

**SPEECH BY  
YAB DATO' SERI ABDULLAH AHMAD BADAWI  
AT THE AWARD CEREMONY OF THE ERNST & YOUNG ENTREPRENEUR OF THE  
YEAR 2004 AT MUTIARA CROWNE PLAZA, KUALA LUMPUR  
4 DECEMBER 2004**

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ASSALAMUALAIKUM WARAHMATULLAHI WABARAKATUH AND GOOD EVENING

Y. BHG. DATO' NORDIN BAHARUDDIN  
CHAIRMAN, ERNST & YOUNG MALAYSIA

MR. SEE HUEY BENG  
MANAGING PARTNER, ERNST & YOUNG MALAYSIA

MR. GREGORY ERICKSEN  
GLOBAL DIRECTOR, ERNST & YOUNG ENTREPRENEUR OF THE YEAR

DISTINGUISHED GUESTS

LADIES AND GENTLEMEN

1. LET ME FIRST EXTEND MY THANKS TO ERNST & YOUNG FOR INVITING ME TO THIS YEAR'S CEREMONY. I HAD THE PLEASURE OF BEING ASKED TO OFFICIATE THE FIRST SUCH NATIONAL LEVEL AWARDS IN 2002, AND I AM HAPPY THAT THIS EVENT HAS BECOME A REGULAR FIXTURE ON THE MALAYSIAN CORPORATE CALENDAR.

2. WITHOUT DOUBT, THE PULSE OF A NATION'S ENTREPRENEURIAL CLASS DETERMINES THE HEARTBEAT OF ITS ECONOMY. ENTREPRENEURS DRIVE ECONOMIC ACTIVITY, PROVIDING EMPLOYMENT AND GENERATING TAX REVENUE FOR THE GOVERNMENT. THEY SEE VALUE WHERE NONE EXISTED, THEY CREATE AND THEY INNOVATE.

3. BECOMING AN ENTREPRENEUR – AND A SUCCESSFUL ONE AT THAT – IS BY NO MEANS AN EASY FEAT. IT REQUIRES VISION AND COURAGE. IT DEMANDS PERSEVERANCE AGAINST ALL ODDS. IT NEEDS ABILITY TO CREATE AND TO INNOVATE. IT IS OBVIOUS THAT NOT EVERYONE HAS THE QUALITIES TO BECOME A SUCCESSFUL ENTREPRENEUR, WHICH MAKES ME GLAD THAT THERE IS AN OCCASION SUCH AS THE ONE TONIGHT TO ACKNOWLEDGE AND APPRECIATE THE INTANGIBLE ENTREPRENEURIAL SPIRIT.

4. TO MY MIND, A TRUE ENTREPRENEUR CAN BE CHARACTERISED BY TWO THINGS. FIRST, HE OR SHE MUST BE CONSTANTLY COMMITTED TO ACHIEVING EXCELLENCE. A SUCCESSFUL BUSINESSPERSON KNOWS THAT ENDURING SUCCESS CAN ONLY BE BUILT ON HONESTY AND INTEGRITY. THEREFORE, AN ENTREPRENEUR MUST HONESTLY WORK TOWARDS BEING THE VERY BEST HE CAN BE. IN THE LONG RUN, CUSTOMERS WILL APPRECIATE AND BE LOYAL TO SOMEONE WHO STRIVES TO

PROVIDE THE BEST QUALITY GOODS AND SERVICES AVAILABLE. CONVERSELY, SOMEONE WHO CHEATS AND CUTS CORNERS IS ONLY BUILDING CASTLES OF SAND. THERE ARE NO SHORT CUTS TO SUCCESS AND THERE IS ONLY SO MUCH YOU CAN ACHIEVE WITH SMOKE AND MIRRORS.

5. I FEEL THAT THIS IS AN IMPORTANT POINT TO STRESS. AS A NATION, WE MUST ATTEMPT TO ACHIEVE EXCELLENCE IN EVERYTHING WE DO. WE MUST DO WHAT IS NECESSARY TO PREPARE OURSELVES TO EVOLVE AND BECOME A KNOWLEDGE-BASED ECONOMY. BY EXTENSION, MALAYSIAN ENTREPRENEURS NEED TO BE MORE INNOVATIVE, MORE COMPETITIVE AND MORE CREATIVE IN ALL ASPECTS OF DOING BUSINESS. WE SHOULD BE MORE RESPONSIVE TO MARKET TRENDS AND BE ABLE TO SEIZE THE INITIATIVE, INSTEAD OF WAITING TO BE DIRECTED. BEAR IN MIND THAT IN THIS COMPETITIVE GLOBAL ECONOMY, INNOVATION AND INTELLECTUAL PROPERTY WILL COMMAND HIGHER ECONOMIC VALUE. MALAYSIAN COMPANIES MUST EQUIP THEMSELVES TO BE SUCCESSFUL, DOMESTICALLY, REGIONALLY AND EVEN GLOBALLY.

