Chapter Seven

SUMMARY AND CONCLUSION

It is now over four years since the NRS was implemented in January 1992 but the debates and complaints against it has not subside. A quick glance at the 'Letters to Editor' columns in the various newspapers still see at least one or two letters a week about the subject written by disgruntled civil servants. Every few months or so, some senior Ministers or top civil servants (usually the Chief Secretary to the Government or the Director-General of Public Services) will issue statements reiterating their confidence in the system, normally in response to an earlier remarks by some union leaders or other.

Obviously then, there are discrepancies in the NRS - between the promulgated ideas and the implemented ones. It is thus not too much to say that there is a general state of confusion among public servants over the discrepancies between what the NRS intends to promote and what it actually promoted when it was implemented. Even among the implementers, there are various disagreements on various aspects such as evaluation criteria by public servants who are being assessed.
One of the major discrepancies is the perception of the government towards the NRS which differs from the public servants. While the government views the NRS in totality as a system of improving work performance and increasing productivity through specified methods, the public servants usually approached the NRS from the standpoint of promotion and better pay.

The then Director-General of Public Services Tan Sri Mahmud Taib confidently declared that ‘the new salary system would lay the foundation for the government’s drive towards a developed nation by year 2020. The incentives in the new system are meant to retain the existing talented staff and to attract the right new employees’\(^{20}\).

In his report for the year 1992, the Chief Secretary stressed that the NKS aimed to create ‘a more effective personnel system in the Public Sector in order to meet changes and challenges of the future’\(^{21}\). He believed ‘the flexibility of the system will further strengthen the management of the public sector ...’\(^{22}\).

\(^{22}\) Ibid.
Many senior Ministers had also expressed their confidence in the new system among them then Deputy Prime Minister Ghafar Baba who declared that ‘(the NRS) would increase productivity of the public sector’\textsuperscript{23}.

Right from the start, Cuepacs was lukewarm in its reception of the schemes. As the umbrella organisation for the public sector unions, it feels that Cuepacs should be notified (if not actually consulted) on all important decisions involving civil servants. The teachers’ unions, although later accused of being among the NRS most vocal critic, were among the first to endorse the new system. Between January to March 1992, the NUTP carried out seventy briefing sessions nation wide, advising teachers to opt for the new scheme despite it claims that numerous anomalies came into being as a result of the system because the union ‘was confident that anomalies could be resolved’\textsuperscript{24}. The NUTP secretary-general Mr. Siva Subramaniam was reported to have said that the unions ‘have done its part’ and at the same time have given assurance that anomalies and other problems will be sorted out, thus the unions ‘expected the PSD to do its part so that the implementation of the new scheme will be smooth’\textsuperscript{25}.

The conciliatory tone soon changed. ‘...the system was a great disappointment to civil-servants’\textsuperscript{26} declared Secretary-General Siva. His

\begin{footnotes}
\textsuperscript{23} The New Straits Times. March 20, 1992
\textsuperscript{24} The Star, March, 20, 1992.
\textsuperscript{25} Ibid.
\textsuperscript{26} The New Straits Times. June 11, 1992
\end{footnotes}
deputy was even more scathing. 'It is obvious', he said, 'that the NRS is the single most demotivating factor in the teaching profession'. Almost three years after the implementation of the NRS, union officials were still claiming that 'never a day passes without the union receiving a complaint from members'.

The unions was later to propose the formation of a Cabinet Committee to study among others, the possibility of establishing an Education Service that is separate and different from the usual public service in terms of structure, organisation and management to ensure optimum efficiency and effectiveness in the Education Service. The union called for a paradigm shift pertaining to the organisational development and services of the Education Profession. According to the memorandum with the implementation of the NRS, 'status of majority of teachers was downgraded from professional to that of support group'.

The introduction of a new remuneration scheme was an attempt to challenge the individual civil servant to improve his performance to greater heights. The government hoped that the performance-based annual appraisal will lead to an overall improvement in everybody’s performance. This is a

28 Ibid.
30 Ibid. p. 7.
result of the healthy competition among the workers to work harder and better in order to get more pay. Workers would inevitably be more conscious of quality and organisation’s objectives. The fear of a static or no salary increment should spurred even the laziest of worker to think again because a few repeats of ‘static increment’ can eventually lead to outright dismissal. The introduction of various new incentives and allowance should provide the pull factor against competition from the private sector.

Unfortunately, the findings of this study show quite the opposite effects are taking place. A few salient features that emerged from the study are summarised below with a few suggestions thrown in.


