Challenges and possible solutions to expanding trade in ICT products

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Income Migration: Malaysian Experiences

1980 GNI per capita: RM1820
1980 Household Income: RM692

1995 GNI per capita: RM5406
1995 Household Income: RM2020

2007 GNI per capita: RM17,747
2007 Household Income: RM3,686

Until late 70s
Infrastructure, Capital, Factory, Technical Skills and Semi-skilled Workforce
Land, labour and low skills

Until mid 90s
Info-structure (ICT), science, R&D, knowledge capital, innovation skills, XY Generations, entrepreneurship and globalization

By 2020
HIGH INCOME – INNOVATION DRIVEN ECONOMY

LOW INCOME – FACTOR DRIVEN ECONOMY
MIDDLE INCOME – INVESTMENT DRIVEN ECONOMY
Innovation Strategy: ICT Enabled

High Income Drivers

High Value Innovation

High Value & Creativity

High Technology and Modern Services

Keynote address by PM Datuk Seri Najib Razak at Invest Malaysia Kuala Lumpur
"Offshore" Service Adoption Curves

Country Maturity in Global Delivery

IT Services

Business Risk to Customers

BPO

Complexity of Service Requirements

Low

High

Low

High

India

Philippines

Malaysia

Singapore

Philippines

Malaysia

India

Host-based Services

Convergence

Platform-Based BPO

Direction of adoption

Direction of adoption

Low

High

Low

High

• Technical support

• Systems Integration, Packaged Implementation

• Technical Consulting

• Remote Infrastructure Management (Outsourcing: Desktop, Data Center, Networks)

• “On-site” Infrastructure Managed Svc (Outsourcing)

• Business Consulting

• Multi-Tower Outsourcing (Combining BPO with ITO)

• Multi-Functional Outsourcing (e.g. Horizontal: HR, Customer Care, F&A, procurement; Vertical: Banking, Telecom, Healthcare)

• Functional Outsourcing (e.g. Horizontal: HR, Customer Care, F&A, procurement; Vertical: Banking, Telecom, Healthcare)

• Data Processing Services (e.g. Claims, Check)

• Document Management

• Business Consulting

• BPM (Business process management; horizontal: process, vertical: Finance, IT)

• ADM (application development and maintenance)

• Analytics/KPO/R &D/Engineering

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• Document Management
Transition Curve

Cope  Adapt  Exploit  Create

Ending  Transition/Exploratory  Beginning
Broadening Our Perspective on Change

- The March of Progress
- The Major Cause of Change
- Globalization
- The Changing Nature of Work
- A Return to Our Roots: From Rights to Responsibilities
- Accelerating Change
- The Time Crunch
This Is How It Is During Radical Change

• “Liking” the Change is Beside the Point

• Doing Things Outside Your Comfort Zone and Skills is Necessary

• The Organization is Not Responsible for What’s Happening in the World at Large

• The Speed of Change will Get Even Faster ... and Old Work Habits Won’t Work
Radical Predictions

“I think there is a world market for about five computers.”
...Thomas J. Watson, Chairman of IBM, 1943

“The odds are now that the United States will not be able to honor the 1970 manned-lunar-landing date set by Mr. Kennedy.”
...New Scientist, April 30, 1964

“Who the hell wants to hear actors talk?”
...Harry Warner, Warner Brothers Pictures, 1927

“It is an idle dream to imagine that...automobiles will take the place of railways in the long distance movements of...passengers.”
...American Road Congress, 1913

“There is no likelihood man can ever tap the power of the atom.”
...Robert Millikan, Nobel Prize winner in Physics, 1920

“There is no reason for any individual to have a computer in his home.”
...Ken Olsen, Pres. of Digital Equipment Corporation, 1970
### Radical Predictions for the Future World of Work

**TECHNOLOGY:**
- How will technology advances affect our organization?
- What jobs will/won’t exist?

**INFORMATION:**
- What new information will be available?
- How will increased information affect your organization? Your job? You?

**PEOPLE:**
- What will people be paid to do?
- Who will our competition be?
- Who will our customers be?
New Work Habits for a Radically Changing World

- Become a Quick-Change Artist
- Commit Fully to Your Job
- Speed Up
- Accept Ambiguity and Uncertainty
- Behave Like You’re in Business for Yourself
- Stay in School
- Hold Yourself Accountable for Outcomes
- Add Value
- See Yourself as a Service Center
- Manage Your Own Morale
- Practice Kaizen
- Be a Fixer, Not a Finger-Pointer
- Alter Your Expectations
ITA expansion

• Supports for new round of ITA negotiations

• Urges non-signatories members to join ITA agreement

Thank you