6. I HAVE OFTEN STATED THAT IN ORDER TO REMAIN COMPETITIVE, IT IS IMPERATIVE THAT WE MOVE OUR BUSINESSES AND INDUSTRIES UP THE ECONOMIC VALUE CHAIN, WHICH WILL IN TURN REINFORCE MALAYSIA'S POSITION AS A KNOWLEDGE-BASED ECONOMY. GLOBALISATION HAS PLACED OUR LOCAL WORKERS IN DIRECT COMPETITION WITH WORKERS FROM OTHER PARTS OF THE WORLD. THUS, TO CONTINUE TO BE EMPLOYED, OUR WORKERS MUST POSSESS FIRST CLASS SKILLS – NOT JUST GOOD TECHNICAL SKILLS, BUT ALSO OUTSTANDING "SOFT SKILLS". IN PARTICULAR, MALAYSIA NEEDS TO DEVELOP A WORKFORCE THAT IS HIGHLY ADAPTABLE TO CHANGING BUSINESS CONDITIONS.

7. THE SECOND CHARACTERISTIC OF A GENUINE ENTREPRENEUR, IN MY OPINION IS THE WILLINGNESS AND ABILITY TO TAKE RISKS. A BUSINESSPERSON ENGAGED IN ONLY RENT-SEEKING ACTIVITIES OR VENTURES WHERE RETURNS ARE GUARANTEED IS NOT A TRUE ENTREPRENEUR IN MY EYES. TO PARAPHRASE THE OFTEN QUOTED MAXIM, WITHOUT RISK THERE IS NO REWARD. ONLY WHEN ONE TAKES ON CHALLENGES DOES ONE EMPLOY ALL THE QUALITIES AND SKILLS THAT ARE REQUIRED OF AN ENTREPRENEUR.

8. OF COURSE, TAKING ON RISK DOES NOT MEAN THAT ONE SHOULD PLUNGE INTO THINGS IN A FOOLHARDY MANNER. ONE MUST KNOW WHEN TO BE BRAVE AND WHEN TO REMAIN PRUDENT. ONE MUST STUDY THE MARKET, INVEST IN RESEARCH AND DEVELOPMENT AND EMPLOY THE APPROPRIATE STRATEGIES. A SUCCESSFUL ENTREPRENEUR IS ONE WHO IS ABLE TO EFFECTIVELY MANAGE RISK AS WELL AS HARNESS THE AVAILABLE OPPORTUNITIES TO CREATE A LUCRATIVE REWARD STRUCTURE FOR HIS OR HER ENTERPRISE.

9. ULTIMATELY, A SUCCESSFUL ENTREPRENEUR IS ONE WHO IS ABLE TO COMPETE AT THE INTERNATIONAL LEVEL – NOT MERELY RELYING ON A TRADITIONAL MARKET, BUT TO ALSO VENTURE AND WIN IN UNCHARTERED TERRITORIES.

LADIES AND GENTLMEN,

10. MALAYSIA IS A GOOD PLACE TO DO BUSINESS. WE HAVE BEEN BLESSED WITH SO MANY POSITIVE FEATURES. OUR COUNTRY IS LARGELY FREE FROM NATURAL DISASTERS, SUCH AS EARTHQUAKES, TYPHOONS AND VOLCANIC ERUPTIONS. WE HAVE AN ABUNDANCE OF NATURAL RESOURCES, A WONDERFUL CLIMATE AND FERTILE SOIL. WE HAVE A YOUNG POPULATION THAT IS STEADILY GROWING MORE AFFLUENT – PROVIDING A STRONG CONSUMER BASE. ABOVE ALL, WE HAVE ENJOYED LASTING PEACE AND POLITICAL STABILITY – ELEMENTS THAT ARE SO VITAL IN PROVIDING A CONDUCTIVE OPERATING AND INVESTING ENVIRONMENT.

