Crowdsourcing for Social Agenda:
Additional Income for Lower Income Community
DIGITAL MALAYSIA

A component of Malaysia’s National Transformation Programme
A holistic approach to accelerate Digital Economy

Creating an ecosystem that promotes pervasive use of Digital Technology in all aspects of the economy, to connect communities globally and interact in real time, resulting in increased GNI, enhanced productivity and improved standards of living.

MDeC is the Government Agency driving the Digital Malaysia Programme across all sectors
MALAYSIA: SITUATIONAL ANALYSIS

**INFRASTRUCTURE**

- 81% national fixed line and wireless broadband penetration rate in populated areas

**SUPPLY**

- Over 3,000 ICT companies in Malaysia

**CONSUMPTION**

- 63% Internet user in Malaysia population
- e-Commerce RM1.97 billion in 2011
- 39.1% (11.2 mil) Facebook penetration rate
- M-commerce RM467mil

Mobile penetration rate is 128.7%

More than 5,500 IPs developed by MSC Malaysia Status Companies

Mobile penetration rate is 128.7%
WHERE IS MALAYSIA – A GLOBAL SNAPSHOT

Source: Economist Intelligence Unit; IIMF, International Telecommunication Union; speedtest.net; Gartner; Ovum; World Bank; Pyramid; United Nations; World Economic Forum; ComScore; Magna Global; Euromonitor; BCG analysis.

Note: Several countries imputed due to lack of available data, R²=0.8032
WHAT MALAYSIA PLANS TO DO?

Utilise Digital Technology to:

1. Create new sources of income/ revenue
2. Enhance productivity of government, businesses and citizens
3. Create participatory opportunities
4. Encourage innovation in domestic companies
5. Enable global market expansion
OPENING DOORS TO BUSINESS MODELS & OPPORTUNITIES

- Crowd sourcing
- Dynamic pricing
- Cloud computing
- Aggregated demand
DIGITAL MALAYSIA: Helping the B40 community gain higher quality of life
TARGET COMMUNITY: B40

- **Definition:**
  - Bottom 40% of the population in term of household income level
  - Less than RM2,300 per month (based on 2009 benchmark)
- **2.4 million households,** with 1.8% of households within the hardcore poor group, 7.6% within the poor group, and the remaining 90.6% within the low income households group.
- **Mean monthly income** in 2009 was **RM1,440.**
PAIN POINTS:
Forces that shape the B40 environment

1. **Limited economic mobility** as majority have not graduated from high school & work in low-income jobs
2. Household income growing slower than Cost of Living
3. Rising Cost in healthcare and education
4. **Accessibility to intervention programmes** provided by Government
STRATEGIC APPROACH

Self-Sustenance & Societal Well-being for B40

1. Raise disposable income by creating **more income generating platforms.**

2. Raise **skill sets and ICT literacy** and widen opportunity to participate in B40 income generating programmes.

3. Heighten the level of B40 **awareness and accessibility** to B40 programmes.

4. Transforming B40 to become **prosumer netizens**.
STRATEGIC ROADMAP

Phase 1: 2013 - 2014

Income Generation Platforms

Work Packages for B40s

Phase 2: 2015 - 2017

Income Generation Platform: Capturing Global Demand/Market Share

Phase 3: 2018 - 2020

Demand / Opportunities

Community

Stakeholders

Key Resources

Work Packages for B40s

Community awareness, outreach and training: Target Segment 1

Target Segment 2 School Leavers IT Literate

Target Segment 3 Semi-skilled IT Illiterate

Strategic Alliances with job provider, platform provider, partners & Ministries/Agencies

Channels to amplify outreach (with ready opportunities)

Leverage on existing infrastructures such as Community Centres & Industry Cluster Programmes i.e. CMC

INITIAL PROJECTS FOR B40

Crowdsourcing / Microsourcing to Generate Income

Provide access to new income opportunities via digital means to the B40 Community and at the same time connect businesses with untapped talent across the B40 community.

Help the B40 community gain higher quality of life.

By introducing new sources of income powered by digital technologies and by instilling entrepreneurial spirit in them.

