

*Full Length Research Paper*

# **Role and transition of public service in Malaysia: An effective governance perspective**

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Accepted 3 December, 2010

**Effective governance (EG) is a new term, with modified concept, popularized for governing a country well, particularly since the new millennium age. It has become more important with the urge and challenge of globalization, whereby managing a country is not by virtue of one man that is the leader, but a combination of three major entities, that is, the state, the private sector and the citizens. This article will, however, concentrate on the role of public service and the process of transition in the move towards EG. For the purpose of better cognition to the EG theory, the author presented the theory beforehand in two perspectives: contemporary and Islam. These two theories are used as the underlining background for the analysis. It is found that the role and transition of the public sector in Malaysia brought various forms of reformations that undeniably had produced positive impacts on the quality of the public delivery system, and therefore contribute to the realization of effective governance. Nevertheless, the report on management capability and corruption perception does not help in proving EG as an output, as it is merely a process. This article suggests that conceptualizing EG from both Islamic and contemporary theories could assist the government in continuously improving the public services.**

**Key words:** Public service, effective governance, contemporary and Islam.

## **INTRODUCTION**

Public service is the backbone of a country in its move towards attaining sustainable development. Since the late nineteenth century, the time when the field of public administration was founded as a profession and as an academic study, the role of government has been about elimination of corruption, improvement of efficiency and enhancement of service delivery in pursuit of public interest (Philip, 1998). In short, public service, is an agent for government to “work well”. In Malaysia, it has mobilized several changes towards a higher level of efficiency and effectiveness since independence. As a national institution entrusted with the responsibility of realizing national goals, public services are firmly committed to the establishment of a quality administration. The strength of the government relies on the effectiveness of this agent. Therefore, the purpose of this article is to illuminate the importance of public service reformation towards achieving national mission and promoting effective governance (EG) in Malaysia. The author intends to

analyze the key elements to encourage EG from the contemporary and Islamic perspective. In this respect, the concept of “*siyasah syar’iyyah*” and “*Shariah*” is explored. According to both concepts, EG is not merely the good practice and cooperation between the three major agents (that is, the state, the private sector and the citizens), but it is also good in eliminating and curbing malpractices and mismanagement of the country. The blend of the government, public and private sectors, as well as the citizens, will contribute to effective governance. Promoting effective governance is essential for the interest of the society, private sectors and non-governmental organizations to prosper.

## **THE CONCEPT OF EFFECTIVE GOVERNANCE: A CONTEMPORARY PERSPECTIVE**

The need to promote better government services, particularly

in the era of globalization, became one of the major factors used to adopt the concept of effective governance. At the same time, the process and mechanism of governance is also used to correct malpractices and red tape that hinder the achievement of good and effective government. Many academics employ this word to connote a complex set of structures and processes, both in public and private administration, while more popular writers tend to use it synonymously with the word 'government' (Thomas, 2005). The New Webster's International Dictionary (34) defines the term as: 'act, manner, office or power of governing'; 'government', 'state of being governed', or 'method of government or regulation'. Goran (1992) has argued that it refers mainly to running government and other public and private agencies with social purposes.

The Commission On Global Governance defines governance as 'the sum of the many ways individuals and institutions, public and private, manage their common affairs. It is a continuing process through which conflicting or diverse interests may be accommodated and co-operative action may be taken'. It includes formal institutions and regimes empowered to enforce compliance, as well as informal arrangements that people and institutions either have agreed to or perceive to be in their interest (Commission on Global Governance, 1995). With some of these preliminary definitions, the writer will explore 'the what' of this concept from both contemporary and Islamic perspectives for better cognition of the theory.

### **What is governance?**

Broad definitions of governance are often discussed and have brought various meanings and perspectives, such as those been given by the United Nations Development Programme (UNDP), which is an organization that promotes and advocates change and connects countries to knowledge, experience and resources that help people build a better life. According to the UNDP, governance refers to "the exercise of political, economic and administrative authority to manage a nation's affairs. It is the complex mechanisms, processes and institutions through which citizens and groups articulate their interests, exercise their legal rights and obligations, and mediate their differences" (Sakiko and Richard, 2007). From another perspective, the Asian development bank (ADB) has defined governance through its contribution towards the economic sector. "Governance is the manner in which power is exercised in the management of a country's social and economic resources for development, that is, it means the way those with power use that power". (<http://www.adb.org/Documents/Policies/PCP/PCP-R-Paper.pdf>, 27 September 2007).

Furthermore, John Graham, Bruce Amos and Tim

Plumptre have explained the governance concept as: Governance is the interactions among structures, processes and traditions that determine how power and responsibilities are exercised, how decisions are taken and how citizens or other stakeholders have their say. Fundamentally, it is about power, relationships and accountability, that is, who has influence, who decides and how decision-makers are held accountable. The concept may usefully be applied in different contexts – global, national, institutional and community. ([http://www.iog.ca/publications/PA\\_governance.pdf](http://www.iog.ca/publications/PA_governance.pdf), 18 November 2007).

