

**HRD** for  
Developing States  
and Companies

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- enhance management efficiency and effectiveness in the private and public sectors of ASEAN and to help develop the capacities of management training throughout the region
- facilitate the development and evolution of new ideas, concepts, strategies and policies relevant to ASEAN's long-term needs.
- develop public administration and business management skills existing within institutions and corporations in ASEAN and EC
- strengthen the links between ASEAN and the EC.

# HRD for Developing States and Companies

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*Proceedings of the 2005  
Brunei Darussalam AEMC Convention*

EDITED BY

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*Brunei Darussalam*



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# Foreword

The coming into being of this volume is a milestone in the achievements of the ASEAN-EC Management Centre (AEMC). It will extend the reach of the type of generative ideas that gave form to the many chapters in this book authored by both famous statesmen and successful business consultants. It is furthermore the crowning achievement of the institution's director, Abd Ghani Pg Hj Metusin, and his capable and loyal staff.

As with all valuable books, avid readers will find pearls of wisdom in this anthology that attempt to bridge the unnecessarily wide gap between state governance and business management. It contains much useful advice for the practical person as well as the theoretically minded.

*Pg Dato Paduka Haji Abd Hamid bin Pg Hj Mohd Yassin*  
Permanent Secretary at the Prime Minister's Office  
Brunei Darussalam

# Preface

Brunei Darussalam has a small population and our people are our vital assets in nation building. We wish to develop a modern, diversified and sustainable economy. To achieve this successfully, we need to enhance our human capacity so as to give our families and communities lasting confidence in the future.

At the heart of this vision are our people.

His Majesty the Sultan of Brunei, in a statement made during the APEC High Level Forum on Human Capacity Building for Common Prosperity held in Beijing about four years ago, stressed that due to the rapid advancement of technology and communications, it was important to update constantly the skills of our people and such skills had to be brought to an international level of competitiveness. And for them to prosper in the New Economy, they had to feel that they had a personal stake in its success. The challenge here was obviously the complexity of the skills and knowledge to be absorbed and mastered by our people.

Since then, we have put more focus on developing human resources as a key investment in our economy. It has therefore been given the utmost priority in our National Development Plan.

Brunei Darussalam is currently undertaking a consultative study to review and improve on the present state of human resource development policies and programmes. It essentially takes into account the evaluation of educational, academic, vocational, technical and related programmes carried out in the country. What we are aiming at is a comprehensive formulation that best serves the need of human resource development in our country.

We recognize the new demands placed on both the government and the private sector by the sheer speed of modernization, and the human qualities it calls for. These challenges, brought among others by the new competitive reality and by rapid globalization, require new mindsets and competencies, and innovative ways of learning and training.

The chapters in this volume represent a giant stride in Brunei's efforts to strengthen the competitiveness of our people through continuous learning, unlearning and relearning. They were all originally papers presented at the convention — "HR Challenges & Opportunities in the New Economy" —

organized by the ASEAN-EC Management Centre, which was held on 18–20 January 2005 at Brunei's International Convention Centre.

We are living in a time when a new economic paradigm characterized by speed, innovation, short cycles, quality and productivity growth highlights intangible assets such as brand recognition, knowledge, innovation, and particularly, human capital. Essentially, it marks the beginning of a golden age for human resources, where human capital is regarded as the foundation of value creation.

People's talents, abilities, skills, adaptability to change, knowledge, attitudes, enthusiasm and the wisdom of leaders and managers to make the right decisions are the fundamentals for the success of any organization. Such qualities are required more than ever in today's world.

This convention clearly acknowledged this, as do governments and all successful businesses. They now recognize that human resource development has become a field of research, academic study and debate in its own right. It has moved beyond the purely administrative considerations it has traditionally offered and now enjoys a status that invites a broader, more pro-active and more strategic role in both government and business activities.

It is important for human resource practitioners to constantly widen and deepen their knowledge to enable them to deliver their thoughts and ideas with assurance and credibility. It is also important that their decisions stand the test of time for sustaining their countries' economic and social development.

