CHAPTER ONE
INTRODUCTION

This chapter explains the main facets of the study, namely the area of study, its objectives and significance, the theoretical model used, the formulation of hypotheses and a brief background of the organisation selected for study. The last part of the chapter provides a description of the contents of the report. An explanation of the research methodology and literature review will be presented in Chapter Two.

1.1 Introduction

The Malaysian Civil Service has been actively promoting quality as a way of life for all sectors including industry, non-governmental organisations, and most significant of all, government departments. This is part of its overall agenda to build an excellent nation capable of coping with various challenges in its drive to achieve the objectives of Vision 2020. It has taken cognizance of the fact that with increasing globalisation amidst an ever dynamic environment, there is an urgent need for sustained competitiveness in the international arena. In this context, greater focus on quality has come to the fore as an important strategy for the attainment of such national development goals. At the same time, the government has acknowledged the private sector to be the engine of growth while its role has been redefined to be that of a regulator and facilitator of private sector-led growth. Towards this end, it strives to be more responsive to the needs of the private sector.

The advent of the 1990s witnessed significant developments in the history of the civil service. It was the start of a wide array of administrative reforms directed at improving the capacity, capability and motivation of civil servants in an integrated and consistent manner. The most notable of these reforms were those related to quality and productivity improvements. To mark the official adoption of a quality mind-set, the Excellent Work Culture Movement was launched on November 27 1989 by the Rt. Hon. Prime Minister, Dato' Seri Dr. Mahathir bin
Mohamad. The Malaysian work force was exhorted to adopt an excellent work culture and to strive for quality in all their endeavours paying particular attention to the production of defect-free outputs.¹

An excellent work culture is said to eventually lead to a higher quality of life. This is possible with the production of high quality goods and services which would enhance the country's competitiveness thus leading to higher incomes and eventually resulting in a better quality of life. Following the launching of the Excellent Work Culture Movement, a Manual entitled *Quality Management and Improvement in the Civil Service* was published to explain what quality is and how it can be achieved. Subsequently in 1992, the government officially embraced Total Quality Management (TQM) as a new management philosophy and promptly issued Development Administration Circular No. 1 of 1992 entitled *Guide on Total Quality Management in the Public Service* to assist heads of departments in their implementation of TQM. The success of TQM is said to hinge upon seven underlying principles namely top management commitment, strategic quality planning, customer focus, training and recognition, teamwork, performance measurement and quality assurance.²

Several other administrative directives were also issued to support and complement the quality initiative of the government. The climax of these reform efforts was the introduction of the concepts of Client's Charter and Service Recovery in 1993. The adoption of the ISO 9000 series of quality standards in 1996 is another milestone in the history of the civil service aimed at transforming the bureaucracy into a quality-conscious and excellent machinery. These standards are envisaged to help build a strong foundation for the implementation of TQM by providing guidelines on the establishment of quality systems which will in turn ensure that products and services meet customer requirements and are of consistent quality. It is expected that all government agencies will achieve the ISO quality standards by the year 2000.³ These reforms signify a paradigm shift for the civil service. It is a shift from a rule-bound bureaucratic tradition to a more
proactive, flexible and adaptable style of governance necessitated by changes in the environment. This new paradigm redefines boundaries within which government organisations operate and in the process shape the norms and behaviours of civil servants.

TQM implementation is said to facilitate the process of cultural transformation where the quality of goods and services will be enhanced through improved systems and procedures, work practices, organisational structures and work ethics. Where the private sector is concerned, there have been case studies to address this issue such as that reported by GE Malaysia Appliance Control (GEMAC) at the Asia Pacific Conference on Quality, 1989. However, where the public sector is concerned, to date no evaluation has been carried out to determine whether that objective has been achieved. This study aims to fulfil that need.

1.2 Area of Study

Given this scenario, the time has arrived for taking a closer look at the quality culture of government departments. The government is convinced that with the implementation of TQM, departments will be able to achieve quality not only of the final outputs produced but of all their operations. In the final analysis, TQM will be able to enhance the performance of departments in terms of effectiveness and efficiency thus paving the way for the attainment of an excellent civil service. This can be attributed to the strategic, comprehensive, integrated and involving nature of TQM.