When complaints and dissatisfaction were voiced against the NRS during the first year of its implementation, the government was confident it was merely a ‘teething problem’ triggered mainly by the fact that under the new system, the civil servants were still evaluate using old criteria’s based on old formats in the old system. At the launching ceremony of the new appraisal system on 11th December, 1992, Chief-Secretary to the Government declared that the new system adopted the evaluation techniques of the private and public sector of developed countries where performance is assessed ‘on
the basis of actual, tangible and measurable worked performed throughout the year unlike the old system where there were no written targets between the two parties. Earlier in the year, the Public Services Department hold a special meeting from April 19 to April 21, 1992 at Pangkor Island to discuss the new appraisal procedures under the NRS. Present at the meeting were Secretary-Generals and Director-Generals of all Ministries and Federal Departments, Vice-Chancellors and Registrars of all local universities and heads of statutory bodies.

The findings of this study clearly indicate the failure of both the AWT and NPAS to impress the respondents. Although only about 35% of the respondents think the AWT form is difficult to fill against 40% who do not think so, the majority do not think it plays any role in creating extra awareness of their jobs and responsibilities. A respondent wrote in bold at the end of the questionnaire - 'even without the AWT, I am still conscious of my responsibility'.

Such attitude towards the AWT is hardly surprising since only 35% of the respondents had discussions with his superior before setting the targets and only 26% did the mid-term review. Many respondents seem to think their bosses are only interested in their own (the bosses) objectives. Like the respondents in the EPRD study (who were teachers, headmasters/principals

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and senior-assistants in schools) this study respondents too feel that the AWT is not suitable for use by those working in schools.

Concerning the New Appraisal System, again there are more who think the form is not difficult to fill (38% against 29.3%) but the majority (40% against 26%) say it is not suitable to assess their performance. Many (45%) also think the forms have too many sections against only 23% who say the sections are all right. The percentage of those who said the weightage given to the various section is unsuitable is also higher than those who agree with the weightage (at 39% and 28% respectively). Like their counterparts in the EPRD research, the majority believe the New Performance Appraisal format unsuitable to assess their colleagues in schools.

Under the section entitle ‘Performance Appraisal For 1995’ a majority (57%) claimed they are not inform of their performance while 60% say there is no discussion concerning their performance and assessment. It is also disturbing to see the large number of ‘neutral’ response to the statement ‘My supervising officer practice favouritism when assessing his subordinates’. This section also attracts the most number of response to the open-ended questions where respondents are invited to state their views or comments on the subject. Comments range from accusation of unfair, bias and prejudice assessment to complaints of favouritism, nepotism and unhappiness to not being told the truth or the basis for evaluations made.
The goal of any performance appraisal, according to the Chief Secretary to the Government is "to improve the overall efficiency and effectiveness of the organisation"\(^{32}\). Thus it is important that performance measurement be done in a systematic and comprehensive manner. Most important the people involved must understand the need for performance evaluation (not just as a determinant of pay increment) and the importance of the parameters and instruments used. Experts agree that managers must establish verifiable performance standards based on core responsibilities of a position. As such the government is right to put so much emphasis on the AWT. It is important that workers are set objectives and targets to achieve within a year and their annual assessments based on these guidelines. *Guidelines for the Implementation of Performance Appraisal System of the Malaysia Public Service* clearly states that "the annual work target should be set through discussion between the appraiser and the appraisee taking into account the department’s plan. The Guidelines also required the appraiser and appraisee to review the targets after six months, not only to gauge the success or failures of the said targets and objectives but also to see if any adjustments or changes are required. At the end of the year, with the AWT forms as a guidance, the appraisal made ceased to be based on perception and impression only. The appraisal now made is actually based on the record of a worker’s achievements and endeavours taking into account the objectives and

standards that was earlier spelt out in the AWT. This way the appraisers have concrete evidence to justify their ratings.

On the argument that targets are easy to establish only for assembly-line workers and sales personnel but not for teachers, clerks, executives and the likes, this is more an excuse than a fact. A target, as pointed out earlier need not necessarily be in terms of quantity alone. It can also be in term of quality, cost and time.

Majority of the respondents do not argue about the need to have the AWT forms. However, many contend that it is not properly drawn up or adhered to. A few officers from a division claim that their boss prepared his AWT by 'lifting' (copying) 'attractive' targets set up by his subordinates, whom he asked to list down their own targets without prior discussion with him. There are also cases of officers 'copying' each other's targets. In another division, some officers claimed their supervisor called for a short briefing and told them what he expected to 'see' in their forms and they were given a deadline to submit the forms. Obviously the importance of the AWT are totally lost to these officials. Filling up the AWT forms become merely a routine job that has to be done without any serious thought or importance attached to it.
Now the AWT for Education Officers (teachers) in schools is something else. The teachers and their unions are against it right from the start. They regard the AWT as 'cumbersome' and preparing it a 'burden'. The NUTP argued that the teachers' record book contains not only the teachers' annual plan, but, also his monthly and daily work plans and have everything that the AWT required and more. The Ministry finally bow under pressure and teachers are not required to prepare the AWT from January 1, 1995.

