CHAPTER 3
ORGANIZATION BACKGROUND

3.0 INTRODUCTION

The last three decades of the 20th century saw public sector organizations in Malaysia undergo a series of periodic transformation.

One thing we do know is the need for an efficient government. But the quest for efficiency and other values of characteristic of the managerial model should not override the core values of the public service. For example, while we go full steam ahead in implementing e-Government and creating an ‘electronic mindset’, we should not overlook the ‘electronic have-nots’ in society.

Therefore, this chapter tends to focus on Public Service Department and MAMPU as the agency for the e-Government systems.

3.1 PUBLIC SERVICE DEPARTMENT (PSD)

History

The history of the establishment of the Public Service Department started during the era of the British colonization of the Malay Peninsula. The British involvement in the political and economic affairs of the Straits Settlements and the Malay States led to the creation of a Public Service institution with systems and organized methods of administration and management.
As a subsequent development, and with the consent of the Malay Rulers, an institution known as the 'Malayan Establishment Office' (MEO) was established on August 22, 1934, and made responsible for all personnel matters of common user expatriate officers serving in the Malay States, Singapore and Brunei.

With the establishment of the Malayan Union after the Japanese Occupation in 1946, the office in Singapore was moved to Kuala Lumpur.

With the continued expansion in Government administrative functions and the recruitment of more local personnel, other government agencies began to undertake personnel management functions as well and this led to duplication in functions. To overcome this problem, a new department known as the Federal Establishment Office (FEO) was established on July 1, 1954.

On August 15, 1968, it was renamed the Public Service Department, a name that exists until today.

**Shifting to the New Paradigm**

The Malaysian Public Service must aware the current and future changes in the environment to remain relevant in the future. Though, the Public Service has been developed successfully in the previous years, the transformation is too drastic and complexity is happening today and has never happened before.
In the past, Public Service adapt with situation to fulfill the need of the changing environment. After the independence, the government focus was on socio-economic and nation development.

In the seventies, Public Service is responsible for the implementation of New Economic Policy (NEP). The successful of NEP stimulate the government to summarize another policy starting 1990s-National Development Policy to steer the country into the 21st century. Public Service must have a new paradigm of thinking and doing things. We need Public Service that are mission oriented and capable of focusing on effective delivery of quality services, has a capacity to promote and sustain a climate of creative and innovation, ability to respond effectively to the changing environment and focuses on human resource management (HRM) and development to facilitate Malaysia’s transformation into a fully industrialized and developed nation status. The rowing role of the Public Service continued until the early eighties when the scenario began to change. The NEP and the associated development led to the growth and maturity of the private sector. At the same time, there was increasing pressure to reduce public sector operating expenditure as well as its size.

The major changes that are taking place in the environment, their potential impact on the Public Service, the new and emerging roles of the Public Service, and the need for new HRM strategies in the next millennium. In the new millennium, one of the greatest challenges will be the need to review the suitability of current HRM strategies and practices since new competencies, mindsets, organizational structures, policies and procedures will be needed to perform the new and emerging roles of the Public Service.
In fact, the changes that are occurring now are unprecedented and will have major implications on the role of the Public Service. It is becoming highly clear that the Public Service has to operate in an environment of rapid changes characterized by uncertainty and unpredictability. Among the major changes that are taking place in the environment and are expected to continue in the future include globalization and the creation of a borderless world, convergence in information, communication and technology and the call for greater ‘governance’.

**Vision**

To make the PSD of Malaysia a world class organization, excellent in terms of planning, development and management of human resource, based on professionalism, integrity and technology in accordance with Vision 2020 to make Malaysia a developed nation.

**Objectives**

To be a high performance public sector personnel agency in developing an excellent work force that provides quality services through policy formulation and human resource management that meets the following quality criteria; prompt in all actions, accurate in decision making, friendly customer service, timeliness, transparent at all levels of management, fair and just in all considerations, ensuring that service and information are easily available, reliable and in compliance with the laws, policies and regulations.
Functions

The public sector human resource management functions would include aspects on planning, management and development as follows:

Planning

To determine the role of public sector, the size and structure of the public sector, the needs and development of human resources, determining retirement and retirement benefits, the implications of privatization/separation of public sector human resources and developing strategic alliances and networking.