Though it cannot be denied that administrative improvement efforts have enhanced the performance of the civil service, there is still ample scope for improvements. On the one hand, the Malaysian government has been ranked third or fourth throughout the years 1992 to 1996 from among a total of 44 economies in terms of the extent to which its policies are conducive to competitiveness. This ranking was carried out by The World Competitiveness Report which based its
evaluation of government on its efficiency and transparency. On the other hand, numerous complaints of inefficiency, inordinate delays, unresponsive and insensitive counter staff that are highlighted in local newspapers daily clearly suggest that more needs to be done to imbue civil servants with quality values. In fact, the Chief Secretary to the Government only recently expressed his disappointment with the performance of the civil service. He said that he and heads of department have received complaints of poor and unsatisfactory service from the public and to overcome this, he had called for 'quality service without fear or favour.' Thus while we have achieved a relatively reputable status internationally, it appears that we still have a long way to go towards the achievement of an excellent civil service. Since a vital tool to help achieve this is to have a quality culture in place, there is a critical need to know the extent to which such a culture exists in government departments.

At this juncture, it must be stated clearly that it is not the intention of the study to examine culture change as a result of the implementation of TQM. The study will instead focus on the extent of a quality culture in the organisation. Nevertheless, it is important to bear in mind that prior to the official adoption of TQM in 1992, majority of government departments did not consciously implement any organisation-wide quality programme as a quality management process.

What the study aims to do is to look at various dimensions of the quality culture in government organisations such as the perception of the existence of a quality culture, the understanding of quality concepts by civil servants, the practice of quality principles as well as the relationship among these aspects. It will also look at sources of information on quality aspects for civil servants and their perception of factors which can facilitate the development of a quality culture and factors which tend to hinder practice of quality principles. As the resource constraints will not permit an extensive study of the whole civil service, the study will focus on these aspects within the Department of Environment.
The Department of Environment is chosen on the basis of two criteria. As the government has not conducted an evaluation of how well it has internalised a quality culture as a way of life since its first encounter with quality more than six years ago, there is clearly a need to take stock of what has happened. This is essential to ensure that more effective strategies can be drawn up to consolidate government efforts towards an excellent civil service. As a response to that need, this study has to ensure that it achieves the objectives of the evaluation. This brings forth the first criteria for selection of the department to be studied - the department has to be actively involved in quality efforts. Subsumed within this criterion is that the department must be one that professes a deep commitment to quality. The reason for this is that the study is also aimed at investigating the extent to which the beliefs professed by management are shared and practised by the employees at large.

The department is thus chosen for its devotion to quality efforts particularly in its endeavour to improve the quality standards of its client's charter. For example, the department monitors regularly the performance of its client's charter and has made several improvements. It now promises clients faster feedback for preliminary Environmental Impact Assessment Reports. Where previously it took twelve weeks to review and approve such reports, now it takes only ten weeks, an improvement of 16 percent over the previous standard. The department has been accorded recognition for its efforts by winning the Director General of MAMPU's Quality Award, 1994 and the Best Client Charter's Award, 1994. Evaluation for the Quality Award was based on eight criteria. These are leadership in quality management, analysis and use of facts and information for quality improvement, strategic planning, human resource utilisation, quality assurance, successes achieved, customer satisfaction and innovations.

The second reason for choosing the department is that it can be regarded as a typical government department in the sense that it is not a research organisation, training institute, statutory body, state economic development
corporation, local authority nor district office and thus can be said to be representative of most government departments. As such, the findings of the study can be generalised to the majority of government departments.

Specific research questions addressed in the study include the following:

i. To what extent do members of the organisation perceive the existence of a quality culture in the selected organisation?

ii. Out of the various aspects which constitute a quality culture, which aspects are perceived to exist more than others?

iii. To what extent do individuals in the organisation practise the various quality principles in their work place?

iv. Which quality principles are put into practice more extensively than others?

v. Is perception of the existence of quality aspects matched by actual practice of these aspects?

vi. What is the level of understanding of the various quality concepts?

vii. Which quality concepts are better understood than others?

viii. Is there any relationship between perception of the existence of each quality aspect and understanding of the aspect?
ix. Is there any relationship between the level of understanding of each quality concept and the level of its practice?

x. Which are the sources of information on quality aspects?

xi. What do employees think of the various factors that are said to facilitate the emergence of a quality culture?

xii. How do employees perceive the various factors which may have hindered practice of quality principles?

