

Administrative Reform in Malaysia: Strategies for Promoting Efficiency and Productivity in the Public Service, 1981-1991

AHMAD ATORY BIN HUSSAIN

Fakulti Ekonomi Dan Pentadbiran
Universiti Malaya, 55100 Kuala Lumpur, Malaysia

Keywords: public administration, public management, administration, administrative reform, management science, development administration, reorganisation, administrative strategy, management strategy, public policy, administrative politics, politics and administration.

ABSTRAK

Artikel ini merupakan analisis-makro tentang pembaharuan perkhidmatan awam di Malaysia, meliputi tempoh sepuluh tahun antara 1981 hingga 1991. Pembaharuan ini telah disuarakan atas keperluan meningkatkan kecekapan, keberkesanan dan produktiviti untuk mempercepatkan pelaksanaan dasar pembangunan dan menyampaikannya kepada orang ramai. Ia memfokus pendapat pegawai-pegawai tinggi perkhidmatan awam tentang pembaharuan yang diperkenalkan dalam tempoh tersebut. Artikel ini merumuskan bahawa walaupun lebih usaha masih diperlukan, khususnya dalam menentukan sejauh mana program-program dan dasar-dasar berjaya mencapai matlamat, pembaharuan birokrasi yang dilaksanakan di Malaysia antara 1981 hingga 1991 secara umumnya berhasil dalam mengubah sikap kakitangan awam ke arah kecekapan, keberkesanan dan produktiviti.

ABSTRACT

This article is a macro-analysis of reform in the Malaysian civil service, covering the ten-year period between 1981 and 1991. These reforms were dictated by the need to increase efficiency, effectiveness and productivity in order to speed up the implementation of development policies and deliver the economic goods to the people. This article brings into focus the opinions of high-ranking civil servants about reforms initiated during this period. The article concludes that though more effort is still needed, especially in determining how close programmes and policies have come to achieving their target, bureaucratic reforms carried out in Malaysia between 1981 and 1991 have generally been successful in changing attitudes of civil servants towards the goals of efficiency, effectiveness and productivity.

INTRODUCTION

Definition

The concept of administrative reform means different things to different people. Caiden (1969) uses it to refer "... to all improvements in administration;... to general administrative overhauls in difficult circumstances;... to specific remedies for maladministration;... to any suggestion for better government;... and to intentions of self-styled administrative reformers..."

In this article, administrative reform is defined as "a systematic and integrated effort to bring about fundamental changes in public administration to enhance public administrative capability to achieve national development goals"

(Hanh 1970). This definition is designed to accommodate: (1) organizational improvements (both structural and procedural), and (2) improvements in the behaviour of civil servants.

In Malaysia, administrative reform was first initiated during the colonial period. At that time it was carried out in response to political changes in Malaya as a result of the British forward movement. When Malaya was formed in 1957, the country (Malaya and later Malaysia) inherited the British colonial administration. However, the organizational structure of the colonial government machinery was considered unsuitable for the aspirations of the newly independent state. Therefore, immediate action was taken by the Malayan government to reorganize its government machinery. Various measures were

introduced, including the Malayanization process, reorganization of the administrative machinery, restructuring of work in central agencies and ministries, and the establishment of the Public Service Commission. The reforms carried out in the early 1960s were mainly structural and procedural in nature. Furthermore, they also met with limited success as the pace of development was slow due to the limited resources available to the government then.

The period of restructuring extended from 1966 to 1981. The administrative reform based on the proposals of Montgomery-Esman of the United States then held the central role in the restructuring exercise. The creation of the Development Administration Unit (DAU) in 1966 represented a very important structural reform in administrative development in Malaysia. The main thrust of reform during the 1966-1981 period was towards increasing efficiency, productivity and development orientation, especially in land and district administrations. Rural development planning is another area which was heavily emphasized. In this way, reform became politicized. During the six-year period of Hussein Onn's administration (1976-1981), there were important administrative reform efforts, particularly in institution building such as the formation of MAMPU and the introduction of a code of ethics for civil servants. At the end of his administration, there was an expansion of the civil service (*Operasi Isipenuh*), but this was subsequently aborted at the beginning of the Mahathir era to reduce the public sector.

The period of extensive modernization began in the early 1980s with the prime ministership of Dr Mahathir Mohamad. This was also a period when the "technological revolution" was causing drastic changes in the world (Mattoo 1985; de Guzman *et al.* 1985). These changes were especially significant in the industrially advanced countries like the United States and Japan. This technological revolution had an important bearing on the far-reaching reforms introduced by Mahathir when he became Prime Minister. Various new tools, methods, management styles and technologies from the industrially advanced countries were gradually introduced into Malaysia.

Holistic Approach

Various programmes have been introduced during the Mahathir administration in order to upgrade leadership quality, efficiency and

productivity among civil servants. Among these programmes are those designed to: (i) improve work system and procedures; (2) improve service to the public; (3) change attitudes of civil servants; (4) inculcate work ethics; (5) privatize government bodies; (6) utilize automation and technology; (7) reform the budget and improve the financial management system. In addition, the government has provided training opportunities for all levels of civil servants, better terms of service, promotion prospects, and other fringe benefits such as opportunities for postgraduate studies and sabbatical leave; job rotation, in order to give civil servants wider exposure to the operations of various departments. Another major reform initiated in 1983 was trimming the size of the public sector to keep the number of employees at an appropriate and optimum level. This unprecedented move was also aimed at both improving the capability of the public service and as a cost-saving measure to reduce the operating expenditure of the government.

Evidence from empirical data dealing with reform efforts carried out since 1981 confirms that structural and behavioural strategies were heavily emphasized in an effort to reform the bureaucracy and increase efficiency and effectiveness of civil servants. However, not all the reforms introduced have met success. This can be deduced from the analysis of survey data, which polled opinions of civil servants directly involved in the reform exercises carried out from 1981.

OBJECTIVE OF SURVEY

The purpose of the opinion survey was to bring into focus the opinions and perspectives of those most closely associated with and affected by Mahathir's reforms, namely administrative officials in government departments. The survey research concerned the following questions: What is the extent to which there has been an increase in efficiency, effectiveness and productivity in the public bureaucracy since the introduction of various reform programmes in 1981? How are the types or strategies of reform related to the success or failure of administrative reform?

Descriptive Data

Questionnaires were mailed to 980 senior civil servants. Only 433 (44.2%) completed

TABLE 1
Distribution of respondents

Central Agency	Response Number	Percentage
PM's Department	114	26.32
Finance Ministry	45	10.39
State Secretariats	44	10.16
Ministry		
Education	23	5.31
Agriculture	22	5.08
Health	20	4.61
Transport	18	4.15
Rural Development	16	3.69
International Trade	12	2.77
Human Resources	12	2.77
Land & Co-operatives	11	2.54
Primary Industry	10	2.30
Housing & Local Govt	10	2.30
Home Affairs	10	2.30
Domestic Trade	9	2.07
Information	8	1.84
Welfare and Unity	8	1.84
Telecom, Post & Energy	7	1.61
Defence	6	1.38
Science and Environ.	5	1.15
Public Works	5	1.15
Public Enterprise	5	1.15
Youth & Sport	4	0.92
Culture, Arts & Tourism	4	0.92
Foreign Affairs	3	0.69
Justice	2	0.46
Total	433	100.00

Source: Survey data

questionnaires were returned. Table 1 shows the background of the respondents. It presents a ministry-by-ministry response rate — ranging from a high of 26.32% from the Prime Minister's Department to a low of 0.46% from the Ministry of Justice. Central agencies, such as the PM's Department and the Finance Ministry, were over-represented, and the operating agencies such as the Education, Agriculture, Health and Transport ministries were slightly under-represented.