Development

To develop Organizational Development Policy, Career Development Policy (Career Path and Succession Planning) and Training Policy.

Management

To manage recruitment, emplacement, remunerations, promotions, retirement benefits, service conditions, employer-employee relations, training and human resource information, formulating policies for the above subject matters, explaining the policies to the implementing agencies, monitoring the implementation and evaluating the policies.

Programs

The Public Service Department is organized into three programs to realize its vision, objective and mission. This is in line with the emphasis given by the department to human resource policy formulation and the provision of consultancy services to agencies.
These programs are Human Resource Planning Program - the only division under the program is Research and Planning Division, Human Resource Development Program - there are four divisions under this program (Organizational Development, Service, Salary and Allowances and Training Division) and Human Resource Support Program - there are five divisions under this program (Human Resource and Management Services, Pension, Information Technology, Psychological Service Division and National Institute of Public Administration (INTAN)).

### Establishment (PSD)

<table>
<thead>
<tr>
<th>Post</th>
<th>No. of Posts</th>
<th>Filled</th>
<th>Vacancies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Premier Grade</td>
<td>18</td>
<td>18</td>
<td>0</td>
</tr>
<tr>
<td>Management and Professional</td>
<td>567</td>
<td>502</td>
<td>65</td>
</tr>
<tr>
<td>Support Group I</td>
<td>1122</td>
<td>1014</td>
<td>108</td>
</tr>
<tr>
<td>Support Group II</td>
<td>613</td>
<td>560</td>
<td>53</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2320</strong></td>
<td><strong>2094</strong></td>
<td><strong>226</strong></td>
</tr>
</tbody>
</table>

### HUMAN RESOURCE DIVISION

<table>
<thead>
<tr>
<th>Post</th>
<th>No. of Posts</th>
<th>Filled</th>
</tr>
</thead>
<tbody>
<tr>
<td>Premier Grade</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Management and Professional</td>
<td>24</td>
<td>19</td>
</tr>
<tr>
<td>Support Group I</td>
<td>91</td>
<td>86</td>
</tr>
<tr>
<td>Support Group II</td>
<td>84</td>
<td>71</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>200</strong></td>
<td><strong>177</strong></td>
</tr>
</tbody>
</table>

### INFORMATION TECHNOLOGY DIVISION

<table>
<thead>
<tr>
<th>Post</th>
<th>No. of Posts</th>
<th>Filled</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management and Professional</td>
<td>32</td>
<td>25</td>
</tr>
<tr>
<td>Support Group I</td>
<td>58</td>
<td>52</td>
</tr>
<tr>
<td>Support Group II</td>
<td>18</td>
<td>13</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>108</strong></td>
<td><strong>90</strong></td>
</tr>
</tbody>
</table>

### HUMAN RESOURCE MANAGEMENT INFORMATION SYSTEM (HRMIS)

<table>
<thead>
<tr>
<th>Post</th>
<th>No. of Posts</th>
<th>Filled</th>
</tr>
</thead>
<tbody>
<tr>
<td>Premier Grade</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Management and Professional</td>
<td>29</td>
<td>29</td>
</tr>
<tr>
<td>Support Group I</td>
<td>20</td>
<td>20</td>
</tr>
<tr>
<td>Support Group II</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>51</strong></td>
<td><strong>51</strong></td>
</tr>
</tbody>
</table>

*Source: JPA, Putrajaya (As of 16 September 2002)*
HUMAN RESOURCE DIVISION

Objective
To manage human resources and providing effective and quality management services to the department.

