

SPEECH BY: DATO' SERI DR. MAHATHIR BIN MOHAMAD  
( PRIME MINISTER )

EVENT: THE FELLOWSHIP DINNER OF THE INSTITUTE OF MANAGEMENT  
CONSULTANTS, MALAYSIA,

VENUE: SUBANG VIEW HOTEL, SELANGOR

DATE: 07 NOV 1984

TIME:

Dr. Bernard T.H. Wang,  
President of the Institute of  
Management Consultants, Malaysia;  
Distinguished Guests;  
Ladies and Gentlemen.

I am indeed honoured to be accorded the first Honorary  
Fellowship by the Institute of Management Consultants  
Malaysia and I wish to thank the President and the Governing  
Council of the Institute for this privilege.

2. My appreciation also goes to Yang Berbahagia Dato' Ali  
Esa, Chairman of the Organising Committee and his colleagues  
for organising this memorable occasion. I am similarly  
thankful to all of you present tonight for your effort in  
making this fellowship gathering so meaningful.

3. I also wish to express my thanks for the kind words  
said about me in the citation.

Ladies and gentlemen,

4. As Prime Minister I am concerned with the efficient and  
effective administration and management of Malaysia's  
national affairs, both in the public and private sectors. I  
believe that a clean and efficient public administration is  
the foundation of good Government and dynamic as well as  
productive management in the private sector is the source of  
national wealth. Malaysia needs a good Government to  
maintain peace, order and stability so as to allow for an  
efficacious and enterprising commercial and industrial  
community to create wealth and prosperity which will then be  
shared by the people.

5. Generally speaking public administration is concerned  
with the co-ordination of individual and group efforts to  
carry out public policies; it is mainly occupied with the  
routine work of Government. Public Administration requires  
a structured system of roles and functional relationships  
designed to carry out programmes inspired by such policies.  
The organisation of the Government, therefore, seeks a  
pattern of skills, responsibilities and authority that will

permit co-ordination and unity of purpose through supervision. Governmental organisation under our parliamentary democracy must work to the will and direction of the party-in-power. This will and direction is, in fact, the platform upon which the party-in-power is elected and therefore reflects the aspirations and expectations of the majority of the people. To fulfil the people's desire, we obviously need an efficient and effective public administration and this is precisely what the Government is constantly trying to achieve.

6. In broad terms, management is concerned with seeing that a job gets done and done efficiently. Its tasks centres on decisions for planning and guiding the operations that are going on in the enterprise. Science and technology are today coming to their full fruition. Hardly a business can continue its affairs without some reliance on science and technology. But science and technology even in the office, cannot displace management skill. In the final analysis all the data must be evaluated by management and management it is that must decide. Indeed, it is management that must decide on the tools to be employed whether in the office or on the shop floor. If our vital aim is to improve productivity and performance, we have to achieve efficiency and productivity through dynamic and effective management. In fact, the development and quality of life of any society or nation is largely a result of the management skills of the administrators in the Government and the executives in the private sector.

7. The concept of Malaysia Incorporated and Privatisation encourages the existence of an efficient public administration which will work hand in hand with a dynamic and productive private sector towards the common benefit and interest of the people and the nation. Through the process of privatisation many challenges and opportunities will be open to Malaysians. The question is whether Malaysians can rise to the occasion and produce results from ventures under such an integrated approach. The key factor to success, of course, is still efficient and effective administration and management supported by a strong will and determination to succeed.

Ladies and Gentlemen,

8. Malaysia is what it is today because of the level of management skill that is to be found here. We are not too backward. But, on the other hand, we are not among the highest developed of the developing countries either. Our wealth today is largely due to our ability to manage mines and plantations and the extraction of our abundant timber. We are also enamoured with property development where the main factor is our privileged position as citizens.

9. The moment we go into industries our lack of management skills show up. At best we are able to service our domestic

market if Government affords protection. Even then many industries have folded up. But foreign markets are shunned by the majority of Malaysian industries because we are always high-cost producers even if the raw inputs are domestically available. We are high-cost producers largely because we cannot manage to keep the cost down.

10. As usual when we find that we are not competitive in terms of pricing, we ask for Government help. We are fond of saying the farmers and fishermen have a subsidy mentality. Actually Malaysian manufacturers are worse. They keep on asking from the Government all kinds of subsidies. The latest help devised by the Government is to lower income tax rates so as to be at par with neighbouring countries. But, of course, this edge given to Malaysian industries and investors can be negated by the kind of demands that will neutralise possible savings by the industries. The Government have made a sacrifice at great political cost. If that sacrifice is not appreciated and as a result the expected investments as well as competitiveness of Malaysian goods do not materialise, then the Government will have to consider reimposing the punitive tax rates on higher incomes that prevailed before the new budget. Managers must bear this in mind and must keep their costs down.

11. The duty of management consultants is obviously to help enterprises establish good management structure and efficient management techniques. It is also their duty to interpret not only Government policies but also the rationale behind those policies. There are frequent criticisms that the Government tend to regulate business too much. The truth is that, it is business which keeps on demanding greater Government interference partly because they wish to be protected and partly because some of their members have a tendency to misbehave. If you can behave or better still if you can police yourself, Government will be only too willing to withdraw. But in Malaysia it has been proven time and again that this is not possible.

12. The Government is not altruistic when it helps business. It has no wish to see one small section of the community wax rich. As a democratic Government we are committed to the majority and the majority are relatively poor. If we help the rich, it is because we want to extract from them the riches that they make so that we may redistribute them to the rest. The milking must be done judiciously so that we will not kill them. Indeed, we should stimulate them to produce more so that we can get more. A big portion of a small and shrinking cake is not as good as a fair portion of a growing one. That is this Government's philosophy. I am putting this crudely because brilliant minds in this country are frequently incapable of appreciating simple things. They see deviousness and injustice whenever the Government does anything and like Don Quixote they rise to fight these windmills of their own

creation. What a waste of intellectual energy at a time when the country needs teachers to teach good values and good work ethics.

13. Fortunately those who are really involved, as you management consultants are, do not indulge in mental and publicity exercises. Your job is to make yourselves worthwhile to those who seek your services. The measure of your success is the final productivity of your clients. It is not an abstract quantity but a very measurable one indeed. The country will be that much better because of you.

Ladies and Gentlemen,

14. Once again I wish to express my gratitude to this Institute for conferring me this Honorary Fellowship. I wish the Governing Council and all members of this Institute of Management Consultants, Malaysia every success in the years ahead.  
Thank you.