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Saudara Pengerusi Majlis,

Y.Bhg. Dato' Mat Rabi bin Abu Samah Komandan Maktab Pertahanan Angkatan Tentera,

Pegawai-Pegawai Kanan MPAT,

Tuan-tuan dan puan (seorang peserta wanita) yang saya hormati sekalian.

Bismillahirrahmanirrahim, Assalamu'alaikum Warahmatullahi Wabarakaatuh dan Salam Sejahtera.

Terlebih dahulu marilah sama-sama kita melafazkan kesyukuran kepada Allah Subhanahu Wata'ala kerana dengan limpah izinNya, dapat kita bersama-sama pada pagi yang berbahagia ini. Saya ingin mengucapkan terima kasih kepada pihak Maktab Pertahanan Angkatan Tentera kerana sudi menjemput saya untuk memberi syarahan bertajuk "Malaysian Civil Service: Challenges and Strategy for the Future". Saya juga ingin mengucapkan tahniah dan syabas kepada tuan-tuan dan puan kerana telah dipilih untuk menghadiri Kursus MPAT ini yang merupakan kursus penyediaan kepada mereka yang dikenalpasti mempunyai potensi untuk menyandang jawatan yang lebih tinggi. Memandangkan kerajaan berhasrat mempertingkatkan penguasaan Bahasa Inggeris di kalangan pegawai kanan, maka izinkan saya menyampaikan syarahan ini dalam bahasa tersebut.

The scope of this lecture will cover several major issues and challenges that we are facing in the coming decade as well as the possible actions that we need to take to ensure that we can achieve the aspirations of Vision 2020. The sub-topics which I proposed to focus on will include: Changing Role of Government, Turbulence in the Economy, Knowledge-Based Economy, Malaysian Remuneration System, More Challenges Ahead and the Way Forward. I hope to take only an hour and then I would like to open this session for discussion and to answer some of the pertinent questions that you may have.

Changing Role of Government As senior government officers we must have a clear understanding regarding the changing and expanding role of government, which is not only becoming more complex but also more demanding. Since independence the role of the government has expanded tremendously from just maintaining law and order and revenue collection to providing essential services, facilitating economic development, regulating the production of goods and services, negotiating to resolve internal and external conflicts, leading into new ventures, and promoting national interest at the regional and international levels.

The Service Provider As a service provider, the government is responsible for providing services that involves national security such national defence and internal policing. It is also responsible for providing basic services such as education, healthcare, and other services which may not be produced equitably if left to the market forces alone. As the country becomes more developed and the private sector becomes more capable, some of the basic services previously provided by the government were privatised, corporatised or opened to competition by other service providers to enhance the level of efficiency and effectiveness. Examples of these services include: energy, sanitation, telecommunication, postal services, broadcasting, highways and aviation.

Regulator of Services In addition to the role of a service provider, the government also plays the role of a regulator. In this role, the government is responsible for regulating the production of goods and services by the corporate and non-governmental sectors to ensure that they are in accordance with the law of the land, meet international and national standards, and do not endanger the health and welfare of the people. Furthermore, with the privatisation of some of the basic public services such as energy, transportation, sanitation, telecommunication and post, where the government hands over the production and delivery of these services to the private or corporate sector, it needs to ensure that public interest is

protected. To ensure that the interest of the is not sacrificed for the sake profit, the government must intervene to ensure the poorer segments of the population are not neglected and to maintain control over the level of quality of the goods and services provided. Examples of regulators are the Communication and Multimedia Commission, Securities Commission, and the Malaysian Highway Authority.

Development Facilitator To maintain political stability and racial harmony, the government needs to ensure that there is continuous growth and sustained economic development. To achieve this, the government has to create a business friendly environment that is conducive enough to attract foreign investors. In this respect, the government takes on the role of a facilitator of economic development.

Since its independence, the government has implemented several policies and strategies that have contributed the high level of economic growth in the country.

These include the New Economic Policy (1970-1990), the National Development Policy (1991-2000), and the National Vision Policy (2001-2010). In addition, the Malaysian Incorporated Policy was introduced to promote better cooperation between the public and private sectors, while the Look East Policy was introduced to inculcate good work ethics and a culture of excellence among its workforce.

