

CHAPTER ONE

INTRODUCTION

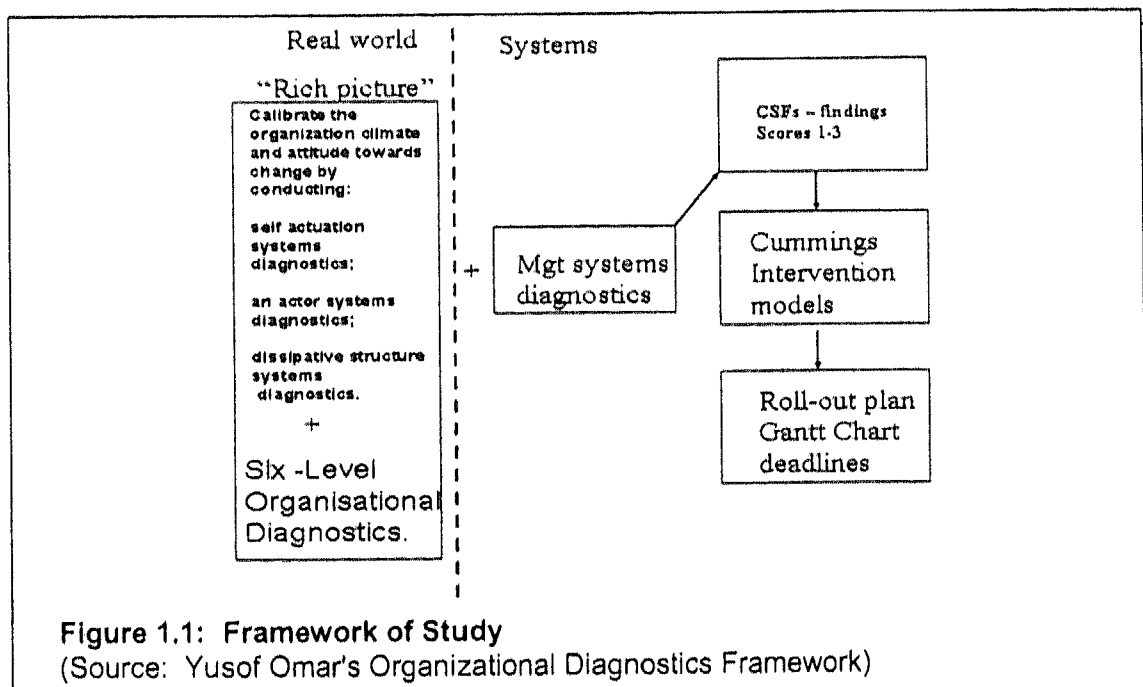
Technology, globalization and liberalization are new forces that challenge the Ministry of Foreign Affairs of Malaysia (Wisma Putra) core business activity and organizational effectiveness. The Wisma Putra, by virtue of its role and responsibilities, must be attuned to the country's aspirations especially in an era of the global interdependence and increasing competitiveness. Through the years, there have been vast changes in the foreign policy priorities, from defending the country's sovereignty after independence to development and improving the people's living standards. Traditional diplomacy emphasizes politics, security and consular affairs. However, as the world is moving towards globalization and liberalization these traditional roles are no longer valid for the new generation of Malaysian Foreign Service. Moreover, in order to be efficient and effective, the fast pace of technology in present environment also requires Wisma Putra to perform certain transformation in its strategy, organizational structure, human process, and human resources system. On the contrary, being a government entity, the institutional and legal set-up to a certain extent limit Wisma Putra's effective response to the environmental changes. Members' acceptance toward change also poses another major treat toward achieving effective change. Nevertheless, the need for Wisma Putra to respond rapidly to constant change is vital not only for maintaining its relevancy in the future but also for securing and promoting Malaysia's national interest in the international arena.