Facilitating Social Uplift

Impacting B40 positively by bringing greater and more holistic programmes to the rakyat in a highly targeted manner through IT-enabled systems.
Crowdsourcing for Social Agenda

New opportunities to gain additional income for the poor in rural and urban areas
The micro-sourcing concept

Micro sourcing, also called micro-tasking, is the distribution of well-defined discrete tasks (micro tasks) to a (potentially large) group of networked users (task workers) through the internet.

Micro-sourcing makes use of the latent workforce to complete these tasks in a distributed way.

These tasks can be completed under flexible circumstances (time, location) and only require basic internet connected devices such as:
- application-capable phones
- tablets, netbooks or notebooks
- PCs

Key Target Groups within B40

Although anyone can participate as task worker, it especially offers opportunities to people outside the traditional workforce who want to increase their income. These include:
- Homemakers (including those who used to work full-time)
- Retirees and senior citizens
- Unemployed graduates
- Recently-laid-off workers
- Part-time workers
- Disabled who are capable of knowledge work
- Under-employed
- Students
LARGE SHARE OF MICRO-WORK OPPORTUNITIES AVAILABLE TO LOW-SKILLED WORKERS

<table>
<thead>
<tr>
<th>Skill level requirement</th>
<th>Examples of potential micro-tasks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basic</td>
<td>• Data entry</td>
</tr>
<tr>
<td>Intermediate</td>
<td>• Hybrid simple physical / virtual tasks - i.e. census taking, price watch, clicking on FB likes, etc.</td>
</tr>
<tr>
<td>Enhanced</td>
<td>• Tasks which require judgment / processing - i.e. forum moderation</td>
</tr>
<tr>
<td>Advanced</td>
<td>• Professional tasks such as bookkeeping, voice overs, virtual assistance, etc.</td>
</tr>
<tr>
<td>Aspirational</td>
<td>• Consulting, training, translation, writing, programming, graphic design, web design, etc.</td>
</tr>
</tbody>
</table>

With almost no special skill requirements, these jobs offer a clear opportunity to be executed through micro-sourcing.
CROWDSOURCING DEVELOPMENT FRAMEWORK FOR MALAYSIA SUPPORTING PROJECTS FOR B40

Job / Funding Providers

<table>
<thead>
<tr>
<th>Domestic</th>
<th>International</th>
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<tbody>
<tr>
<td>Public Sector</td>
<td>Private Sector</td>
</tr>
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Platform

| Niche / Focus Areas | Platform Certification |

ICT Infrastructure

<table>
<thead>
<tr>
<th>Computing &amp; Connectivity</th>
<th>Cloud Computing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Telecentres</td>
<td>Personal Devices</td>
</tr>
</tbody>
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Task Workers

| Community Champions | Micro Worker Development |

Enablers

<table>
<thead>
<tr>
<th>Governance</th>
<th>Business Process Management</th>
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<tbody>
<tr>
<td>Policies</td>
<td>Incentives</td>
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<tr>
<td>Education</td>
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PROJECT IMPLEMENTATION

Development of B40 Crowd labour

- B40 recruitment & engagement - creating awareness
- Training on basic computing and micro-tasking operations, work management and transaction
- Profiling of B40 skill sets and competencies

Development of Local Demand & Capturing International (Jobs Provider)

- Educating local businesses / enterprises on crowdsourcing concept, opportunities and benefits
- Customised engagement with Govt-linked companies and large local corporations (can be part of CSR)
- Crowdsourcing by public sector
- Collaboration with international crowdsourcing players to use Malaysian as crowd labour

Supply

- Nation-wide outreach
- Increased B40 crowd labour
- Skill / Competency-based crowd labour pool

Demand

- Enlarged demand potential (micro tasks providers)
- Sufficient Micro-tasks for B40

Development of Local Crowdsourcing Ecosystem

- Build capability of local crowdsourcing platforms

Local Ecosystem

- Competitive local platforms
PROJECT PILOT PROVED THAT B40 CAN PERFORM MICRO TASKS AND EARN ADDITIONAL INCOME

Micro workers in rural areas started earning RM25-RM75 for 3 hours of micro works

Pre-school teachers developing education content via micro sourcing. Additional income RM50 for 2 hours work

Micro workers from B40 in urban / suburban earning RM55-RM70, doing marketing jobs for duration of 2 hours

Survey

Data Compilation

Content Development