

**KEYNOTE ADDRESS BY
Y.BHG DATO' SRI DR. ALI BIN HAMSA,
CHIEF SECRETARY TO THE GOVERNMENT OF MALAYSIA
AT THE
MALAYSIAN INSTITUTE OF MANAGEMENT'S
CONVERSATION WITH LEADERS ON 'RE-INVENTING GOVERNMENT'
17 JANUARY 2013**

Bismillahir rahmaannir rahiim,

Assalamualaikum warahmatullahi wabarakatuh, &

Salam 1Malaysia.

YABhg. Tun Mohammed Hanif Omar, President of the Malaysian Institute of Management (MIM);

YBhg Datuk Seri Mohamed Iqbal Rawther, Chairman of MIM;

Members of the Court of Emeritus and General Council, MIM;

MIM Members;

Excellencies,

Media Representatives;

Ladies and Gentlemen,

First and foremost, I would like to thank MIM for inviting me to speak at this inaugural *Conversation with Leaders Series*. I would also like to take this opportunity to congratulate MIM and its new unit, the Performance Management and Transformation Leadership Centre, on the successful organisation of this event. I believe it provides an excellent platform for the exchange of views and ideas between the Government, the private sector and civil society on public policy matters affecting the Government, corporate Malaysia and the *rakyat*.

2. I have been given the privilege to speak on – ‘Re-inventing Government’. To quote George Bernard Shaw, “*Progress is impossible without change, and those who cannot change their minds cannot change anything.*” This topic is timely and in congruence with the National Transformation Agenda, which includes the Government Transformation Programme (GTP) and the Economic Transformation Programme (ETP). These are the enablers towards realising Vision 2020, where Malaysia will be a high income economy.

Why Reinvent?

Ladies and gentlemen,

3. There are factors driving Government reform. I personally feel that the most prominent among them is heightened citizen expectations. We in the public service find this shift to be very glaring indeed. A rising middle class and higher educational attainment make for a more demanding citizenry. The *rakyat* want services that are rapid, personalised and reflective of a better-demonstrated work-ethic in the public sector. If they can get 24-hour service from private companies, such as banks and airlines via the internet, they rightfully expect the same kind of service from the Government. Although still far from perfect, the Malaysian public service has made a lot of headway in automating many processes. Some agencies have done so better than others, in particular, the Inland Revenue Board and the Department of Immigration that have automated and simplified many processes. But, we recognise that there are still avenues for improvement in making the customer interface easier, friendlier and more encompassing.

4. Beyond the automation of services and real-time e-services, technology now bridges the gap between the Government and the *rakyat*. Two-way conversations between the public sector and the *rakyat* are becoming more and more of a norm. This has been made possible through the increased use of social media and information is expected to be transparent and accessible to all.

5. The third major driver of change is the free movement of talent. All I want to say here is this: We are but one among many countries that are vying for top talent, hence putting in policies to encourage brain gain and limit brain drain. Top talent now are not just content with high salaries, but are attracted by other factors such as quality of life, political maturity, intellectual challenge, diversity and equal opportunity. In view of this, the Government has to respond in a very creative and innovative way to retain the talent necessary to develop the country and achieve our vision.

6. Another important impetus for the reinvention of Government services is that we have presently have highly ambitious policy targets and we need a way of doing business that corresponds with this level of expectation and aspiration.

How have we fared?

Ladies and Gentlemen:

7. Reforms made under the GTP and ETP have begun to pay off. Last year, Malaysia was ranked the 12th on the World Bank Ease of Doing Business Report 2012; as well as a safe destination for foreign capital and retail investment. Recently, the Economist has also given top marks to Malaysia's advancement in Islamic finance and in particular, its dominance in *sukuk*.

8. These successes are the result of the hard work, creative ideas, dedication and commitment of our Government, public service, and the corporate sector. Gathered in this very room are those who have played an integral part in the various initiatives and projects that have contributed to Malaysia's performance. This, however, is in no way a ticket to rest on our laurels. We must be prepared to discard our "reactive" mindsets, wherever they exist, and be proactive in addressing any future challenges and issues that may threaten the well-being of the *rakyat* and our nation as a whole.

