



COUNTRY PAPER FOR

**MULTI-COUNTRY STUDY MISSION ON PUBLIC SECTOR
PRODUCTIVITY ENHANCEMENT**

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MULTI-COUNTRY STUDY MISSION ON PUBLIC SECTOR PRODUCTIVITY ENHANCEMENT

A. INTRODUCTION

The common national vision (known as Vision 2020) of attaining the status of a fully developed nation by the year 2020 has proven to be the prime mover for the reform efforts in the Malaysian Civil Service undertaken by the Government. The main thrust of the reform efforts is to transform the Civil Service into one which has a strong customer orientation, imbued with the ethos of quality and productivity, global in character and with strong underpinnings in ethics and values. Since then, the Civil Service doubled its efforts to institutionalize a culture of excellence in the delivery of services. Thus, enhance the productivity improvements efforts.

B. THE IMPROVEMENT EFFORTS IN THE PUBLIC SECTOR

2. The improvement efforts in Malaysia started in the late 1980s. Since then, a number of key improvement efforts have been introduced to meet the expectation of the country's leadership and the challenges of globalization. These programs are based on the following strategies and philosophy, namely:

- (a) the provision of customer oriented services** - Customer satisfaction has become the focal point of all the Civil Service operations. The standards of service are stipulated in line with customer expectations of efficient, fast, friendly, reliable and timely.
- (b) improvements to systems and procedures** - Measures for improving systems and work procedures focused on the following efforts such as enhancing management systems, use of forms and transparency in decision making, improvement of records management systems, enhancing office automation, improvements to the system of managing development projects and efforts to develop a paper-less civil service.
- (c) greater use of information technology** - The government continued to intensify its efforts in strengthening information technology infrastructures in education, social and support sector, administrative and finance sector, trade and industry sector, land and agriculture and states and local governments sector. The greater use of information technology has become the major flagship application of the Multimedia Super Corridor (MSC).
- (d) strengthening relationships with the private sector** - In recognition of the importance of the private sector's contribution to

economic growth and national development, the public sector continued to focus on creating an environment supports and facilitates the private sector in playing a more effective role as the engine of growth for the economy by strengthening cooperation with the private sector, streamlining regulations and procedures and more extensive information dissemination.

(e) improvement to organizational structures and human

resource management - Rightsizing and restructuring of the civil service for maximum growth was the focus to improve productivity. Privatization policy was introduced as a strategy to overcome the slow economic growth resulting from the global economic slow down in 1983. It was later enhanced with the introduction of the Privatization Master Plan in 1991. An effective human resource management has been enhanced to upgrade the levels of knowledge and skill of personnel at all levels, to build expertise and specialization through long-term courses at the Certificates, Diploma, Degree and Doctorate levels.

(f) enhancing accountability and discipline - The prime concern

of the Government was to introduce programs aimed at instilling accountability and discipline among public sector employees. The strategies taken are improving financial management, enhancing

performance measurement; strengthening the management of public complaints and improving the management of conduct and discipline.

(g) enculturation of the values of excellence - The success of reform efforts in the public sector is dependent on the receptiveness of the civil servants towards the change efforts. The enculturation process were introduced through assimilation of positive values, extending the inspectorate system and consolidating the system of recognition.

3. The success of the Malaysian Civil Service in implementing administrative improvement programs even in times of crisis is due to the commitment shown by its members at all levels as well as the firm measures taken by the Government to strengthen the administrative machinery at federal, states and districts. To ensure the systematic and effective implementation of the improvement programs, clear guidelines in the form of Development Administration Circulars (DAC) and other circulars were issued. These circulars explained the concept and rationale behind each program, its mode of implementation together with appropriate examples. The seriousness of the Government in undertaking the improvement efforts are explained in these guidelines, namely (to name a few):

- Guidelines on the Strategies For Quality Improvement in the Public Sector;
- Guidelines on the Improvement in the Public Sector;

- Guidelines on Quality Control Circles (QCC) in the Public Sector;
- Guidelines for the Improvement of the Quality of Counter Services;
- Guidelines on Total Quality Management in the Public Sector;
- Guidelines on the Implementation of MS ISO 9000 in the Public Sector;
- Guidelines on Managing Public Complaints;
- Guidelines on Morning Prayers;
- Guidelines on Clients Charter;
- Guidelines on Use of Information In Application Forms and specific Criteria in Decision Making; and
- Guidelines on the Establishment of Key Performance Indicators (KPI).

