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KETUA SETIAUSAHA NEGARA
Venue : RENAISSANCE HOTEL, KUALA LUMPUR
Date : 19/11/2007
Title : DINNER TALK - MIT CLUB OF MALAYSIA ENHANCING MALAYSIA'S
COMPETITIVENESS THROUGH EFFECTIVE GOVERNMENT DELIVERY

Dr. Christopher Shun,
Honorary President
of the MIT Club of Malaysia,

Ladies and Gentlemen,

A very good evening to all present here today.

INTRODUCTION

First and foremost, I would like to thank the MIT Club of Malaysia for inviting me here this evening.

2. "Enhancing Malaysia's Competitiveness through Effective Government Delivery" is the topic given to me to share with you this evening.

3. The topic of discussion suggests that there are different avenues towards enhancing Malaysia's global competitiveness: an effective Government delivery system being one way of achieving this. However, let me set the record straight, EFFECTIVE GOVERNMENT DELIVERY is THE, not just a prerequisite, TO ENSURE Malaysia's competitiveness.

MALAYSIA'S COMPETITIVENESS

Ladies and Gentlemen,

4. Earlier this month, the World Economic Forum (WEF) announced its Global Competitiveness study results for 2007-2008, with Malaysia ranked 21st out of 131 major economies. Among ASEAN countries, we are second only to Singapore which ranked 7th. Meanwhile, among Asian economies, we are ranked 6th, outranking two of the largest economies in the world, with China at 34th and India at 48th.

5. In September this year, the World Bank in its "Doing Business 2008" Report, ranked Malaysia 24th out of 178 countries with regards to the ease of doing business, with Singapore and Thailand outranked us at numbers 1 and 15 respectively.

6. FOR MALAYSIA, quite an achievement, one would conclude. But lest we become too contented, let us remind ourselves that while we are improving and making progress, OTHER countries are also opening up their economies, and improving in leaps and bounds. For example, Vietnam is high up on investors' current list of choices.

Ladies and Gentlemen,

7. Malaysia stands today as a booming economy. Between 1996 and 2006 Malaysia's trade grew more than 2 folds, with numbers growing from RM394.3 billion to RM1.069 trillion over the period.

8. The World Trade Organisation (WTO) ranked Malaysia as the 19th largest trading nation in 2006:

- 19th largest exporter; and
- 23rd largest importer.

9. In the same year, a total of RM20.2 billion worth of foreign investments in the manufacturing sector

were attracted into the country, accounting for 44 per cent of total approved investments in the sector.

10. All these statistics will not bring much meaning to us unless we analyse and use it to further improve ourselves. I believe that we are at the crossroads of development, for there are hosts of challenges ahead of us.

11. In looking at where Malaysia stands today, our ability to provide a fundamentally sound platform for industries to grow provides us a launch-pad to take the country's development to a new level; a new height; perhaps a new focus even. However, there is a need to ensure that the platform is strong enough to bear the load that we want it to carry.

PEMUDAH

Ladies and Gentlemen,

12. The Malaysian Government is well aware of the necessity to improve its inner workings, hence, the establishment of PEMUDAH, the special task force comprising prominent members from the public and private sectors, which aims at improving the workings of government and allowing it to assume its role more efficiently and effectively.

13. PEMUDAH was put in place to enhance the consultative process to improve the public delivery system, speed up the process of change and undertake overall review of the public service delivery system in terms of processes, procedures, legislations and human resources.

14. While there have been changes and improvements made in the past, these are clearly not enough. We must make quantum leaps in improvements if we are to stay ahead of the competition. The rapid pace at which Malaysia's competitors are making improvements, means that if we make incremental improvements it would be effectively equivalent to "running on the spot." The latest World Bank "Doing Business 2008" Report clearly highlights this point.

15. Take for example one of the criteria for this World Bank survey, namely, 'starting a business.' Malaysia's ranking fell from 71 to 74. However, a closer look shows that Malaysia actually improved in terms of processing time from 30 days in the 2007 report to 24 days in the report for 2008.

