

13/10/2016 - Transformation Towards National Development -Ceo Faculty Programme
Universiti Putra Malaysia

Bismillahhirahmannirahim,
Assalamualaikum Warahmatullahi Wabarakatuh,
Good Morning and Salam 1Malaysia.

YBhg. Tan Sri Dr. Noorul Ainur Mohd. Nur

Secretary General

Ministry Of Higher Education

YBhg. Profesor Datin Paduka Dr. Aini Ideris

Vice Chancellor

Universiti Putra Malaysia

YBhg. Profesor Dr. Engineer, Ingénieur

Renuganth Varatharajoo

Deputy Vice Chansellor

Industry and Community Relations and The
Chairman of The CEO@Faculty Program UPM

Deputy Vice Chancellors of UPM

Principal Officers of UPM

Dato'-Dato, Datin-Datin, Distinguished Guests,

Ladies and Gentlemen,

OPENING REMARKS

1. First and foremost, I would like to extend my thanks and appreciation to the management of Universiti Putra Malaysia for the opportunity to speak at UPM as part of the CEO Faculty Programme. The CEO Faculty Programme was introduced by the Ministry of Higher Education, and while I have been assigned to the University of Malaya, I thought it would also be of importance to meet and speak to the faculty and students in other universities.

2. The topic I have chosen for today is "**Transformation Towards National Development**". I chose this topic as I wanted to provide an insight on how Malaysia has transformed from our humble beginnings to become **one of the top economies in Asia, consistently being among the world's most competitive nations.**

3. Recently, the World Economic Forum (WEF) Global Competiveness Report 2016-2017 placed Malaysia in 25th place, down from 18th position last year. I would be the first one to acknowledge that **we have not done enough to improve our position from last year.** Despite the hard work and efforts that the Government has put in, clearly other countries were **doing things more efficiently and better** than us.

4. This situation reminded me of what happened in 2013 during the press conference to announce the acquisition of Nokia by Microsoft. Nokia CEO Stephen Elop ended his speech with the following words, "**We didn't do anything wrong, but somehow, we lost**". Nokia was a victim of its own success. They missed out on learning, they missed out on changing, and thus they lost the opportunity at hand to make it big. The message of this story is very clear, **if you don't change, you will lose out in the competition.** In this regard, Malaysia too needs to change if we want to remain competitive in the world.

5. Allow me to take this opportunity to briefly outline the many initiatives and programmes that the Government has introduced and implemented, all with the aim to develop the country in a holistic and inclusive manner. In particular, I want to talk about the **National Blue Ocean Strategy and Public Private Partnerships,** and the results that these policies have achieved.

6. As we all know, Malaysia is an **open but small economy**. We are blessed with natural resources and have been a major producer of palm-oil, rubber and tin, in addition to petroleum and liquefied petroleum gas. The country is also a major exporter of manufactured goods. **Real GDP growth has averaged 6.4% per year since 1970**. Needless to say, the economy has transformed from one that was dependent on agriculture and commodities to a more diversified economy, with increasing focus on the services sector, which is innovation and knowledge-based.

DEVELOPMENT POLICIES AND STRATEGIES

Distinguished Guests, Ladies and Gentlemen,

7. The British colonial administration policies implemented in the past, widened the **disparity in the distribution of economic wealth** between the different races. They confined each race to specific economic activities, which resulted in dissatisfaction and disharmony among the different races. To address this, the New Economic Policy (NEP) was formulated by our second Prime Minister, Tun Abdul Razak to promote growth with equity, with its two-pronged objectives of **eradicating poverty** and **restructuring society**. Implemented from 1971 to 1990, the NEP sought to create a fair, just and unified nation, with economic and employment opportunities for all regardless of background.

8. In a bid to shift Malaysia's economic trajectory to become an industrial economy, the **Industrialisation Policy** was introduced in the 1980s. Further to this, Malaysia's economic development has also been guided by the **National Development Policy** from 1991 to 2000, which promoted balanced development in order to establish a more united and just society for the period; and the **National Vision Policy**, implemented from 2001 to 2010, which focused on building a resilient and competitive nation and aimed to raise the quality of development and generate high sustainable growth.

