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Tajuk : "ADMINISTRATIVE REFORMS IN THE CONTEXT OF MALAYSIA INCORPORATED"  
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I would like to brief you on the recent administrative reforms introduced in the Public Service as a direct and positive response towards the Malaysia Incorporated Policy.

The Malaysia Incorporated Policy envisages a system of co-operation between the government and private sector.

The binding factor for co-operation is when both parties are fully convinced that working together to achieve a common objective benefits the individual, the company and the nation.

To begin with, the perspective of co-operation can be better appreciated when both sectors acknowledge their respective domains and areas of mutual benefits. This can only be done by seeking to understand and appreciate each other's role, the policies, rules, regulations and procedures which govern their operations. Through constant contact and consultative actions, both parties would understand each other's problems and sensitivities, develop mutual trust, good rapport and eventually make changes to meet each other's needs.

Consultative Panels set up at Ministries, Departments, State Administrations and District Offices have produced significant results. However, I must stress that we must now strive to move from consultative to cooperative behaviour. I sincerely believe that cooperative actions would bring about better and faster results for the nation.

At one point, the notion of providing timely, accurate, reliable and trustworthy support services to satisfy customers, to be flexible and pragmatic in the implementation of policies and programmes and to be willing to listen to feedback and constructive ideas from customers was relatively new to the Public Service. The question then was: "Are the public sector agencies, characterized by vertical hierarchy, policies, rules and regulations, routine procedures and more so by their ingrained value system, able to meet the demand for providing quality services?" I would like to elaborate on a number of administrative reforms introduced recently to strengthen the Public Service and to enable it to play its role effectively in support of Malaysia Incorporated.

Strengthening the Structural Mechanism For Interaction To promote public-private sector collaboration and cooperation, Consultative Panels were established in each ministry and department at the federal, state and district levels. The Panel is chaired by the respective Secretary-General, Director General, State Secretary, District Officer with membership comprising representatives from both the public and private sectors. Its terms of reference include streamlining rules, regulations and procedures related to the activities of the private sector, preparation of guidebooks to facilitate understanding of rules, regulations and procedures, determining criteria for making transparent decisions to reduce discretionary power and the timely delivery of government services to the private sector.

From the feedback I received, all Ministries and Departments at the Federal level have established Consultative Panels. Through discussions at these Panels, numerous administrative improvements have been made. For example, the standardization of documents like Customs Form 3, 8 and 9 and three Banking documents by the National Trade Facilitation Committee; temporary exemption of import duties on cement to solve the shortage of supply to housing developers by the Ministry of Domestic Trade and Consumer Affairs; and the simplification of control documentation for Licensed Manufacturer's Godown by the Customs Department.

Quality Management The Total Quality Management (TQM) program was introduced in 1992. TQM as a management philosophy emphasises employee participation at all levels, the importance of customer satisfaction and continuous improvement. The objective of TQM is to achieve organizational excellence.

Employees working in teams could examine whether the current management policies, practices, rules and regulations, procedures and culture support the organization's effort to achieve quality.

**Internalizing New Values** With the stress on productivity and quality, there is a need to inculcate new values to the public sector such as treating the general public and the private sector as clients or customers, timeliness, meeting targets, work norms, doing it right the first time, defect free, cost consciousness, innovativeness, empowerment, flexibility, accountability, integrity, honesty and discipline.

Internalizing new values into public employees would certainly lead to a change in organizational behaviour that is required alongside administrative reforms.

**Public Sector Processes and Work Norms** Understanding the private sector's need for quality services, public sector agencies via its 'Quality Control Circles' or 'Quality Assurance Teams' would have to analyse the processes of their key operations. As outcomes of these analysis, process flow charts are shown indicating the various steps that are to be taken, the personnel responsible for each step, the time needed for each step and most important of all, the time taken for job completion.

The process flow charts are openly displayed so that customers know exactly when an application would be completed. At the same time, public sector managers would use these as standards for measuring organizational performance.

The purpose of having Quality Control Circles or work teams in the setting of work norms are to create a sense of ownership; to make the work norms realistic, motivating and achievable; to recognise the need for team work in achieving these norms and most important, to acknowledge work norms as a yardstick for performance measurement. Work norms are converted to open promises of quality service, for example to collect rubbish in a certain area on every alternate day, to register a car in two days etc. In this way, customers know what to expect from the public service.

**Innovations** The pursuit of excellence as an ongoing process can only flourish in an environment which actively supports and promotes such a process. The Public Service which promotes TQM, Quality Control Circles, presents Quality Awards to organizations which are adjudged to have implemented quality concepts, Innovation Awards for practical and productive innovations and rewards for excellent service presents and environment for the continual search for excellence.

In 1990, innovations such as the introduction of composite application forms for licences and permits and issue of composite licences were implemented to simplify and expedite the process for approval and issue of licences and permits. Recent innovations such as the introduction of a standard format for Environmental Impact Assessment (EIA) reports, a checklist to assist EIA consultants in preparing EIA reports, and the setting up of a panel of EIA professionals to assist in the evaluation of EIA reports were introduced. These innovations are aimed at overcoming the delay in the evaluation of EIA reports by the Public Service and would certainly help to speed up development projects.