The response sample is slightly over-represented by middle level civil servants. A greater mixture of responses from top, middle and low level civil servants has been gathered.

The grouping of the officers into top, middle and lower level is based on the position of an officer in the agency concerned. The majority of senior administrative positions are held by officers of the Administrative and Diplomatic Service, still popularly known as Malaysian Civil Service. In 1991, the total number of civil servants in Malaysia was 700,000. Of these, 80,138 were group A officers, of which 2,715 (3.38%) were MCS officers (Ahmad Sarji 1991). Of the 80,138 group A officers, only 422 (0.5%) returned completed questionnaires.

ANALYTICAL DATA

Generally, there is evidence to suggest that there is an overall improvement in the efficiency, effectiveness and productivity among civil servants as a result of various administrative reforms. There is abundant evidence about how the public are generally satisfied about the reduced time it now takes to apply for or renew passports, road tax discs and driving licences. In government hospitals, waiting time for patients seeking treatment has also been generally reduced.

The findings from the survey conducted among civil servants seem to confirm this general trend, that there is overall improvement among civil servants. However, there are differences in the degree of improvement in efficiency, effectiveness and productivity in various government departments and between individual civil servants.

Because the administrative officers are closely associated with both the implementation of programmes and the application of administrative reforms, they were asked to evaluate the effectiveness of four categories of procedures and techniques, namely improving work systems and procedures, improving service to the public, improving attitudes of civil servants and inculcating work ethics, privatization etc. Individual comments are also analysed, since they better represent the true nature of the grievances of respondents.

Improving Work Systems and Procedures

Table 2 summarizes the percentage distribution of positive and negative responses relating to the effectiveness of the work systems and procedures as tools of increasing efficiency in the public service.

The punch card and clock-in systems were introduced shortly after Dr Mahathir Mohamad took office as Prime Minister in 1981. Following

TABLE 2
Effectiveness of work systems and procedures

Work Systems & Procedures	Percent Positive Evaluation		Neutral	Percent Negative Evaluation	
	Extremely effective	Quite effective		Quite ineffective	Extremely ineffective
Punch Card	33.0	58.1	2.6	6.3	-
Name Tag	39.4	51.2	3.2	5.8	.5
Quality Control Circle (QCC)	5.6	35.0	31.9	22.8	4.7
Open-Space & Office Layout	8.7	44.0	18.2	25.5	3.5
Work Procedure	16.4	54.7	13.6	13.3	2.6
Deskfile System	14.1	54.1	13.6	15.0	3.3
Postal Correspondence	9.3	54.4	27.8	7.1	1.4
Management Thru Meeting	22.8	57.0	10.0	9.3	.9
Productivity Measurement Programme	7.3	38.5	30.3	18.5	5.4

Source: Survey data

a directive from the Prime Minister's Department, new guidelines were designed by MAMPU, requiring all civil servants to clock-in by 8.00 a.m. and to clock-out at 4.15 p.m. The new system appeared to go against the established practice of recording time of entry and exit in an attendance register.

This system was imposed to improve work attendance, efficiency and effectiveness within the public service. Certain government and statutory bodies such as universities (academic staff only), schools and small agencies are exempted from this practice. It is believed that the punch card system has given rise to efficiency among civil servants, as most civil servants are in their office by 8.00 o'clock and leave after 4.15 p.m.

It was expected that the positive opinion about the technique would be greater than the negative responses. Table 2 confirms this expectation. The effectiveness of the technique as a mean of increasing efficiency in the public service is acknowledged by an overwhelming majority of the respondents (about 91%). Only 6% of the respondents perceived it as a somewhat ineffective technique for increasing efficiency in the public service.

The use of name tags by civil servants was introduced by Dr Mahathir Mohamad so that the public know the name of the attending officer, thereby facilitating not only closer supervision, but close communication and interaction among and between employees and the public (MAMPU 1988: 31). The name tag identification is a practical idea and is clearly a part of the Mahathir's objective in changing the behaviour of the civil servants to become more responsive towards their role as change agents. It was also a device to identify corrupt officers. The name tag identification was also aimed at gaining civil servants' rapport.

The introduction of the name tag is also positively seen as a way of promoting efficiency. About 90.6% of the respondents agreed that name tags should be displayed by the civil servants. Only 8.0% of the respondents felt otherwise.

Quality control circles (QCC), another management technique introduced under the administration of Dr Mahathir Mohamad, were introduced on 14th March 1983 (MAMPU 1988: 34). INTAN was assigned to be the Secretariat for conducting the programme.

QCC encourages lower-level employees to analyse problems and recommend solutions to management. This could contribute to higher productivity as employees know best how operations can be improved (Mohd Rais 1988). All agencies are encouraged to adopt the programme. To obtain full benefit from this scheme a steering committee needs to be established. However, QCC techniques have obtained fairly limited success (41%). According to one respondent, the reasons for this negative evaluation are the lack of interest among employees, the lack of time suitability, the lack, or ineffective role, of facilitators, and the lack of sensitivity on the part of management about the usefulness of QCC. Other factors include rigidity in QCC requirements, the lack of commitment on the part of top management and also the lack of incentives and motivation provided for the participants and facilitators. One senior officer stated that QCC is dependent on certain supportive officers. Once they are transferred out of the department, QCC groups die almost instantaneously. Efforts to improve the efficiency and effectiveness of the employees in the public service through the QCC programme are nevertheless still under way.

The open space concept was introduced in 1977 by MAMPU, first on a small scale in the MAMPU organization.¹ The flow of information and processes are the prime elements in the planning of an open space office. Its arrangement has to be such that it facilitates smooth flow of work. The number of formal memos are greatly reduced and communication within the office becomes virtually instantaneous. It further assists in facilitating decision-making and implementation. Its objective is to provide a more hygienic and suitable work environment. To this effect, plants and foliage are used to beautify the office. Good colour schemes are imperative so that they blend with the greenery, the drapery and the paintings (Abdullah Sanusi 1986).

When Dr Mahathir took office in 1981, he extended the introduction of the open office concept to government offices nationwide. Government General Circular 14 outlined several means to implement the concept (MAMPU 1988:

32). The concept has not only saved space and money, but has also facilitated closer supervision, communication and interaction among employees and employers. To derive full benefit from the open space concept, there must be a proper office layout. All departments planning new offices or renovating existing ones were encouraged to adopt the open office concept (MAMPU 1988: 6).

Table 2 shows that more than half of the respondents (53%) favour this idea. It is quite obvious that this technique has been perceived as an effective means of increasing efficiency in the public service. Perhaps the open space concept is more appropriate for agencies where speedier interaction and workflow between staff is important rather than departments involved in research work. According to one respondent, the open office system was implemented without a proper study ever being done by MAMPU. This therefore resulted in some refusing to implement the system.

The work procedure manual was implemented through a directive from the Prime Minister on 6th April 1983 (MAMPU 1988: 6). Its main objective was to serve as a reference on procedures and regulations. Its application and usefulness can be best seen in departments which place emphasis on the use of these documents, especially among new staff. Work procedure manuals and deskfiles were introduced in government agencies and departments to help avoid mistakes and shortcomings.