OVERVIEW OF THE STUDY

Organizational diagnostics and Soft Systems Methodology (SSM) is a technique for assessment and inquiry that concern unstructured and uncertain situations. The methodology is a way of dealing with problem situations which there is high

social, political, and human activity component. Its dynamic aspects will enable organization to learn from experience that will help in improving its performance and in adapting towards external environment changes. The main pillar of SSM is that in order to ensure organizational viability, change problem situations have to be addressed through an exploration of both culture and the social structure of the organization involved in the situation.

As the need to respond rapidly towards changes in the environment increase, Wisma Putra's ability in sustaining the environment changes need to be examined in order to identify obstacles that need to be addressed by the organization in implementing the desirable transformation. The assessment on Wisma Putra's viability towards necessary transformation and change will be based on both the organizational diagnostics models by Checkland (1999) and Yusof Omar (2001a & 2001b). In specific, the assessment involves the usage of five main diagnostics namely; (i) Self-Actuation System Diagnostic, (ii) Actor System Diagnostic (Individual & Generic), (iii) Dissipative Structure System Diagnostic, (iv) Six-Level Organizational Diagnostic, and (v) Management System Standard of ISO 9000:2000 Internal Quality Assessment. The framework of the study model is as shown in Figure 1.1.



STUDY OBJECTIVE

The main objective of this study is to calibrate the Wisma Putra, particularly the Administrative and Consular Department's (ACD) attitude and climate towards change and process of transformation. Moreover, through the thorough diagnosis on the organization as well as its members, Wisma Putra's ability and effectiveness in meeting the future challenges created by the changes in the environment as well as technology will be assessed. The assessment is vital not only to unveil ACD's obstacles toward changes but also to come out with the feasible and necessary intervention strategies that is needed for the organization to continue to be viable in the future.

SCOPE OF STUDY

The scope of the study is mainly focus on ACD, Wisma Putra, which is one of the three Departments in the Ministry of Foreign Affairs, Malaysia. In addition, the study as well as the findings is also confined to the time period of 1st April 2001 to 30th December 2001.

SIGNIFICANCE OF STUDY

The study is an exploratory and consultancy-type study. It will provide some insight and information to initiate a detail research on Malaysian Foreign Service (Ministry of Foreign Affairs of Malaysia) to determine the feasible, desirable and necessary transformation that should be implemented in order to align with the external environmental changes.

The needs for the study become more apparent and critical as the traditional roles and functions of the Foreign Service are no longer substantial as the current international issues has shifted from securing national sovereignty and interests towards globalization and liberalization. With these changes, it is

important for Wisma Putra to implement transformations that will improve or sustain its performance in the future.

The study could drive greater awareness as well as stimulate initiative among regulators and policy makers to review the existing institutional and legal set-up to ensure Wisma Putra able to swiftly adapt to external environmental changes and continue to function effectively and efficiently in the future.

RESEARCH HYPOTHESES

In line with the diagnosis on the ACD Wisma Putra's viability towards change, there are five research hypotheses to be tested in the study. The hypotheses are as follow:-

- H1 : the means score for ACD Wisma Putra for Self-Actuation System Diagnostic is equal to four and above ($H_0 : \mu = 4$ and above; and $H_A : \mu \neq 4$ and above);
- H2 : the means score for ACD Wisma Putra for both the Individual and Generic Actor System Diagnostic is equal to four and above ($H_0 : \mu = 4$ and above; and $H_A : \mu \neq 4$ and above);
- H3 : the means score for ACD Wisma Putra for the Dissipative Structure System Diagnostic is equal to four and above ($H_0 : \mu = 4$ and above; and $H_A : \mu \neq 4$ and above);
- H4 : the means score for ACD Wisma Putra for the Six-Level Organizational Diagnostic is equal to four and above ($H_0 : \mu = 4$ and above; and $H_A : \mu \neq 4$ and above); and
- H5 : the means score for ACD Wisma Putra for the ISO 9001:2000 Internal Quality Assessment is equal to four and above ($H_0 : \mu = 4$ and above; and $H_A : \mu \neq 4$ and above).

