

HALAL SUPPLY CHAIN TRAININGS IN MALAYSIA: A REVIEW PAPER

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ABSTRACT: *This review paper aims to introduce the appropriate trainings on halal management that will ensure the levels of knowledge and skills are meeting the halal and human capital standards between the halal industry players. Knowledge is not only for the job and technical requirements but also knowledge in Shariah and Islamic principles is also needed to become a halal professional and competent person for the halal industry. A certification, which lead to the demand for certified and competent halal executives and halal committee members. Halal training is important for human resource development for the halal industry. This paper also shows the roles and responsibility of JAKIM and also HDC in managing the Halal Industry. It is hoped that this paper will provide a clear understanding and insight on the various types of training offered by the organizations and also institutional in managing effective halal training and development. Literature shows that education is an important element to increase individual knowledge and skills. The paper is part of the literature review of a doctoral study and its significance shall serve as a reference for the government halal authority, training providers, higher institutions and researcher towards halal human capital development implementation in Malaysia.*

Key Words: halal training; halal human capital development; halal education; halal professional.

INTRODUCTION

Halal in an Arabic word that translates lawful or permitted in English and the opposite of it is Haram, which means prohibited or unlawful [1]. According to [2], the concept of halal has obtained increasing attention as a result of the rising number of Muslim population globally.

The increasing of Muslim population in the world reflecting the potential of global halal market will be drastically increased. The halal industry will increase in tandem with the growth of Muslim population [3].

The halal industry has emerged as a new growth sector in the global economy. The industry is among the fastest growing industry currently. Thailand, Brunei, the Philippines, Singapore, Korea, China and Australia are some of the countries that have already embarked on the halal market [4]. In the same report also stated that the global market value for trade in halal products is US\$2.1 trillion annually.

Malaysia today is a respectable Islamic country, progressive and highly regarded by other Islamic countries. The development of Malaysian halal industry that successfully ventures in the international halal market, especially in the food sector has raised the name of Malaysia. The growing demand for halal industry creates a need for the human capital development. Human capital development (HCD) is one of the key pillars of the Malaysian Government's Economic Plans in its efforts to increase the technical skills, creativity and innovation required to drive Malaysia's knowledge-based economy. The recently tabled Budget 2014 notably allocated RM54.6 billion in various schemes to support Malaysia's human capital development. Specifically for the financial sector, the Financial Sector Blueprint 2011-2020 released by the country's central bank, Bank Negara Malaysia, includes talent development as one of the key focus areas [5].

The human resource development process aims at assisting individuals in acquiring skills and developing abilities needed to perform various tasks at the workplace. In Islam, human development refers to the development of both spiritual and human virtues [6]. Halal Human Capital Development is now referring to the 4 main elements. According to [7], stated that

human capital is an important input for organizations especially, for employees' continuous improvement mainly on knowledge, skills, and abilities. Halal is much concerned on the Syariah. Hence, Halal Human Capital Development now is a combination of four elements which are (1) knowledge, (2) skills, (3) abilities or skills and (4) syariah.

1.1 Roles of Department of Islamic Development Malaysia (JAKIM)

JAKIM is a Malaysian Government institution which has established Malaysia Halal logo and implemented Halal Certification System. In 1981 JAKIM was established as the Islamic Centre in Kuala Lumpur which was set up to become the federal government body/agency [8] assigned to carry out the existing duty of governing Islamic related affairs.

The main function of JAKIM is to advise the Conference of Rulers, State Governments or State Islamic Religious Affairs Council on matters relating to Islamic legislation or administration or education with the objectives to improve, standardize or enhance the legislation or administration. [9].When the halal market becomes global, much attention was directed towards joining this market.

This has raised the call for strengthening rules and regulation as to ensure the effective governing of all activities within the halal market. Thus, in this situation, JAKIM's role and authority becomes even more important. JAKIM is overloaded with various tasks handling issues related to Islam [10] and it is now responsible for the rise of many other issues within the halal industry. Currently, JAKIM is the governing body that issues Halal certificate for local and export markets [11]. It is under the ambit of this provision that JAKIM becomes the monitoring and enforcement body for halal guidelines [12].