4. To date, there are 29 DAC ever introduced by the Government since its first introduced in 1991. The implementation of each of these improvement programs was closely monitored to ensure that it was clearly understood and duly implemented by all officers and staff involved. This emanated from strategic actions to infuse understanding and to develop consensus through discussions and forums. The Panel on Administrative Improvements to Civil Service (PANEL) is the prime mover in generating new ideas and ensuring continuity and effective implementation. Improvement programs generated by the PANEL were discussed at various high level public sector management committees, namely:

- (a) The Meeting of States Chief Ministers;
- (b) The Meeting of Secretary Generals, Head of Services and State Secretaries;
- (c) The Meeting of Heads of Federal Departments; and
- (d) The Meeting of Chief Executives of Federal Statutory Bodies.

5. In fact, with the present Government, improving and upgrading service delivery systems were often being discussed at the Cabinet Meetings. The process of follow-up and follow-through was implemented through visits by the Special Inspectorate Teams undertake by the Malaysian Administrative Modernization and Planning Unit (MAMPU), Prime Minister's Department.

C. THE REFORM CHALLENGE IN THE PUBLIC SECTOR IMPROVEMENT EFFORTS

6. The reform programs introduced were designed in response to various challenges, both global and domestic, which impacted on organizational structures, processes and personnel. These challenges which provided the pressures for reform and continue to guide the strategies adopted by the Civil Service, are:

- (a) sustaining high economic growth** – the major role of the Civil Service demands them to ensure the best value for money in the utilization of resources, fiscal prudence and discipline, curtailing non-productive expenditures and redefining the size of the Civil Service to

eliminate unnecessary duplication towards reducing the financial burden of the Civil Service operations. At the same time, its role in promoting human capital through education, training and retraining will need to be enhanced to support the nation's capability in moving towards achieving a Vision 2020.

(b) impact of globalization – the impact of globalization will intensify the role of Civil Service. Various initiatives have been implemented to improve the service delivery and quality of services to further enhance Malaysia competitive edge in the global market. Clearer guidelines, procedures and appropriate legal and regulatory parameters for the conduct of business internationally, assistance to venture into new markets overseas and create opportunities for domestic products and services and speedier decision making to increase the country's international trade competitiveness in the global market.

(c) advances in information technologies - Information technology (IT) demands the Civil Service to play the leading role towards improving efficiency and effectiveness for better service delivery. Computers and telecommunication facilities were shared and network linking Government Departments in all geographical areas with hubs in major cities and towns.

(d) demands for greater accountability - accountability in the Civil Service means being answerable to the public, its clients, stakeholders and political authorities in line with the dictates of relevant laws and regulations.

(e) closer public-private sector – The Government has introduced the Malaysia Incorporated Policy in 1983 to strengthen and foster closer collaboration and cooperation between public and private sector. Consultative Committees established in ministries and department at the federal, state and district levels which provide the forum for senior Government officials and private sector representatives to exchange views and deliberate action to ensure greater efficiency and more timely provision of services to the private sector. So as to attract more investors to the country.

D. CONCLUSION

7. The Government will continue to strive towards providing a more efficient and effective administration in its quest for excellence in the delivery of services. Apart from implementing Total Quality Management, Quality Control Circle, ISO 9000 series, benchmarking and best practices, paper-less environment office, e-

Government, performance management and so on, the probable challenge that need special focus is to strive for continuous improvement.

8. Since the Malaysian Civil Service has successfully implementing the quality management system in most of their processes in the Government businesses, therefore equally important, there must be a drive to foster the efforts on the implementation of e-Government. While the modernization efforts to-date had shown significant efficiency and productivity gains, it was evident that the demands of the day required a paradigm shift within the public sector. e-Government offers fundamental transformation from a bureaucracy-centered Government to one that is citizen-centered. Thus, the road towards the implementation of further improvement or enhancement of quality and productivity however, is full of challenges.

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