LIMITATIONS OF THE STUDY

The study is focusing on one of the three Departments in the Wisma Putra, which is the Administrative and Consular Department (ACD). The findings as well as the recommended strategic interventions are thus confined to the twenty-one sub-department of the ACD. As such, the recommendations would not serve as a guide for the whole of Malaysian Foreign Service.

Time constraint also poses another limitation of the study. As the study is focusing on a particular time period, the findings on the individual members' as well as the organization assessment are therefore limited to the particular time frame. A separate exercise should be carried out in the future should the organization decided to implement new transformation or changes into the system.

The study is mainly based on the participant observation method. This means that there is a probability that the researcher own bias or viewpoint may affect the findings or assessment of the organization as well as its members. In addition, there is also possibility that certain important aspects of the variables being observed may be missed as a result of the researcher being fatigue or when the participants are aware that they are being observed.

ORGANIZATION OF THE REPORT

The report is organized into five chapters. First chapter is the introduction that highlights the general phenomena and issues and justification for the study. Specifically, the chapter presents a brief overview of the study, its purpose and significance, the research hypotheses, the scope of the study, the limitations of the study, and general background of the organization selected for the study.

Chapter two outlines and reviews the relevant past empirical studies in a logical flow. Chapter three discusses the research methodology in details as well as the type of data analysis used in the study. It consists descriptions on all the diagnosis, selection of measurement, data collection procedure and data analysis technique.

Chapter four reports the findings of the five diagnoses done in the study and discusses its interpretation. This chapter is divided into two sections. The first section provides the summary of statistics and analysis of measures for each of the diagnoses. The second section discusses in details the finding of each diagnosis and identifies the critical success factors for the ACD Wisma Putra to continue to be viable.

The final chapter concludes the critical success factors and presents recommendation for ACD Wisma Putra based on the Cummings and Worley Intervention Strategies Model. The recommended intervention types as proposed by the Model are Strategic Intervention, Technostructural Intervention, Human Process Intervention, and Human Resource Intervention. Finally, conclusion of the study as well as suggestion for future study is also presented in the next section of this chapter.

BACKGROUND OF THE ORGANIZATION

The Ministry of Foreign Affairs of Malaysia is a government agency that has been given the mandate and responsibility for conducting Malaysia's foreign relations with other countries. This includes matters related to political relations, economic affairs, security matters, social and cultural promotions. The Ministry is geared towards fulfilling four main objectives. First objective is to manage bilateral, regional and multilateral relations (political, economic and cultural) with foreign countries and international organizations. Second is to promote trade and

investment with foreign countries. Third is to carry out information activities in order to project the country's image. The fourth objective is to carry out supporting activities including service, general administration, finance, consular, security and communications.

In order to achieve its four main objectives, the Ministry of Foreign Affairs of Malaysia is divided into three main departments. They are the Political Department, the Multilateral Department and the Administrative and Consular Department. Both the Political and Multilateral Department has the responsibilities in ensuring the first three objectives are met. The responsibility in ensuring the fourth objectives are met falls under the Administrative and Consular Department. Each of the three department is headed by one Deputy Secretary-General. The Deputy Secretary-Generals are all answerable to the Secretary-General of the Ministry of Foreign Affairs of Malaysia.

The Administrative and Consular Department is headed by the Deputy Secretary-General III (TKSU III) who is Administrative and Diplomatic Office (PTD) of grade JUSA C. As of 16th April 2001, the Department has 20 main functions. All of the functions are carried out by 20 different divisions/sections/units under the Department with a total workforce of 224 staffs with majority are in the supporting roles (clerical level). There are three main divisions, two departments, two independent units, and one learning center that are being placed under the Administrative and Consular Department. The organizational structure of the Department is as in Figure 1.2.

