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**Title : 10TH CIVIL SERVICE CONFERENCE-
"DEVELOPMENT WITH A HUMAN TOUCH: MAXIMIZING HUMAN
CAPITAL"**

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Y. Bhg. Tan Sri-Tan Sri, Dato'-Dato', Datin-Datin,

Tuan-tuan dan Puan-Puan yang saya hormati sekalian,

Assalamualaikum Warahmatullahi Wabarakatuh dan Salam Sejahtera.

I am delighted to be here this morning to share my thoughts with you on the challenges of human capital development in the public sector. Let me thank and congratulate the Administrative and Diplomatic Officers Association (PPTD) and the National Institute of Public Administration (INTAN), for jointly organizing this conference.

1. I understand that this conference is also attended by foreign participants from as far away as Saudi Arabia, Gambia, Nigeria and as near as Singapore. Your presence here today will undoubtedly enrich the quality of the discussions and deliberations on how best the public sector can become a relevant, dynamic and powerful force of change.

2. The theme for this year's conference, "Development with a Human Touch: Maximizing Human Capital Potential" appropriately reflects the government's emphasis to strengthen public service delivery through human capital development. As we know, the Honorable Prime Minister has consistently emphasized the importance of human capital development as a means to improve public service delivery and to ensure that Malaysia can compete effectively and efficiently in the global marketplace. Together with elected members of the government, civil servants are joint custodians of the national interest and the public good. Enhancing the performance and capabilities of current and future generations of the civil service must therefore be one of the most important priorities of the government today.

Ladies and Gentlemen,

3. I recall that at this same conference last year, I had urged participants to work towards building a high performance work culture through the introduction of Key Performance Indicators (KPIs). I suggested then that the focus should be on results rather than inputs. I am pleased to learn that in this year, the government has

launched a circular that lays out the implementation guidelines for developing KPIs in government agencies. Thank you to the Chief Secretary of the Government for your expeditious response. This circular requires all frontline agencies, particularly those providing counter services, to develop and implement key performance indicators. I am told that the KPIs developed by the six pilot agencies are now being expanded to other branches of the agencies. I hope efforts will be made to continuously assess the performance of these agencies so that they are up to the mark. I must reiterate that KPIs must be used extensively in the civil service as a basis to benchmark the performance of the public sector. After all, we know from management best practice that what gets measured gets done.

4. To reinforce the need for a high performance culture, the government has introduced a number of policies and programme towards this objective. Last year, the government introduced the National Integrity Plan and established the Integrity Institute of Malaysian (IIM) to reduce corruption, mismanagement and abuse of power; to enhance the level of efficiency in the public service delivery systems; and to improve corporate governance and business ethics. The Government is showing greater transparency and leading the way in good governance by making available relevant information to the general public, ranging from the Air Pollution Index (API) to the complete list of AP holders. On this issue, the government will continue to “walk the talk”.

5. Notwithstanding the good progress we have made, much work still has to be done. Based on the annual world competitiveness report from the Geneva-based Institute for Management Development (IMD), out of 60 economies surveyed, Malaysia’s ranking fell from 16th to 28th place in the last one year. In terms of government efficiency, we deteriorated from 16th place last year to a disappointing 26th place this today. This scenario does not speak very well of our achievements and progress made in the last few years. As such we have to understand the criteria used, whether they are subjectively or objectively based and addressed them accordingly.

6. While we should be ever mindful of external, outside-in assessments, the figures seem to indicate that our efforts, while good, have not been good enough. We may be improving, but our competitors are improving to a much greater extent than ourselves. It is perhaps timely that the civil service looks closely at how best to benchmark itself against the very best internationally. Currently, the top five economies in terms of government efficiency according to the Report are: (1) Hong Kong, (2) Singapore, (3) Finland, (4) Denmark and (5) Australia. I would therefore strongly urge the public sector to reexamine itself and to make improving government efficiency your top priority agenda. We cannot and we should not be satisfied with where we are now, even though our achievements may already be very impressive by developing country standards.

Ladies and Gentlemen,

7. In this context, we need to ask ourselves; what must we do to ensure that our position in terms of government efficiency will not deteriorate further next year? We must tap the full potential of human capital development so that we create value for Malaysia, especially in this environment of rapid and unprecedented change. If we can maximize the human capital potential of the public sector, which comprises over 1 million men and women, I believe we can even attain the status of a developed nation before 2020. The challenge before us is whether we have the determination to

stand up and walk that extra mile to make a difference in our work. Let me remind you that we are at a time when decision-making is made with much consultation and deliberations. Civil servants at all levels must now possess strong analytical capabilities, and have the ability to generate carefully thought out policy options for consideration. In addition, you must be proactive and be willing to speak your mind and argue your case with conviction, so that civil servants can play its rightful role as a “thought partner” to ministers. We must aspire to build a civil service that is truly dynamic, responsive and participatory.

Ladies and Gentlemen,

8. Last year, I highlighted the need to develop and sustain a high performance work culture. Today, my emphasis will be on how the civil service should build a high reliability workforce to transform Malaysia into a global player in the coming decades. Allow me to elaborate on what I mean by a high reliability workforce.

9. The concept of “high reliability” is often associated with highly complex organizations that have zero-tolerance for errors, such as a nuclear power plant, a naval aircraft carrier, a chemical production plant, a pharmaceutical factory, a nuclear missile defence system, and the air traffic control system. For such organizations, there is no room for error; if an error does occur, the result is almost certainly a disaster of catastrophic magnitude. A case in point is the Chernobyl disaster of 1986.