There is a growing realization that they need to be able to work on problem-focused and solution-driven issues in multi-disciplinary teams that are capable of developing strategies that support and drive business growth. Inevitably, these expectations impose new demands on international executives and practitioners charged with developing and implementing those economic and business strategies. We must remain aware of the complexity of human resource development in the New Economy and the challenges it poses.

To be aware of a challenge is one thing. It is equally important for us to have an open mind when considering the ideas suggested by international studies and researchers.

This is where we need the help, advice and support of professional experts from all over the world, in constructing real solutions to human resource development issues and in assessing strengths and weaknesses, prioritizing areas of challenge and determining practical strategies.

# Editorial Remarks

One of the main themes of the convention on which the chapters of this book are based was the connection between state governance and business management. To do justice to this gravely important relationship, we have therefore chosen to divide the volume basically into two sections. The first and shorter one deals mainly with human resource development (HRD) as a political undertaking. In essence, this amounts to a collection of advice for statesmen. The tone setter here is Tun Dr Mahathir Mohamad's presentation of how culture, skills, and development are interconnected, and how serious change must involve serious cultural innovations.

The second section — which deals with HRD as a central concern in national and international companies — is subdivided into three parts. The first part deals with various elements that make up strategic thought in HRD, the second concentrates on discussions and practical plans for the development of competence in corporations, while the third consists of descriptions of HRD experiences in the corporate world.

Some chapters are in effect rapporteur notes made during the convention, which have then been complemented with information from electronic slide presentations. It is hoped that we have managed to capture the general essence of all the talks given at the convention. All presentations, excepting one omitted in accordance with the speaker's employer policy, are included here to provide as comprehensive an idea as possible of the range of topics discussed at the convention.

The rapporteur team consisted of volunteers from the Faculty of Business, Economics and Policy Studies, University of Brunei Darussalam (UBD), the Institute of Southeast Asian Studies (ISEAS), Singapore, and Institut Teknologi Brunei (ITB):

Dr Ooi Kee Beng (Head Rapporteur, ISEAS)

Dr Noorashikin Abdul Rahman (ISEAS)

Mr S. Thyaga Rajan (ISEAS)

Ms Norainie Ahmad (UBD)

Mr Ak Hj Mohd Hasnol Alwee bin Pg Hj Md Salleh (UBD)

Mr Suhaimi Hj Ali (UBD)  
Mr Fairul Rizal Hj Rashid (UBD)  
Ms Sophiana Chua Abdullah (ITB)

*Abdul Ghani Pg Hj Metusin & Ooi Kee Beng*  
*The Editors*

# Acknowledgements

The organizers of the ASEAN-EC International HRD Convention & Exhibition held in Brunei Darussalam on 18–20 January 2005 wish to thank Her Royal Highness Princess Hajah Masna, the former Prime Minister of Malaysia Tun Dr Mahathir Mohamad, the Permanent Secretary at the Prime Minister's Office of Brunei Darussalam Pg Dato Paduka Haji Abd Hamid bin Pg Hj Mohd Yassin, all esteemed speakers at the convention, chairpersons, supporting agencies, committee members and individuals, voluntary helpers, the rapporteurs from Singapore's Institute of Southeast Asian Studies and the University of Brunei Darussalam, and all others involved in making the milestone convention a reality and for helping to spread the many vibrant ideas aired there through this printed volume.

Special thanks to our Platinum sponsors Brunei Shell Petroleum Co., Brunei BLNG, and Brunei Shell Marketing; our Gold sponsors Citineon Brunei, TED Sdn. Bhd., and The Centrepoint Hotel; our Silver sponsors BAG Network & Accenture, Digi-Page, Radio Television Brunei (as our official broadcaster) and Sin Hup Huat Co; our Bronze sponsors Mitsubishi Corporation, IBB, IDBB, BearingPoint, Asia Insurance, PSA Muara, Archipelago Group, Brunei Press, Royal Brunei Catering, Interhouse Co., Anthony Tours, Hotmart and Galfer; our supporting agencies ASEAN Secretariat (based in Jakarta), Asia-Europe Foundation (based in Singapore), Brunei Economic Development Board, Institute of Southeast Asian Studies (Singapore), Malaysian Institute of Management, and Singapore Human Resource Institute, and various other organizations and individuals who have given us their support and encouragement. We also acknowledge the efforts and cooperation of our co-partner, Specialist Management Resource of Malaysia and exhibition manager Transpower Group.