The three main divisions are the Administration, Service and Consular Division, the Finance and Development Division and the Information and Communication Technology Division. The Administration, Service and Consular Division prepares and undertake long-term planning of human resource requirements of the Ministry and Malaysian missions overseas. Appointments of Heads of Missions, service matters including postings of other officers and staff are also

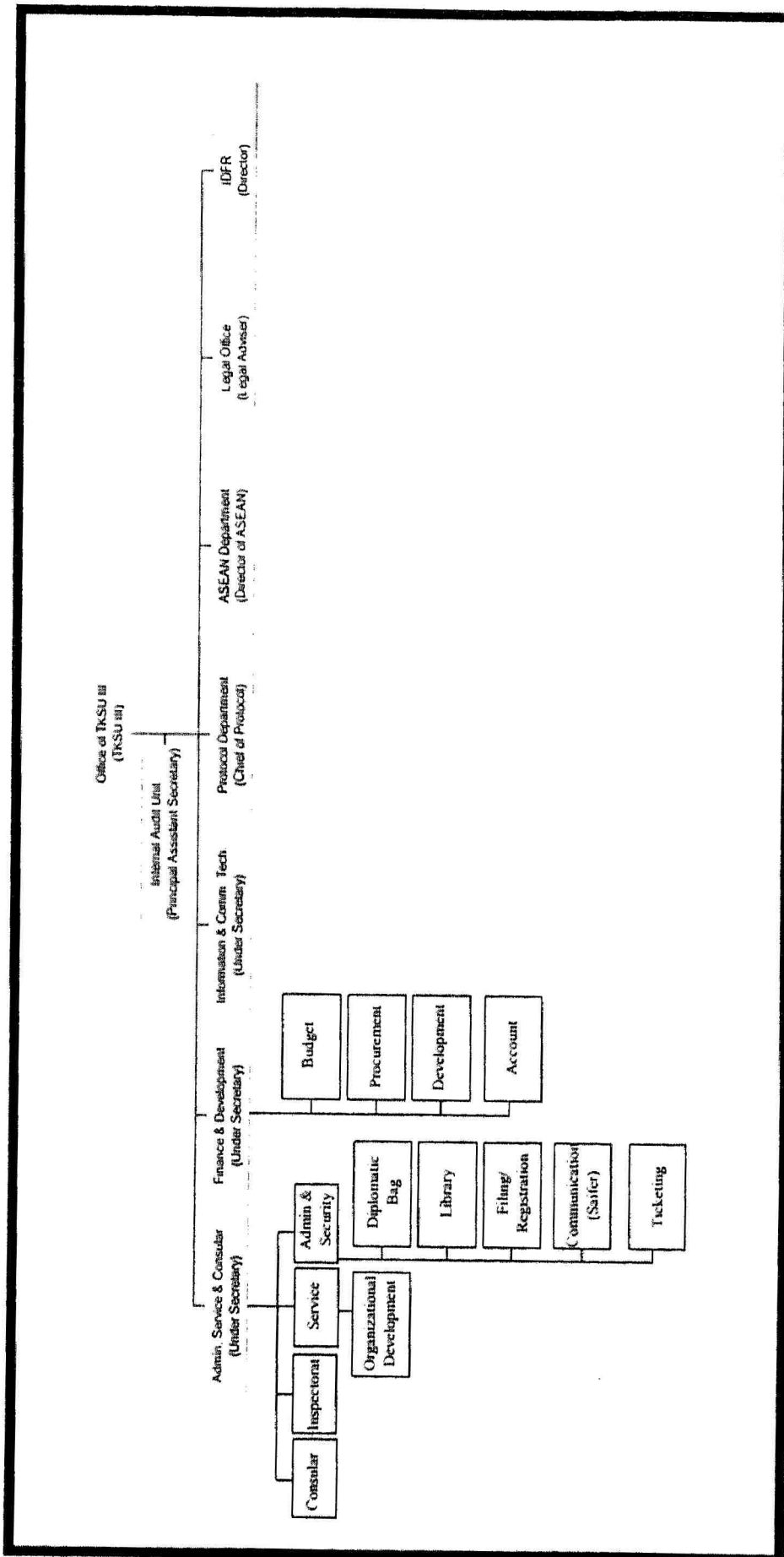


FIGURE 1: ORGANIZATIONAL STRUCTURE OF THE ADMINISTRATIVE AND CONSULAR DEPARTMENT

SOURCE : MINISTRY OF FOREIGN AFFAIRS, MALAYSIA

processed by this Division. The Division assists officers who are going on transfer by arranging their travel plans and packing requirements of personal effects. In order to improve the capability and skills of the officers, the Division organizes training with the relevant training agencies as well as foreign institutions. The welfare aspect of officers, including the education of their children in approved private schools in Malaysia are also processed by the Division. The Division is responsible for the security and communications requirements of the Ministry and missions abroad. It also undertakes the implementation of the MS ISO 9000 standard for the Ministry. Meanwhile, the Consular Section of the Division coordinates as well as ensures the efficient performance of consular functions by Malaysia missions abroad in protecting the interests of Malaysians, both individuals and corporate bodies, within the limits permitted by international law. It also handles matters pertaining to the issuing and renewal of travel documents, notaries duties, transmitting judicial and extra-judicial documents for the courts of the sending State and extending assistance to vessels and aircraft in obtaining necessary aviation and navigational clearances. The Section, upon request, would provide the necessary assistance to foreign missions here to enable them to discharge their consular duties and obligations promptly and effectively.

The Finance Division prepares and manages the financial requirements of the Ministry. It monitors the overall expenditure of the Ministry's annual budget allocation, including the 86 Malaysian Diplomatic Missions overseas and ensures that the financial resources approved for the Ministry are utilized prudently and in accordance with established guidelines and regulations of the Modified Budgeting System (MBS). The Development Section of the Finance Division operates and monitors the development budget of the Ministry and coordinates with relevant agencies on the purchase, construction and renovation of Chancery buildings, official residences and staff quarters for overseas missions. The third division, the Information and Communication Division, is responsible for five main objectives. First, to plan and implement the information system strategic plan for