10. Although not all public sector agencies may have the characteristics of high reliability organizations, at the very least they must adopt a “zero-tolerance for errors”. The impact of errors or failures in public sector organizations may not be as dramatic as Chernobyl, but the impact can be as devastating. For example, several generations of students may have to pay for the mistakes made or errors in deciding a particular aspect of our higher education policy. Errors in formulating our healthcare policy for instance, may result in certain groups being deprived of basic healthcare services. Ill-considered economic policy decisions may result in massive unemployment, labor unrest and hardships for the people. Therefore, it is pertinent that we should not take a lackadaisical and indifferent attitude in our work; instead, we should work towards being a high reliability public sector workforce that has zero-tolerance for errors and sub-standard performance.

Ladies and Gentlemen,

11. A high reliability workforce is generally characterized by a number of key features, namely a high degree of professionalism, unquestionable integrity, being citizen-focused, and constantly being innovative. I believe these characteristics are important prerequisites to build a civil service that truly embodies excellence, glory and distinction.

12. In order to achieve these objectives, the first challenge is to put into practice a high degree of professionalism. Although many people may define professionalism as being technically proficient and guided by a specific code of conduct, I believe that professionalism goes beyond that definition. Professionalism is predominately an attitude and not a set of competencies or technical abilities. It is not about focusing on the self and being self-serving; it is about demonstrating a deep commitment to an organization and having a sincere desire to help achieve its goals. It means doing the very best you can. It means taking personal responsibility. For the public sector,

this is a very basic quality as you are appointed to serve the interest of the public and not yourselves.

13. However, if you only do the minimum required of you, if you always grouse when asked to work overtime, if you are per-occupied with status and personal priorities, then you are not being professional. A true professional will care about the mission of their organization, the needs of the people they serve and are always aiming for excellence. Their actions will be driven by energy, enthusiasm and personal commitment. This is what I call true professionalism.

14. The next challenge that you need to face is to possess a high level of integrity. Integrity is a quality by itself that deserves special attention, particularly for the public sector. While the other qualities of leadership such as courage, conviction, passion, and emotional toughness may be the motor that steers the organization towards a certain goal, integrity is the moral compass that determines whether the means and methods to achieve this goal are appropriate. Trust is a vital element in building integrity. You cannot be saying one thing and be doing another. Inconsistencies in words and deeds will cause confusion in the civil service, destroy goodwill and lower morale among employees.

15. To ensure a high level of integrity, the government will continue its policy of zero-tolerance on corruption. However, integrity in the public sector is not limited only to corrupt practices or abuses of power; it also includes the way work is being done, and the manner in which resources are being utilized, i.e. how productively you spend time in the office. The launching of the National Integrity Plan and the establishment of the Integrity Institute of Malaysia in 2004 is the first step towards building not only a high integrity and high reliability workforce in the public sector, but also in creating a society that puts positive values, strong moral character as well as high ethical standards above everything else. The challenge is to ensure that the plan is translated into concrete actions. This battle is not for IIM alone to fight; as leaders of the civil service, you also have a moral obligation and responsibility to make it happen within your respective sphere of influence.

Ladies and Gentlemen,

16. The third challenge is for the civil service to be citizen-focused. By definition, the public service was created to serve the best interest of the nation and its people. Even the Prime Minister has declared himself as the "Number One Public Servant". We must be thankful to be given the opportunity to serve the nation and its people. At the end of the day, we are judged by the contributions we made to our country and not by the amount of processes or procedures generated. Therefore, a high reliability workforce in the public sector demands that the needs of the citizens come first, not the convenience of civil servants hiding behind procedures, rules and regulations. If obsolete processes and procedures hinder the effectiveness of the public sector to serve the public, then such procedures and processes must be changed or even removed.

17. To be citizen-focused also means the willingness to engage the people in the process of policy formulation, implementation and evaluation. Without the vital participation of the people in the policy deliberation process, the risk is that the interests of some citizen groups may be neglected and thus render the policy less equitable.

18. However, effective citizen engagement requires collaborative leadership skills that are very different from traditional skills in a command and control environment. Due to the voluntary nature of the collaboration, you cannot apply the top-down approach and direct what needs to be done. You can only set the stage and bring in the relevant parties for a meaningful dialogue and build consensus in the formulation of a particular policy. Therefore, the challenge before you is to ensure that you and the people in your organization develop those critical skills to enable them to engage the public effectively.

Ladies and Gentlemen,

19. The final challenge I would like to touch on this morning for the civil service is the need for innovation. In this era of uncertainty and constant change, innovativeness is a key feature of a high reliability workforce. No organization can survive by remaining static over a long period. The civil service may continue to exist without innovation, but its role and relevance will rise and fall depending on your capacity for constant innovation. Therefore, the civil service has to improve, to renew and to reinvent itself in accordance with the changing needs, demands and expectations of leaders and of the people. A high reliability civil service therefore consciously and constantly looks for ways and means to improve, stay ahead and create new value.

20. However, as most of you are aware, it is easier to talk about change than to do it. It is easier to maintain the status quo rather than to change. But, refusing to change will make us irrelevant and obsolete. We must therefore make the necessary efforts to change for the better. The challenge for us is to be courageous and take the first step to make the change. The challenge is for us to be more open to new ideas and see the possibilities and potentials rather than perceive anything new as being threats.

Ladies and Gentlemen,

21. I have highlighted several challenges that we have to take on in our effort towards achieving excellence in the public service in the coming decades. I have reiterated my views on the need for a high reliability workforce to ensure we can compete effectively in the global marketplace. I hope you will use the opportunity provided by this conference to develop concrete strategies and recommendations to build and sustain a high reliability workforce through maximizing human capital potential in your respective organizations. I believe with the presence of so many distinguished speakers, panel members, experts and participants from the various fields, you will have a very fruitful discussion through the sharing of knowledge and experiences over these two days. On this note, I wish the conference every success and it is my privilege and honor to declare open the Tenth Civil Service Conference.

Thank you.