It is clear then, that although a good system is in existence, the implementation is fraud with weaknesses, mostly due to unclear concept. The importance of the AWT was obviously not clear and Performance Appraisal are still shrouded in mystery for many officials and in recent years seen only as a tool that determine the quantum of one's salary increment at the end of every year. Since the majority can only qualify for a horizontal increment, it is little wonder that they prefer an 'automatic' raise like in the good old days.

In his writings and speeches, the Chief Secretary to the government stress on the importance of a 'transparent' appraisal. However, only 32% of the respondents admitted they were told of their performance. The NUTP and Cuepacs wanted it to be made compulsory for bosses to inform their subordinates how they have been appraised. It sees it as the only way to make bosses more responsible for their words and deeds. They want a
column or space to be introduced into the appraisal forms where the appraisee acknowledged he has been informed of the evaluation.

The unions admit that knowing exactly how they are appraised and the reasons for their high or low ratings will not solve all problems immediately but at least the worker knows where he stands. NUTP president Ramanathan reasoned out that if the assessment is just and fair, even if it is not complimentary, the worker will accept it, even if not immediately (and even though initially he may protest a bit). Some senior ministry officials are against such a move (making it compulsory to inform staff of their appraisal). They point out that to inform a person of his weaknesses is easier said than done. 'In this country, you cannot have a frank and honest argument (or even discussion) professionally and expect to remain friend as usual' lamented the Director of the Ministry's Training Institute, whose job entails frequent meeting and discussion with other education administrators. In the United Kingdom and the United States (where he did his Master and Ph.D. programmes) "you could have an all-out no-holds barred argument and still remain the very best of friends". It is the fear of hurting the feelings of subordinates and colleagues (and in some cases fear of personal injuries and damages to property such as their cars) that prevent some bosses from imparting the truth.
Eighty-four percent of the headmasters studied by the EPRD admitted they had attended courses and briefings on the New Performance Appraisal System. The NUTP on the other hand, claimed 'very few' if any school administrators ever had the opportunity to attend such courses. A random survey among officers in the Ministry found out that most of them were given short briefings when the new format was introduced in early 1993. Perhaps more important than courses and briefings on AWT and performance appraisal is an in-depth course and continuous stress on performance management. Officials, holding positions of responsibility should not be too afraid to 'hurt' the feelings of colleagues and subordinates and even bosses if the truth need to be told. With a fair and reliable parameters to back him he should rate his staff without fear or favour. Senior officials have to accept that facing unpleasant situation (like calling a staff to point out his mistakes) is part of the responsibility that comes with the position. If this is accepted there should be no problem taking up the unions suggestion of a compulsory feedback. Of course, there will be heads who will simply give good ratings to all his subordinates just to remain popular or because he does not want to face any problem, regardless of how they perform. Such cases, surely, will not be the norm, and in the long run, hopefully our people will accept that a professional reprimand or censure need not be personal.

As for the NPAS format, certain sections and criteria need readjustment. A graduate teacher teaching in the classroom is doing a totally
different job from that of an Administrative and Diplomatic officer in the Treasury or Public Services Department or even from his brother Education Officers in the Ministry of Education although they are all 'Professional and Management Group' under the NRS. Thus, while it is all right to use the same format to evaluate officers in the PSD and the Ministry of Education, it is imperative to design a different one for the Education Officers in schools. Criteria like 'cost effectiveness' and 'implementation of administrative rule and instructions' (section six - PSD form (performance) 3/92) are surely not quite relevant to measure a teachers' performance. May be something like 'effectiveness in teaching' and 'classroom management' are more appropriate. The government must seriously consider letting the different services to come out with their own format and criteria that suit their own need.

The Matrix Salary Schedule (MSS)

The MSS has been called the 'landmark' of the NRS, simply because something like this has never been introduced in the public sector before.

The matrix system with its different increases and maximum salaries for each level made it possible for a few high achievers to get two merit increment which will usually see his salary pushed way up above his colleague and in some cases even above that of his superior. In other words, an excellent civil servant, apart from normal annual increments can get more pay whilst remaining in the same grade and doing the same job. This, the
government hoped, will ensure a continuous quest for excellence, promoting healthy competition, thus pushing up the quality and productivity of the Public Service.

Unfortunately, the study reveals that many perceived that the merit increments are generally given to officers based on very personal assessments by their superiors which more often than not differ from that of their peers. A number of teachers writing to the NUTP claim that they are complaining not because they fail to get the merit increments but because they see many who do not deserve get them.