Functions


INFORMATION TECHNOLOGY DIVISION

Objectives
To provide main source of reference for public sector’s human resource information, design application systems that help management in making accurate and effective decisions, become pioneer and model in latest information technology usage and in agreement with international standards, produce skilled and strive challenged IT personnel.
Functions

To prepare a public sector personnel information to assist the management of PSD and other parties in planning, developing and managing. Assist in the process of planning, designing, developing, executing and maintaining the Human Resource Management Information System. Design, develop, execute and maintain the application system to support the operation functions and management of PSD departments. Prepare the ICT infrastructure, implement the training program, ICT acculturation and also provide consultancy and helpdesk service.

HUMAN RESOURCE MANAGEMENT INFORMATION SYSTEM (HRMIS)

The HRMIS project is one of the main projects under EG and the main agency is Public Service Department (JPA). The contract price for HRMIS project is RM 99,890,000 and the implementation will be divided into two phases. Phase 1 includes ten agencies, included JPA and MAMPU. Phase 2 will involves the balance of the overall of government agencies.

Objective

To manage the development of Human Resource Management Information System that is integrated, open, flexible, and reliable that meets the requirements of the various level of management in the Malaysian Public Service.
Function

To ensure that the development and implementation of the HRMIS project is completed in accordance to the cost, quality and schedule specified in the HRMIS contract.

Benefits

The benefits that will gain from the implementation of EG-HRMIS as following:

i) Human resource activities will be run easily and briefly with the convenience real-time and on-line human resource information system.

ii) Human resource uniformity policy and procedure and also unified human resource information in the centralized data bank which is easy for the system usage by all agencies.

iii) Productivity will enhance through the rapid process, good working environment, less mistakes and job redundant, easier system operating and also certain activities automation.

iv) Human resource information system that is integrated will share exact and also quick information and better communication amongst the agencies.

v) Human resource activities that are unproductive can be lessen and more attention can be given to a more productive work such as job analysis and planning which can improve the process of decision making, implementation and controlling.

ORGANIZATIONAL CHART  *(Please refer to appendix as per attached)*.
3.2 DEFINITION AND CONCEPT OF MAMPU

The Malaysian Administrative Modernization and Management Planning Unit (better known as MAMPU) was established in May 1977 as an agency within the Prime Minister’s Department. MAMPU is entrusted with the task of introducing administrative reforms in the public sector to upgrade the quality, efficiency and effectiveness of the Malaysian public service in accordance with national goals.

MAMPU performs several cardinal roles in carrying out its objectives. It is the prime mover and agent of change in formulating ideas for administrative modernization. It advises the Government in the area of organizational management and acts as consultant to public sector agencies for organizational development. In addition, MAMPU provides technical and management expertise as the central agency for the development of information and communications technology (ICT) and office automation in the public sector.

There are several strategies that have been adopted by MAMPU to ensure that public sector administrative reform programs achieve the desired results, which are:

- Obtain consensus and commitment from implementing agencies;
- Ensure clear and effective planning and implementation of each improvement program;
- Enhance understanding of improvement programs through training and other means of communication in collaboration with other agencies;
- Provide assistance through advisory and consultancy services;
- Review and monitor the implementation of programs using the inspectorate approach; and
- Support efforts to reinforce and internalize excellence in the public service through an awards system that recognizes the achievements of public sector agencies.

Currently, MAMPU is actively involved in the implementation of two critical programs aimed at boosting the efficiency and effectiveness of the public sector; which are:

1) The implementation of the MS ISO 9000 quality standard
2) The implementation of e-Government

In this research, the focus is on the e-Government program.

3.3 ELECTRONIC GOVERNMENT FLAGSHIP

Electronic Government or e-Government is one of the flagship applications of the Multimedia Super Corridor (MSC) project. It has been launched in 18th December 1997 by Y.A.B Dato’ Seri Dr Mahathir Mohammad, Prime Minister. The goal is to improve both how the government operates internally and how it delivers services to the people in Malaysia. It seeks to improve the convenience, accessibility and quality of interactions; it aims to improve information flows and processes within government to enhance the speed and quality of policy development and enforcement.