11. THE GOVERNMENT HAS ALWAYS BEEN BUSINESS FRIENDLY, IMPLEMENTING POLICIES THAT ENCOURAGE THE GROWTH OF PRIVATE ENTERPRISE. WE MAKE IT A POINT TO INTERFACE REGULARLY WITH THE PRIVATE SECTOR, FOR EXAMPLE, DURING THE ANNUAL BUDGET CONSULTATIONS AND THE DIALOGUE WITH THE MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY.

12. WE ENGAGE BUSINESSES BECAUSE WE BELIEVE IN FORGING A TRUE PARTNERSHIP. OUR “MALAYSIA, INC” APPROACH HAS SERVED US WELL. WE ARE HAPPY THAT THE COUNTRY’S GROWTH, WHICH WE EXPECT TO BE AT LEAST 7% FOR THE YEAR, IS ONCE AGAIN DRIVEN BY THE PRIVATE SECTOR. THIS IS THE WAY IT SHOULD BE – IN OUR MODEL, THE PRIVATE SECTOR IS THE ENGINE FOR ECONOMIC GROWTH. THE GOVERNMENT IS THE FACILITATOR AND REGULATOR – A ROLE WE TAKE SERIOUSLY, WHICH IS WHY THERE WILL BE NO LET UP IN OUR DRIVE TO REDUCE CORRUPTION AND TO IMPROVE OUR PUBLIC DELIVERY SYSTEM. WE ARE AWARE THAT THESE -ARE IMPORTANT TO BUSINESS, THAT WINNING THESE BATTLES MEANS LOWERING OPERATING COSTS FOR THOSE WHO ENGAGE IN FREE ENTERPRISE. AT THE SAME TIME, BUSINESSMEN MUST ALSO REALISE THAT CORRUPTION CORRODES ALL SEGMENTS OF SOCIETY. THE PRIVATE SECTOR IS NOT IMMUNE FROM CORRUPT PRACTICES EITHER. WE WILL ONLY MAKE SUBSTANTIAL HEADWAY IF WE TACKLE THE PROBLEM IN A COMPREHENSIVE MANNER AND EVERYONE PLAYS AN ACTIVE PART IN RIDDING OUR SOCIETY OF UNHEALTHY ELEMENTS.

LADIES AND GENTLEMEN,

13. IN TODAY’S DYNAMIC BUSINESS WORLD, IT IS NOT ENOUGH TO BE MERELY PARTIALLY EQUIPPED. WE CANNOT AIM TO MERELY “SURVIVE” THE CHALLENGES OF COMPETITION. THE EXCITING THING ABOUT THE WORLD TODAY IS THAT WE LIVE IN A HIGHLY DYNAMIC ENVIRONMENT FILLED WITH OPPORTUNITIES JUST WAITING TO BE FOUND, ESPECIALLY BY ENERGETIC AND INTELLIGENT PERSONS WHO SEEK THEM OUT. AS SUCH, AN ENTREPRENEUR IS ONE WHO STANDS OUT FROM THE REST OF THE CROWD. THIS IS A PERSON WHO IS LOOKING FOR THE RIGHT OPPORTUNITIES, SEEKING TO SUCCEED, AND SEEKING TO CREATE A SLICE OF HISTORY.

14. MY CHALLENGE TO YOU IS THIS – SPREAD YOUR WINGS AND TAKE ON THE WORLD. IN A GLOBALISED WORLD, WE SHOULD NOT FOOL OURSELVES INTO THINKING THAT COMPETITION IS EXCLUSIVELY DOMESTIC. IN FACT, WE ARE COMPETING WITH ANYONE AND EVERYONE WHO IS A PARTICIPANT IN THE GLOBAL MARKET. THEREFORE, PROVE YOURSELF ON THE BIGGEST POSSIBLE STAGE AND BENCHMARK YOURSELF AGAINST THE BEST.

15. ON THAT NOTE, I WOULD LIKE TO TAKE THIS OPPORTUNITY TO CONGRATULATE ALL THE WINNERS HERE TODAY FOR THEIR ENTREPRENEURIAL ACHIEVEMENTS. I WISH YOU ALL CONTINUED SUCCESS IN YOUR FUTURE BUSINESS VENTURES, AND I LOOK FORWARD TO THE DAY THAT A MALAYSIAN WILL WIN THE WORLD ENTREPRENEUR OF THE YEAR AWARD IN MONACO.

THANK YOU.