Majority of the respondents in this study prefer the annual increment under the old system. 55% of them want the MSS to be scrapped. The decision to limit the diagonal increment to only 2% and the vertical increment to only 3% of an organisation members regardless of the number that scored 90% in their Performance Appraisal was obviously a big source of disappointment to many civil servants. 92% of the respondents in this study feel there should be no quota. The EPRD's study reported the percentage against the quota at 91.3% among the teachers and 95% among the headmasters and senior assistants.

Teaching, and for the matter, most work that goes on in a government department, requires team effort in order to make it a success. To reward
only a few for the effort of the whole group, especially if the reward leave the rest at a 'disadvantage' in comparison, is not very wise. It is thus hardly surprising that many department heads are reported to devise a 'rotation' system, whereby all staff are advise to be patient and 'wait for their turn'. Usually the more senior (in age or years of service) are given precedence. This practice is definitely not in line with the objective of the NRS to reward excellent officers not 'long-serving' or those getting on in years. Yet, again, there are others who question doesn't loyalty (referring to those who stay on till retirement) count for anything anymore? The Ministry of Education's move (yet to be announced and implemented) towards a 'group reward' is thus most commendable.

Financial as well as budgeting constraints necessitates the imposition of some sort of quota. Besides, doing away with the quota is no guarantee of an end to the 'vertical', 'diagonal' and 'static' debates.

Under the MSS, what was intended to be an incentive for excellent performers has been dubbed the 'winners take-all'. There is a consensus among all the senior officials interviewed, union officials and numerous other officials questioned at random, that rewards in the form of bonus, scholarship for short courses or even an all expenses-paid short holiday is preferable to salary increment that will permanently put a person above most of his peers. The general feeling is that it is simply not right to reward a person for life for
only a year's work. Former Justice, Tan Sri Harun Hashim who chaired the Harun Salary Commission in the 1970s has this to suggest:

'... replace the 3-tier matrix with a single horizontal scale. Under the system, every officer will be entitled to an annual increment to the next step unless there are disciplinary proceedings against him.

Above average officers will be entitled to an accelerated increment which means his incremental date is brought forward by six months. And the top achiever is granted a double increment. In either case, accelerated or double increments should only be granted based on meritorious performance of the officer during the 3 years preceding the award. Heads of Department will be required to put up a Special Report for such awards which will be subject to approval by a higher authority.

Under such a system, the best will get double increment once in 3 years. It allows others to catch up. But all of them will reach the same maximum salary in the course of time for being in the same grade and doing the same job. That would be fair to all.'

Position of Teachers Under the NRS

The NUTP obviously resent the fact that under the NRS, non-graduate teachers are classified under the Support Group and thus 'symbolically and virtually lose their status as professional'\textsuperscript{34}. The fact that 16 of the 53 non-graduate respondents refuse to indicate their 'service group' in the survey may be due to this reason. They, are however, identified through their qualification.

The union is also irk by the situation whereby under the NRS, the teachers lose their special representation in the National Joint Council,

\textsuperscript{3} The New Straits Times, November 2, 1995
whereby in the previous scheme, all teachers (regardless of Service Group and qualification) came under a single NJC. Under the NRS, the graduate teachers are put under the Management and Professional NJC, while the rest come under either the General Service Support Group NJC or the Science and Technology Service Support Group NJC. This arrangement, the Union believes will affect their focus and effectiveness to act as one, united professional group.

The NUTP has always look upon the two-tier salary scheme as their 'baby'. It was the culmination of their struggle for better pay and recognition for the teaching profession. In their own words:

The implementation of the two-tier salary scheme has created a special scheme for teachers compared to other services. With the introduction of the NRS the role of the two-tier scheme to create a special pay-scheme for the teachers ceased by itself. Because of the implementation of the NRS and the same benefits given to all other services in the public service, the privilege enjoyed by the teachers under the two-scheme are now 'lost'. Now there are rampant cases of factory workers and unskilled labourers given better bonus, salary and income than the well-trained teachers\textsuperscript{35}.

Just as it is not practical to adopt a common universal appraisal format for all group of workers, it is equally not practical to be too rigid in dividing the group, for whatever purpose. Teachers, graduates and non-graduates, are

\textsuperscript{34} Memorandum, op cit. cit. p. 7.
\textsuperscript{35} Ibid.
members of the same profession, carrying out similar job and bearing the same responsibility. It is therefore only fair that their professional status, even of the non-graduates are given due recognition. Every attempt should be made to enhance the pride and status of the teaching profession so as (and to borrow the words of the former Director-General of Public Services), 'to retain the existing talented staff and to attract the right new employees' for is not the quality of our children's education and hence the future of the next generation in their hands?