Meanwhile, the Organization of Economic Co-operation and Development (OECD) denotes the concept of governance as the use of political authority and exercise of control in a society in relation to the management of its resources for social and economic development. This broad definition encompasses the role of public authorities in establishing the environment in which economic operators function and in determining the distribution of benefits, as well as the nature of the relationship between the ruler and the ruled ([www.oecd.org/dac](http://www.oecd.org/dac), 26 November, 2008). The studies, done by a few scholars (Acemoglu et al., 2001; Rodrik et al., 2004), discovered that no transparent, unaccountable and restricted governance is detrimental to development and welfare, while the opposite tendency is advantageous. Several other definitions on governance, from various international organizations, are presented here to give more understanding.

### **World Bank**

Governance is defined as the manner in which power is exercised in the management of a country's economic and social resources. The World Bank has identified three distinct aspects of governance: (1) the form of political regime; (2) the process by which authority is exercised in the management of a country's economic and social resources for development; and (3) the capacity of governments to design, formulate and implement policies and discharge functions (Thomas, 2005).

### **Institute of Governance (Ottawa)**

Governance comprises the institutions, processes and conventions in a society which determine how power is exercised, how important decisions affecting society are made and how various interests are accorded a place in such decisions (<http://infoweb.magi.com/igvn>).

### **International Institute of Administrative Sciences**

Governance refers to the process whereby elements in a

society wield power and authority, and influence and enact policies and decisions concerning public life, and economic and social development. Governance is a broader notion than government. Governance involves interaction between these formal institutions and those of civil societies (<http://www.britcoun.org/governance/ukpgov.html>).

### ***Tokyo Institute of Technology***

The concept of governance refers to the complex set of values, norms, processes and institutions by which society manages its development and resolves conflict, formally and informally. It involves the state, but also the civil society (economic and social actors, community-based institutions and unstructured groups, the media, etc) at the local, national, regional and global levels (<http://www.soc.titech.ac.jp/uem/governance.html>). Based on these definitions, governance is perceived to be an alternative to government, to be controlled by the state. It has multiple meanings, but most of those meanings cluster around what might be called a 'post-political' search for effective regulation and accountability. Most of the usages of governance signal a situation which poses a real threat to the conventional forms of democratic government (Paul, 2000). Governance is used by some of the alternative policy bodies in the advanced countries and by NGOs acting in the developing world as a new potential for organization through 'civil society' (Paul, 2000). The concept also relates to the growth of new public management strategies since the early 1980s. In another usage, it also relates to the new practices of coordinating activities through networks, partnerships and deliberative forums that have grown up on the ruins of the more centralized and hierarchical corporatist representation of the period up to the 1970s. It embraces a diverse range of actors: labor unions, trade associations, firms, NGOs, local authority representatives, social entrepreneurs and community groups (Paul, 2000).

The emerging notion of governance in political, economic and social arenas showed a dramatic shift in government practice when compared to the phenomenon in the 1960s and earlier periods. Political and economical landscapes of the country are under local, as well as an international serious public scrutiny. Internationally, good and effective governance can be a condition to pursue bilateral and multilateral relations and financial assistance. Thus, governance is a multiparty and multifocal process that contains directions. It is therefore a more complex process in practice, interactive in decision-making and need a continuous effort from those parties. Paradoxically, the bottom line is: there is no short-cut to accomplish effective governance in a country. Indeed, the actual achievement will also vary from one country to another.

### **What is effective governance?**

Governance however, can be good or bad, effective or ineffective, based on the characteristic or quality values associated and imbedded in governing practice. Value is one of the important elements of governance management of a country. This simple explanation is in accordance with that promoted by the UNDP.

This organisation has outlined nine characteristics for effective governance. The nine important indicators are:

1. Participation
2. Rule of law
3. Transparency
4. Responsiveness
5. Consensus orientation
6. Equality
7. Effectiveness and efficiency
8. Accountability
9. Strategic vision (<http://www.pogar.org/publications/other/undp/governance/undppolicydoc97-e.pdf>, 29 September 2007).