Recognising the importance of ICT, the government is helping to create a stable and supportive environment for development of the ICT sector. It continues to provide infrastructure and logistical support to ensure that the IT sector remains dynamic and robust. In addition, the government is also strengthening intellectual property laws and stepping up enforcement to reduce piracy. In recent years, the government has introduced several unconventional measures to help stimulate economic activities and to strengthen the national economy to counter the negative impact of globalisation and economic uncertainty. These measures include selective capital control, fiscal stimulus packages, deficit annual budgets and enhancing effectiveness of the delivery systems.

Social Integrator Since political stability and racial harmony is a critical condition for sustainable economic development, the government also plays the role of a social integrator, whereby one of its primary functions is to bring the various ethnic groups together so that they work in peace and harmony towards a common destiny, Vision 2020. We have come a long way since the May 13 incident of 1969. Our consensual approach to governance is an excellent example of how we work together peacefully in harmony despite being multi-cultural, multi-religious and multi-lingual in nature.

While our education system has achieved some success in developing our people, more needs to be done in terms of national unity. It has been said that the national schools are no longer the preferred choice among the Chinese and Indian communities. This situation is counter-productive and detrimental from the nation building and national development perspective.

Concrete actions to neutralise the negative effects through measures such as the vision schools - which preserve the identity of the schools, yet facilitate interaction and socialisation among students through the co-location of schools and sharing of facilities - have been deliberately misconstrued and undermined.

Nevertheless, the establishment of vision schools is one example of the initiatives taken by the government in its capacity as a social integrator. The government firmly believes that efforts towards social integration should start as early as possible. It is easier for young children to interact with each other because they do not have any preconceived biases during this "age of innocence".

The government also realised that social integration cannot be achieved if there is a high degree of regional imbalances in terms of social-economic development. In this respect, the government has implemented various programmes including improving the transportation infrastructure to facilitate travel and encourage development in the less accessible regions.

The recently launched National Social Policy is aimed at enhancing social integration as well as to ensure a more balanced approach in national development. The implementation of Local Agenda 21 to promote good governance through participation of the private and third sector in policy formulation, implementation

and evaluation is another example of the social integrator in action; integrating the three major sectors to deal with highly complex and sensitive local issues.

Change Leader Rapid changes in the social, economic, political, and technological environment create threats and opportunities for a country. To take advantage of these opportunities and to avoid being left behind, Malaysia must take bold steps and venture into new frontiers. In such situations, the private sector usually does not have the financial, technical and managerial capabilities to take the lead. Neither do they have the patient to endure a long gestation period before they can actually see the profits, if any.

Therefore it is up to the government to take the lead in areas where there are great potentials and to open up the path for the rest to follow. The establishment of Multimedia Super Corridor and its seven flagship applications; the development of Putrajaya, Cyberjaya, KLIA and international sports arenas; the promotion of the automobile and aerospace industries; the Malaysian Microchip (MM Chip); as well as the setting up of Bio Valley Malaysia which is expected to be ready by the year 2006 are examples of the leading role by the government.

The BioValley Malaysia is expected to lead the growth in the biotechnology industry by improving the integration of different players and leveraging the research development capabilities. This project hopes to attract 150 biotech companies and pull in US\$10.5 billion in investments in the next decade. Malaysia's willingness to acquire the ownership of the MM Chip or radio frequency identification (RFID) chip which represents a quantum leap in the development of chip technology that will revolutionized technology application, is also another example reflecting the leading role of government.

Besides leading the country into new frontiers, the government also takes the leading role in crisis situations. During the recent SARS epidemic, we saw the government played the leading role in containing the problem. Likewise, when we were confronted with problem of the East Asian financial crisis as well as the impact of the September 11 incident, again the government took the lead to cushion the negative impact of these developments. In none crisis situations we also saw the government take on the leading role in introducing more innovative human resource development and compensation policies and procedures, which were later adopted by the private sector.

Mediator and Negotiator In addition to the above roles, the government also plays the role of a mediator and negotiator. As a mediator, it acts as a neutral party and try to help conflicting parties to resolve their problems. For example, currently the government (Ministry of Human Resources) is trying to resolve the internal problems of the National Union of Bank Employees (NUBE). Not too long ago, to prevent an all out price war for cheap airfare between Malaysian Airlines and Air Asia, the government (Ministry of Transport) intervened as the mediator to help resolve the problem. The role of government as a mediator is not limited to the local level but also includes regional and international levels. For instance, the Malaysian government was invited to be the mediator to help resolve the differences between the Government of Philippines and the Moro National Liberation Front (MNLF) .

