Zeti Akhtar Aziz: Advancing women’s leadership in public life

Speech by Dr Zeti Akhtar Aziz, Governor of the Central Bank of Malaysia, at the Women in Leadership Forum “Power sharing in the public sector”, Kuala Lumpur; 22 February 2011.

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Introduction

In this twenty-first century, it is human capital rather than physical capital that will define performance and progress. Women represent half of the world population and therefore half the potential resource that can drive such performance. This is reinforced by the more recent trend that increasingly, the majority of those with college education are women. Increasingly therefore, this group represents a more significant resource potential that can rise to leadership positions. In emerging economies, where such high powered talent is scarce, gender has not been of an issue. Women have risen to leadership positions based on their merits and capabilities.

Women in Malaysia have certainly made significant strides in their participation in all segments of the Malaysian economy and have demonstrated their ability to lead and to succeed in both the public and private sectors. It is my honour to be here today to speak at this Women in Leadership Forum on the topic on “Advancing Women’s Leadership in Public Life: Power Sharing in the Public Sector”. In Asia, in particular, women have risen to key positions and have been given the opportunity to contribute to the nation’s progress and development. In an age of greater demands for performance and in an environment of increased scrutiny and transparency, the transition to such leadership positions has not been based on gender. Indeed, it is based on the capability as administrators, policy makers and thought leaders. Power sharing is therefore the shared power to contribute to the nation rather than on the power that is wielded. My presentation today will therefore start on the role of the public sector and its accountabilities before discussing women and leadership in the public sector, its challenges and some strategies for success.

Accountabilities of the public sector

The role and accountabilities of the public sector differs markedly from the private sector. Unlike in the private sector, financial measures are generally not the indicator of the performance of agencies in the public sector. In addition, actions taken by the public sector have far reaching implications on the economic well being of the public at large and entire spectrum of businesses. Such actions may even have implications on other countries given the greater international interdependence that prevails in the current environment. The responsibility and accountability is therefore immense. History has shown that mismanagement can greatly damage a nation resulting in high costs to the people of the country. In contrast, well managed nations have brought great prosperity to its people.

Being in the public sector is all about bringing value and benefits to its citizens. Such benefits can include improved housing, education, health and transportation. It could also include eradication of poverty, reduction in crime and environmental sustainability. In the current environment of greater transparency and enhanced communication channels, there is now greater awareness of the prevailing circumstances. This has produced high expectations. It has also reduced tolerance for inefficiency, poor performance, irregular practices and non-delivery of the results. The expectations are for a public sector that best serves its nation and that delivers the expected results in the most effective and efficient manner.

Similar to the private sector, the public sector is confronted with a dynamic environment of rapid change. Approaches that have produced previous successes may now have become no longer relevant. In these situations, previous skills and capabilities will no longer be adequate. In addition, it will be the cumulative efforts of all parts of the public sector that will
produce the results. It will no longer depend on a specific part of the system but on several parts of the system. Previous arrangements will therefore become no longer effective. New challenges that have become more complex will require new tools and systems to solve them. The organisation will thus need to be transformed to meet the changing requirements of the new environment.

To contribute to a nation’s progress and development, therefore, demands for the ability to manage these new challenges. The role of the leadership in the public sector has thus changed significantly. Successful nations are those that have accorded priority to its human capital and to organisational review and transformation. Given the scarce high-powered human capital, there are tremendous opportunities for women with the capabilities to take on leadership responsibilities in the public sector and thus contribute towards achieving the greater well being of the population.

**Advancing women's leadership in the public sector**

As an important component of the human capital resources women are increasingly becoming a growing force in the talent pool. To advance forward to leadership positions requires the investment in leadership development. While there are several common threads in leadership in both the private and public sectors, there are some specific leadership characteristics that are important for the public sector.

Firstly, it involves having great clarity of the vision – of the objective that needs to be achieved by the organisation and the results that needs to be delivered. Unlike in the private sector, this is not measured in terms of financial results. Frequently this may be difficult to measure in quantitative terms. Nevertheless, it is vital so that the resources and energies of the organisation can be aligned to achieving the results. Equally important, it allows the organisation to stay focussed, to stay on course when there are a multitude of pressures that may disrupt or distract the organisation by different stakeholders that have different perceptions and expectations on the organisation.

Secondly, is having the ability to articulate this vision with others in the organisation and also with those that will be affected by the actions taken by the organisation. This is to ensure that the energies of the workforce will be channelled to achieving the strategic results required. Very often, the shared vision with those that are affected by the actions of the organisation also allows for the combined efforts to be mutually reinforcing.

Thirdly, and importantly is knowing and understanding the business and the key elements that drive the organisation. Knowing how the system works and how the objectives might be realised. This involves having the knowledge, the skills, the information, the methodologies and the organisational structures needed to deliver the results. This is important so that the ideas can be translated into results.