1.2 Roles of Halal Industrial Development Corporation (HDC)

Halal Industry Development Corporation (HDC) was established on 18 September 2006, Halal Industry Development Corporation coordinates the overall development of the Halal industry in Malaysia. Focusing on development of Halal standards, audit and certification, plus capacity building for Halal products and services, HDC

promotes participation and facilitates growth of Malaysian companies in the global Halal market. HDC is Malaysia's response to the momentum now building up worldwide, for better quality products and services as consumers gain confidence in the Halal process. It will provide manufacturers, distributors, retailers, entrepreneurs, researchers and investors all the necessary assistance to penetrate the global Halal market through the adoption of the Malaysian experience and expertise in food and non-food sectors [13].

The roles and responsibilities of HDC are firstly to lead the development of Halal standards, audit and certification procedures in order to protect the integrity of Halal. HDC has been tasked to further boost the Halal agenda in terms of standards development, branding enhancement as well as commercial and industry development. HDC also becomes main organization that offer training and consultancy services, and industry databases to help individuals and organizations to enhance their industry knowledge and skills. Besides that, HDC has been appointed to direct and coordinate the development of Malaysia's Halal industry amongst all stake holders for both public and also private sectors. The other roles of HDC is to manage capacity building for Halal producers and related service providers and also to support investment into Malaysia's Halal industry. Human competence and capability building are the success factors for sustainability in the competitive market of halal industry. These must-have factors include the development on the industry know-how and good industry practices [13]. Next, HDC also has been tasked to facilitate the growth and participation of Malaysian companies in the global Halal market including develop, promote and market the Malaysian Halal brand. The power of marketing of the Malaysian Halal brand to international level definitely will create a demand towards the products. Last but not least, the Halal industry would not go further without an awareness about Halal itself. So HDC also need to promote the concept of Halal and related goods and services. Based on HDC Global (2008), HDC brings the Malaysian Halal industry in unison toward a common goal. By nurturing growth and participation of local businesses into the global Halal market, HDC sets the bar for Halal best practices in Malaysia to enrich the development of Halal standards globally.

LITERATURE REVIEW

2.1 Trainings

Training presents a prime opportunity to expand the knowledge base of all employees, but many employers find the development opportunities expensive. Employees also miss out on work time while attending training sessions, which may delay the completion of projects. Despite the potential drawbacks, training and development provides both the company as a whole and the individual employees with benefits that make the cost and time a worthwhile investment [14]. Employee trainings at enterprises have become important with the rapid changes and accumulation of enterprises' operational knowledge, technologies and skills. Research on employee trainings at enterprises therefore has been increased. Meanwhile, when organizational culture could support transfer of training for systematic design and

strict training plans, employee trainings at enterprises could be effectively transferred, promote competence, and further enhance the job satisfaction for sustainable management and continuous development [15]. It is reported that internal skill gaps are reported in 19% of organization in the sector. 8% of the organization in the logistics sector reported skills shortage vacancies, compared 6% in the whole economy. Training courses have played an important role in supporting the growth of countless industries in the Middle East, from travel and tourism to manufacturing and retail. However, with a limited quota of specialist programs for supply chain professionals, there is requirement for suitable courses to help standardize its sector, especially in terms of matching the best practices from global leaders such as Europe and North America [16].

2.2 Halal Training Programs

Halal training is important for human resource development in the halal industry. As consumers for halal products, we must have basic education and knowledge pertaining halal so that we are aware and understand certain halal issues in the halal industry and market. For example, unauthorized or dubious halal logo should be tackled wisely with adequate knowledge and information about the halal logo; and to advise the company management on how to address the issue and to solve effectively if we are the employees. As consumers, we ourselves should also know the current halal trends and halal requirements on the food and products that we buy. For examples: consumers rights for clean and hygienic, halal and safe products to consume and use, services that are halal and permissible by religion; consumer rights for choices of education; rights for seeking compensation, peacefully environments, to mention a few [17].