All agencies are required to prepare work procedure manuals and to assign one officer as co-ordinator (MAMPU 1988: 6). By April 1987, the work procedure manual had been fully implemented in 30 federal agencies (MAMPU 1988: 32). So far, MAMPU has been able to design several work procedure manuals to be adopted by district offices: those on the issuance of licences for sale of food and drink, revenue collection and its accounting procedures, preparation and delivery of bills and due bills for assessment, approval for setting up building, chart for processing the application of setting up building and issuance of certificate of fitness (MAMPU 1988: 6; see also Mariappen 1984).

1. The open space concept, first developed in Germany in the late 1950s, refers to planning office space without the walls, corridors, private offices and straight rows of desks that typify a traditional office. The German name is *Bürolandschaft*. See Abdullah Sanusi (1986).

Up to the end of 1990, the programme has been very successful. Table 2 indicates that the effectiveness of the work procedure manual as a tool for increasing efficiency in the public service is evaluated positive by 71% of the respondents. This positive evaluation indicates a bureaucratic acceptance of the use of such technique in increasing efficiency among the civil servants.

The deskfile system is another work system introduced by the Mahathir administration to improve office management. Its aim is to assist the speedy processing of services by government agencies. MAMPU issued a guideline on the file system in June 1986. Most agencies have already updated their file system based on the guidelines produced by MAMPU (MAMPU 1988: 35). Table 2 indicates that the effectiveness of the system is evaluated positive by 68% of the respondents.

Guidelines for postal correspondence were aimed at ensuring all correspondence is managed efficiently and speedily. These reforms were considered necessary to counter the numerous delays in correspondence at various stages of preparation, delivery, receipt and posting. For instance, mail within the Kuala Lumpur area takes about four to six days to arrive, while mail posted to Kuala Lumpur from other areas takes about five to seven days (Jabatan Perdana Menteri 1989). The Prime Minister, Mahathir Mohamad, directed MAMPU on 22nd May 1984 to prepare guidelines (MAMPU 1988: 33). Each agency is required to assign a senior officer to co-ordinate the implementation of these guidelines and to prepare a checklist for implementing them.

Table 2 also shows some improvements in the postal correspondence (about 64%). This shows that the civil servants complied with the order to speed up replies to letters received, but there might still be problems in the dispatch and postal time. However, as privatization of the postal department was accomplished on 1st January 1992, the mail service is expected to improve.

As most government agencies did not follow a proper method for organizing meetings and reporting minutes and decisions taken, in 1983 the government directed all agencies to adopt the management through meeting concept (MAMPU 1988: 33). MAMPU has designed a special meeting format to be followed by agencies when reporting implementation progress on programmes under the detection and evaluation system for improving public service (PUMPA) system.

In conjunction with the meeting format, the government also issued an administrative circular outlining proper ways of recording minutes (New Straits Times 27 Jan 1991). The circular prepared by INTAN and MAMPU contains several formats for recording minutes and decisions taken at meetings. Another important aspect is the follow-ups and follow-through on decisions taken. It is important that proper minutes be recorded at government departmental and ministerial level committees. The circular is also aimed at enhancing the productivity and work of secretaries at such meetings. For this purpose, the Chief Secretary to the Government instructed INTAN and MAMPU to conduct courses to train civil servants in the drafting of communiques and press releases for international meetings and conferences (New Straits Times 27 Jan 1991). The new procedure has attained considerable success. Table 2 shows 80% of the respondents perceived the procedure to be an effective tool for increasing efficiency among civil servants. Though the English language is not important compared with the other reform techniques, a senior officer suggested in the questionnaire that English should be emphasized. It was argued that mastering English would help increase efficiency in conducting meetings and conferences, particularly those dealing with international affairs.

The productivity measurement programme (PMP) was introduced on 20th September 1986 following a directive from the Prime Minister. Its objective was to upgrade output (quantity) and increase the quality of service (MAMPU 1986). Quality is obviously poor when unnecessary cost is incurred. Therefore, good quality service means prompt, courteous and trouble-free service incurring minimum cost (Mahathir 1990). Generally, productivity is seen as the ratio of output to input. However, productivity is also a measure of how well resources are utilized to accomplish specific desirable results. Thus, productivity is defined as the ratio of the effectiveness with which organizational goals are achieved to the efficiency with which resources are consumed in the course of achievement (Drucker 1967).

As shown in Table 2, only 46% of the respondents perceived PMP to be effective, while 24% perceived it as ineffective as a tool for increasing efficiency in the public service. Many written comments in questionnaires reasoned

that its limited success was due to the lack of understanding of the purpose of PMP, the lack of clarity in setting operational objectives and the lack of understanding of the techniques and processes involved in productivity measurement. In Table 2, the overwhelming opinion of the officers surveyed is that not all the work systems and procedures introduced by the Mahathir administration have been effective in increasing efficiency. The QCC and productivity measurement programmes are among those evaluated negatively. However, many officers thought it may be too early to draw hard and fast conclusions about the QCC and PMP programmes.

Improving Service to the Public

The Mahathir administration emphasized that departments dealing with the public need to improve the quality of their services in order to upgrade the image of the government (Jabatan Perdana Menteri 1989: 95). One of the steps taken was to improve the counter service. In 1982, the one-stop counter service was introduced, allowing payments of various licence fees and public utility bills (previously made at different departments) to be made at one centre (MAMPU 1988: 36). Until 1989, about 880 such centres were established throughout the country. Since the introduction of the system in 1982, it has resulted in a substantial increase in workload

in the post office, thereby leading to an increase in operating expenditure. Thus, the government has authorized post offices to collect commission or impose service charge for any services rendered (Jabatan Perdana Menteri 1989: 97). 84% of the respondents perceived the one-stop payment counters to be an effective method of increasing efficient service to the public.

One-stop service centres were introduced in November 1982. Because of the substantial increase in workload and congestion in certain service departments such as RIMV (Road Inspection and Motor Vehicles Department) and Stamp Duty offices, the new system was aimed at decentralizing the responsibility of the respective departments so that efficiency and effectiveness of services to the public would be enhanced. Since then, certain agencies have been selected to manage services of departments such as the Stamp Duty office, RIMV and Judicial Office. Through the one-stop service centre, the public is able to obtain services such as stamp duty, commissioner of oaths and renewal of driving licence at one place (Jabatan Perdana Menteri 1989: 97).

Up to 1990, there were at least 140 service centres throughout the country (Jabatan Perdana Menteri 1989: 97). As with the one-stop payment centre, this new system is evaluated positively by 78% of the respondents.

The one-stop licence centre was launched on 24th March 1984. Since then, the agencies

TABLE 3
Effectiveness of services to the public

Services	Percent Positive Evaluation			Percent Negative Evaluation	
	Extremely effective	Quite effective	Neutral	Quite ineffective	Extremely ineffective
One-stop Payment Centre	53.1	30.4	14.7	1.6	0.3
One-stop Service Centre	39.5	38.7	19.7	1.8	0.3
One-stop Licence Centre	32.4	34.9	29.9	2.5	0.3
Suggestion Box	6.5	35.5	24.9	27.1	6.0
GIRO	17.1	39.2	34.5	7.5	1.7
Efficient and Courteous Counter Service	20.3	56.9	14.7	7.1	1.0

Source: Survey data

involved are required to facilitate the application process, shorten the period for processing or issuing approval of licences and permits, and improve the format of application forms (Jabatan Perdana Menteri 1989: 97).