However, another list of attributes to accomplish the desired effective governance is as follows (Thomas Weiss, 2005):

1. Universal protection of human rights
2. Non-discriminatory laws
3. Efficient
4. Impartial and rapid judicial processes
5. Devolution of resources and decision making to local levels from the capital

In another writing, the author underlined four characteristics of effective governance as follows (Mohd. Zawawi and B. Mohd Nordin,):

1. Management of government affairs within the rule of law
2. Clean
3. Efficient
4. Trustworthy

Other writings listed eight criteria, which stood out as follows (Source Book on Governance-<http://www.resdal.org/Archivo/d0000092.htm>, 3 March 2009):

1. Legitimacy
2. Freedom of association and participation
3. Freedom of the media
4. Fair and established legal frameworks that are enforced impartially
5. Bureaucratic accountability and transparency
6. Freely available information

7. Effective and efficient public sector management
8. Cooperation between governments and civil society organisations.

While Gary (2002), in his writing cited from the Australian Foreign Minister, sets out the dimension of effective governance as:

1. The effective management of a country's resources in a manner that is open, transparent, accountable, equitable and responsive to people's need;
2. The rule of law;
3. Transparency, accountability and effectiveness of the public sector management; and
4. An active civil society.

From the aforementioned criteria of effective governance, it is shown that most of the writings give anonymous dimensions with major focus on effective and efficient management of the public sector, cooperation between government, private sectors and civil society and bureaucratic accountability and transparency. In contrary, "poor" or "ineffective governance" can be operated by one country if personalisation of power, lack of human rights, practice corruption and unaccountable government is in practice. The practice of bad governance was also common in many countries' reports, in which the notion of promoting good and effective governance practice was proposed as too ideal and impossible (Report on "Good governance" and Democracy: Competing or Complementary Models of Global Political Legitimacy, 2006).

## THE CONCEPT OF EFFECTIVE GOVERNANCE IN ISLAM

The concept of effective governance in Islam can be best described with the most popular concept used for governing the state in Islam, which is *al-siasah al-shar'iyah*. The word 'siasah', literally derived from an Arabic language 'sasa', means to arrange, manage, rule and play politics. The basic purpose for *siasah* is aimed at arranging, managing and using political wisdom to achieve certain objectives (Ibnu, 1968).

Conceptually, according to Ibnu (1961), *al-siasah al-shar'iyah* is an act of giving human benefits and avoiding them from any destruction, even if the action is not specifically mentioned by Prophet Muhammad (p.b.u.h) and revealed by Allah the Almighty, while Ahmad (1965) states that *al-siasah al-shar'iyah* is the management of Muslim benefits in accordance to an Islamic law (Shariah). According to Abdul (1984), it means to administer general matters for an Islamic state including to promote benefits and protect people from any harm in line with the Islamic law.

In a more general definition, al-Maqrizi defines it as carrying out good purposes. This definition gives meaning to rulership for a specific aim, which is to care for people and the system. He also divide *al-siasah* into two categories namely: "fair or good governance" that must also follow the rule of Shariah known as *al-siasah al-shar'iyah* and the second category which is an opposite of *al-siasah al-shar'iyah* known as "bad or unfair governance", or *al-siasah al-zalimah* (Al-Maqrizi, 220).

On the other hand, according to Fathi (1979), *al-siasah al-syar'iyah* is a term that refers to the practice of administration and constitutional law, the authority of government, to include the caliph (ruler), *ahlul-halli wa al-Aqdi* (consultative member), the right of the individual, public interest (*maslahah ammah*) and others. In this respect, all of these are closely related definitions and they indicate that one of the main focus of *al-siasah al-shar'iyah* is managing government institutions and state resources, for the interest and benefit of the public in line with the rules of Shariah.

In understanding Islamic administration or management as a sub-concept and practice to *al-siyasah*, Al Buraey states that the Holy Quran used the term *yudabbiru* in several places. It gives a general meaning to order, lead, operate, manage, plan, steer, arrange both for economic plan and performance of business.

According to him, Islamic administration essentially operates through understanding of government and people or what the modern political science termed as democracy (Al-Buraey, 1988). Therefore, the basic cooperation between the ruler, the administrator and the citizen is inseparable in governing a country well. Indeed, the major aim of *al-siasah al-shar'iyah* is also to attain *al-falah* (felicity) and to avoid destruction (*al-fasad*) as emphasized in one of the Shariah methodologies 'to promote benefit and abstain from destruction'.

In the Holy Quran, Allah the Almighty stressed: "And let there be such a group among you that may call towards goodness and command what is just and forbid evil; and let that very group attain their goals" (Ali-Imran (3):104). With the intertwining and unchangeable aim of *al-siasah al-shar'iyah* and Shariah itself, any new incoming idea or concept proven to promote towards achieving this aim is encouraged. In order to avoid confusion between *al-siasah al-shar'iyah* and Shariah, the writer shall first give some basic explanation about the term 'Shariah' before further discussion.

