

# **Landscape – Catalysing GLC Transformation to Advance Malaysia's Development**

2007 Asian Roundtable on Corporate Governance

Cebu, Philippines, 18-20 April 2007











#### TMO SUPPORTS THE PUTRAJAYA COMMITTEE FOR GLC HIGH PERFORMANCE (PCG)

- · Provide input as needed
- Share learnings and best practices across organisations

#### **PCG**

- YB MK II (Chairman)
- PMO representative
- GLIC CEOs/MDs

Meet regularly to:

- Provide guidance
- Review progress
- Help resolve road-blocks

**GLC** Roundtable

- Oversee and coordinate activities of Team
- Ensure overall quality and timeliness of **Program** deliverables

#### **Joint-Working Team (JWT)**

Secretariat: Khazanah **Transformation Management Office** (TMO)

**GLIC** representatives (EPF, PNB, LTH, LTAT)

**Consultants for** Specific Initiatives, e.g.:

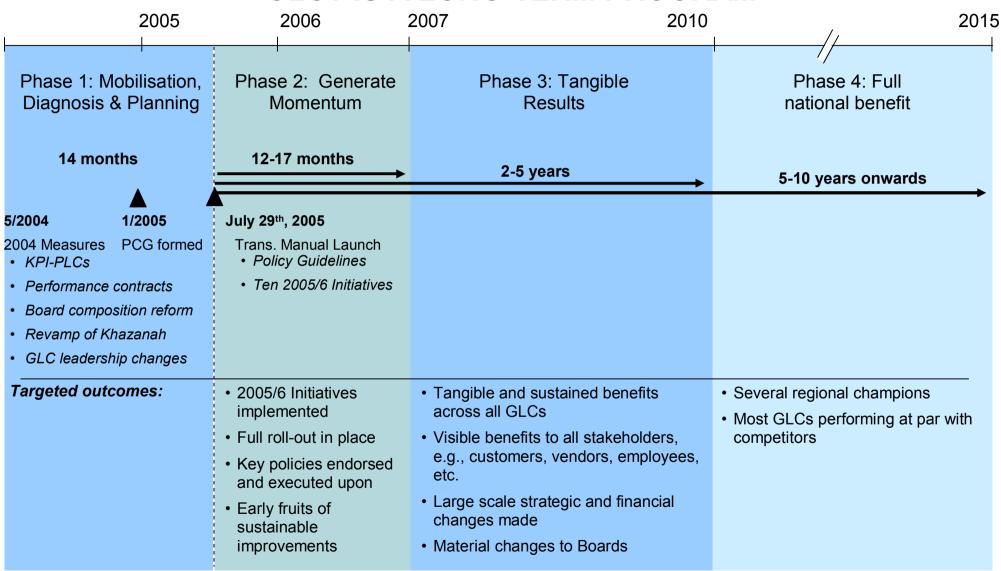
- McKinsey & Co
- The Boston **Consulting Group**
- Ethos Consulting

Support Secretariat:

- International best practice perspectives
- Analytical support
- Drive specific initiatives

- Represent views of different GLICs
- Support development and rollout of Program

#### **GLCT IS A LONG-TERM PROGRAM**



Source: **GLC Transformation Manual** 

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#### **GLCT POLICY THRUSTS**

#### **Underlying Principles of GLCT:**

- National development foundation
- Performance focus
- Governance, shareholder value and stakeholder management

Policy Thrust 1: Clarify the GLC mandate in the context of national development Policy Thrust 2: Upgrade the effectiveness of Boards and reinforce the corporate governance of GLCs Policy Thrust 3: Enhance GLIC capabilities as professional shareholders Policy Thrust 4:
Adopt best
practices within
GLCs

Supported by ten overarching themes of initiatives

#### **Policy Thrust 5:**

Implementing the GLC Transformation Program



### www.pcg.gov.my

#### 10 OVERARCHING THEMES OF THE INITIATIVES

Initiative		Description
1	Enhance Board effectiveness	'Green Book' on enhancing Board effectiveness through revamping Board practices and processes (based on pilot).
2	Strengthen Directors capabilities	Director Academy to be established. Strategies for sourcing effective Directors currently being developed.
3	Enhance GLIC Monitoring and Management functions	Learnings from pilot GLIC to enhance the processes and capabilities of its M&M function and establish 'Nominee Director Term Sheets.'
4	Improve regulatory environment	Guidelines to assist GLCs build regulatory capabilities and the development of a Regulatory Knowledge Network involving relevant GLICs and GLCs.
5	Clarify social obligations	'Silver Book' with Guidelines to assist GLCs in clarifying and quantifying their social obligations based on 2 pilots.
6	Review and revamp procurement	'Red Book' to provide best practices, clarification on government policies and the role of GLCs in developing local suppliers.
7	Optimise capital management practices	'Purple Book' with Guidelines for GLCs to optimise capital management.
8	Manage and develop leaders and other human capital	'Orange Book' to provide guidance to GLCs to develop programs to identify, cultivate and develop leaders and other human capital.
9	Intensify performance management practices	'Blue Book' Version 2.0 launched. Other initiatives to driver performance, such as Headline KPIs, implementation of EVA/VBM to be developed.
10	Enhance operational improvement	'Yellow Book' with guidelines on managing non-core assets, and 'Brown Book' on customer charters, as examples of Initiatives to drive operational improvement and value creation at
Source:	GLC Transformation Manual	GLCs

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## GLC TRANSFORMATION PROGRESS, EXCERPT FROM GLCT PROGRESS REVIEW, INVEST MALAYSIA

