

THE MALAYSIAN INSTITUTE OF MANAGEMENT DINNER
THE PJ HILTON

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Yang Berbahagia Tan Sri Raja Mohar, Presiden Yayasan Pengurusan Malaysia;
Dif-Dif Kehormat; Tuan-tuan dan Puan-puan sekalian.

Saya terlebih dahulu ingin merakamkan setinggi penghargaan kepada Yayasan Pengurusan Malaysia kerana sudi menganugerahkan kepada saya Fellow Kehormat atau "Honorary Fellowship" ini. Saya juga menghargai 'citation' mengenai diri saya sebentar tadi.

Ladies and Gentlemen,

2. Firstly I would like to express my gratitude to the Malaysian Institute of Management for conferring on me the Honorary Fellowship. I am also grateful for the kind words in the citation just now. In return I would like to express my opinion on a subject of interest to all of us i.e. the government's aspiration to promote 'resilient entrepreneurship' among Malaysians.

3. Ladies and gentlemen, so much has been said about increasing productivity, Malaysia Incorporated, Look East Policy, Privatisation, positive values, outward-looking industrialisation and eradication of the dole-mentality, all of which are intended to promote an economy that allows for the growth of good entrepreneurship. These new directions, concepts and policies will also promote an economy that is resilient and able to withstand external pressures, and protect the welfare of the nation.

4. Firstly may I take privatisation. We know that it is a form of encouragement for greater private investment and expertise in the development of the economy. Incidentally it will also reduce the size and extent of the direct participation of the Government in the economy, a participation that is often costly and with due respect to everyone concerned, inefficient. Privatisation is in effect an encouragement for greater competitiveness in economic activities instead of survival through monopoly and highhanded Government action. Such competition calls for entrepreneurship, skilled management and constant innovation. A competitive environment which is believed to prevail in the private sector should be conducive to high productivity and efficiency.

5. Malaysia Incorporated emphasises cooperation between the Government and the private sector for their mutual benefit which ultimately means the benefit of the nation. The private sector will form the commercial arm of the

national enterprise so to speak, while the Government provides the major policy framework, direction and the necessary back up services. By going hand in hand in achieving our common goals we should be able to improve each others' performance in both commercial and administrative procedures. The Malaysia Incorporated concept therefore provides a conducive environment for the development of entrepreneurship.

6. The Government has been inculcating progressive values that we need for modernising and industrialising the nation. Hard work is the key to higher productivity and it should ensure that the resources of the nation are fully utilised. Other important values include the need to be more disciplined, self reliant, to strive for excellence, thriftiness and to have a more rational and scientific approach in overcoming problems. Striving for excellence among our traders, for example, will include high ethics and attention to standards of quality especially when exporting our products. We should have direct trade relations wherein we should be able to place our products, if need be, on the shelves of foreign retail outlets. No doubt it would be easier to sit at home and wait for the middlemen to come. But that way you will not only lose much of your profit, but you can be made perpetually dependent on others when marketing your products.

7. A weakness of Malaysian entrepreneurs is their inability to work together. This applies not only to multiracial enterprises but also those involving a single ethnic group. In other words Malaysians just do not know how to work as a team. Tolerance and understanding is not their forte. Management seminars and courses should focus on this until the right attitudes are ingrained in our businessmen. It is only then that our business can grow sufficiently big, can survive the demise of their founders and can really ensure the success of the NEP. Of course the ability to work together as a team is required not only for entrepreneurs but all the members of a business enterprise and at times, between business enterprises.

8. We are gradually eradicating the dole-mentality among Malaysians. Individual self-reliance would lead to less dependence on the Government for support and protection as this contributes to the dignity and self-esteem of an individual or institution. We can easily see the subsidies extended to our farmers and rural folks, but indirect subsidies and protective measures are also prevalent among our enterprises and commercial concerns. It is therefore pertinent for business and commercial leaders to look closely at themselves to ensure that they are more self-reliant and bid less and less for Government protection in the future.

9. We have achieved to date some progress in increasing Malaysian ownership and control of a number of large Malaysian-based foreign corporations. The

intention is not just to replace foreign executives with Malaysian executives but to utilise these corporations for maximising profits for ourselves and for enlarging our operating base. With the kind of contacts and subsidiaries worldwide that these corporations have, we should be able to make a quantum leap in terms of foreign trade and industrial expansion. Malaysians who will be exposed to these new fields should acquire inside knowledge and skills to make good entrepreneurs.

10. At another level the Government has introduced a new curriculum in schools designed to create management and manipulative skills among future entrepreneurs and the work force. Whether we like it or not the world is moving towards a greater degree of organisation in the management of its affairs and greater reliance on things mechanical. A people with poor organisation and management skills and bereft of mechanical knowhow will soon lose its independence and internal resilience. Certainly it cannot have successful enterprises to support a reasonable standard of living. The introduction of the curriculum is evidence of the concern for the future that the Government has. Entrepreneurs will eventually benefit by it. But they should not wait for the fruits of this experiment. They should apply their minds to the early production of the kind of managers, workers and entrepreneurs which they need and will need more and more.

11. In the agricultural sector, the Government is emphasising the commercialisation of agriculture rather than maintaining it at subsistence level. Here, cooperative farming will be the basis for further accelerating the monetization of the rural economy. It should emphasise the commercialisation of resources and wealth of the rural community. This emphasis will gradually reduce the subsistence and traditional livelihood which has been the characteristic of a large portion of our agricultural sector. Unfortunately it is easier for Government to formulate new strategies than to implement them. The commercialization of the rural farms will need entrepreneurs and managers, initially from among Government staff, but eventually and finally from among the farmers or their children. Tens of thousands of farmers children have gone to the universities. Unfortunately entrepreneurship and management are not the subjects they learn. This will obviously have to change.

12. All in all, these new directions, policies and concepts reflect the determination of the Government to promote an economy that encourages 'resilient entrepreneurship'. Of course the Government cannot be permanent patrons of every individual in order to make him a resilient entrepreneur but providing the necessary climate, policies and encouragement is well within its capacity and this the Government will do. It is up to our business and commercial leaders and training institutions like MIM and INTAN to help realise this vision.

13. It is my belief that the Government has provided the necessary infrastructure and incentives and will continue to improve upon these so as to be able to better serve our entrepreneurial community. I am confident the present climate is the best that can be offered to you since our independence. Ultimately, the initiative lies with you. The Government can go on cajoling but if you wish to remain passive and apathetic nothing much will result. It is to your benefit to take up the challenge.

14. In line with this, MIM has a role to play in promoting a strong group of entrepreneurs, determined to do well in their ventures and indirectly contribute to our economy. In this direction I am pleased to note that MIM has taken upon itself the responsibility of promoting an effective management system for the private sector. Still there is room for improvement especially in the areas that I have mentioned. At the same time it is heartening to observe the confidence placed by our business and industrial leaders in this Institute so far. I hope MIM will develop into a leading Malaysian representative not only at regional and Asian conferences but also at world-wide management gatherings. I take this opportunity to wish all the best in your preparations to hold the World Management Congress late next year.

Ladies and Gentlemen,

15. We must prepare for the coming year and make it our resolution to strive for greater utilisation of the opportunities available. We are leaving 1984 in 3 days time and 1985 is all there to receive us. It should be a year of consolidation for our economy. It is not only that the position of our balance of payment has to be improved, but our determination to promote our future well-being has also to be consolidated. Some hardship and sacrifice now will go a long way towards creating a better future.

16. I wish to express once again my gratitude to MIM for conferring upon me this honour. I hope to prove that I deserve it.

17. Finally I wish you a Happy and prosperous New Year.

Thank you.