## Shariah and al-siasah al-shar'iyah as the source and framework of effective governance

For one to fully comprehend the nature of Islamic practice in general, the term 'Shariah' must first be understood clearly. Shariah is an Arabic word that literally means 'way' or 'path to the water source'. It is a system of a

divine law, and a way of belief and practice (Fathi, 1979). Shariah is divine in nature, as it comes from Allah the Almighty and His Messenger, Prophet Muhammad (p.b.u.h) as the major rules provider. Thus, all Muslim actions must be followed by the basic Islamic rules and guidelines underlined in the Holy Quran, Sunnah, al-ijma' (consensus and unanimity of Muslim jurist scholars) and al-qiyas (analogy from the essence of divine principles). Indeed, to prevent any outdated and irrelevant practice in any of the Muslim practices, Shariah in itself contains general principles and broad outlines; it leaves the details of the subject practices to the discretion of Muslims. On the other hand, it is independent and it allows the individual to work according to his intellectual, conscience and faith (Fathi, 1979). Five major objectives of Shariah known as maqasid al-shariah (the objective of Shariah) are:

1. Protecting religion
2. Protecting life
3. Protecting intellectual
4. Protecting offspring
5. Protecting property.

Shariah is also a set of standards for the working system of Muslims. With Shariah, whether the understanding and practice are complying with the standard or not can be determined. Moreover, as a standard, it allows people to distinguish right from wrong, moral from immoral, and ethical from unethical. In fact, this standard is not merely a theory, but also a practice that can be traced in the history of the early practice of Muslim state, especially in the period of Prophet Muhammad and the four pious Caliphs, with special emphasis on Umar's reign. Indeed, Luther Gulick and James Pollock, both prominent scholars in contemporary public administration, concluded in their 1962 report on 'The Organisation of Governmental Administration of the United Arab Republic (Egypt), that Islamic culture, during the era of caliph Umar, is one of the best bases for a strong and successful government and efficient bureaucracy in modern times (Abdul, 1982). Guidelines and rules pertaining to governance from the source of the Holy Quran can be referred to several verses such as (4:58, 59), (5:2), (21:105), (22:40, 41), (24:55) and (57:25), while some rules of conduct mentioned by Prophet Muhammad (p.b.u.h) can be read as follows:

"Behold! Each one of you is a guardian, and each one of you will be asked about his subjects. A leader is a guardian over the people and he will be asked about his subjects" (Al-Bukhari, 1986: 7138).

If the concept of effective governance cannot be separated with various set of good values, it can be seen that, in Islam, every human practice must be compliant with

good values. Without good values, such practices, no matter how heavy they are, will not be counted as a good deed in the eye of the Al-Mighty. This good value, known as Akhlaq, is part of Shariah. Therefore, it is also part and parcel of the practice of al-siyasah al-shar'iyah. Indeed, with Akhlaq, not only that the practice of governance meets its standard, but will also gain reward from Allah the Al-Mighty. Reward can be given in various forms depending on Allah's will. Among the rewards are blessing of life, blessing of possessions (such as age, health, family, job position and property) and the most priceless, is Paradise (Ahmad, 1981). This can be read in Allah's verse: "And whoever does good deeds, whether male or female, and he (or she) being a believer - these will enter the garden, and they will not be dealt with unjustly" [al Nisa' (4): 124].

On the contrary, bad or unfair governance in Islam is not judged based on the public's compliance or non compliance with the specified indicators per se, but also when it is not in compliance with the standard of Shariah and principles of al-siyasah al-shar'iyah. It is therefore, considered as sinful. In Islam, there will be no such thing as one 'lives up to one's own deeply held values' because it has its standards and principles to be followed. In fact, one must check one's progress not only against one's own ideals, but against the ideals and behavior of the ethical community and Islamic teaching. Only by this way, an ethical culture can be formed and formulated in governing. Allah said to this effect: "but seek, with the (wealth) which God has bestowed on thee, the Home of the Hereafter, not forgetting thy portion in this world, but do thou good, as God has been to thee, and seek not (occasions for) mischief" [Surah al-Qasas: 77]. Some examples of Akhlaq that can be referred to in the Quran from several verses are seen as follows:

1. Honesty and integrity in all dealings (16:92)
2. The administration of justice (4:58,42), (6:153) and (42:15)
3. Loyalty (4:59)
4. The principle of personal responsibility (6:164)
5. Cooperation and its limit (5:2) (76:24).

Three features of early Islamic governance are: First, Islamic governance assimilated some foreign systems with its own concept. For example, in Syria and Egypt, the Arabs adopted the Roman system, while in Persia, the Persians adopted the Persian government system. Secondly, Islamic governance, dominated by religious and moral spirit, with 'Fear to Allah the Al-Mighty' is the central focus. Thirdly, Islamic governance encouraged Muslims to practice ijtihad and respected Muslims opinions and experience if they are not contradictory to Shariah (Al-Buraey, 1988). In order to achieve effective governance via al-siyasah al-shar'iyah, several fundamental principles can be outlined:

1. Al-Iman (Faith and sovereignty to Allah and His Messenger (p.b.u.h))
2. Al-Amanah (Accountability)
3. Al-Akhlaq (Good morale value)
4. Al-Shura (Mutual consultation)
5. Al-Hisbah (Prevention and forbidding wrongdoing).