Besides the role of mediator, the government is also plays the role of a negotiator, at all levels of government. At the international and regional levels, the government participates on behalf of the country in bilateral and multilateral negotiations for trade as well as non-trade (scientific and political) interests.

We are actively in negotiation multilateral trade agreements at the WTO and AFTA. We are also trying to negotiate with Singapore to review of the rates under our Water Agreement with Singapore. At the local level, the government may negotiate with landowners to acquire their land for developmental purposes. At the state level, the government negotiates with the state government in terms of issues related to revenue sharing Turbulence in the Economy After experiencing a prolonged period of rapid economic growth during the past two decades (1988 to 1997), we are now confronted with an economic landscape that is extremely challenging for us. Instead of an average growth of over 8 percent, our economy contracted 7.4 percent in 1998 due to the impact of the East Asian financial crisis. Although we managed to rebound in 1999 and 2000 with a growth rate of 6.1 percent and 8.3 percent respectively, the global economic slowdown and the effects of the September 11 incident reduced our real GDP growth to merely 0.4 percent in 2001. The invasion of Iraq in 2002 and the effects of the Severe Acute Respiratory Syndrome

epidemic in early 2003 also impacted negatively on our economy. Nevertheless, we managed to register a 3.5 percent growth in 2002, which is quite commendable given the generally weak economic environment.

The global economic scenario for the foreseeable future is not too promising either. The world economy is still very much in its doldrums. Japan still seems not able to get out its prolonged economic recession, American's economy is still full of uncertainty, and the performance of the European economy is not too impressive either. Only the Chinese economy showed continued significant growth but not as strong as previously. Coupled with widespread political instability and uncertainty in many parts of the world, including Afghanistan, Iraq, North Korea, Kashmir, Liberia, and the Middle East, as well as the threats of international terrorism and biological and chemical attacks, the overall global economic prospect is certainly going to be more challenging. For Malaysia, the competition for foreign direct investment is getting tougher as China and other low-wage countries in Asia and South America are adopting more aggressive policies to attract FDI. Furthermore, these countries are flooding the world market with cheaper goods which are no longer economically competitive to be produced here in Malaysia.

In response to international uncertainty and increasing global competition, Malaysia needs to reposition its economy by strengthening its long-term fundamentals.

This is to be achieved through four broad strategies introduced through the Economic Stimulus Package in May, namely (i) promoting private investment, (ii) strengthen nation's competitiveness, (iii) encourage development internal sources of growth to reduce reliance on external sector, and (iv) enhancing the effectiveness of the delivery system.

Knowledge-Based Economy Although our export-led industrialisation strategy for the past fifteen years has been successful in bringing about high growth and prosperity, we can no longer rely on this strategy anymore. Globalisation, deregulation and liberalisation will alter and intensify competition in the marketplace, while technological advancements, including in ICT and biotechnology, will dramatically change the economic landscape itself. Already, we can see that the battle for FDI worldwide is escalating, while Malaysia's competitiveness and low labour cost advantage are eroding rapidly.

Increasing competition from developed as well as developing countries means that Malaysia has to reposition itself in areas where it has distinct competitive advantages. As costs escalate and profit margins shrink in our traditional industries, we have to pursue higher value-added products and services, seek new sources of growth, and move into more profitable and wealth-generating stages of production.

This is why the government has drawn up plans to transform Malaysia into a knowledge-based economy. The development of the knowledge-based economy will enable Malaysia to enhance its international competitiveness and sustain our socio-economic development.

A knowledge-based economy is seen as an economy where knowledge and information are used strategically and become increasingly important in generating and sustaining a high level of socio-economic growth and development for the nation. It is an economy that thrives on the creative generation, extensive dissemination and productive use of knowledge to add value to products and services across the board. It is an economy where a high proportion of the GDP is derived from knowledge-based and knowledge-enabling industries such as high- and medium-technology industries, education and training, as well as financial and other services. Knowledge-based economies are characterised by high investment in R & D, high literacy, high tertiary education enrollments, good technology-related capacity and skills, strength in innovation, and high ICT penetration and Internet usage.