16. This simply means that although Malaysia made improvements, our competitors made even more improvements. For example:

i. Egypt cut the minimum capital required to start a business, from 50,000 Egyptian pounds to just 1,000 and halved the time and cost of start-up.

ii. Indonesia introduced a simplified process and new temporary permits that allow construction to begin while the full permit is being approved, cutting the time to obtain a building permit from 49 days to 21;

iii. Kuwait introduced a new automated system in all government agencies responsible for issuing technical approvals for the installation of utilities. The total time needed to obtain the approvals for phone lines, electricity connections, water supply, and from the sewage authority has decreased by 10 days.

NEXT STEPS FOR CIVIL SERVICE

Ladies and Gentlemen,

17. Given such an environment, here is what I see as the next steps for Malaysia's public service. I would like to see development in 7 areas:

18. First, it is imperative that the public service be synonymous with SERVICE. Our aspiration is for the average citizen's experience with public service to be one of satisfaction all the time. We must reach the stage where service is something people can take for granted.

19. Second, civil servants must challenge ourselves to bring about the necessary changes and improvements in the shortest possible time to ensure that Malaysia stays globally competitive. This is where setting timelines and deadlines for deliverables must become second nature to every member of the service.

20. Third, enhanced responsiveness. Public officials must respond to issues raised, speedily, i.e. generally to be within 48 hours. This is regardless of whether issues are raised by e-mail, sms or reported in the media.

21. Fourth, responsiveness will be reinforced with the “no-wrong door” policy. No member of the public will be turned away. They will be assisted and guided in their dealings with the various departments.

22. Fifth, I want to see the public sector making extensive and optimum use of Information and Communications Technology (ICT) to:

a. facilitate the feedback process;

b. enhance interfacing with the public; and

c. deliver all forms of services such as payments and obtain as well as renewing licences.

d. to allow the public to channel concerns and suggestions about public service delivery, and

e. for Government agencies to provide prompt responses, as well as disseminate and share relevant information.

23. All websites must have an interactive component to facilitate prompt response to public enquiry.

24. For me, and it is very heartening to note for a great number of Malaysian public officials, the e-mail system must be used more effectively.

25. Sixth, public officials must move from being reactive to proactively working to improve service delivery. There must be a constant review of processes and procedures, as well as laws and regulations. This is to ensure that they remain relevant.

26. Public officials need to constantly ask whether or not a process, procedure, law or regulation is necessary. Questioning the status quo even when things are going well is an essential ingredient in the on going quest to improving delivery of service.

27. Finally, the mantra must be “IMPLEMENT, MONITOR, ENFORCE”. There is no dearth of plans and blueprints. Celebrations and launches of strategic plans must be followed through. For Malaysia to continually progress, we cannot have a situation where after spending a brief time in the limelight, plans are unimplemented or forgotten, except for the occasional references to such a plan.

28. We must not let this happen. Every head of department is responsible to ensure that all plans and decisions made are effectively implemented, decisions enforced and progress monitored.

CLOSE COOPERATION WITH PRIVATE SECTOR

Ladies and Gentlemen,

29. In highlighting all those points, I believe there is also a need for the public sector to work closer with the private sector as I trust that there are many things that we can share, learn and develop together. Open communication channels would benefit us all.

30. It is to the benefit of the private sector to know how the public sector works such that it can provide the relevant feedback to allow the public sector to improve. It is also to the benefit of the public sector to communicate with the private sector to see how it can improve its role as a facilitator of development.

31. I believe that through teamwork, we can achieve more than we could or would achieve individually. Therefore, I would like to encourage every one to interact positively with the public sector and vice versa, as I believe the sharing of ideas, knowledge and experiences are very important for us to chart further improvements and successes.

CLOSING

Ladies and Gentlemen,

32. On that that note, I would like to thank the Organiser, the MIT Club of Malaysia, for inviting me here this evening. It has been an honour and a pleasure to be able to share with you some of my thoughts on how we can further enhance our nation's competitiveness.

Thank you.