Two agencies offered to provide one-stop licence centres, Kuala Lumpur City Hall and MIDA (Malaysian Industrial Development Authority). The Kuala Lumpur City Hall is in charge of granting entertainment licences to foreign artistes, while MIDA is in charge of the issuance of manufacturing licences (MAMPU 1988: 36).

The concept of one-stop licence centres was expanded. The Kuala Lumpur City Hall started its drive-through centre on 18th January 1988. MIDA established a one-stop investment centre, aimed at providing speedier services relating to business opportunities and other investment information. The same facility is provided at the state level by the respective State Economic Development Corporations (SEDC) (MAMPU 1988: 36). With the introduction of the service, people from outside Kuala Lumpur City need no longer come to the city to get services relating to investment opportunities or to get business and manufacturing licences. The positive evaluation of the new system by about 67% of the respondents is also surprising in view of a number of problems arising from the implementation of the new system.

Efficient and courteous counter service is a concept introduced by the Mahathir administration in an effort to boost the morale and image of the civil service. Dr Mahathir wanted to change the behaviour of the civil servants to give more people-oriented service.

The positive evaluation of the concept (77%) as indicated in Table 3 stems from the fact that the government has attempted to overcome problems encountered in implementing the concept. Thus, the positive evaluation may indicate a bureaucratic acceptance of the use of the concept to improve services to the public.

The suggestion box is another technique adopted in an effort to take public views, suggestions and grievances into consideration in reforming the administration, particularly in matters concerned with the implementation of the new concept of one-stop counter service (MAMPU 1988: 36). However, the negative evaluation of the suggestion box by about 33% of the respondents is surprising. This negative

evaluation may indicate the bureaucratic rejection of the technique as being an ineffective method for increasing efficiency of the public service. Also, it may indicate that the government has not placed emphasis on it as a method for getting information from the public in an attempt to improve services to the public, and that the government may not have taken into consideration suggestions or complaints lodged by the public.

The GIRO System is another reform effort which deals with the improvement of service to the public. Its objective is to enable the public to pay their utility bills such as water, electricity, telephone, insurance and income tax without having to queue. This system is expected to bring about rapid changes in revenue collection and billing and a substantial increase in productivity of employees (MAMPU 1988: 8). Dr Mahathir indicated the possibility of establishing the GIRO system in 1984 when delivering his speech at the opening ceremony of the Daya Bumi building. As a result, on 27th February 1987, the national Giro system was launched for the Klang Valley area. In November 1987, the system was extended nationwide except for state of Sabah (MAMPU 1988: 8).

In February 1988, the number of GIRO account holders was about 165,508. Up to 1989, about 140 outlets were established throughout the country providing the facility for the public to settle their utility bills through the system (MAMPU 1988: 36). There were problems faced by the National Saving Bank (BSN) such as lack of participation from the government agencies in opening GIRO accounts with the BSN. There were two reasons for such poor response. First, the local authorities could not simply open GIRO accounts because the system does not have facilities provided by commercial banks. Second, the agencies could not endorse the clients' payments within a certain time-frame. This would result in difficulty for customers in proving that they have already settled their bills (MAMPU 1988: 37). Although some difficulties were encountered in the implementation of the system, it does not indicate a rejection of the programme. It seems that the officers are convinced of the benefit of the programme. This is indicated in Table 3 where it is positively evaluated by 56% of the respondents.

As Table 3 shows, the general consensus among the respondents is that one of the five

techniques adopted by the Mahathir administration, the suggestion box, did not increase efficiency.

Table 3 also indicates a positive evaluation of one-stop payment, service, licence centres. This may indicate a great improvement in productivity and efficiency. However, one written comment on a questionnaire said that improvement of the one-stop centre was only in the form of physical facilities, while actual delivery of services is still slow. Another respondent commented that much improvement has occurred in service-oriented agencies such as hospitals, registration and immigration departments at the national level, while departments issuing licences and permits have not improved much since decision-making is centralized and is often usurped by the political leaders.

Changing Attitudes of Civil Servants

Changing the attitudes of civil servants is one of the behavioural dimensions of Mahathir's administrative reforms in pursuit of efficiency among civil servants. Table 4 summarizes the results of the effectiveness of behavioural techniques in increasing efficiency in the public service.

About 79% of the respondents find the 'clean, efficient and trustworthy' concept to be an effective concept in bringing about a change in attitude among civil servants. As shown in Table 4, this concept is indeed considered to be a key part of the Mahathir administrative reform programmes. One of the written comments

accompanying the questionnaire also put the slogan as the most important aspect of ethics to be cultivated among civil servants.

Leadership-by-example is aimed at increasing efficiency and productivity in the public service. About 69% of the respondents perceive the concept to be an effective tool in improving attitudes of civil servants. This indicates that the civil servants have gradually been convinced of the concept's worth since its introduction ten years ago.

An excellent service award was introduced by the Mahathir administration to reward and recognize those in the public service who have shown excellent performance. The responses indicate that there is a positive evaluation of the award. About 65% of the respondents perceived it to be an effective means of increasing efficiency, while 16% perceived it as being ineffective (negative). Although there is an indication that the concept of an excellent service award is well accepted by the civil servants, there still exists dissatisfaction over the way the authority selects the recipients of the award. Recognition should be given to officials and staff for their excellent services and contributions to the nation as a whole. This will help increase efficiency and enthusiasm of the civil servants in the public service.

Literature on the Malaysia Incorporated concept suggests that it has met with limited success because bureaucrats have not been able to incorporate it into their respective agency's priorities, and they need time to become acquainted with it. However, the responses

TABLE 4
Effectiveness of improving attitudes of civil servants

Administrative/Behavioural Techniques	Percent Positive Evaluation			Percent Negative Evaluation	
	Extremely effective	Effective	Neutral	Quite ineffective	Extremely ineffective
Clean, Efficient & Trustworthy	16.6	55.2	16.1	10.0	2.1
Leadership by Example	19.7	49.7	15.5	11.6	3.5
Excellent Service Award	16.8	48.6	18.2	14.5	1.9
Malaysia-Incorporated	10.5	47.5	31.0	9.5	1.4

Source: Survey data

indicate that there is a surprising degree of acceptance of the concept and it has had some impact on the agencies as a mean of improving attitudes and efficiency of the civil servants. Table 4 shows a positive evaluation by 58% of the effectiveness of the concept.

Table 4 also shows that none of the administrative techniques introduced in the Mahathir administration received less than 50% assessment. The Malaysia Incorporated concept is the least positively evaluated of all the reform techniques. The other techniques which were moderately evaluated are the excellent service award, leadership-by-example, and the 'clean, efficient and trustworthy' concept.

Inculcating Work Ethics

There are seventeen positive values given priority by the government (INTAN 1991). They are listed in Table 5, which also summarizes in percentages the positive and negative opinion of respondents regarding each of them. Almost all written comments accompanying the questionnaire stressed that efficiency improvement in the civil service must take into consideration the morale and work ethics.