### **EFFECTIVE GOVERNANCE VIA PUBLIC SERVICE ROLE AND TRANSITION**

Since independence, Malaysian public service has undergone four decades of development. It moves fast and well planned with the assistance of its agencies, units, enterprises and corporations which aimed at reformation. The period from the time of Malaysia's independence in 1957, until the late 1980s, was a tremendous development in terms of size and policies introduced for public services, especially to enhance the socio-economic growth.

The public service was made to be a deliverer of goods and services needed by the citizens of a newly independent country. The public service and government agencies were entrusted to implement the five year economic plans and long term perspective plans. This essential task, as an economic agent, was considered as a new challenge to public service as it was left by the British with primary orientation to the maintenance of law and order and collection of revenue. Little or no emphasis was given to development work, except for the provision of basic infrastructure required to enable the country's natural resources to be exploited. After independence, the functions of the public service assumed an 'action-oriented' character involving four major roles, namely:

1. To preserve the existing law and order;
2. To devise the framework of government policies;
3. To undertake the management and implementation of socio-economic development; and
4. To undertake the administration of industrial development.

The aspects of reform in public service since the 1960s were not only on institutional development and socio-economic projects, but also on behavioral and ethical aspects of civil servants. These three major aspects form the main themes of the first plan, until the present ninth Malaysia plan, which at the beginning embodies the new economic policy (NEP) meant to restructure society so as to eliminate the association of any race with any single occupation. The overriding objective of the NEP was to promote:

1. "Eradication of poverty by raising income levels and increasing employment opportunities for all Malaysians, irrespective of race. This is to be achieved by programs

aimed at raising the productivity and income of those in low productivity occupations; the expansion of productivity to higher productivity activities and the provision of a wide range of social services specially designed to raise the living standard of the low-income groups".

2. "Accelerating the process of restructuring Malaysian society to correct current economic imbalances, so as to reduce and eventually eliminate the identification of race with economic functions. Programs for this purpose include the modernization of rural life, the rapid and balanced development of urban activities, the establishment of new growth centers and creation of Malay commercial and industrial communities at all levels of operation. The objective is to ensure that Malays and other indigenous people become full partners in all aspects of the economic life of the nation" (Ismail and Osman, 1991).

With the introduction of the NEP, improvements and reforms in the public service and government agencies became urgent. Public services were not only based on target which was to solve the socio-economic problems, but also to perform good services to the public. Also, planning to overcome the problem of poverty and racism had essentially changed the atmosphere of public service from tax collector and peace provider to motivator hand-in-hand with politicians to produce sustainable development. Therefore, the 1970s can be characterized as "development oriented public service" (Sharifah, 1999) which focused on:

- a) Modernization and institution building;
- b) Ethical reforms;
- c) Proliferation of government agencies and enterprises;
- d) Introduction of public policies.

The vital contribution of public administration through government agencies and public service is illustrated among others in the second Malaysia plan (1971 to 1975):

"Besides providing leadership in the articulation and achievement of the new economic policy, the government will assume an expanded and more positive role in the economy than the past...The government will participate more directly in the establishment and operation of a wide range of productive enterprises. This will be done through wholly-owned enterprises and joint ventures with the private sector. Direct participation by the government in commercial and industrial undertakings, represents a significant departure from past practice" (Second Malaysia Plan, 1971 to 1975).

This new approach of government via the public service and government agencies in developing economy might

be described as a policy of 'dual initiatives' by state and market (Sharifah, 1999). It was also an early stage of performing good and effective governance for a newly independent country. Consequently, in 1983, the government introduced the 'privatization policy' to promote the private sector as the engine of growth and spearhead the economic growth. Moreover, in 1984, the government introduced the Malaysia incorporated concept under which the public and private sectors are to work as partners with the former facilitating the latter to achieve economic growth (Ahmad et al., 2003). The era of the 1990s was the period whereby the government woke up from the worst recession during 1985 to 1986 in its post-independence history. Yet, with determined efforts to introduce structural adjustments towards liberalization and deregulation, the economy turned around rapidly from 1987 onwards to record unprecedented growth rates (Sixth Malaysia Plan, 1991 to 1995). As a result, the performance of the economy for the 1986 to 1990 periods exceeded the Fifth Malaysia Plan targets, thus enabling it to play an important role in achieving the objectives of NEP. The economic performance over the Fifth Plan period had been commendable. Overall, the gross domestic product (GDP) in real terms grew by 6.7% per annum when compared with the Fifth Plan target of 5.0%. This remarkable performance was due to the successful implementation of adjustment measures undertaken since 1983 to consolidate the public sector and reduce its budgetary deficits (Sixth Malaysia Plan, 1991 to 1995).