9. Today, Malaysia is guided by the **National Transformation Policy** (NTP), introduced by our current Prime Minister, Dato' Sri Mohd. Najib Tun Abdul Razak. The NTP envisions Malaysia to achieve a **high-income advanced economy status by the year 2020** and is based on the **New**

Economic Model and supported by the 10th Malaysia Plan. Further to this, in this final lap before we achieve Vision 2020, we are steered by the **Eleventh Malaysia Plan**, which in itself is a unique policy document. Different from plans of yesteryears, the 11MP utilised the Blue Ocean Strategy to formulate six mutually enforcing strategic thrusts to help Malaysia face the challenges of the changing global economy. With the theme “Anchoring Growth on People”, the 11MP provides the impetus to boost productivity and foster inclusive growth.

10. As a result of the careful planning, foresight and transformative reforms, the Malaysian economy remains a resilient economy with strong fundamentals which can weather the headwinds that come along. Between 2009 and 2015, **Gross National Income (GNI) increased by 50 per cent; 1.8 million jobs were created and inflation kept low; and foreign direct investment grew at more than 22 per cent per annum.** Malaysia is one of the **fastest growing countries in the region,** and despite the challenging economic environment, the economy **expanded 4.0 per cent in the second quarter of 2016.** The Malaysian economy is expected to remain on the current growth trajectory of 4 to 4.5%, driven by domestic demand.

11. Very soon, the **2017 Budget will be unveiled by the Prime Minister on 21 October 2016.** I am sure the budget will reveal new initiatives and programme that will support national growth and bring us closer to being a high-income economy.

MERAKYATKAN PERKHIDMATAN AWAM

Distinguished Guests, Ladies and Gentlemen,

12. Having put pen to paper and meticulously drafted the policies and plans throughout the years, it was imperative that actions were set into motion immediately to ensure growth not only for the country, but also for her people. All these transformative policies together with global achievements and recognitions would not have materialised if we did not have **a strong backbone to support the Government’s administration and aspirations.** This “vertebral column”, ladies and gentlemen, comes in the form of **our public service.**

13. Our civil service has a long and rich history dating as far back as the late 1700s, when the British India Company acquired Penang and the best and brightest scholars from England became the Administrative Officers. Over two centuries later, Malaysian civil servants still abide by the public service ethos laid down by the Northcote-Trevelyan (*pronounced Northcot Tre-vel-lian*) Report of 1854 which emphasised that:

- i) a politically neutral civil service means complete loyalty to the Government of the day; and
- ii) a professional public service, that offers impartial and informed advice to the Minister and Cabinet.

14. These principles have steadfastly stood the test of time, and rightly so. But other aspects of the **public service have had to evolve in order to stay relevant and progressive**. This evolution continues as we look forward to the challenges and opportunities in the future.

15. Gone are the days where birth certificates were written in nice cursive handwriting or typewriters clicking away to produce letters for the District Officer, who had earlier dictated the content to his PA. Today, **the usage of technology in administration and services is widespread**, with positive results for efficiency and public satisfaction. Hence, it is important that **as the world changes, our civil service is able to adapt rapidly to those changes**.

16. Also gone are the days where the civil service is the exclusive domain of the aristocrats, who had a near-monopoly on the top positions in the Government. Increasingly, **women are making their mark in the civil service**, a clear sign that what matters now is **your ability to deliver quality services to the rakyat**, and not your gender, race or socio-economic background.

17. It is this citizen-centricity which I emphasised when introducing the **Merakyatkan Perkhidmatan Awam** concept in 2012; a simple and straightforward model whereby we recognise that the *rakyat*, needs and deserve the best service from public officials and that we, public officials as *rakyat* ourselves would expect the same excellent service.

18. There are 6 elements under *Merakyatkan Perkhidmatan Awam* namely:

- i) Openness (*Keterbukaan*);
- ii) Going to the Grassroots (*Turun Padang*);

- iii) Engagement (*Musyawarah*);
- iv) Soft Skills or Striking a Balance between the Spiritual and the Physical Aspect (*Insaniah*);
- v) Camaraderie or Sense of Belonging (*Kekitaan*); and
- vi) Resource Sharing and Collaboration through Public-Private and Non-Governmental Organisations (NGOs) Partnership.

19. The significance of citizen-centric services and the need for transformation in the public service are further highlighted in the **11th Malaysia Plan** and I quote:

“The Government is committed to transforming the public service by becoming more citizen-centric and enhancing the productivity, efficiency, and effectiveness of service delivery. The aspiration is to deliver public service in a less bureaucratic, hierarchical, and centralised manner; with talent that is multi-skilled; and a range of service offerings that is more accessible and innovative.”