As Table 5 shows, the overwhelming feature of the civil servants' evaluation is that most of the values inculcated among civil servants were perceived positively, with the exception of "thrift" and "enterprise" values which are among the

TABLE 5
Improvement of work ethics

Values	Percent Positive Evaluation			Percent Negative Evaluation	
	Highly improved	Improved	Neutral	Somewhat improved	Not improved
Accountability	13.3	65.7	7.7	11.4	1.9
Self-management	4.7	57.9	19.1	15.8	2.6
Co-operation	13.3	64.7	5.8	14.0	2.1
Self-development	5.3	47.3	20.2	23.3	3.5
Diligence	8.2	63.6	9.6	16.9	3.7
Intellect	7.5	47.3	24.6	16.9	3.7
Team Spirit	15.5	59.1	8.1	14.9	2.1
Thrift	2.4	46.5	29.6	16.7	4.8
Innovativeness	6.1	52.0	20.0	18.4	3.5
Positive Attitude	10.7	55.1	17.1	14.7	2.1
Integrity	10.7	55.1	17.1	14.7	2.3
Responsiveness	11.8	56.5	14.1	16.2	1.4
Self-discipline	7.9	59.7	12.6	17.5	2.3
Client-oriented	13.3	57.6	10.6	15.7	2.9
High Performance Oriented	9.1	48.9	21.1	18.5	2.3
Professionalism	11.8	52.2	13.9	9.1	3.1
Enterprise	4.3	39.9	30.6	20.0	5.2

Source: Survey data

least positively evaluated (49% and 44%) by the respondents. The "thrift" value aims to encourage civil servants to manage government property as well as government expenditure with prudence and thrift (INTAN 1991).

Table 5 also shows values such as accountability (79%), co-operation (78%), team spirit (75%), diligence (72%), and client-orientedness (71%) to be the most positively evaluated, while integrity (69%), self-discipline (68%), positive attitude (66%), professionalism (64%), self-management (63%) are also positively or moderately evaluated by a lesser percentage of the respondents. Among the values that were accepted at least partially (below the 60% mark) are creativity and innovativeness (58%), high performance oriented (58%), intellectual honesty (55%), self-development (53%).

The positive evaluation of almost all work ethics values inculcated among civil servants is attributed to a more comprehensive behavioural strategy and commitment on the part of the Mahathir administration to adopt such work ethics towards cultivating positive attitudes among civil servants. The values the government is attempting to inculcate need more time to be institutionalized. We should bear in mind that a whole host of cultural and social factors have been responsible for the development of the values, which in turn support the existence of a

set of work ethics or positive values in the public service (Mohd Noordin 1991).

The Effectiveness of the Privatization Policy

A questionnaire survey undertaken in this study confirms that the privatization policy spurs economic growth, relieves the financial and administrative burden of the government, promotes competition, efficiency and productivity, stimulates entrepreneurship, reduces the size of the public sector and meets the objectives of the NEP. The analysis found that 77% of the respondents agreed that privatization is an effective tool for stimulating the economic growth of the nation. About 78% agreed that it relieved the financial and administrative burden of the government and at the same time reduced the size of the public sector. About 65% agreed that it had promoted competition, improved the efficiency and productivity of the public service. About 66% agreed that it stimulated entrepreneurship and private investment. About 75% agreed that it reduced the size of the public sector. Finally, 57% agreed that it helped meet the objectives of the NEP (See Table 6).

Analysis shows that privatization brings about efficiency in the Malaysian civil service. Table 6 presents percentages of positive and negative evaluation of the impact of privatization policy

TABLE 6
Effectiveness of the privatization objectives

Purpose or Motive	Percent Positive Evaluation			Percent Negative Evaluation	
	Extremely effective	Quite effective	Neutral	Quite ineffective	Extremely ineffective
To spur economic growth	25.1	51.6	16.9	5.5	1.0
Relieving financial & administrative burden	30.5	47.7	11.7	7.4	2.4
To promote competition, efficiency & productivity	16.9	47.9	20.0	11.0	4.3
To stimulate entrepreneurship	16.5	49.3	24.6	7.9	1.7
To reduce the size of public sector	34.9	40.4	12.2	9.8	2.6
Meeting objectives of NEP	14.4	42.8	27.8	11.2	3.8

Source: Survey data

TABLE 7
Impact of privatization on organization

Purpose	Percent Positive Evaluation			Percent Negative Evaluation	
	Strongly agree	Agree	Neutral	Disagree	Strongly agree
Fear of privatization improved work discipline	3.1	21.1	2.9	48.2	12.6
Privatization: more conscious about efficiency	7.8	44.2	16.1	26.0	5.9
Privatization improved service delivery	7.7	50.5	11.5	26.5	3.8
Privatization promotes entrepreneurship & investment	16.5	49.3	24.6	7.9	1.7
Privatization: more conscious about public accountability	7.1	45.8	15.6	27.4	4.2
Privatization: more conscious about productivity	12.7	58.7	7.0	18.1	3.5
Privatization-led job insecurity	2.1	11.6	13.2	58.3	14.9

Source: Survey data

on behavioural changes of employees of public organizations. These responses also include some from respondents whose agencies may not be directly affected by the privatization policy.

Privatization appears to have produced behavioural changes in the public organization. This can be seen from responses shown in Table 7. For example, about 58% of the respondents agreed that 'privatization has led to improvements in the service delivery and courtesy towards clients', while only 30% 'disagreed'. This strongly indicates that the service delivery in the public sector has improved. Therefore, efforts should be further intensified to improve services to the public.

About 53% of the respondents agreed that 'privatization has made their organization more conscious about public accountability', only 32% 'disagreed', and another 16% were unable to state their opinions.

About 71% of the respondents agreed that 'privatization has generated consciousness about productivity and quality of service'. This indicates that the civil servants have been convinced of the objectives of privatization in bringing about

greater quality and productivity in public services.

Only about 14% of the respondents felt that, 'privatization movement has led to job insecurity among civil servants', while 72% did not think so. This is a very different view from the one on the privatization constraints mentioned earlier, such as job insecurity or the fear of loss of bumiputra control and the resentment of public servants over the reduction of prestige and power. The respondents view that they do not fear job insecurity is not surprising because the privatization programmes in Malaysia did not follow the 'full privatization philosophy'. The government still retains its power and authority over privatized agencies. To a greater or lesser degree, civil servants continue to hold the view that public enterprises serve other than commercial purposes (Minogue and Minogue 1990).

Another reason they do not fear the privatization exercise is because the government has pledged to take care of their well-being if their agency is to be fully privatized. This provision is contained in the government's

guidelines for privatization. Firstly, no personnel can be retrenched within the first five years of privatization, except on valid grounds. Staff redundancy, if any, is to be overcome through the normal attrition, redeployment and expansion of activities. Secondly, upon privatization, affected personnel shall be offered a package of no-less-favourable terms and conditions of service than they have enjoyed while working for the government (Hanafiah 1989). Affected employees will be given the options of joining or leaving the privatized agency. Those who choose to leave have the option of early retirement; in this case they are given retirement benefits accordingly and immediately. Those who wish to stay on in the privatized agency are offered two schemes of service, one which replicates the government scheme of service and another, a commercially-oriented one. Under the latter scheme, the employees are entitled among other things, to purchase the privatized entity's shares and to enjoy whatever bonuses are declared. It should be emphasized that the above policy decisions apply to affected personnel of government departments and statutory bodies only, and do not cover personnel of government companies (EPU 1989).