Unlike a production-based economy, or p-economy, where traditional factors of production such as land, capital, and labour are the major determinants of national growth and competitiveness, in a knowledge-based economy, knowledge becomes the predominant factor in determining productivity and consequently, the national growth rate and its level of competitiveness in the global market. Therefore, in a knowledge-based economy, generating and using knowledge will play a predominant role in creating

wealth and enhancing the quality of life of our people.

The development of a knowledge-based economy is extremely crucial for Malaysia to sustain rapid economic development and enhance global competitiveness. We must recognise that innovation and creativity are now the core values of the new economy and that intellectual capital is the key source of competitive advantage. Therefore, we need to strengthen our capability to innovate and create indigenous technology as well as develop and market new products. By increasing the knowledge input, we will be able to change from an input driven strategy to a productivity-driven growth strategy. However, this does not mean abandoning our existing production activities in favour high-tech activities exclusively.

Productive activities in agriculture, manufacturing, and services will continue, only that these activities will have greater knowledge inputs in order to yield much higher returns. As a result, the productivity and value added of existing activities will be raised and new investment opportunities in knowledge-intensive industries will be opened up.

In 2002, we formulated a Knowledge-Based Economy Master Plan with the aim of making Malaysia a major exporter of information and communication technology products and services. However, prior to this, the government has already adopted several initiatives aimed at transforming Malaysia into a knowledge-based economy.

The most significant of which is the establishment of the Multimedia Super Corridor (MSC) in 1996 to provide world-class facilities to foster the development of high technology and innovations for both domestic and foreign companies. MSC has seven flagship applications, comprising four developmental flagships (government multi-purpose card, e-Government, tele- health and smart schools) and three environmental flagships (R&D clusters, e-Business and technopreneur development). They are jumpstarting the MSC's efforts by implementing high impact projects to enhance our productivity and competitiveness in an increasingly technologically driven world.

The e-Government flagship application is initiated to reinvent government operations, both internally and externally and in terms of service delivery. It seeks to improve convenience, accessibility information flow and process within the government with the view to achieving speed and quality of policy development, co- ordination, and enforcement. It comprises seven pilots, namely HRMIS, PMS, GOE, e-Services, e-Procurement, Electronic Labour Exchange, e-Syariah). For example, the e-Syariah pilot, introduced administrative reforms that upgrade the quality of service in syariah courts, enhance Islamic Affairs Department's effectiveness through better monitoring and co-ordination of its agencies and improving management of its 102 syariah courts. While the HRMIS pilot project pools all available personnel data to enable the various agencies and departments to respond quicker to changing political, economic and social environment.

The e-Government initiative is changing the way government operates and how the government provides its services through more alternatives. We need to take a closer look at our capabilities and ourselves to meet continuously rising expectations of our people and spearhead Malaysia's endeavour to become a knowledge- based economy and society. To achieve this the Government must raise standards, break down old departmental barriers and work in unison to serve the people and to work with the people.

Likewise in the security forces, will also need to look at itself to see how it can apply knowledge to achieve a quantum increase in its level of effectiveness, efficiency and productivity. With the battlefield getting more high-tech, the security forces of the future will also have to be manned by people whole are knowledge workers. Those who cannot change and contribute will not have much future in the armed forces anymore.

Malaysian Remuneration System Last year, the government introduced the Malaysian Remuneration System to replace the New Remuneration System that was implemented in January 1, 2002.

Although the New Remunerations System has served us well for the past decade, there were dissatisfactions among public sector employees regarding certain aspects of the remuneration system.

Some claimed that they were unfairly penalised because their bosses were overly strict in evaluating their performance, whereas other bosses were overly lenient. Others complained that the performance appraisal was too subjective and difficult to quantify, even though they were required to set annual performance targets. There were also complaints that the New Remuneration System has too few levels, and therefore it takes a long time before anyone can be promoted from one level to the next higher level.

As a result of these and other issues raised, and to keep pace with the changes in the environment, the government decided to conduct a comprehensive review of the New Remuneration System. After taking into consideration the views of the public sector employees as well as the ability of the government to absorb the additional costs incurred, the government agreed to replace the New Remuneration System with the Malaysian Remuneration System.

In line with the knowledge-based economy and the need to continuously acquire new skills and knowledge, the focus of the Malaysian Remuneration System is on developing competency and promoting continuous learning. A new element, called the Competency Level Assessment (Penilaian Tahap Kecekapan) was introduced to assess the levels of competency of the employees.