9. We have to recognise where we have fallen short, and take the necessary corrective measures to address those gaps. For example, our performance in the Global Competitiveness Report 2012-2013 by the World Economic Forum (WEF) released last year was not so stellar, where Malaysia dropped four notches from 21st to 25th position. The WEF Report, in fact, actually confirms Malaysia's very strong position in institutional support for businesses. However, the WEF described Malaysia's low level of technological readiness as surprising, given its achievements in other areas of business sophistication and the country's focus on promoting the use of ICT. Where moving up the technological ladder is concerned, countries like China, India and Vietnam have surpassed us. In the same report, Malaysia ranked less than desirably in:

- capacity for innovation;
- quality of scientific research institutions; and
- university-to-industry collaborations in research.

This cannot be ignored.

10. It is my earnest hope that our ranking in the various indices will continue to improve this year. While some may view these as mere marketing gimmicks, we cannot ignore the fact that these indices are significant factors in attracting foreign investments into our country. Although we are continuously making improvements, there is much that needs to be done to further enhance the Government-business interface. In line with that, the Special Taskforce to Facilitate Business (PEMUDAH), which I am co-chairing, will continue to examine and address areas for improvement.

Enhancing the Public Delivery System

Ladies and Gentlemen,

11. The public delivery system is being transformed to meet the changing needs of our contemporary environment. This transformation is guided by four principles:

- First, creativity and innovation - We will develop a public service that thinks outside the box and uses creative and innovative methods to deliver solutions;
- Second, speed of decision-making and execution – We will increase the speed of response and action to enhance public confidence in the system;
- Third, value for money – We will eliminate wastage and mismanagement of public finances and embed value management in the planning and evaluation of projects; and
- Fourth, integrity – We aim to inculcate values, ethics and integrity within the public service as a custodian of the public interest. In

the words of Warren Buffett, “In looking for people to hire, you look for three qualities: integrity, intelligence and energy. And if they don’t have the first, the other two will kill you.”

12. One of the ways in which the Government is transforming the public delivery system is through the utilisation of the National Blue Ocean Strategy (NBOS). NBOS fosters “breaking-the-silos” collaboration between agencies, rolling out programmes that are low in cost which provides high impact, and are rapidly executable. The public service has reduced overlapping functions between agencies. As an example, we have established the Urban Transformation Centre (UTC), a one-stop centre which allows the *rakyat* access to services provided by Government agencies, under one roof.

Youth

13. As the future custodians of Malaysia, the Government is keen to tap on the capabilities of youths in transforming the country. As the next generation to carry on the nation’s vision, the Government continues to invest in them by introducing programmes involving youths to make them owners of nation building efforts. The 1Malaysia for Youth (1M4U) programme strives to promote volunteerism among all Malaysians, especially the younger generation. This year has been ear-marked as the year of volunteerism and come 3rd February we will see the gathering of youths taking part in My Beautiful Malaysia Day programme. This is a programme that encourages the spirit of volunteerism, in particular the youths, through the beautification of various hotspots throughout the country.

Managing Talent

Ladies & Gentlemen,

14. Talent has become a critical enabler for economic growth and transformation. As a nation on its path towards becoming a developed economy, the need to manage talent has never been more pressing. Both the public and private sector share the same challenges in attracting, recruiting, developing and retaining talent. The Talent Roadmap 2020 was drawn up by the Government in April last year, and comprises strategies and initiatives that require cohesive and complementary efforts by both the public and private sectors to ensure our talent pool meets the needs of key industries.

15. The Government is now placing a lot of emphasis on leadership development for several important reasons:

- the need to have senior leadership with a whole-of-Government perspective;
- the need to enhance competencies and accountability of senior management;
- the need to generate performance-oriented and outcome-based civil service; and
- the need to inject positive change in cultural norms in the organisation that will trickle down the rest of the organisation and the public sector as a whole.

I have also implemented the “*Merakyatkan Perkhidmatan Awam*” concept.

Conclusion

Ladies and Gentlemen,

16. Tremendous efforts have been made to re-invent the Government by introducing new ideas and changing the way our country's development is managed. I am heartened to observe that these bold and innovative initiatives have created a new culture of high achievement and outcome-based public service.

17. I am also proud to note that the national transformation agenda is progressing in a way that indicates Vision 2020 is within reach. I stand confident that '*Malaysia Boleh*' and if we move forward as one in the same direction, we can do more for the betterment of our country. As the late Tun Abdul Razak, once said, "This is our home and it is our determination to make this country a happy and prosperous country for all of us".

Thank you.