Financial Management System Budget Reform

One of the important techniques which deal with the executive budget process is programme, performance, and budgeting system (PPBS). It was first introduced as a result of the recommendations of the Montgomery-Esman report. It was introduced in stages beginning from the 1969 financial year and was adopted by all government agencies by the 1972 financial year (Gorham 1967; Doh 1981). However, the PPBS has not been successful. The reasons for the failure are as follows: (i) Lack of knowledge and expertise at the Financial Management System Unit, Budget Division, ministry and department developing the system; (ii) Lack of commitment towards the PPBS among top management; (iii) Generally, the ministries were not confident of the system because it has also failed in other countries, especially in United States; (iv) There was no special training programme provided for officials to support the implementation of the PPBS (MAMPU 1988: 11-12); and (v) there was an implicit view that the lack of response from the agency chiefs toward

PPBS stemmed from the fact that the new system revoked their privilege of being the authoritative persons in the budget process.

The situation gradually changed when Dr. Mahathir took office in 1981. The PPBS was revitalized to suit the new administration. Consequently, PPBS succeeded in forcing the agencies to review their goals and objectives and generating a lot of useful information for the purpose of budgeting and the decision-making process. This reform effort has improved the financial system based on the amendment to the Audit Act 1957. Performance audit directly attempts to evaluate the performance of government agencies in terms of economy, efficiency and effectiveness (Mohd Rais 1988). Given a strong top political support in budget reform, there is a high degree of acceptance of reform effort by the bureaucrats. Table 8 summarizes the civil servants' perceptions of the effectiveness of budgetary reform in improving the financial administration.

Table 8 shows that there is a degree of positive evaluation of all statements on the budgetary reform. When asked to indicate whether budgeting is now more programme and performance-oriented, about 81% of the respondents perceived it to be so and only 7% thought otherwise. When asked to respond to the following statement: (1) 'Better evaluation of the costs and benefits of projects', 73% of the respondents responded positively and only 10% negatively; (2) 'more comprehensive budgeting', 78% respondents responded positively, while only 8% responded negatively; (3) 'ensures greater financial accountability', 77% of respondents perceived positively, 9% perceived negatively; and (4) 72% of the respondents perceived that the budgetary reform allows more rationality in the budget process in terms of evaluating social goals and choosing programmes to meet these goals, while 10% thought otherwise.

Based on the civil servants' positive evaluations of the budgetary reform, budgeting in the Mahathir administration is perceived to have improved upon the systems used in the 1960s and 1970s.

Financial Management Control

Financial management control has also been undertaken under the package of budgetary reforms. One of the factors that led to the adoption of the privatization policy was the rampant mismanagement in the financial

TABLE 10
Overall improvement of administrative reform

Percent Rate of Improvement	Percent Evaluation	Number of Respondents
10	1.5	6
15	.7	3
20	3.4	14
25	1.0	4
30	6.8	28
35	1.5	6
40	5.1	21
45	1.7	7
50	7.0	29
55	2.4	10
60	12.9	53
65	6.6	27
70	16.0	66
75	5.8	24
80	18.4	76
85	2.4	10
90	3.9	16
95	.5	2
100	4.8	21
	100%	433

Source: Survey data

1981. About 80% of the respondents perceived efficiency and capability of the civil service to have improved between 50% to 100%. Of the total 433 respondents, 76 respondents (18%) perceived efficiency and capability to have been improved by 80%, 66 respondents (16%) perceived them to have improved by 70%, while 53 respondents (13%) perceived them to have improved by 60%. Only 89 respondents (20%) did not perceive efficiency and capability in the civil service to have improved at all. However, if a mean response is used as a measure of central tendency in evaluating the overall improvement in efficiency and capability of the civil service, the data indicate that the Mahathir administration has been able to improve efficiency and capability of the civil service only by 62.15 of mean point or 62%.

Strategy of Reform

The second research question dealt with types or strategy of reform related to the success or failure of administrative reform. Analysis of the survey data found that among the three strategies, procedural, structural and behavioural, there is not much different in terms of increased

efficiency, effectiveness and productivity among civil servants. Table 11 demonstrates that all three types of reform are highly effective, but the procedural programmes appear to be the most effective of the three approaches. For instance, the name tag identification and the punch card system were the most positively evaluated by the respondents.

Empirical investigations of administrative reform suggest that behavioural and structural as well as procedural reform strategies are important tools of administrative reform of the Mahathir administration. However, the data also point to the fact that successful administrative reform of the Mahathir administration depends not only on the use of administrative reform strategies (structural and behavioural) but also on the Prime Minister's personal leadership qualities, political skills, leadership style and commitment, and also on the bureaucratic acceptance of the reform strategies. In fact, administrative reform in the Mahathir administration is positively evaluated across all dimensions of strategies both structural and behavioural, despite the fact that some of these procedures, techniques and systems of reforms have at time been viewed as ineffective.

MAJOR FINDINGS

This section summarizes the significant findings from the survey conducted and also from other literature sources on administrative reform.

From the Research Questions

The survey data established that, generally, perceptions of civil servants towards the various reform measures carried out since 1980 were positive. For example, all procedures and techniques introduced in the public services since 1981 have been well received, particularly punch card and name-tag identification measures, and, to a lesser extent, the deskfile system. Other reform measures such as the open-space layout, QCC, work procedure manual, postal correspondence guidelines, management through meeting and productivity measurement programmes have also been favourably received. Perhaps, more time is needed before their benefits become obvious and hence, their acceptance.

With respect to these positively evaluated reform measures for improving services to the public that were highly valued such as the one-

Table 11
Highest evaluation of selected reforms by strategy

Strategy	Type of Programme	Effective %	Neutral %	Ineffective %
Structure	Privatization:			
	Stimulate economic growth	77	17	7
	Relieve financial burden of Govt.	78	12	10
Procedure	System and Procedure:			
	Punch card system	91	3	6
	Name tag	90	6	6
	Services:			
	One-stop payment centre	84	15	2
	One-stop service centre	78	20	2
	Budget Reform:			
	Prog. & performance-oriented	81	12	7
	More comprehensive budgeting	78	6	8
	Financial Mgt. Control:			
	Consciousness of financial accountability	81	12	7
	Utilization of financial resources	79	12	9
Behaviour	Improvement of Attitude:			
	Leadership by example	69	16	15
	Clean, efficient & trustworthy	72	16	12
	Work Ethics:			
	Accountability	79	8	13
	Co-operation	78	6	16

Source: Survey data

stop payment, service, and licence centres, their general acceptance and effectiveness can be seen from the improved overall performance of the various ministries and agencies that have adopted them. For example, there has been a general increase in the efficiency of revenue collection by certain government departments such as Income Tax and various local authorities. Processing time for passports by the Immigration Department and for the renewal of licences by the Road Transport Department has been dramatically reduced.

Another programme which has received favourable response from the respondents is the privatization policy. Senior civil servants surveyed

thought that merely privatizing former government departments or agencies would bring about behavioural modification among its employees.

One of the main thrusts of reform during the 1980s period was the behavioural modification of civil servants. Towards this end, various slogans such as "clean, efficient and trustworthy" concept of government, "leadership by example" and "Malaysia Incorporated" were launched. An excellent service award has also been created in order to reinforce the adoption of the various desirable values that the government has identified. The survey data also

showed that the majority of the respondents agreed that these strategies were effective in instilling a more positive outlook among employees. This positive view also extended to programmes for inculcating work ethics. For example, the seventeen measures introduced in the programme for inculcation of work ethics were seen as effective in instilling better work ethics among the public employees.