20. So what does MPA mean in practice? Among other things, it means that we should be **innovative in thinking about providing accessible services to the public**, which brings me to the National Blue Ocean Strategy (NBOS).

National Blue Ocean Strategy (NBOS)

Ladies and gentleman,

21. Today, Government services and processes need to be **more efficient and flexible**. The NBOS is our way of responding to this challenge by seeking **new and creative ideas** in providing services to the *rakyat*. The key thrust of the NBOS can be summarized in six words: **Low cost, high impact and rapid execution**. Another key feature of NBOS is the breaking down of silos between Government agencies. We actively encourage different agencies to collaborate in delivering results through NBOS initiatives.

22. NBOS was started in 2009 and has grown steadily throughout the years. **Currently, there are 97 initiatives involving more than 80 Ministries and Agencies**. NBOS not only provides a new approach towards the formulation of policies, planning and implementation of Government programmes but it also transforms the way in which we deliver Government services.

23. Recently in August, Malaysia hosted the **National Blue Ocean Strategy (NBOS) International Week 2016** in Putrajaya. The conference not only showcased Malaysia's initiatives and best practices on public administration to the world but how NBOS initiatives significantly touched the lives of many Malaysians.

24. We look back on our journey and it is amazing how far we have come with NBOS. Among the many success stories in NBOS, the **Urban Transformation Centres or UTC** is my personal favourite. Malaysia is the first country in the world to introduce one-stop centres in cities all across the nation which provides a wide range of services under a single roof from 8.00am to 10.00pm, every single day of the week. The first UTC was set up in Melaka in 2012.

25. **UTCs are the result of collaboration between more than 70 different agencies.** By bringing them together, not only have we **reduced costs by streamlining processes**, but also created a **more convenient way** for the *rakyat* to access Government services.

26. Other notable NBOS initiatives include MyBeautiful Neighbourhood (MyBN), 1Malaysia for Youth (IM4U), Community Rehabilitation Programme (CRP) and University Community Transformation Centre or UCTC. These, and other NBOS programmes, have certainly touched the lives of many Malaysians across the different races, age groups and background. **Many of these initiatives are the first of their kind in the world, and such innovative solutions are possible when you think outside the box** on how to utilise existing resources to deliver maximum results.

PUBLIC PRIVATE PARTNERSHIP (PPP)

Distinguished Guests, Ladies and Gentlemen,

27. If NBOS was about innovation and the breaking down of silos, another successful chapter of our national development story is the **close partnership between the public and private sector**. As all of you may be aware, Government resources are finite to meet the increasing demand of population and economic growth. Therefore, there is a greater need for the public sector to partner closely with the private sector in the sharing of resources and delivering results for the *rakyat*.

28. In Malaysia, Public-Private Partnership (PPP) is one of the strategies promoted under the New Economic Model (NEM) introduced by YAB Prime Minister. The PPP is certainly a concept which is close to my heart. In 2009, I became the first Director General of the Public-Private Partnership Unit (UKAS) under the Prime Minister's Department which is tasked with

the **responsibility to plan, evaluate, coordinate, negotiate and monitor the implementation of PPP projects.**

29. PPP is the **smart partnership between the Government and the private sector** for the purpose of providing public infrastructure, community facilities and related services. Generally, PPP is characterised by the sharing of investments, risks, responsibilities and rewards among partners.

30. PPP can deliver **value for money** by harnessing the private sector's expertise in combining the design and operation of an asset, thereby providing services in a more efficient manner compared to traditional forms of procurement. This concept has been **implemented in Malaysia for more than 30 years** and has contributed significantly towards Malaysia's rapid economic growth.

31. A few examples of successful Public-Private Partnership projects in Malaysia include **36 toll highways, privatisation of Government office buildings in Putrajaya and 12 MARA University of Technology (UiTM) branch campuses** all over Malaysia.

32. As of August 2016, Malaysia has so far successfully implemented **830 PPP projects.** Overall, the Government has earned a total of RM222.9 billion; namely, savings of capital expenditure of RM207.15 billion, operating expenditure of RM9.25 billion, and total proceeds from sales of Government equity and assets at RM6.5 billion. In the process, the civil service becomes leaner.

33. Another example of the close collaboration between the Government and the private sector is the **Special Task Force to Facilitate Business or PEMUDAH.** PEMUDAH, which was formed in 2007, comprises of 23 highly respected individuals from both the private and public sector. Its goal is to bring about **closer collaboration between the public and private sectors to enhance public service delivery** and to improve the business environment in Malaysia.