1.3 Objectives of Study

The study is aimed at examining several critical dimensions of a quality culture in the organisation. By doing so, it hopes to highlight findings that can have implications on the development of a quality culture. The objectives of the study are therefore as follows:

i. To ascertain the extent to which a quality culture has been internalised in the organisation;

ii. To identify areas of improvement for the development of a quality culture; and

iii. To provide recommendations for the successful development of a quality culture.
1.4 Significance of Study

The importance of this study can be seen from several perspectives.

1.4.1 Timeliness of Study

This study is important because it is timely as there has not been any evaluation of the success of government departments in cultivating a quality culture since the adoption of TQM as a new management philosophy. The evaluations carried out thus far focused mainly on the physical implementation of TQM, which basically addresses issues like whether or not there exist a quality management structure, quality policy, strategic plan, flow charts, quality control circles, training, quality inspection, suggestion system for employees, quality day, clients' feedback system and information system.

1.4.2 Contribution Towards National Interest

The findings of the study can provide planners with an indication of the success of TQM implementation in the public sector in terms of developing a quality culture. The government believes that TQM would bring about a new work culture where civil servants are quality-conscious in discharging their duties and obligations, sensitive to customer needs and find their work meaningful. The findings of the study can also be used to formulate a more effective strategy to develop and manage a quality culture and may be used in identifying future directions, focus and programmes.

1.4.3 Theoretical Contribution

Most of the studies on organisational culture and quality culture were carried out in the private sector. This study will contribute towards a better understanding of quality culture in the context of the public sector. It will help to enrich literature
on the subject as well as enable empirical comparisons to be made between the private and public sectors.

1.5 Theoretical Model

Based on the thoughts and works of several renowned psychologists and management experts such as Brunetti (1993), Ross (1993), Watson Jr. (1994) and Miller and Ginsburg (1994), the study has developed a theoretical model which is outlined in Figure 1.1. Through their research and experience, these experts have discovered that there is often incongruity between what management believes in and what are actually translated into action by members of the organisation.

Brunetti felt that there is a misconception of leaders being able to create cultures as they like and employees in the organisation faithfully devoting themselves to the organisational culture. According to him, in reality culture develops from the basic philosophies of management and managerial behaviour and evolves slowly over time. Implicit in his idea is a situation where majority of the employees may not subscribe to their organisational culture, a situation caused by a feeling of confusion when "management says one thing and does another". Those meanings, values and norms that are espoused by management is what Watson calls the official culture while those that are actually prevailing in the organisation is what he calls the unofficial culture. In this regard, he felt that it is management's responsibility to close the gap between the two so that the official culture and the unofficial cultures are one and the same. Miller and Ginsburg through their consulting work discovered that in many organisations, there is a gap between what senior management perceives is happening and what the rest of the organisation believes in. Expressing the same sentiment, Ross (1993) said that top management commitment to quality is not quite the same as the culture of quality that is being embedded in the organisation.
As shown in Figure 1.1, the theoretical model on the study of a quality culture consists of three dimensions that make up a quality culture which are arranged in a circular manner. These dimensions pertain to the perception, understanding and practice of a quality culture. The study defines a quality culture as a shared value system faithfully believed in and adhered to by members of an organisation which has at its core customer satisfaction and employee welfare. At the centre of the model are the core quality principles that constitute a quality culture. These are: customer focus, quality through prevention, zero defect, process emphasis, quality leadership, training, innovation, employee participation, teamwork, recognition, performance measurement and continuous improvement. These quality principles are a combination of the seven TQM principles drawn up by MAMPU and the four absolutes of quality management propounded by Crosby (1984).

The model is also inspired by Schein's (1985) explanation of three levels of culture. These are the levels of artifacts, espoused values and basic assumptions. Schein argues that the first two levels of artifacts and espoused values do not amount to a true culture. The true culture according to him, can only be captured by the third level which is the actual basic assumptions leading to the practice of quality principles. This will show whether behaviour consistently demonstrates a quality philosophy and values. He believes that there is often an incongruity between the espoused values and the actual behaviour of the organisation. A more detailed account of his theory is contained in Chapter Two of this report.