**Counter Service** To the general public, much of the image of the Public Service is projected through the quality of its counter services. A number of measures have been implemented to upgrade the quality of counter services. These include improvements in the filing and documentation systems, streamlining correspondence procedures as well as improvements to form design, such as rationalizing the customs declaration forms, police report forms and the immigration cards.

Another area of counter service that is rigorously pursued is the introduction of the One-Stop Centres for payment of utility bills. Currently there are 1,298 such centres set up for the convenience of the public. These centres allow members of the public to settle their utility bills at any of the collection centres of the participating agencies. In addition, there are a total of 155 service centres. These service centres provide various services such as stamping, attestation of documents and renewal of driving licences under one roof. These innovations have made such government services significantly more accessible to the general public.

The concept of one-stop centres was extended to the setting up of Centres On Investment (COIs) to facilitate investors. Relevant agencies involved in the processing of licenses and permits were either housed under one roof or their activities coordinated by the COIs, thereby reducing the time taken by potential investors in obtaining the approvals for their businesses. Currently, there are nine COIs throughout the country either at the State Economic Planning Units or the State Economic Development Cooperation. The Malaysian Industrial Development Authority (MIDA) provides the coordinating function at the federal level. This integrated approach has increased the capacity of the relevant authorities to process a larger volume of applications within a shorter time. As an example, the Selangor Investment Centre has been able to facilitate and expedite approval for building plans within two months from the date of application.

Office Automation and Information Technology In recent years, the rate of office automation and computerization of the public sector has increased rapidly. Under the office automation programme, the use of equipment for expediting work processes, enhancing quality of output and upgrading the safety and comfort of personnel was actively promoted.

A major development in 1991 is the development of the Electronic Data Interchange (EDI), which is a computer-to-computer exchange of inter-company and intra-company business documents such as orders, invoices and technical documents in a standard format. When fully operational, this system is expected to reduce operational cost, increase efficiency and quality of business management.

Further Framework and Guidelines With Regard to Malaysia Incorporated The practice of Malaysia Incorporated should be on the basis of facilitating each other. The private sector should conduct relations with the civil servants within the framework of our rules, laws and regulations. The provision of quick and efficient service of the civil servants should not provide the opportunity for the private sector to "grease the palms" of the civil servants. In this context, I would like to inform you that many of the guidelines I have issued so far would help to create this relationship.

For example, in the field of sports, the guidelines provide for the civil servants to participate in sports and games activities with members of the private sector outside office hours, and when such activities are jointly organised, the government agencies concerned have to contribute to the expenses involved. With respect to seminars and workshops, the guidelines among others, provide for joint sponsorship of seminars and workshops that are relevant and beneficial to the agencies concerned, and officials who present papers and conduct particular seminar sessions are allowed to be paid within defined limits.

There are two further initiatives to be taken to put Malaysia Incorporated in the proper and correct conduct.

These initiatives are in the form of two publications, namely: (i) a book of guidelines to be used by the public particularly businessmen, to assist them in their dealings with government agencies. One of the causes that slow down the processing of application for permits and licences needed to operate a business is the lack of knowledge on the part of the business community on the various government policies, the relevant approving authorities, the various acts and legislations that have to be complied with, and the procedures involved. Thus this book will act as a reference to the businessmen. This reference book consists of various chapters covering among other things the following: (a) a synopsis of the government administrative machinery; (b) government policies on development and administration; (c) a profile of the Ministries and Departments - outlining the objectives and functions, and write-ups on the various section relevant to the business world; (d) procedures and requirements in establishing and operating an industry - the types of licences and permits needed, the forms used and documents required in applications of the licences and permits, the quantum and mode of payment and the processing time; and (e) relevant information on business and industrial organisations in the country.

(ii) a book entitled "Understanding The Public Servant" which would outline the rules, regulations and laws with regard to the discipline and conduct of civil servants. These rules, regulations and laws would be made transparent so that the private sector would know how to relate to civil servants in a proper and correct manner, and above board.

These two guidebooks will be launched on the 2nd, of June this year.

Citizen's Charter The Government has agreed to a 'Citizen's Charter' For Government Agencies to facilitate dealings directly with the public. The main problem in the response system related to public complaints is that there are no norms concerning time standards in determining the output and services of government agencies. It is very important that agencies/departments that handle the response system and public complaints to determine their norms of the time standard for every activity in the form of 'Citizen's Charter' to improve their services.

The 'Citizen's Charter' is a written commitment of the respective Government Agencies toward services given to their clients. It is an agreement of the agencies to provide services according to the quality and standard that has been agreed upon. All Agencies would announce their commitments and agreements for the knowledge of the public.

The 'Citizen's Charter' will give the following advantages: (i) to make it known to the public about certain expectations of a specific quality service; (ii) to make it easy for the public to assess the quality of services given; (iii) to reduce ambiguity toward the services given; (iv) to formulate specific performance indicators to make it easy for the Government Agencies concerned to evaluate themselves; (v) to enable comparisons to be made among agencies that provide similar services; and (vi) to improve discipline and accountability in Public Services. This would contribute toward a more transparent Public Service.