34. PEMUDAH meets periodically and on top of the agenda of every meeting is to **discuss the problems and hurdles that Malaysian businesses face in their operations.** By listening first hand to their input, we are able to **correctly identify the policy areas** that need to improve so that business can further flourish in Malaysia.

35. PEMUDAH has, in the course of these nine years, successfully introduced many initiatives to enhance the business environment in Malaysia. Among the achievements of PEMUDAH is **reducing the duration of time to process constructions permits from 140 days to**

just 27 days. This is done by streamlining the process through a One Stop Centre and also reducing the number of procedures from 37 to 6.

36. Work in the Land Office has also drastically been improved through the work of PEMUDAH. Land matters have always been associated with long waiting times and numerous bureaucratic red tapes. With PEMUDAH's intervention, **standard property can be registered in one day and applications for State Authority consent to transfer the ownership of land can be done in 30 days** from 60 days previously.

37. These and other initiatives have contributed towards improving Malaysia's ranking in the World Bank Ease of Doing Business Report. **Malaysia has improved from 23rd position in 2009 to 18th position currently among 189 countries in the world**. This places Malaysia among the world's top ten per cent among economies in the ease of doing business.

38. The success stories from these collaborations with the private sector shows the **inclusive nature of the Government**. Inclusivity is an important element in this day and age when awareness of the *rakyat* is high and where everyone has an opinion on anything and everything. The days when 'Government knows best' no longer can be practiced.

39. That is why an important part of the Government transformation process is in **the way we engage with our stakeholders**. As the KSN, I myself attend Town Hall sessions with the media on the Auditor General's Report as well as numerous '*turun padang*' sessions with various Ministries and Agencies. By listening to the feedback provided by various stakeholders, we are better able to **identify opportunities for future improvements**. This is in line with the MPA concept which I touched upon earlier.

MOVING FORWARD

Distinguished Guests, Ladies and Gentlemen,

40. Allow me to summarise and present a few key takeaways that I hope will be useful to you. Firstly, I have talked about the NBOS and the **importance of breaking down silos**. A common mistake that many people make is being territorial and refusing to collaborate with others; the finance ministry is in charge of finance, the defence ministry is in charge of defence and so on. What I hope I have demonstrated is that by breaking down these silos and encouraging different parties to collaborate, **we can come up with creative and impactful solutions to the various challenges that we face**.

41. Secondly, I have talked about Public-Private Partnerships, and the importance of engaging stakeholders. I used the example of PEMUDAH to demonstrate that in order to solve problems, it is important that you **listen first hand to the people who are facing those problems and seek their contribution in finding solutions**, rather than a top-down approach of guessing what their problems are and guessing what solutions would work. The reality today is that no single person knows best, **there is a wealth of knowledge and information from various parties**, and it is important to tap into that information when solving problems.

42. A final takeaway that I would like to leave everyone with is that it **is important to know why you are doing what you are doing**. I have presented to you many initiatives implemented by the Government to transform Malaysia into a high income developed nation. But behind all of these is a simple goal; **Merakyatkan Perkhidmatan Awam**. Hence, it is important that as we make progress, we never keep our eye off the ball, and ensure that the citizens are able to benefit from these measures. It would be utterly pointless to impress ourselves with these fancy initiatives, if none of these make any tangible difference in the lives of the *rakyat*.

43. So we have talked about the past, but what about post 2020? Surely we need to prepare and equip ourselves now instead of waiting for the next four years? Indeed we must. It is said that **the youth is our future**, so some may take this for granted as the future is often unclear. But let me tell you that the future is now, not some distant time far, far away. So I urge all the **students and youths here to play your role, for every single person in this country has one**. We must strive to leave this world a little better than when we found it. So study hard and smart, find a purpose to your life, and work towards building an even better Malaysia. Learn about the differences between you and your university mates; embrace these differences and rejoice in your similarities.

44. For the educators, do not stop inspiring our youths. Impart to them your knowledge and wisdom, and stay relevant through life-long learning. And as fellow members of the public service, let us together continuously transform ourselves for the better, for if history has taught us one thing it is that **the only thing constant in life is change**.

Thank you.

©2016 Copyright Reserved SMPKE, Prime Minister's Office

Source: <http://ksn.ipm.gov.my/home.php?frontpage/speech/detail/2089>