krueger g, G.L. Gregori h, 2021). This is in keeping with CGC's five-year strategy plan, since one of their goals is to accelerate the process of going through digital transformation. To lead the strategic and digital transformation while establishing the new culture and methods of operation, the Digital & Transformation Office (DTO) was established. For instance, imSME, a SME finance referral tool, was introduced by Credit Guarantee Corporation (CGC). By March 31, 2022, more than two million people had visited the one-stop shop, which was digitally specialised for MSMEs and had 55,250 registered MSMEs. We reported 4,955 under the RM510 million in total approved finance. In addition, CGC can deploy its green technology thanks to the Green Technology Financing Scheme (GTFS) that the government established to aid in the development of green technology in Malaysia. Companies who manufacture and use green technology may profit from the plan. Considering this, an organisation must create a broad variety of current internal digital capabilities to be able to react quickly to market demands (Bharadwaj, 2000, Henriette et al., 2015, Rialti et al., 2019, von Briel et al., 2018).

#### **2) Growth in Malaysia's GDP**

Small and Medium Enterprises (SMEs) play a vital role in most economies, particularly in developing countries as per the World Bank SME Finance Report (Beck, Demirgüç-Kunt & Maksimovic, 2008), it represents about 90% of businesses and more than 50% of employment worldwide. SMEs are crucial for social stability, innovation, inclusive growth, and the reduction of poverty because they frequently serve as the backbone of the middle class.

This shown that MSMEs can contribute the most to Malaysia's GDP and GNP. To help with this, I suggested that SMEs engage with international markets by supplying items to domestic companies who subsequently export them. Consequently, according to World Trade Organisation (WTO,2016), "SMEs can use the assistance of local middlemen, such as agents or distributors, to help market their goods abroad and access new markets." As the largest guaranteed company in Malaysia and a subsidiary of Bank Negara Malaysia, Credit Guarantee Corporation may end up being one of the businesses that helped the MSMEs sector contribute to a growth in Malaysia's GDP.

#### **5.2.4 THREATS**

##### **1) High exposure towards scammer**

The threat to Credit Guarantee Corporation is extremely significant since it encompasses customer and vendor personal information, business data, and sophisticated corporate information systems. Therefore, I urge CGC to tighten its Personal Data Protection Act of 2010 (PDPA) by taking a cue from the General Data Protection Regulation (GDPR) of the European Union. The GDPR is an example of a strong data protection law with strict enforcement procedures and severe penalties for non-compliance. (Paul De Hert a b, Vagelis Papakonstantinou a, Gianclaudio Malgieri a, Laurent Beslay c, Ignacio Sanchez c, 2018). Credit Guarantee Corporation need to revise PDPA such as appointment of a data protection officer to ensure accountability; increased penalties for misuse of data or breach of the PDPA, increased enforcement powers and elevation of the personal data protection commissioner (JPDP) as a statutory commission. The protection of our digital ecosystem depends on these reforms. The business should be aware that delaying acting could encourage unscrupulous actors to continue to offer and demand unlawful personal data. This not only jeopardises personal security but also erodes public confidence in online services.

##### **2) Rise in Overnight Rate Policy (OPR)**

The following its unexpected increase in May, the Bank Negara Malaysia (BNM) Monetary Policy Committee kept the overnight policy rate (OPR) at 3.00% during its meeting on July 5-6 (Economics, 2023). Thus, CGC

are affected heavily because the company heavily depends on BNM. When the rate of overnight policy rate increased, it led to increase in personal loan, housing loan and more importantly business loan. If OPR increased, it will affect vendors or customers who apply loan of guaranteed fee at CGC. To solve these problems, I suggest the vendors or CGC to reassure the customers by hiring monetary planner. This suggestion is to ensure that the customers still have room to manoeuvre. To help them rebalance their finances, they might seek expert assistance from the Credit Counselling and Debt Management Agency (AKPK). In conclusion, CGC clients can effectively manage their finances, and the company is able to keep its vendors over the long term.

## **6.0 CONCLUSION**

In conclusion, my practical training programmed at Credit Guarantee Corporation (CGC) has opened my eyes how the financial world works. I have had many opportunities such as assisting with closing accounts for schemes, experience to work as corporate workers, experience townhall events and other celebrations. Moreover, CGC had boosted my confidence and skills especially towards multitasking, efficiency when performing works and enhanced my skills in Microsoft Office. It provides me the ability to apply all the skills I've acquired throughout my undergraduate degree into practice in my actual workplace. To put it simply, the internship training I had here given me invaluable experience that I would not have been able to get elsewhere. One of the most important benefits of internships is that they allow students to gain valuable hands-on work experience that cannot be obtained in a classroom setting.



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APPENDICES



Figure 14 & 15: Admission new interns for March 2023



Figure 16 & 17: Ramadan Ihya Programmed





**Figure 18: Decorating finance department to celebrate Hari Raya Aidilfitri**



**Figure 19: Celebration for Hari Raya Aidilfitri**





**Figure 20: Induction Day**



**Figure 21: Celebrating new CFO and June workers**