Generally, the survey data showed that the opinions of the majority of the senior civil servants interviewed were positive with regard to the ability of the behavioural approach in reform. Some of these programmes discussed earlier have been successful in increasing efficiency and productivity in some government departments and agencies. This opinion was perhaps based on the notion that, in any reform effort, there must exist a central and directional authority for reforms to be successful. Unsurprisingly then, the majority of those senior civil servants surveyed thought that the most influential actors in the Malaysian reform processes comprise the Prime Minister, his Cabinet and the ruling party. Within the civil service, that power is exercised by the Treasury, Public Service Department (PSD), Malaysian Administration and Manpower Unit (MAMPU) and Economic Planning Unit (EPU).

Even though the administrative reforms of the 1980s and the early 1990s seem to have been fairly successful, there are also weaknesses that still require serious attention. The shortfalls of the reforms are evident from the generous comments and suggestions provided by senior civil servants who responded to the survey.

The findings of the survey data showed that there are some senior civil servants who are still sceptical of some of the reform programmes. Many were of the opinion that some of these programmes have yet to show positive results. There were some who argued that many reform efforts were merely circulars distributed to government departments and agencies; their instructions appeared good on paper, but they have yet to be fully implemented or adopted. Some respondents argued that some of these instructions are either hard to implement or are simply ignored.

Furthermore, some reforms may be purely "administrative innovations" without definite or direct association with improvement in attitudinal change that would result in greater accountability

and efficiency. Some reforms, particularly the behavioural aspects, are regarded as "slogan shouting" and political gimmicks. Reform efforts pertaining to instilling positive values and work ethics continue to be externally driven, not internally directed. As such they have been less successful in bringing about any significant change in attitudes. Some reforms are taking place too fast, so the effect of their institutionalization cannot be accurately assessed. In this respect, one senior officer claimed that some efforts are merely protocol and ceremonial rather than having any real substance.

Many of the negative comments returned with the questionnaire contained some elements of truth; some also contained constructive suggestions. However, the overall responses seem to suggest that reform efforts undertaken by the Mahathir administration received overwhelming support among civil servants. This seems to be the case with administrative reforms such as the Look East policy, Malaysia Incorporated concept, leadership by example, introduction of a civil service code of ethics, the privatization concept, personnel improvement, and financial management control. Although many respondents showed some dissatisfaction with the increasing rate of white collar crimes in the public service, many felt that the Mahathir administration has been serious in its effort to combat corrupt practices.

The survey data also showed that a large proportion of the respondents felt that some form of programme for personnel improvement should be taken into consideration in any effort to further improve the efficiency and capability of civil servants. Some respondents suggested that the opportunity for promotion of professional staff should be at par with that accorded to MCS officers. In this respect, there was also a suggestion that the MCS should be revamped with a view to giving equal opportunities for all groups of civil servants to be promoted to posts across the higher echelon of the civil service. This should include, the respondents further argued, equal opportunity for all to be appointed Chief Secretary to the Government, the highest administrative post in the civil service. In this way, the civil service could stop the "brain drain" of staff who left because they were not satisfied with the terms and conditions of service. Also, at times the civil service is not apolitical.

One officer offered a suggestion that the new remuneration scheme (NRS) introduced by the Government in 1990. NRS, with its slogan "Caring Service", should compliment existing reforms. Otherwise, according to another officer, it can easily be manipulated by some people to gain personal advantages. According to yet another respondent, there is evidence to suggest that when MCS officers help formulate government policies, especially on service matters, they are always thinking of their own interests above other matters.

Involvement of the top political leadership is another area which distinguishes and determines the success of administrative reforms before and after 1980. For example, Malaysian premiers before 1980 did not emphasize the importance of links between the public and private sectors as the engine of growth. But after 1980, and especially during Dr Mahathir Mohamad's premiership, the role of public and public sectors has been strongly emphasized. This is clearly evident from the government's emphasis on developing a positive corporate culture even in the public sector as a vehicle for generating efficiency, effectiveness and productivity.

Summarily, reform efforts through the various behavioural, structural and procedural measures undertaken since 1981 have so far been able to increase efficiency and productivity in the civil service by about 62%. However, more effort is still needed to further improve efficiency, effectiveness and productivity in the public bureaucracy. Equally important is the need to get closer co-operation of some senior civil servants who are in a position to ensure the success of whatever measures are introduced.

Recommendations

Improvement in financial management is only one of the bureaucratic techniques to curb corruption and mismanagement. Bureaucracy alone cannot eliminate the root causes of corruption. It is only one part of a larger society, where corrupt practices abound. Therefore, unless the society at large is reformed or infused with positive values, bureaucracy itself may also be engulfed by these menaces. It is therefore important to reform society first, by inculcating positive values and morals before starting to reform the bureaucracy. However, we

should bear in mind that the civil servants are expected to play a more important role in any reform efforts than the society at large, as the former are the elite who are in a position to deliver services to their intended target groups.

The findings suggest that civil servants were generally satisfied with the reform efforts undertaken by the Mahathir administration. But, it also appears that there is still some degree of dissatisfaction among civil servants regarding various aspects of reform such as promotion opportunities, salary schemes, neutrality of the civil service in politics, values and motivation of the civil servants, the tight control of MCS officers on other branches of the civil service. These are ongoing issues which have yet to be resolved. They are likely to have an adverse effect on efficiency unless they are seriously addressed by the leadership.

Some of the issues and aspects in administrative reform need to be studied in greater depth, such as productivity measurement programme (PMP); quality control circles (QCC); the inculcation of work ethics among civil servants; the new remuneration scheme (SSB-Skim Saraan Baru); the proposed merger between MCS and MAS; performance appraisal; the promotion system and the salary-based matrix system. Hence, future studies on administrative reforms should also be more micro in perspective covering state, statutory bodies and district administration.

Since the privatization concept is also related to administrative reform, especially in terms of efficiency and competitiveness among civil servants, it is the view of the writer that this objective has too often been underrated. It is, therefore, necessary to further study how privatization can improve efficiency and productivity by acting as a stimulus and challenge for civil servants to improve their performance. In this case, studies to analyse administrative reforms of the private sector are necessary to devise ways and means of transferring specific competencies and know-how from the private to the public sector.

CONCLUSION

In Malaysia, reforms have been carried out using an integrated approach in order to overcome shortfalls of any particular model when applied individually. Three major reform models have been emphasized. These are: (i) structural-functional; (ii) procedural; and (iii) behavioural.

Various reform programmes implemented have adopted a combination of two of these reform approaches. While the structural-behavioural approach has been closely adopted in the case of privatization, the Mahathir administration has not neglected the need for institution-building, an approach strongly emphasized by Tun Razak in the 1960s and 1970s. In fact, structural, procedural, behavioural and institutional approaches have complimented one another in many reform developments.

Reforms that have taken place during Mahathir's leadership occurred during a period of heightened national self-confidence. For example, there is no record to indicate that his administration has invited any foreign experts or consultants to help out as was the case during Tun Razak's administration in 1960s. This shows Mahathir's confidence in the role of PSD and MAMPU, the main driving forces in the current reforms, as reform agents.