Fourth, given the nature of the business of the public sector and the diverse stakeholders involved, leadership in the sector requires coordination and integration skills that is able to pull together diverse thinking and diverse information and the ability to integrate the different perspectives into a solution that produces the desired outcomes. This will also involve coordination skills required to bring together not only the different parts of the organisation but also other organisations in the public sector that can contribute to achieving the desired results.

Fifth, it involves managing trade-offs. Frequently, actions that need to be taken involve different implications on different target groups. This may involve interests that are conflicting. This will therefore involve balancing the trade-offs and managing the risks to the different interests of the different segments of society.

Sixth, is a skill that is increasingly important in the current environment. It is the management of crisis. Unlike previously, when conditions were relatively stable, the current environment is
frequently plagued by crisis. During such times of distress and instability, the public sector is at the forefront in providing a response, in providing a solution to the crisis. In making decisions, during such times, any delays, inaction or wrong policies can produce widespread damage to the entire country.

Seventh, is the ability to effectively manage under intense pressures. Such pressures can emanate from the high expectations of the different stakeholders, the crisis conditions or from the failure of other parts of the public sector that have implications on your performance. However, being strategically focussed and having the ability to stay on course avoids being derailed by such pressures.

Eighth, is then courage and bravery to undertake the responsibilities. At the extreme it requires having nerves of steel. This is to enable sound decisions at the time of high level of distress and ensures that the organisation remains calm and cohesive during such times.

Ninth, is having the drive and unwavering perseverance to pursue the vision. The agenda of public sector which is to ultimately improve the well being of its citizens is a long haul business which therefore requires perseverance. It often requires several pre-conditions to be in place, it requires having the enabling environment and the different parts of the public sector to come together to act cumulatively to deliver the results. Frequently, this synchronisation does not happen. Strong convictions on the cause, reinforced by the capabilities and supported by the perseverance increases the potential to produce results that makes the difference.

Finally, and most importantly is the ability for continuous reinvention. The changing environment is more globalised, more competitive, more uncertain and ambiguous, more technologically driven, more prone to crisis, and is subject to greater scrutiny and demands for greater transparency. This more difficult operating environment demands new skills and abilities to manage these new challenges. Indeed, the role of leadership is dynamic and has changed considerably. Reinvention is to support the ability to creatively respond to change.

**Building effective organisations**

To strengthen our ability to manage the new challenges arising from the changed environment, equally important is building effective organisations with the capabilities that will deliver results. This will involve organisational reviews and the continuously modernising of the organisation so that it can continue to best serve the nation. Such endeavour will require periodic environmental scans and envisioning to revalidate the strategic thrust of the organisation. Modernisation efforts then need to be supported by a blueprint of the strategic steps and initiatives that need to be taken. Women that have the capability must be brought in at the leadership levels to participate in this process. To increase opportunities for women would require opportunities for education and for the acquisition of experience and exposure. After formal education, it is experience and expertise gained from coaching and mentoring that will further enhance an individual’s contribution to organisational effectiveness.

In a modernised organisation, the performance management process demands the highest level of excellence and the ability to produce the desired results within the specified time frame. Transformed organisations involve a shift from task based activities to becoming result oriented with clear focus on the mandate and the key performance indicators. To incentivise such a performance driven organisation, recognition of performance and the reward system in place needs to be highly differentiated. For many countries this is yet to be put in place.

The organisational transformation also needs to place value on life-long learning, knowledge management and opportunities for greater work life balance. Opportunities for learning are vital for capability development. Finally, new governance structures also are keys to ensure the rigour of how decisions are made in the organisation and that there are sufficient checks.
and balances to ensure the best decisions are made and the highest level of credibility and integrity are achieved.

**Challenges**
While the opportunities are immense for women in the public sector, yet few rise to leadership positions. While there is still a glass ceiling, as we advance forward into the future, the foundations are already in place for women to advance forward into leadership positions. The challenge is to recognise continuous reinvention that is needed – to acquire new knowledge, new skills, new experience so as to be able to have the new capabilities to deal with the new challenges.

For a woman who is a mother, wife and daughter, the sacrifice involved is great. The challenge will be to achieve a balance so that work performance is not being adhered at all cost. Support systems at the work place and at home is vital. Equally important is time management, stress management and people management. Finally, more so in the public sector – as the pressures come from several fronts given the far reaching and wide spread implications of the actions taken, leadership positions require a high level of courage and endurance. Having strategic focus and energies aligned to achieving the results reinforces the ability to cope under such pressures.

**Conclusion**
Let me conclude my remarks. The demands that leadership in the public sector entails is immense. Such leadership is about delivering results and making a difference in the lives of others. To achieve this, there needs to be a conscious need to reinvent ourselves to be able to rise to the imperatives of duty to the nation. This reinvention involves leadership, institutional and organisational capabilities to respond to the changes in the environment. It is with these transformations that we are set to successfully lead.

While women are a growing force in the talent pool, the real power will be a shared power. It will be women and men working together leveraging on each others comparative strengths, experience and knowledge that will allow us to make the difference that best suits our circumstances and that is able to bring us to the best level of performance and progress.