For officers in the Management and Professional Group, there are six levels of competency assessment, each representing a higher level of competency development.

The first level focuses on the ability to acquire and retain knowledge, the second level assesses the ability to understand and make sense of the acquired knowledge, while the third level focuses on the ability to apply the acquired knowledge in the work environment. At level four, the focus is on the ability to analyse the acquired knowledge and see the linkages between them, while level five assesses the ability to synthesise the acquired knowledge to enhance the effectiveness of their organizations. Lastly, level six focuses on the ability to provide a critical evaluation of the synthesised knowledge and to develop innovative solutions to address some of the major challenges at the national, regional or global levels.

Those who passed the Competency Level Assessment and also excelled in their work performance will be given an accelerated salary progression, instead of the normal annual increment. Unlike previously where the individual does not have much influence over whether he or she will get accelerated salary progression, the Malaysian Remuneration System provides a certain level of control to the individual. If the individual is competent and passed the Competence Level Assessment, he or she stands a better chance of getting accelerated salary progression, subject to the approval of the agency's Human Resource Development Panel. To address the issue of slow promotion, additional 2 promotional grades were introduced for the Management and Professional Group, except the Armed Forces, Police, Fire Services, and Prison Services, which already have a well-established promotion or ranking system. Other improvements incorporated in the Malaysian Remuneration System include a revised performance appraisal system, the separation of the Excellence Service Award from salary progression, and better terms of service. With the implementation of the Malaysian Remuneration System, the government hoped to achieve the following objectives: Encouraging self-development through continuous learning, *Encouraging the application of knowledge, skills, creativity innovation and multi-skilling in the workplace, *Nurturing a culture of teamwork *Building a learning organisation that nurtures the development of knowledge workers; *Implementing a competency-based human resource management approach; and *Rewarding deserving employees through accelerated salary progression

What are the implications of the Malaysian Remuneration for the members of the Armed Forces and the Police? This means that you need to know what are the competencies that have been identified as essential for effective work performance at your level. Once you know what are the requirements, you need to assess yourself to what extent you are able to fulfill those requirements. If there are areas of deficiencies, you need to take appropriate actions to address those deficiencies to ensure you possess the required competencies for effective work performance. Since emphasis is given to the development of knowledge workers, you have to take every opportunity to enhance your knowledge and skills as well as to promote the sharing of knowledge in your respective organisations.

More Challenges Ahead Challenge of the Civil Society As society gets more educated and more developed, the civil society also gets more vocal and more influential. They demand to be heard and also

expect to be involved in the process of policy formulation, policy implementation and policy evaluation. Their members are not just ordinary folks but highly educated and highly exposed individuals who can convincingly articulate their positions. If they are not satisfied with your response, they will not hesitate bring the matter up to the attention of our political masters, the mass media, or even the court. I am sure you are well aware that we are not here to create more problems for our political masters but to help to resolve them.

Likewise, I am sure you would agree with me that the press is not the best forum to resolve our differences.

And since we have an independent judiciary, we cannot expect the court to rule in our favour, if our actions are not in accordance with our Constitution.

Therefore, the public sector needs to learn to work with members of the civil society towards common good.

Challenge of Global Governance The ability to articulate and negotiate our position effectively at the global arena is essential for the future of our country. We cannot remain silent and play a passive role in the global and regional arenas if we want to continue to enjoy the fruit of development. Many decisions taken at the international level, whether involving the United Nations or its agencies as well as other multilateral organisations, such as WTO, do have serious consequences on our economy. Therefore, it is essential that we take an active part and try to influence the policy at the formulation stage rather than at the implementation stage, by trying to ask for special exemptions.

However, it seems that we are now losing our capability to participate and negotiate effectively at the international arena where rules and regulations are made. In the past, representatives or delegates from Malaysia used to be invited to help draft the final resolutions or declarations at international conferences and meetings. We used to take on the secretariat role, but now it goes to countries such as India, Pakistan, Philippines, Thailand, and Singapore.

One possible reason is the lack of language skills to enable us to articulate and deliberate our positions.

The other possible reason is the lack of exposure in international negotiation. We tend to keep the number of people to a bare minimum, whereas some countries will bring along an army of experts to support them.

