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( PRIME MINISTER )

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TIME:

I am delighted to be among experts on organisational development. I wish to take this opportunity to thank the Asian Strategy and Leadership Institute (ASLI), the organiser of this function for inviting me tonight. That Malaysia could play host to so many leading experts on leadership and management strategies is indeed commendable. I would like to extend a warm welcome to Dr. Ken and Mrs. Marjorie Blanchard and all the other overseas participants at this World Leadership Conference. I hope you will enjoy your stay in Malaysia.

2. Hosting the World Leadership Conference in Asia for the first time is certainly very timely at this juncture of Malaysia's development efforts, as we know that the 21st century will indeed be the Asian century. We are moving into an age of Asian leadership as Asia emerges to become one of the primary drivers of global economic growth. The rise of East Asia is only natural and inevitable given the dynamism of countries in this region. It is estimated that during the 1990's, growth in Asia will be twice as fast as growth for North America and 50 per cent faster than growth in Europe. Whilst world growth is expected to be around three per cent this year, the East Asian countries are expected to grow by seven to 10 per cent this year. Malaysia, with its estimated eight per cent growth in 1994, will hopefully continue its track record of sustainable rapid growth.

3. The dynamism and robustness prevailing in the East Asian economies will continue to make them major players in the global economy. However, we have to accept that the road ahead is not going to be paved with gold. We must continue to work hard. We must protect the gains we have achieved by maintaining continued peace and stability within our own borders. In this regard there can be no compromise on law and order. Without stability there can be no long-term economic growth. And without national consensus there can be no stability. We hope that whilst Western experts study the remarkable growth and progress of East Asia, they will not try to impose on us Western norms and standards. As young nations, evolving our own systems of values and practices, we need to maintain our rapid progress. We should always be ready to learn from others but the choices should be ours to make.

4. George Bernard Shaw once wrote, "The reasonable man adapts himself to the world; the unreasonable one persists in trying to adapt the world to himself. Therefore, all progress depends on the unreasonable man". But in concurring with him, I believe we need to adapt ourselves to changing circumstances and conditions. We cannot run away from change. We must overcome resistance to change and embrace change in order to move ahead. To be successful in managing change, managers and leaders must be able to change their mind-sets, their paradigms and their attitudes. Leadership is not a matter of words as it is one of attitudes and actions. It is therefore a mighty challenge for leaders to be able to motivate their followers with a vision that can provide strategic direction and to then help them change their attitudes and behaviour.

5. Malaysia is a lucky country but our success did not come through luck alone. Malaysia is a success today because of the courage and wisdom of our past leaders, who were prepared to embrace change and motivate our people to accept change. However, now that we are on the threshold of the 21st century, we need to do much more. We must look to the future with confidence, commitment and enthusiasm. That Malaysia should succeed at all is remarkable given its multi-racial and multi-cultural character. Even though Harvard's Professor Huntington predicted the clash of civilisations and cultures, I am confident that our multi-racial nation will remain united and progressive, provided we have the right leadership attributes.

6. The leadership challenges of the 21st century facing Malaysia are manifold.

- First, is the challenge to maintain the good times presently prevailing in the country. Leaders of the future must be able to maintain continued economic prosperity and sustainable development.

- Second, is the challenge of keeping the Malaysian nation closely united. This is particularly tough given the nature of our country's different ethnic, religious and cultural groups. The bonding of a united nation has been the greatest challenge of this generation. It will be no less a challenge for future generations of Malaysians. We should therefore look at conditions in Bosnia, Rwanda, the former USSR and others, to realise the consequences of tribal, ethnic and religious conflicts.

- Third, is the challenge of maintaining Malaysia's international competitiveness. The World Economic Forum has ranked Malaysia the fourth most-competitive nation in the world. We cannot afford to be complacent and to lose our international competitiveness.

7. Leadership is a vital aspect of organisational development that seldom gets sufficient attention. We know

that the leadership dimension must be given greater emphasis in our organisations. We have a proverb that says that a tall tree attracts more wind. Companies and countries must therefore renew themselves through carefully-planned leadership development and succession planning. Organisational renewal will enable successful companies to stay successful even with the changing of the guards. Likewise, nations too must undergo leadership renewal from time to time. Here in Malaysia, we are fortunate that leadership renewal has been smooth and leadership transitions have been peaceful and orderly. I would like to urge Malaysian entrepreneurs and Chief Executive Officers to also plan for an orderly succession to achieve successful organisational renewal.

8. Another key dimension of leadership that needs to be sufficiently addressed is business or management ethics. It is equally important that managers and corporate leaders have high moral and ethical standards in line with the traditional values of inculcating moral integrity. I am delighted that Dr. Ken Blanchard will be speaking to us tonight on 'The Power of Ethical Management'. This is because ethics is important among managers and business leaders if they are to be socially responsible. Our corporations need to become caring corporate citizens.

9. Creativity and innovativeness are two other subjects that must be given greater importance in management studies. Malaysian companies must strive to innovate and be more creative. In this rapidly changing world where speed is a vital competitive advantage and time is of the essence, creativity and innovativeness are key success factors for the 21st century management.

10. Education and human resource development will remain the cornerstones of our plans and strategies in the years to come. We must continue to invest in our human capital. In this regard, the Government will accord greater importance to human resource development. Malaysia wishes to develop into a successful regional centre of excellence for education. The Government will continue to liberalise our approach to education so that education becomes a vital component of our strategy. In this era of information technology, knowledge, skills and ideas are new sources of competitive advantage.

11. The 21st century definitely belongs to people with imagination and knowledge. Since the business of tomorrow is the education industry, Malaysians must work towards developing Malaysia as the centre for education, - i.e. the educational hub of South-east Asia. Malaysia therefore welcomes the participation of foreign universities and training providers to not only come to Malaysia to train our nation of 19 million people but to use Malaysia as the base for South-east Asia, a thriving region of 300 million people, needing new skills, knowledge and technology.

12. I hope the World Leadership Conference will focus on some of the issues I have mentioned earlier. I hope you will share your knowledge and experiences with one another, for in this increasingly interdependent world, nothing can be more satisfying than building international bonds of friendship and goodwill across borders and cultures.

13. On this note, I have the greatest pleasure of officially declaring open the 1994 World Leadership Conference.