

HSBC Indonesia Continues to Focus on Enhancing the Competence of the National Education Ecosystem to Help Create Quality Human Resources

PT Bank HSBC Indonesia (HSBC Indonesia) has been rolling out competence improvement-oriented educational programs for students to educators for more than five years

11 December 2019 – The gap between the educational system and the industry demand is considered as the fundamental issue that still emerges in Indonesia. Especially, when examining the unpreparedness of formal education graduates when entering the workforce, the future HR competencies which is considered to be inadequate also has an impact on the unemployment rate due to incompatibility between quality and industry criteria.

Based on the data from the Central Statistics Agency, Vocational High School (SMK) graduates occupy the highest position in the number of unemployment in Indonesia as of August 2019, which was 10.42%, while the number of unemployed graduates of Certificate and Associate Degree I / II / III was 5.99% and the Bachelor Degree graduates were 5.67%. In addition to being driven by inappropriate income expectations and limited employment, the unemployment rate is mostly caused by a mismatch between HR skills and industry needs.

This issue is in line with the vision of HSBC Indonesia, which believes that human resources are one of the main pillars of a sustainable economy. Ongoing programs related to education are focused on strengthening character, developing competency, and providing skills. The aim is none other than to equip future talents by building their work abilities to succeed in the global economy, both as employees and employers. In other words, to meet the expectations and needs of the industry.

Nuni Sutyoko, Head of Corporate Sustainability of PT Bank HSBC Indonesia says, HSBC Indonesia understands that to produce superior talent that is able to answer the challenges and dynamics of the industry, an approach capable of including broad aspects of education is required.

"Our collaboration with NGO partners, and policy makers, rolls out a variety of initiatives with a holistic approach that embraces the entire education ecosystem. We are targeting diverse groups, from students to educators in elementary to higher education levels," she says.

For the time being, educational programs by HSBC Indonesia aiming to empower and boost competence of Indonesian human resources have benefited more than 30,000 students of elementary school, 5,000 students of vocational school, 22,500 students from around 750 colleges/universities in Indonesia, and more than 1,500 teachers and lecturers.

These programs are *Anak Cerdas* in cooperation with Prestasi Junior Indonesia (PJI) which aims at improving financial literacy and introducing the philosophy of digital technology since early years; *Work Ready*, in collaboration with British Council Indonesia Foundation in instilling core skills among students and teachers; *Anak Bangsa Siap Berkarya* together with Yayasan Cinta Anak Bangsa focuses on enriching vocational education for graduates of vocational school to be ready for work, and other programs focusing on improving the competence of higher education sector and young professionals in the banking industry assisted by Sampoerna University and Putera Sampoerna Foundation.

Indonesian education expert, Itje Chodidjah, considers that educational programs that are able to harmonize the formal education and industry needs such as programs carried out by HSBC Indonesia is important to be on the corporate agenda. According to Itje, what is inspirational from HSBC Indonesia's educational programs is the level of community that can be reached, the learning and training materials that are targeted the root of problems, as well as the consistency and sustainability of the programs that are carried out.

"Excellent human resources cannot be created only through programs that focuses on increasing students' competency, but also the development of other ecosystems. Strengthening Core Skills, such as critical thinking power, ability to overcome challenges, communication and collaboration skills, digital literacy, the spirit of nationality, development of creativity and imagination, and leadership skills, cannot only be focused on students. Teachers and school management as role models also need to understand and develop them. Core skills are programs that aim to improve the HR competencies needed by the workforce. In addition, the involvement of policy makers and the industry in developing future human resources is expected to erode the gap between the quality of school graduates and industry expectations," Itje said.

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