Another possible reason is the lack of continuity, different people attending the negotiation sessions at different time, and therefore not able to understand how a certain position was agreed upon and what are the obligations of the other party. If we are to regain our past glory, we need to improve our language and negotiation skills, provide more exposure to our younger officers at the regional and international conferences, and allow for a wider range of participation by subject matter experts.

Challenge of Global and Local Terrorism One particular challenge that is closer to your heart is the challenge of global and local terrorism. Our early experience with terrorism began even before our independence. The communists who began their insurgency against a colonial power, continued their campaign after we attained our independence because they wanted to replace a democratic, capitalist economy with a communist society. Today, Malaysia and some of our other neighbours are confronted by religious-based terrorists. Who, like the communists, wanted a systemic overhaul of the socio-political structures of our country. The religious extremists want to replace the democratic, moderate and participatory governance process with their skewed interpretations of a theocratic state through violent means.

We know that there were attempts by some of these groups to create a regional cellular structure with franchised terror operatives and groups stationed in different countries. These groups have domestic as well as regional objectives - both, which involve a threat to our peace and prosperity and our way of life.

Therefore it is imperative that we move in a coordinated manner with other international security agencies where sharing rather than secrecy, and regional stability rather than national interests were of paramount concerns.

Other new forms of terrorism are also becoming new threats. Bio-terrorism threatens to use scientific advancement for evil objectives. Underworld crime is also abetting the cause of terrorists. Arms smugglers and drug cartels provide militant groups with weapons and funds in return for protection. All of this happens without our knowledge, hidden from our view. It has therefore become increasingly crucial that we focus on eliminating these support services of terror as well.

Whether they have been in the form of ideological warfare, separatist movements or religious extremists, the experience of terrorism is not new to this region.

For the most part we have been able to contain and defeat these threats. Our government have acted swiftly and decisively. Not only have our actions benefited our own citizens, but also I believe our common, uncompromising stand against terror has benefited the entire Asean region tremendously. Our containment, capture and defeat of terrorist groups within our borders have prevented major regional terror networks from proliferating. We have been able for the most part, to identify threats in their infancy before they are allowed to spread through our region in search for sympathisers and supporters. We must ensure that this vigilance continues to prevent cross-border terror networks from taking root in this region.

Last but not least, we also need to be weary of the emergence of various home-grown militant groups that slowly creeping into the society without attracting much attention until it may be too late. Therefore, it is essential that the security forces continue to stay alert and work with the local community to get timely information of such activities.

Challenge of Individual Integrity and Accountability At the individual level, there is the challenge of integrity and accountability. Although overall, the level of corruption and abuse is quite low compared to other countries, I will not deny that there are occasions where abuse and corruption did occur.

However, this does not mean that we should tolerate such behaviour. Corruption is just like cancer, it starts small and then it spreads slowly but surely and destroys the whole organisation. Despite the numerous rules and procedures as well as the different levels and systems of checks and balances, we cannot ignore the possibility that corruption can take place. If there is a will, there is always a way.

Civil service is definitely not a place to get rich and it definitely does not have a place for anyone who desires so. Compared to the private sector, the total remuneration package is actually quite attractive, if we take into account of the allowances, loans, and other non-financial benefits such as healthcare, childcare, housing, and holidays. Taking a long-term perspective, there should be no reason to justify corruption practice using the excuse of inadequate pay package. As civil servants, we are held to a higher standards of behaviour because we are seen as the custodian of law and order, and society do not take lightly of civil servants who indulged in corrupt practice or abuse their power and authority. That is why the challenge for us is to maintain a high level of integrity and accountability; we should not provide the opportunity even for perceived corruption or abuse of power.

The Way Forward The uncertainties created up by the rapidly changing external environment cannot be managed using conventional management practices. The pressures of growth and indeed of survival dictate that the civil service move towards a knowledge-driven paradigm that will help them cope with the fast changing situation.

Such a paradigm would include: *preparing a strategy to cope with rapid change; *generating strategic alternatives; *developing internal flexibilities in public organisations; *promoting a culture of innovation, creativity, sharing and diversity; and *establishing a framework for effective management of knowledge resources and processes.

Above all, the civil service will have to create an enabling environment where new knowledge is:

*generated on a continuous basis; *shared among key stakeholders; and *applied effectively to enhance competitive advantage.