The size of 'public service' continued to grow under the Sixth Plan with its main thrust to sustain the growth momentum and manage it successfully so as to achieve a balanced development of the economy. The emphasis on 'balanced development' had become a theme for government's new policy, named national development policy (NDP). Building on the ongoing thrust of NEP in eradicating poverty and restructuring the society, NDP encompasses the following critical aspects (Sixth Malaysia Plan, 1991 to 1995):

1. Striking an optimum balance between the goals of economic growth and equity.
2. Ensuring a balanced development of the major sectors of the economy so as to increase their mutual complementarities to optimize growth.
3. Reducing and ultimately eliminating the social and economic inequalities and imbalances in the country to promote a fair and more equitable sharing of the benefits of economic growth by Malaysians.
4. Promoting and strengthening national integration by reducing the wide disparities in economic development between states and between urban and rural areas in the country.
5. Developing a progressive society in which all citizens enjoy greater material welfare, while they are simultaneously

simultaneously imbued with positive social and spiritual values, and an increased sense of national pride and consciousness.

6. Promoting human resource development including a creation of productive and disciplined labor force and developing the necessary skills to meet the challenges in industrial development through a culture of merit and excellence without jeopardizing the restructuring objectives.

7. Making science and technology an integral component of socio-economic planning and development, which entails building competence in strategic and knowledge-based technologies, and promoting a science and technology culture in the process of building a modern industrial economy.

8. Ensuring that in pursuit of economic development, adequate attention will be given to the protection of the environment and ecology, so as to maintain the long-term sustainability of the country's development.

The strategy for balanced development will therefore, encompass policies to diversify the industrial base, enhance human resource development, promote technological upgrading and reduce structural imbalances among sectors and regions in the country. In consonance with this strategy and objective, the delivery of public service has to go beyond efficiency and effectiveness. The quality of public service is an important part of the equation in the global competition for business and service delivery. What was considered good in the past may not be satisfactory in the present. It is no longer adequate to have one-size-fits-all solutions. Looking for innovative and customer oriented solutions to meet the diverse and sophisticated needs are crucial for public service. In Malaysia, public service reform (PSR) does not only involve structural building and law reform, but also attitudinal reform and values. This is also called a new paradigm in Malaysia's public administration process. The PSR, introduced since independence, can be classified into the following focus areas namely:

- a) Structural changes
- b) Improved productivity and delivery of services
- c) Office automation and information systems technology for the public sector
- d) Measuring efficiency and effectiveness
- e) Improving performance reporting in the public sector
- f) Total quality management
- g) Attitude and behavioral change
- h) Strengthening statistical capacity
- i) District administration.

Leading all the efforts to improve the Malaysian Public Service is the Panel for Improvement of the Public Service (PANEL), headed by the Chief Secretary to the Government. Established in 1986, the PANEL's role is to

'investigate and offer solutions to service problems of common concern. It is important as a prime mover of change and a generator of the public sector reform ideas into the programs. The efforts of the PANEL have resulted in a number of innovations in the form of a program that has been implemented in the Malaysian public service. In the part of attitudinal and behavioral change to accelerate values and ethics in public service, several ways have been worked out:

1. Enforcing the code of ethics at workplace;
2. Client charter;
3. Service counter;
4. Quality assurance standard, such as ISO 9000;
5. Total quality management;
6. Quality day;
7. Quality control circle;
8. Excellent work culture movement;
9. Awards and recognition;
10. Clocking-in and out involving every member of the civil service;
11. The wearing of name tags by civil servants so that they can be identified;
12. The introduction and improvement of the desk file;
13. A manual of work procedure;
14. One stop payment/license centers;
15. Suggestion boxes for the public;
16. Conducive working environment;
17. Electronic government.

The decade of the eighties witnessed the beginning of this reformation. In Malaysia, the government had underlined several work ethics for the public service as a principal guideline. Seven fundamental values have been identified and the focus of the civil servants is on:

1. Quality,
2. Productivity,
3. Innovativeness,
4. Discipline,
5. Integration,
6. Accountability
7. Professionalism.

They were introduced by many ways. Some were introduced through government policies, such as "Clean, efficient and trustworthy policy", "Leadership by example", "Look east policy", "The inculcation of Islamic values policy" and "Vision 2020". The government identified values as a challenge for the public service as quoted, for example, in the Vision 2020: "...the development of an administrative system that is mission-oriented and has the inherent ability to focus on effective delivery of quality services, the development of institutional capacity to promote and sustain a climate of creativity and innovation, the ability to respond effectively to complex

complex and rapidly changing environmental demands, and the development of quality human resources to facilitate the transformation of Malaysia into a modern industrialized and fully developed nation" (Ahmad, 1991). The main objective of Vision 2020 is to make Malaysia a fully industrialized and developed nation. The government envisions that by the year 2020, Malaysia will become a united nation, with a confident Malaysian society, infused by strong moral and ethical values, living in a democratic society, tolerant, caring, economically just and equitable, progressive and prosperous and in full possession of an economy that is competitive, dynamic, robust, resilient and socially just. Vision 2020 sets a new agenda for the future direction of civil servants. Civil servants will take the lead role to bring changes not only to the economy of the country, but will also bring the people's culture towards values and ethics. To achieve this aim, six core work ethics and values had been identified to be the major focus in government programs, namely:

1. Basic personal values (such as sincerity, trust, self discipline, commitment, cooperation and moderation).
2. Customer focused values (such as courtesy, politeness, humanity, efficiency, carrying out work expeditiously and fulfilling the requirements of their customers).
3. Leadership values.
4. Professional values.
5. Productivity and quality values.
6. Religious values.

While the emphasis has been on making the public service more efficient, attention has also been given to improving the conduct and discipline. There are also written rules and regulations documented as the code of conduct under the public officers (conduct and discipline) regulations of 1993. The code of conduct aims for 'highly disciplined civil servants who are responsible and committed to their jobs, excellent in job performance, high productivity and quality in the delivery of services, and a clean civil service...' (Ahmad, 1991).

In April 1997, the government took another important step to develop and strengthen its integrity system by setting up a high-powered Parliamentary Select Committee on Integrity (PSCI) in government management. The PSCI has twelve members - ten from the ruling Barisan Nasional (BN) coalition and two from the opposition - and allows MPs, inter alia, to inquire into cases of corruption and abuse of power, although it has no authority to investigate. Commitment to effective governance is also expressed in the pronouncement of the national integrity plan (NIP) 2004 and the Malaysian institute of integrity as the main responsible agency. Other than this institute, the Asian strategy and leadership institute (ASLI) and the anti corruption agency (ACA) are also taking a great role in putting integrity and



good values into reality. Recent statistics from the ACA reported that in 2003 to 2004, public confidence in the anti-corruption program is increasing. Corruption-related arrests have shown a marked increase of 47% with 497 arrests made in 2004 compared to 339 arrests in 2003. There are also more cases that are being brought to the trial stage (Abdullah, 2006).

The NIP emphasizes the preventive approach to combating corruption by inculcating the individuals and Malaysian society as a whole, with the values of honesty, integrity and ethics. The NIP has the overall objective of establishing "a fully moral and ethical society whose citizens are strong in religious and spiritual values and who are imbued with the highest ethical standards" (Integrity Institute of Malaysia, 2005). The NIP is implemented in five year stages, beginning with 2004 to 2008, and the named target is 2008. This first phase of the plan has 5 priority targets:

1. Effective reduction of corruption, malpractices and abuse of power.
2. Increase the efficiency in the public service delivery system and overcome the bureaucratic red tape.
3. Enhance corporate governance and business ethics.
4. Strengthen family institution.
5. Improve the quality of life and people's well being.

Even though the target is broad, encompassing the public and society, the focus is more on the integrity in public services. Some issues of less integrity amongst civil servants were attributable to (Integrity Institute of Malaysia, 2005):

1. The spread of corruption,
2. Incompetence,
3. Malpractices,
4. Abuse of power,
5. Fraud,
6. Unethical behavior,
7. Lack of work motivation.

Other efforts, taken by the government, to instill accountability, transparency and quality performance, were also by establishing key performance indicators (KPIs) in 2005. The implementation of this performance-based work culture in the public sector aims to upgrade the quality of delivery services for customers and promote good private sector cooperation. This is a vital endeavor, as public service excellences can influence conducive business environment and consequently promoting effective governance between the two major entities. As a result of this, the value system of agencies and employees have to first, respond positively to the changes proposed, and secondly, to address the question of resistance to change. More importantly, there has to be a change in attitude and thinking amongst civil servants to

accept and grow in the context of this new dynamic governance environment (Country Paper Malaysia, 1993). This is also a result of the public service performance. A study in Management Capability Index (MCI), in 2008, shows that Malaysian management performs 68% of its potential 100% capability, which is regarded as a 'mediocre' performance and has a potential to move to good and great performance. The MCI is made up of nine major drivers of management capability that deliver profitable growth. The driver category and scores are shown in Table 1.

