

**Wecome Remarks by
Dr Tan Chin Nam, Chairman, PS21 ExCEL Committee
at the 2000 PS21 Excel Convention
21 November 2000, 9.30 am
Nanyang Polytechnic Auditorium**

Mr Lim Siong Guan, Head Civil Service

Mr Eddie Teo, Permanent Secretary (Prime Minister's Office)

Distinguished Guests

Ladies and Gentlemen

Introduction

1. Welcome to this inaugural PS21 ExCEL Convention. This is the first time that the WITS Convention is transformed to become the ExCEL Convention by adopting a holistic approach, reflecting the spirit of ExCEL and not just WITS. The Convention is part of the reinvented ExCEL to support the new PS21 Movement which was launched in July this year. I would like to thank Head Civil Service, Mr Lim Siong Guan, for being here this morning as our Guest-of-Honour.

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Reinvention for the New Economy

2. The new millennium has ushered in the New Economy. Countries and companies will have to rethink their competitive advantages because what worked in the past, may not work in the future.

3. All of us are trying to uncover what is really “new” about this New Economy. I believe that there are several themes that have emerged over the past year that are still valid. The New Economy is not just about dot.coms or stock options. It is really about transformation, new business models, innovation and customerisation on an unprecedented scale. It is about reinventing our companies to create new value and to compete for the future. Let me cite two examples of successful corporate reinvention that had taken place in the midst of the New Economy – Hewlett Packard and Apple Computers.

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Although the stock prices of the two companies, Hewlett Packard and Apple, may not have an excellent showing at the moment, these two companies are good examples of reinvention, survival, and success. I would also like to comment on the reinvention of Singapore, our very own nation.

Hewlett Packard – Rules of the Garage

4. The reinvention of Hewlett Packard began about one and a half years ago with its first CEO who is not an engineer!

She is Carly Fiorina with her first degree in medieval history and she is leading the reinvention of Hewlett Packard.

5. I visited HP when I was in Palo Alto three weeks ago. This is a very different company now since Carly's arrival. First of all, HP has changed its logo and a new word has been attached to it – "invent".

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6. While the famous “HP Way” continues to be relevant, Carly has also brought about a new culture which builds on HP’s heritage to penetrate every fabric of its global operations. This new culture is called “Rules of the Garage” and allow me to just quote a few lines from this new HP Manifesto:

“Believe you can change the world
Radical ideas are not bad ideas
Make a contribution everyday.
If it does not contribute, it does not leave the
garage.”

Apple – Cool to be Hot

7. The story of Apple is a little different. Ever since Steve Jobs came back to Apple in 1997, this original computer giant has been revitalised. He has also transformed the way we look at computers!

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PCs no longer have to be the ugliest piece of furniture in your house. You can order an iMac in tangerine orange if you like, whatever suits your taste!

8. But what is perhaps similar to HP is that Apple also has its own cultural Manifesto to spur innovation and radical ideas. This Apple Creed is called “Here’s to the Crazy Ones” and allow me to just quote a few lines from there:

“Here's to the crazy ones.
The misfits. The rebels,
The ones who see things differently
They invent. They imagine. They explore.
They create. They inspire.
They push the human race forward.

Because the people who are crazy enough to think that they can
change the world, are the ones who
often do.”

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The Reinvention of Singapore

9. Singapore too is undergoing a reinvention in order to compete successfully in this New Economy. Several organisations have crafted their 21 Plans, Technopreuship 21, Tourism 21, Manpower 21, Thinking Schools Learning Nation, ProAct 21, Construction 21 just to name a few. In January 1999, the EDB Society and Partners organised a Millennium Conference and integrated all the 21 Plans. These 21 Plans are collectively the blueprint for Singapore's new strategy for the New Economy. Next year, as a follow-up, the EDB Society and Partners will be organising another conference called the New Economy Conference@Singapore to discuss the new challenges Singapore is facing as it transits to the New Economy.

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Reinventing the EXCEL Movement

10. Our Public Sector has been continuously improving our organisation through the Staff Suggestion Schemes (SSS) and Work Improvement Teams (WITs). FY98 was a good year and we managed to save \$160 million, with \$73 million contributed by SSS, and \$87 million contributed by WITs. For FY99, we had cost savings of more than \$263 million, with \$130 million from SSS and \$133 million from WITs. That is an increase of about 65% worth of cost savings from the previous FY. I am happy to say that we have established within ourselves a mindset of continuous improvement and openness to change within the service. Together, we shall strive for better service standards through continuous improvements.