We cannot deny the fact that the civil service has played a critical role in helping to bring about the rapid socio-economic growth that we have enjoyed for the past 46 years. However, we cannot afford to rest on our laurels because the challenges ahead are more complex, more intense and more demanding. We have read in the papers in recent times several complaints about the quality and standard of service of some government agencies. Several of our stakeholders including the Prime Minister and Deputy Prime Minister have raised these issues on numerous occasions.

If we want to fulfill our role effectively and to remain relevant, we must realise that many of our comfortable operational mechanisms, rules and procedures are obsolete and need to be overhauled.

Doing well what we were doing before is not the prescription for success in this new era. A new way of thinking, perceiving and working is required. With change as a norm, the civil service too must be able to adapt to new customer demands and provide alternative ways of delivering the services. As taxpayers, individual citizens expects a high level of quality services. How can the government respond to calls for an enhanced effectiveness of the public service? During the Eighth Civil Service Conference held in last June, YAB Dato' Seri Abdullah bin Ahmad Badawi, the Deputy Prime Minister of Malaysia, highlighted five guiding principle for the civil servants to consider in raising their overall efficiency and effectiveness. I would like to share them with you.

The first principle is that we must have zero tolerance for sub-standard performance. Although generally the public sector have delivered excellent services, we still continue to hear about the sorry state of public places and of public services. This reflects the culture of "high tolerance for mediocre services" among certain quarters in the public sector. This is not acceptable and has to change. No public official should ever accept or condone sub-standard performance.

The second principle is to always seek accuracy, timeliness and volume in your work. In other words, civil servants must work diligently and quickly to implement all government strategies and policies, particularly those measures aimed at stimulating the economy and enhancing service delivery. Delay in implementing these policies could defeat the very purpose for which they were introduced in the first place. Procrastination in the civil service can be very costly, particularly if that service relates to the private sector where "time is money". Although speed is important, it should not be at the expense of accuracy. What is the point when a piece of work is done, but it is filled with inaccuracies? The third principle is an appreciation for orderliness and cleanliness. It seems that whenever we see unhygienic eating places, clogged drains, dirty toilets, haphazard parking, traffic jams, missing road signs, vandalised public phones, and damaged fire hose, we tend to shrug our shoulders and accept this as part of our "culture". How can we achieve the status of a developed nation when we do not care about basic hygiene; when we do not have any concern for others, and when we ourselves are not good role models for our children to follow? Until and unless we willing to change this attitude or mentality, we can never hope to achieve the status of a developed country.

The fourth principle raise was the needs to be customer focused. Being responsive to the customer is something that is expected of us. I believe almost all government departments have client charters that inform the public regarding their standards of performance. We have comfortable waiting areas with air-conditioning, fresh plants, pleasant lighting, nice seats, reading material and televisions. Despite the costs incurred, these comforts have made the waiting time in government departments more tolerable, at the very least. However, all these will mean nothing to the customers if at the end of the day, they are pushed from one counter to another or that nobody is able provide the answer which they need clarification.

The fifth principle raised was on public service ethics, which is rooted in the tradition that civil servants have an obligation to serve the public and do public good. Such public responsibility dictates a public service that is clean, efficient, and trustworthy. Corruption is certainly incompatible with public service ethics. However, when procedures are too complicated and decision-rules are not transparent, the

opportunity for corruption arises. Customers tend to seek ways and means to circumvent the complicated and cumbersome delivery system. If agencies make their delivery systems transparent and user-friendly, cut the red tape, add checks and balances to the system, and severely punish those who betray the public trust, then we would have already won half the battle against corruption.

Conclusion The road ahead no doubt holds many other challenges.

Nations are always evolving, and nation building is a dynamic process that must respond to rapidly changing environment. The state is but one among many actors, and government policies can only provide the legal framework for action. The family, local community, religious institutions, mass media, and private enterprises can and do have a major impact upon nation building and national development. They all bear a responsibility towards nurturing the kind of nation we want to build in the future. But whoever and whatever these actors are, it is the human spirit, mind and hand that moves all of them. What goal we seek, which road we take, and how far we progress, will all be up to us, the people of Malaysia. I believe that if we are inspired and guided by the values and principles that have served us well in the past, the future holds great promise. This future is in our hands, and the change starts with us.