Electronic Government is not simply about moving government transactions online. A holistic approach is needed to guide the e-Government journey from traditional service counters to online provisioning. It is necessary to develop a framework consisting of four main focus areas to guide the development of e-Government systems, namely: vision, target, theme and strategic objective.
<table>
<thead>
<tr>
<th>Vision</th>
<th>Delivery of world-class public services in the digital economy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Target</td>
<td>CITIZEN</td>
</tr>
<tr>
<td>Theme</td>
<td>Citizen care</td>
</tr>
<tr>
<td>Objectives</td>
<td>Offer citizens faster, more responsive, more convenient and less complicated means to public services</td>
</tr>
</tbody>
</table>

**Figure 2: Strategies for e-Government Journey**

As discussed in the first chapter, in the first wave of implementation, five pilot projects are being implemented:

i. **Electronic Services** - Driver and Vehicle Registration, Licensing and Summons Services, Utility Bill Payments and Ministry of Health On-Line Information (E-Services). The pilot will enable the public to make transactions more easily with the government and utilities. With the one-stop service window provided by the e-Government, it will be possible to go to a kiosk in a shopping mall or use the PC at home to renew licenses and pay electricity bills in one simple session.

ii. **Electronic Procurement (EP).** This application aims to re-engineer, automate and transform the current procurement system by delivering cost savings and a faster turnaround time by enabling the government to become a “Smart Buyer”. Suppliers, large and small, will also benefit from the transparency created in the new system.
iii. **Prime Minister’s Office-Generic Office Environment (GOE).** This will provide a fully-integrated, distributed and scaleable paperless office environment for the Prime Minister’s Office by deploying multimedia information technology. Civil Servants will be provided with quick-and-easy method access up-to-date and accurate information. This will ensure that the right information gets to the right people at the right time.

iv. **Human Resource Management Information System (HRMIS).** A single interface will be provided for government employees to perform HRM functions effectively and efficiently in an integrated environment.

v. **Project Monitoring System (PMS).** Under this pilot project, a mechanism for monitoring project implementation will be created. The service will also provide a platform for exchanging ideas and demonstrating best practice models in information management and communication services.

Figure 3 shows the categories of e-Government Pilots:

---

**Figure 3: Categories of e-Government Pilots**

- **G-to-C**
  - *E-Services*
- **G-to-B**
  - *E-Procurement*
- **Intra-Agency**
  - *Generic Office Environment*
- **Inter-Agency**
  - *Project Monitoring System*
  - *HRMIS*
The vision of Electronic Government (e-Government) is a vision for the people in government, businesses and citizenry to work together for the benefit of Malaysia and all its citizens. The vision of e-Government will be realized when, through the use of ICT and multimedia, Government agencies can become more efficient and effective in delivering their services to the public. Electronic Government will lead to changes in the way of life of citizens as a result of improvements in the delivery of Government services such as electronic services. Government to business services will also experience changes with the application of ICT and multimedia. Likewise, inter and intra agency communication will improve, contributing to even higher productivity.

MAMPU is the lead agency for the EG flagship application and its role include planning and coordinating the implementation of e-Government projects. In the year 2000, two additional e-Government pilot projects have been introduced bringing to a total of seven e-Government pilot projects. The additional two projects are:

i. Electronic Labor Exchange (ELX) and

ii. EG-Accountant General (AG) Integration

The idea of an e-Government is the second stage in our ongoing quest for right sizing governance. Electronic government is not merely governing through electronic means. Where, the move from Kuala Lumpur to Putrajaya is more than a physical migration. It is also symbolic of discarding old legacies and old mindset-a move towards information-driven frameworks for performance based management and services. And, hoping, this move will set in motion a paradigm shift in our way of thinking, working and living.
Furthermore, the e-Government is not only an electronic means, it is wider than that. It is potentially the largest organizational transformation project. The e-Government creates a new paradigm of public service. Although much of the attention have centered on public service delivery through the Internet, e-Government affects every aspect of a public organization.