# Introduction

Learning is an ongoing process, and in these times learning must involve networking beyond national boundaries. With that in mind, the ASEAN-EC Management Centre (AEMC) decided to optimize its contacts within the region's HR community in order to manage a convention that would leave deep and lasting impressions on all involved. This was how the initiative to organize the ASEAN-EC International HRD Convention & Exhibition held on 18–20 January 2005 came about.

There is much we can learn from one another. Being introduced to a variety of perspectives within a single context can often inspire. Our adopted views are then necessarily challenged and their limitations made obvious.

The three-day event was an instructive one where delegates learned from others as much as they taught them. The fact that Her Royal Highness Paduka Seri Pengiran Anak Puteri Hajah Masna consented to officiate at the convention and that Tun Dr Mahathir Mohamad, the former Prime Minister of Malaysia, agreed to deliver the main keynote address were ample proof of how vital the subject of human resource development (HRD) is now considered to be even by statesmen. The conditions for doing business can no longer be considered apart from the challenges of nation building.

A warm word of gratitude must go to the Permanent Secretary at the Prime Minister's Office Brunei Darussalam, Pg Dato Paduka Haji Abd Hamid bin Pg Hj Mohd Yassin, for his continued support and advice. Without his persistence, the convention would not have been possible.

Besides Tun Dr Mahathir, seven other speakers delivered keynote papers, including the Minister of Education of Brunei Darussalam, the Honourable Pehin Dato Haji Abdul Aziz, who spoke on the need for continuous learning in order to remain competitive in a world overwhelmed by technological advancement and change. The common message given by all other keynote speakers — Günther Stahl, David Scruggs, Roberto F. de Ocampo, Dr Palan, David Cory and Christopher Mills — was *the vital importance of HRD in the New Economy*.

The three-day convention was designed to encourage dynamic interaction and brainstorming through discussions and networking sessions. This gave practical meaning to what most delegates intended to realize from the gathering, namely learning to achieve organizational growth by developing skills for handling change and challenge.

We hope that this volume will provide guidelines for HRD practitioners throughout the world and exert a significant and positive impact on future trends of thought in the field. This book is a humble attempt to raise HRD to a new level. We are after all merely a part of a much larger process — a process of learning, growing and creating. These proceedings should be able to serve as a handy, quick and useful reference for reflections on some major issues in HR facing not only Brunei Darussalam, but also other countries in the world.

The publication of this book would not have been possible without the assistance of our team of rapporteurs recruited from among lecturers at the University of Brunei Darussalam and researchers from the Institute of Southeast Asia Studies (ISEAS) Singapore, headed by Dr Ooi Kee Beng (ISEAS).

What was special about the convention was that it attempted to set trends in the field of HRD, rather than follow trends. Some of the distinguished speakers at the convention are renowned for breaking new ground both in state governance and in business management and were carefully chosen by us for their proven expertise.

The three days of discussions were more than just another event in the world of conferencing. The convention must be understood as part of a much larger process of *learning, teaching, adaptation and innovation*. We must all remember one thing. After all the talks and discussions — and the reading — must come ACTION, if everything we have done is to mean anything.

Let me quote Ali Sidikin of Indonesia: *Manusia tanpa cita-cita adalah mati, cita-cita tanpa kerja hanyalah mimpi* (An individual without ambition lacks life, having ambition without acting on it is but daydreaming).

The issues raised at the convention and in this book must be allowed to grow within the listener and the reader. Change has been the most commonly used term throughout the convention. My humble understanding is that we must change ourselves before we can change others.

*Abdul Ghani Pg Hj Metusin*