Given that there is some degree of political control over the civil service, pressures may be put on the bureaucracy to reform their rigid procedures and attitude so that they are able to perform more efficiently in the complex tasks of development planning. Hence, the bureaucracy has been able to implement the government's policy development by introducing various administrative reforms.

Although administrative reforms during the 1980s and the early 1990s seem to have been fairly successful, there are also some negative impacts on the Malaysian bureaucracy. One of these is the ideal of neutrality of civil servants which is now being challenged as a result of certain reform programmes.

During the Mahathir administration, it is observed that the neutrality of civil service is less certain than in Tun Razak's or Tun Hussein Onn's period. This popular conventional theory of public administration is becoming increasingly out of touch with the prevailing realities during the Mahathir administration. Since the adoption of various reform programmes such as the privatization policy and the Malaysia Incorporated concept, the civil servants have to play their important part hand in hand with the private sector in an effort to boost the economy of the nation. This is contrary to the Razak era where the civil servants were cast in their role as implementers of the development plan with a clear-cut or dichotomistic role between civil

servants and politicians as well as businessmen. Under the conventional theory of public administration, the civil servant independently carries out the policy implementation without political interference. However, this concept has now been challenged by several practices adopted by the government under the Mahathir administration.

The epitome of examples can be seen in the current promotion of civil servant which is invariably not related to the new remuneration system (NRS). Since it is the political masters who make decisions over various policies, there is a lot of instability or indecisiveness in terms of Cabinet reshuffles and appointment of politicians to various government agencies. This has affected the image of the political masters. All these indecisive practices have thrown civil servants into disarray and this has a spillover effect regarding their loyalty as civil servants.

Subsequent reappointments of retired top strata civil servants in the public sector is another example which has eroded the neutrality concept. In comparison with Tun Razak's period, when such reappointments rarely occurred, during the Mahathir period it has become a normal practice which has affected the neutrality concept. Amongst the objectives of such a policy are to create former boss-subordinate relationships, exert their experiential knowledge in order to facilitate the implementation of development projects and carry out them faster. Hence, the neutrality as an ideally stated concept is being challenged because there are two criteria for the appointment of civil servants into the public service, one based on merit and qualifications, the other one based on political appointments.

The appointment of top strata civil servants in the private sector after their retirement is another example which appears to go against the neutrality concept. This is because such appointments would lead to unhealthy elements in terms of pursuing business opportunities, such as favouritism and nepotism. This deprives those who do not have access to officials inside the public agencies though they do have the same criteria for any business application.

To effect the Malaysia Incorporated concept, the government has encouraged top civil servants to co-operate with the private sector such as corporate groups, businessmen and both local and foreign investors in an effort to boost the

economy of the country. For example, the top civil servants are encouraged to have informal meetings or recreational activities such as playing golf with the private sector community. This form of social interaction is encouraged to promote the government-business relationship. But one has to bear in mind that it has now become a platform of lobbying and manipulating for business opportunities. This unhealthy element certainly becomes discouraging, as the political favours and influences of the so-called power élite became significant. Those who do not belong to the power élite are alienated from the process of decision-making in the public bureaucracy.

As Malaysia prepares to enter the 21st century, greater challenges lie ahead. In all certainty, the panel set up by the Government to monitor the civil service is well aware of these challenges. Although the period of the New Economic Policy (1971-1990) ended three years ago, Malaysia will continue to experience dynamic changes in all aspects, as the nation prepares herself for development as embodied in Vision 2020. A new economic policy, the National Development Plan, has been introduced and it contains some of the basic principles of the previous NEP, with a new emphasis to suit the new environment in line with new goals set in Vision 2020.

ACKNOWLEDGMENTS

The author wishes to express his acknowledgement to the anonymous members of the Malaysian civil service who gave their time and co-operation in completing and returning the author's questionnaires. The writer is also heavily indebted to Puan Asiah Ahmad, Director of MAMPU, who is also in charge of the PMP (productivity measurement programme) Division for providing valuable materials regarding this topic. Thanks are also due to Encik Abdul Karim Marzuki, Assistant Director of MAMPU, for valuable materials on administrative reform efforts.

REFERENCES

- ABDULAH SANUSI AHMAD. 1986. Open space concept. *Berita Pentadbir* 1/81: 14.
- AHMAD SARJI. 1991. *Towards Quality Public Service*. Kuala Lumpur: INTAN.
- BAIN, D. 1982. *The Productivity Prescription: The Manager's Guide to Improving Productivity and Profits*. New York McGraw Hill.
- CAIDEN, G.E. 1969. *Administrative Reform*. Chicago: Aldine.
- DE GUZMAN, R.P. *et al.* 1985. Administrative reforms in Asia and Pacific region nations: process and procedures. *Indian J. Public Admin.* 3(3): 962.
- DOH JOO-CHIEN. 1981. *Eastern Intellectuals and Western Solutions: Follower Syndrome in Asia*. New Delhi: Vikas.
- DRUCKER, P. 1967. *The Effective Executive*. London: Heinemann.
- ECONOMIC PLANNING UNIT (EPU). 1989. Policy decisions on specific privatization related issues. Kuala Lumpur: Prime Minister's Dept. p. 19.
- GORHAM, W. 1967. PPBS: Its scope and limits. *The Public Interest* p. 5.
- HANAFIAH OMAR. 1989. Privatization policy: Issues and problems. *Buletin INTAN* 13(1): 28.
- HANH BEEN LEE. 1970. An application of innovation theory to the strategy of administrative reform in developing countries. *Policy Science* 1(2): 78.
- INTAN. 1991. *Nilai-Nilai Etika Dalam Perkhidmatan Awam*. Kuala Lumpur: INTAN.
- JABATAN PERDANA MENTERI. 1989. Laporan Kemajuan Panel Memajukan Pentadbiran Awam, Pasukan Petugas Khas Produktiviti. Kuala Lumpur: Bahagian Kabinet, Jabatan Perdana Menteri.
- MAHATHIR MOHAMAD. 1990. Quality control in government. *Pengurusan Awam* 2(1): 8-9.
- MAMPU. 1986. Technical guidelines for PMP. Kuala Lumpur: Prime Minister's Department.
- MAMPU. 1988. Penilaian semula program-program pembaharuan dalam perkhid-

- matan awam. Kuala Lumpur: Jabatan Perdana Menteri.
- MARIAPPEN, S. 1984. Manual prosedur dan fail meja: satu pendekatan sistematik ke arah penyempurnaan tugas. *Perintis* 6: 27-32.
- MATTOO, P.K. 1985. Administrative reforms at the central level. *Indian J. Public Admin.* 3(3): 543-552.
- MINOGUE, P. and M. MINOGUE. 1990. Wanting for privatization in developing countries: Towards the integration of economic and non-economic explanations. *Public Administration and Development* 10(4): 310.
- MOHD. NOORDIN SOPIEE. 1991. Inculcating moral and ethical values in business toward achieving the objective of Vision 2020. *Berita SERU* 1(3): 11-13.
- MOHD. RAIS ABDUL KARIM. 1988. Administrative reforms and bureaucratic modernization: the need for new strategies in productivity improvements within the public sector. *Administration and Development* 3(1): 63.
- NEW STRAITS TIMES. January 27, 1991, p. 3.
- NEW SUNDAY TIMES. February 23, 1991, p. 3.

(Received 5 April 1994)