11. In the same way that we talk about the reinvention of HP, Apple and Singapore, we must reinvent our ExCEL Movement for the New Economy.

The transformation of the WITS Convention to the PS21 ExCEL Convention is an important first step. We must also formulate our own *Innovation Manifesto* to spur officers to new heights and contribution. This is why the eXCELERATE 21 movement is building on the well-established spirit of continuous improvement in order to create a new culture of innovation and enterprise.

12. The eXCELERATE 21 movement is a critical step to the realisation of innovation and enterprise in the Public Service. This movement cannot be the effort of only the top management. It requires the involvement of all officers at all levels. This eXCELERATE 21 movement is a call for action to all public officers to try to make a meaningful difference to the well being of all Singaporeans and our nation.

13. It is our Innovation Manifesto to bring about a more dynamic, innovative and responsive Public Service. Let us eXCELERATE through Innovation!

Thank you.

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**KEYNOTE ADDRESS BY
MR LIM SIONG GUAN, HEAD CIVIL SERVICE
AT THE 2000 PS21 ExCEL CONVENTION
21 NOV 2000 9 AM
NANYANG POLYTECHNIC AUDITORIUM**

Distinguished Guests

Colleagues

Ladies and Gentlemen

1. This morning I would like to speak about Innovation in the Public Sector. The good news is: Innovation has arrived in the Public Service. The bad news is: Innovation has not arrived in the Public Service.
2. What do I mean by this?

Innovation has Arrived

3. The idea that innovation is desirable is taking root. The idea that innovation is something we in the Public Sector should welcome has been the subject of many speeches. The idea that innovation offers both opportunity and challenge is getting across. Opportunity means a step jump in our capacity to Connect with Citizens in Singapore 21, and to Delight Customers in our pursuit of quality service in PS21. So the idea of innovation has certainly arrived, and in that limited sense we can say “Innovation has arrived”.

4. Just to elaborate on that point, so that none of us will misunderstand. What do I mean by arrival? It is like your friend Robert from overseas coming to visit you in Singapore. He calls you from the airport to say he has safely landed. What do you tell your parents after you put down the phone? Do you say “Robert has arrived,” as meaning he is now in Changi as the first step to getting to your home? Or do you say “Robert is arriving,” as meaning he is on his way in a taxi to your home? Or do you say “Robert will be arriving,” as meaning he will be soon be knocking on the door of your home? You can see that all three statements are true: “Robert has arrived,” “Robert is arriving,” and “Robert will be arriving.” We will have to be clear about time and place, to understand how the past, present and future can all be true at the same time. Yet we know that until Robert actually steps into your home, he has not finally arrived.

5. This is similar to the survivors in the lifeboat of a sinking ship who see some soldiers rushing towards them in a rescue craft. One survivor may say, “We are saved.” Another may say, “We are being saved.” A third may say, “We will be saved.” And they are all correct. But we know they are not finally saved until they are on dry land.

6. So let me get back to the subject of Innovation in the Public Service. The idea of innovation, the idea of seeking to do things differently and to do different things in order to meet the current and future needs of citizens and customers in an excellent way, is taking root. We know life and work cannot simply carry on as they are, because changes in the external and domestic environment offer tough new challenges, and technology and globalisation offer great new opportunities.

7. “Innovation has arrived.” The wish is there. The hope is there. The leadership supports it. The people want it. The idea is attractive. We cannot avoid it. We should not avoid it. We must not avoid it. We are proud of our Public Service as being among the best in the world. We look forward to Innovation keeping us there and moving us up. Thank you everyone for taking us to the starting point. But we are no more than at the starting point.

Innovation Is Arriving

8. Next, can we also say “Innovation is arriving”? Yes, we certainly can. How often have we read in the newspapers and on TV about Innovation and Enterprise as the way forward for Singapore. The transformation of the PS21 Movement for the New Economy was marked by the announcement of the three new thrusts at the PS21 5th Anniversary Symposium 5 months ago in July, namely,

- (1) Total Organisational Excellence
- (2) Innovation and Enterprise, and
- (3) Openness, Responsiveness and Involvement.

Innovation and Enterprise lie at the heart of change.