The 2008 MCI results showed that government agencies scored highest in 'Integrity and corporate governance' (75.2 out of 100), followed by 'financial management' (71.7 out of 100) and 'performance leadership' (70.0 out of 100). However, when the data split into different types of organization, government agencies scores are below the average of Malaysian companies. This fact can be read in Table 2. Besides MCI, Malaysia's stand in governance can be measured based on the World Bank report. There are six components of governance in a report titled 'Governance matters, 2007: Worldwide governance indicators for 2006' published by the World Bank (The Worldwide Governance Indicators (WGI) Project, 2006). The worldwide governance indicators (WGI) project reports aggregate and individual governance indicators for 212 countries and territories over the period of 1996 to 2007, for six dimensions of governance:

1. Voice and accountability;
2. Political stability and absence of violence;
3. Government effectiveness;
4. Regulatory quality;
5. Rule of law;
6. Control of corruption.

The aggregate indicators combine the views of a large number of enterprise, citizen and expert survey respondents in industrial and developing countries. The individual data sources, underlying the aggregate indicators, are drawn from a diverse variety of survey institutes, think tanks, non-governmental organizations, and international organizations. Initially, under the first component (voice and accountability), Malaysia stood at the fourth place after Singapore, Philippines and Indonesia. Under the second component (political stability), Malaysia stood at the fourth place as well in 2006. Under the third component (government effectiveness), Malaysia stood at the second place after Singapore. For the fourth component (regulatory quality), Malaysia was placed at the third rank after Singapore and Brunei. Under the fifth component (rule of law), Malaysia was at the second place after Singapore. Finally, for the last component (control of corruption), Malaysia was placed on the second rank after Singapore (<http://info.worldbank.org/governance>).

**Table 1.** Malaysia management capability index (MCI) 2008.

| Rank | Category                                | Score |
|------|---|-------|
| 1.   | Integrity and corporate governance      | 75.2  |
| 2.   | Financial management                    | 71.7  |
| 3.   | Performance leadership                  | 70.0  |
| 4.   | Visionary and strategic leadership      | 69.3  |
| 5.   | Application of technology and knowledge | 67.8  |
| 6.   | External relationships                  | 67.1  |
| 7.   | People leadership                       | 66.2  |
| 8.   | Organization capability                 | 65.6  |
| 9.   | Innovation in products and services     | 64.9  |

Sources: <http://info.worldbank.org/governance>.

**Table 2.** MCI according to different types of organisation.

| Category                           | MCI  |
|------------------------------------|------|
| Multinational corporations (MNC)   | 75.0 |
| Local large corporation (LLC)      | 69.5 |
| Government agencies                | 69.3 |
| Small and medium enterprises (SME) | 64.0 |
| 2008 Malaysian MCI                 | 67.7 |

Sources: <http://info.worldbank.org/governance>.

In the 2008 Corruption Perspective Index (CPI) report, Malaysia's position remained unchanged from the previous year, as it was still ranked sixth among 25 countries in Asia. However, Malaysia improved on its points from 5.05 in 2005 to 5.1 in 2007, while it ranked 43<sup>rd</sup> out of the 180 countries (Global Corruption Report, 2008). These World Bank and Global Corruption Reports show that the country needs not to be fully satisfied with its "governance performance", but to increase its efforts and strategies effectively. To be able to do this, all important sectors and entities, including the public sector, must be collaborative and cooperative in fulfilling their respective duties in tandem with the theme of the Ninth Malaysia Plan "together towards excellence, glory and distinction".

## Conclusion

Various efforts have been taken by the government in the move towards better performing public services and effective governance since independence. The role of the public sector is redefined from the traditional role of regulator to a new role of service agency and facilitator to effective governance. The emerging factors for this reformation are due to the evolution of customer needs and demand, the impact of globalization that foster evaluation by performance measurement and output and political

will, both from the government and political parties. The flow of public service reformation in Malaysia can be summarized as follows: (a) Administering and providing essential public services and safeguarding national security in the 1960s; (b) Planning and implementing socio-economic programs to support the New Economic Policy in the 1970s; (c) Facilitating and regulating economic activities during the industrialization period in the 1990s; and (d) Modernizing and instilling human capital values to combat maladministration in the new millennium. All these efforts are in consistency with the notion of *maslahah* and *maqasid al-shari'ah* that are essential in carrying out the theory of *al-siyasah al-syar'iyah* or effective governance in Islam. Bad practices including corruption, bribery, inefficiency, etc., are against the best practices of *al-siyasah al-syar'iyah* and contemporary EG. Indeed, they are considered as immoral and sinful in Islamic teaching or to Muslims. However, challenges in producing good leadership and accountability are still subject to serious debate and attention, besides an increasing public demand to ensure improved delivery and efficient services in the country. As effective governance is also judged by public trust and satisfaction, the government and, in particular, civil servants must not lose sight of the fact that their very survival depends on those factors, which must be shown from demonstration of their willingness and ability to run

public office with quality values and ethics.

## Note

Effective governance and good governance were used interchangeably in this article; connoting same meaning.

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