According to Malaysian National Integrity Plan (PIN) and Laporan Awal Pelan Pembangunan Pendidikan Malaysia (LAPPM) 2013-2025, vocational schools with cooperation by industry players have now introduce halal elements to their educational syllabus. All institutions of education and higher learning have developed their respective training programmes and modules related to halal and halal management. However, the halal educational training programme is not offered to the public by JAKIM Malaysia (Department of Islamic Development Malaysia) as it will contradict with their roles as halal certification body as well as halal enforcement. JAKIM is the government body that issues the halal logo together with halal certificates to applicants seeking for halal certification; and at the same time, this body also carries out halal audit and surveillance to ensure halal integrity;

and this government agency is not for economy profits.

The rapid expansion of the halal services industry had increased; consequently creating the shortage of skilled workers and semi-skilled workers for the halal industry; and to maintain the integrity of their halal products in manufacturing, marketing and distribution.

Table 1: List of Agencies and Institutions Providing Halal Trainings and Courses

AGENCIES / INSTITUTIONS	TRAINING PROGRAMME / COURSE
Universiti Putra Malaysia (UPM)	<p>HALAL PRODUCT RESEARCH INSTITUTE (IPPH)</p> <p>Offering courses at a post - graduate level in halal product and management as well as Research and innovation, short course, consultation in halal production and management.</p>
International Islamic university (UIA)	<p>INTERNATIONAL INSTITUTE OF HALAL RESEARCH AND TRAINING (INHART)</p> <p>Offering courses at a post - graduate level in halal product and management as well as Research and innovation, short course, consultation in halal production and management.</p>
National University of Islamic Sciences Malaysia (USIM)	<p>INSTITUTE OF HALAL RESEARCH AND MANAGEMENT (IHRAM)</p> <p>Provide training and product analyzing services in relation to halal.</p>
Universiti Teknologi Mara	<p>Provides consultation, workshop, seminar and conducting research on halal products and issues, food science & related technologies</p> <p>HALAL FOOD AND RESEARCH CENTER</p> <p>Ihalalmas</p> <p>Diploma Pengurusan Halal under the faculty of Applied science</p> <p>MITRANS</p>
Universiti Teknologi Malaysia	<p>Conducting research on information in relation to halal logistic and halal data.</p> <p>HALAL INFORMATICS RESEARCH CENTRE (HOLISTICS)</p> <p>FACULTY OF ISLAMIC CIVILIZATION</p> <p>Master in Halal Science</p> <p>Doctor of Philosophy (Fiqh Science and technology)</p> <p>Executive Diploma in Halal science Management and entrepreneurship</p>
Politeknik Malaysia	<p>Diploma in Foodservice (Halal practices)</p> <p>(Recognized by HDC on par with the Halal Executives Diploma) & Diploma in Hotel and Catering Management (imbedded in Halal Practice Course).</p>
Halal Development Corporation (HDC)	<p>Program Go Halal! For Students</p> <p>Halal Awareness Program</p> <p>Halal Auditing Courses</p>

	Halal Executive Diploma Programs
Halal Management and Research Academy (HAMRA) Melaka under Melaka Industrial Skill Development Centre (MISDEC)	Halal Executives diploma
Kolej Universiti Islam Melaka (KUIM)	Halal Executives diploma
Kolej UNITI	Diploma Pengurusan Halal

[See 19-20-21]

To meet the obligations of Islam or "obligatory kifayah", efforts are made to ensure that these workers, as front-liners are knowledgeable throughout the whole halal supply chain. Institute of Halal Research and Management (IHRAM) develop halal modules, training programs and services. Collaboration are done with agencies which have the skills and experience in conducting training Halal programs, such as Halal Industry Development Corporation (HDC), Global Integrity Products & Services Sdn Bhd (GIPS), the Religious Affairs Department and Chemical Company of Malaysia Berhad (CCM) the necessary courses and training in knowledge transfer programs were designed to meet the identified target groups. It covers the aspects of the knowledge needed to become a professional workforce, before undergoing the practical training in industry.