9. The goal of PS21 is for the Public Service always to be “In Time For The Future” so as to serve Singapore in the best way possible. Embedded in PS21 is the critical need for the Public Service to be a catalyst for change, to be the standard bearer on change, and to be the pacesetter in change. If Innovation is for Singapore, the Public Service has to be up there, among all the others in front.

10. We need a wave of innovation in the Public Service. But a “wave” is too small. How about a “tide”? Even better, a “storm” of innovation. Innovation and Enterprise will require all of us to look for and welcome new ways of doing things that can create new value or quantum leaps in benefits. This is the beginning of our Public Service Innovation Revolution.

11. You all know about “The Enterprise Challenge“, \$10 million set aside as “venture capital” for any idea that will help markedly improve or extend the range of our services to the public. If \$10 million is not enough, we will put in more. Many ministries have set up their own internal innovation funds, for the same purpose: to encourage innovative ideas, to fund experiments, to learn by doing. It

is their way to put into practice the adage:

- If I hear, I forget.
- If I see, I remember.
- If I do, I understand.

Ministries are encouraging their people to put up suggestions which carry higher innovative content. WITs are challenged to see opportunities for innovation, and not just improved solutions to current problems. IPAM's courses on Innovation and Creativity are very well subscribed.

12. A major step forward we are taking is a partnership programme with innovation consultants, Strategos, to organise the inaugural Innovation Masterclass in January 2001. The unique 4½ day residential programme will bring together 45 activists from several Ministries and Statutory Boards to be trained in innovation by Strategos' leading consultants. This core group of specially chosen officers will be able to pick up new tools and frameworks for innovation, and allow them to return back to their organisations to become corporate activists. If it is hugely successful, we will launch several more Masterclasses and involve more Ministries. The PS21 Office, PS21 ExCEL Committee and the MOM Academy are the organisers, with Strategos.

13. You can see that we have a lot of activity, training, learning opportunities and speeches, encouraging innovation, teaching innovation and practising innovation. We are prepared to put even more time, people and resources into the effort. But will all these get us "there"? Will all these get us a Public Service which remains among the best in the world, known for its Innovation and Enterprise? "Innovation is Arriving," we may say. But how long will it take? How extensively will it be practised? Will it be the commitment of some, or the mind of all? Will it be the soul of the few or the spirit of the organisation?

Innovation Will Be Arriving

14. How many of you are confident enough of yourselves and your organisations to be able to put your hands on your hearts and say, "Innovation Will Be Arriving in my place, that's for sure". Is it a "do-or-die" proposition for each one of us where we are? I am not asking you to say, "Innovation has finally arrived." I am only asking you to contemplate the question, "Will Innovation Surely Arrive" not as the occasional event but as a daily occurrence? It may be radical innovation by way of a new service. Or it may be a different way of delivering a service. It may be large innovation, or small innovation. But we know it is innovation, something new, something different, continually flowing at

all levels.

15. John Kao, Founder and CEO of The Idea Factory has written, “We need a new sense of the scope of innovation. We have to look far beyond products and services to new ways of seeing things and shifting perspective, so that a new vision, a new set of possibilities can emerge. It may involve new ways of delighting customers, or simply finding out about customers. Clearly innovation is also about new ways of doing things, new processes, and new ways of making sense of the environment. We only see what we have eyes to see. Institutions only acknowledge the reality defined by their processes. They can’t see beyond their version of the visible spectrum.”

16. I don’t know about you, but as for me, I can only be able to comfortably say that “Innovation Will Be Arriving” if I know I have a system which encourages innovative ideas, and which proves itself with a stream of innovative products, processes and practices which add value to what my organisation is supposed to accomplish. We are not talking here about the occasional innovative idea each year that works. We are talking about having a system with which we can be assured of sustained and sustainable innovativeness, where innovation is the heart and soul of the organisation intent on excellence..

17. Let me quote John Kao again. “We need new disciplines of strategy. There must first be an intimate connection between strategic thinking and innovation. Strategic planning must co-exist with strategic foresight. Innovation becomes an answer to a set of strategic questions. Strategy is useless without innovation; innovation is directionless without strategy. Second, we must develop robust innovation processes. These are not simply about ideas. Ideas are the easy part! Every organisation needs a process for design around ideas, that create the right kind of prototypes and experiments that in turn engender creative collaboration and iterative experimentation around the idea.”

18. Big words! But we have to deal with them. And it is simply about having a system which brings about capability and successful practice in bringing forth useful innovation on a sustained basis.