the Ministry of Foreign Affairs so that information technology can be utilized to assist in achieving the Ministry's objectives. Second, to upgrade the use of IT in the Ministry including the Malaysian missions abroad so that the access of current information and internal as well as external communications can be done effectively. Third, to increase the level of computer literacy among the personnel in the Ministry to enable optimum usage of the hardware and software available. Fourth, to introduce standards in the usage of hardware and software within the Ministry and to provide technical support and advice so that the users will get maximum benefit from the usage of suitable hardware and software as well as the correct procedures in usage. Lastly, to maintain the performance of the computer hardware and software so as to ensure minimum level of disruption in usage.

The Protocol Department is responsible as a coordinator and adviser on matters of International Protocol for the Government of Malaysia, providing support for State and Official Visits, diplomatic accreditation activities and ceremonial events in Malaysia. The Department is also responsible for granting of privileges and immunities to Foreign Missions and International Organizations in accordance with the Vienna Convention. The ASEAN Department is responsible for safeguarding and advancing Malaysia's interest in the ASEAN countries. The Department is also responsible for fostering friendly relations with the ASEAN countries. In short, the ASEAN Department, in its capacity as the ASEAN National Secretariat for Malaysia on ASEAN matters, coordinates, facilitates and contributes to evolving Malaysia's position vis-à-vis issues and activities within the framework of ASEAN processes under the purview of the Foreign Ministry, with the exception of political-security matters. The Legal Office of the Ministry is responsible for assisting the Ministry and the Malaysian Missions overseas by providing legal advice on any matter pertaining to the Ministry in its interaction with not only the various foreign countries/governments/international organizations/non-governmental organizations but also between inter-agencies within country. Legal advice is also given, when sought, to foreign embassies

based in Malaysia on domestic law. The Institute of Diplomacy and Foreign Relation plays a function of learning or training center for preparing higher quality Malaysian diplomats. Finally, the Internal Audit Unit is responsible for ensuring each departments, divisions, and units within the Ministry operates accordingly to the rules and regulations of the Government as well as the Ministry.