Halal can be divided into two segments, which consist of products and services. Services related to Halal, these include food, cosmetics, tourism, transportation and logistics, medical, hospitality, there are needs for Syariah compliant standards set by the authorities such as Department of Islamic Development Malaysia (JAKIM) and the Department of Standards Malaysia [18]. Table 1 below present the list of several halal training providers and institutions of higher learning in Malaysia that provide and conduct several halal training programs.

2.3 Types of Halal Supply Chain Management Training in Malaysia

There are a few types of Halal Training programmes offered by the organizations or institutional in Malaysia such as Halal Awareness Programme (HAP), Halal Industry Programme (HIP) and also Halal Professional Programme (HPP).

Normally for HAP programme, they will covered on topics of Understanding Halal, Understanding the Halal Industry and also MS1500 - The Halal Food Standard. This basic training on Understanding Halal is important to anyone who wants to know the basics in halal. This course will cover the fundamentals of halal and haram, what halal food is all about, the halal certification and halal consumerism. Next is Halal Industry Programme (HIP) which covered as per below:

- Best Halal Practices in the Food Industry
- Effective Halal Operations in the Food Industry
- Internal Halal Auditing
- Best Halal Practices in the Food Services
- Halal Slaughtering

This course covers the best halal practices for manufacturers in the food industry. The modules cover the importance of MS1500:2004, the requirements for halal certification and processing as well as logistics in the halal food production. This module also provides a thorough knowledge on the overall best halal practices for the manufacturers to produce high quality halal products for the ever demanding halal food

market. Besides that, the programme also will covered on topics on concept of Halal, Role of Food Ingredients, Halal Food Production, Rules of Slaughtering and anything that related with food.

Next is Halal Professional Programme (HPP). The main topics that will be covered under HPP programme were:

- Professional Halal Trainer Workshop
- Professional Halal Auditors Workshop
- Refresher Course for Halal Consultants

The programme is committed to provide Halal auditors with structured methodologies of Halal conformity assessment that include documents preliminary review, detailed planning, audit conduct, systematic reporting, corrective measures and periodical surveillance exercise.

Currently, there is no harmonization of certification and standards [3]. Hence, halal training programs are important so as to provide new skills in halal management and syariah.

CONCLUSION

To conclude, halal training plays an essential role in Malaysia especially in the context of changing landscape of halal legality and regulation. Training is aimed at enhancing skills in terms of communication, team cohesion and leadership. Previous studies and research done had highlighted the issues of HRD in the logistics industry. Training was one of the issues raised by past researchers. Based on this literature review, it can be concluded that appropriate human capital training and development strategies and planning must be done for the halal industry players so that the halal industry, particularly the halal logistics and supply chain can be more ready for halal certification with MS2400: 2010 standards; and hence to be more competitive in logistics business and portraying good halal image and perception. This paper can serve not only as guidance for the halal industry players but also for potential fresh graduates looking for job opportunities and to be employed in halal businesses. Potential graduates also need to acquire new knowledge on halal and Shariah principles but they also need to equip themselves with desired job skills and competencies required by the employers and the job market. There are lots of opportunities and potentials in the halal industry; and that the halal logistics and supply chain can further expand and grow multi-fold for the halal global market.

Although the research managed to uncover the critical issues faced in Halal human capital, there are several limitations need to be addressed. Firstly, the study was based on the preliminary interview with one of the training provider and secondary data which is may result into the lacking of information and biasness. Therefore, for the future study should include views from government agencies, Halal authorities and consumers to produce greater findings. Secondly, this study required realistic evidence to establish stronger findings on the major issues encountered. Future study are required to rank the discussed issues or to unearth new and additional issues. Finally, this study only focused on issues and challenges faced by the training provider. Further research must look into the solutions of the problems highlighted so that the Halal industry will have positive

impact onto the overall development of Halal business.

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