19. Incremental improvement is important. But it will not be enough if the Public Service is to play its critical role in new value creation for Singapore. We must embark on an Innovation Revolution as part of the transformed PS21 Movement. This requires an Innovation Agenda embraced by every public officer. New solutions will have to come from all levels, signaling the rise of corporate activists over rule preservers.

20. Innovation is a process as well as a capability. Innovation cannot reside only with those at the top. It must be something that all 110,000 Public Officers are capable of doing, whether it be just in their specific area of work or extend beyond their ministry or statutory board. We must make innovation a capability that can be

harnessed by every single officer, so that his or her ability to contribute is even greater.

21. Fortunately for us, we are by no means pushing on Innovation in the Public Service starting from Square One. Innovation is something we can naturally graft on our ExCEL movement – Excellence through Continuous Enterprise and Learning. The core elements of ExCEL are Staff Suggestions, Work Improvement Teams, and Training and Learning with a minimum target for every individual of 100 hours per year.

22. Staff Suggestions have been a substantial source of new ideas, although the quality and magnitudes of ideas can certainly take much improvement. Nevertheless, to move from ideas to innovation is a big step. While our organisations may have a huge bank of ideas, we do not have a large bandwidth of new innovations. We need more group work, where each brings his expertise and personality to the table, and ideas are challenged to spot new opportunities and produce new possibilities. Work Improvement Teams will increasingly be Work Innovation Teams. Some ministries have Learning Circles and Action Teams. Others have Experimentation Fun and Innovation Labs. The list of mechanisms for energising people groups will certainly grow. There should be no one-size-fits-all. Every ministry must have its own Innovation Agenda, its own innovation strategy and its own innovation system. Each should create and invent as it deems best. But never lose the capacity or the humility to learn from each other.

23. A vibrant workplace environment and a risk-tolerant culture are very important in getting Public Officers to take their ideas the step further to experimentation and implementation. During the industrial era of assembly line manufacturing, work was boring and repetitive because people were organised merely as units of hands and feet. Mechanical robots do much of these jobs today. But in the New Economy, organisations create vibrant workplace environments because they want to stimulate creative ideas from their staff. It is not just hardware that makes the work environment. A lot is software - “heartware” and “mindware”.

24. In this regard, I am pleased to announce the creation of an award to be called the Innovative Public Organisation (IPO) Award. It will focus on the ability of an organisation to continually develop innovative ideas; measuring the extensiveness of the spirit and practice of innovation in the public agency, rather than the quality of the innovations *per se*. The MFE Office will work out the award criteria with key partners such as EDB, PSB and the PS21 Office to see how the IPO could be developed in parallel with the national innovation awards that are currently being formulated to recognise innovations.

eXCELERATE 21

25. After 12 months of deliberation involving task forces and extensive consultation, the PS21 ExCEL Committee has developed a new blueprint to bring the ExCEL Movement into its next phase. This is the eXCELERATE 21 document. All of you will be given a copy in a moment. eXCELERATE 21 captures the new innovation spirit of the Public Service. Rather than being prescriptive, the eXCELERATE 21 document is a compass urging Ministries to exercise their creativity in setting and effecting their Innovation Agendas. This is our Public Sector Innovation Manifesto, encouraging everyone to be involved in New Value Creation. It is my great privilege this morning to officially launch the eXCELERATE 21 Blueprint. I congratulate everyone who had worked on this wonderful effort, thanking each one for the time and energy put into it, and especially thanking Dr Tan Chin Nam who provided the vision and the leadership

Conclusion

26. This is an exciting time for the Singapore Public Service. While we can say “Innovation has Arrived”, it has basically arrived only in terms of desires and intentions. Perhaps it would be more accurate to say “Innovation is Arriving”, in that actions have been taken to encourage and acknowledge innovations in the Public Service. But can we say with confidence that “Innovation Will Be Arriving”, declaring with confidence that innovation will be a sustained and sustainable core feature of the Public Service? Innovation will then be a way of life for all Public Officers, where system, strategy, energy, expertise and enterprise all come together to make innovation the soul and spirit of the organisation. We are not there today. I invite all of you to join me in looking forward to the day when we can all say: “Innovation Has Finally Arrived in the Public Service, and Keeps On Arriving”. If we can imagine it, we can do it. Today we launch a boost in the eXCELERATE movement. Let us all “eXCELERATE Through Innovation”!

27. Thank you.