Schein's first two levels of culture are captured in this model by the dimension of perception of the existence of a quality culture in the organisation while the third level of culture is captured by the dimension of practice of the culture. In line with the first two levels, an organisation may be seen to possess a culture which consists of beliefs and values espoused by management. This culture can be discerned by surveying the perception of those who work in the
FIGURE 1.1: DYNAMIC QUALITY CULTURE MODEL

QUALITY CULTURE

Quality Principles:
- customer focus
- quality through prevention
- zero defect
- process emphasis
- quality leadership
- training
- innovation
- employee participation
- teamwork
- recognition
- performance measurement
- continuous improvement

PERCEPTION

UNDERSTANDING

PRACTICE

Sources of information on quality aspects:
- Development Administration Circulars
- courses, seminars, workshops, forums
- speeches and remarks
- directives and letters
- books, journal, magazines, newsletters, newspapers
- meetings and discussions
- observations
- colleagues

Factors for development of a quality culture

Factors which hinder practice:
- lack of ability
- lack of authority
- role perception
- impracticality
organisation. In line with the third level it may be discovered that the organisation's beliefs may or may not be shared by members of the organisation. This is ascertained by comparing the declared culture with employees' actual work practice.

What the model is proposing is that an organisation should profess its commitment to quality before proceeding to explain to members of the organisation what quality values are emphasised and what the various quality concepts mean. A high level of understanding of quality concepts is in turn necessary to give confidence to the employees and ensure that they are able to put those concepts into practice. These three major dimensions of a quality culture are represented in a circular manner to illustrate that there is no end to the pursuit of quality goals and the outcome will impact on the actions to be taken by management which will then start another round of perception, understanding and practice.

In addition to the three major dimensions of a quality culture elaborated above, the model also discusses three other aspects pertaining to implementation issues of a quality culture. These are the factors which facilitate the development of a quality culture, sources of information on quality aspects and factors which hinder the practice of the culture. The model takes cognizance of the existence of certain factors which facilitate the development of a quality culture. In addition, there are certain sources of information on quality aspects which are commonly used by employees to obtain information and knowledge of quality aspects which may increase awareness of quality aspects, foster a good understanding of quality concepts or encourage practice of the concepts. These sources include the Development Administration Circulars issued by MAMPU; training programmes such as courses, seminars, workshops, forums; speeches and remarks made by the head of department and directors; directives and letters; reading materials such as books, journals, magazines, newsletters, newspapers; meetings and discussions; observation of
quality implementation; and exchange of ideas and information with colleagues. There are also certain factors which may hinder the practice of a quality culture and these relate to the lack of skills and knowledge, lack of authority and power, role perception of employees and perceived impracticality of the quality principles.

The theoretical model can also be viewed as a process of internalisation of a quality culture which consists of three stages. The first stage is the awareness stage where members of the organisation are aware of and thus able to perceive the beliefs and types of action taken by management to attain quality goals. The second stage is the understanding stage where members of the organisation are able to understand the meanings and essence of the quality concepts and why they are important. The third stage is the action stage where quality principles are translated into action and members accept the quality principles as representing their own values and thus willingly and unconsciously apply them in their day-to-day conduct. Being aware of the existence of quality principles in the organisation is to know that the organisation emphasises quality. To understand the principles is to understand the meanings and basic assumptions attached to them including how and why they are implemented. To translate those principles into action and allow them to guide one's behaviour is tantamount to believing in them and accepting them as one's values. These three stages add up to the internalisation process of a quality culture.

In summary, based on this theoretical model, the first step in the development of a quality culture is where the organisation is perceived to profess the principles of a quality culture. This is best measured by employee perception of the existence of such a culture in the organisation. However, perception of a quality culture is not sufficient to suggest that in practice, the organisational culture is quality-focused. Employees must possess an adequate understanding of key quality concepts to ensure that they know what they are doing and that they are doing the right thing. With a high level of understanding
of quality concepts, they should be able to implement the concepts and translate them into appropriate work norms and behaviour. This can be equated to the practice of a quality work culture. When these three conditions are met, we can thus say that the organisation possesses a quality culture.

1.6 Hypotheses

Several hypotheses are formulated to guide the research effort. These hypotheses are:

i. There is a strong employee perception of the existence of a quality culture in the organisation.

ii. There is a high level of understanding of quality concepts among employees.

iii. There is a high level of practice of quality principles by employees.

iv. Some factors are perceived to be more important than others in facilitating the development of a quality culture.

v. Some sources are more important than others in providing information on quality aspects.

vi. Some factors tend to hinder practice of quality principles more than others.
vii. The better the perception of the existence of a quality culture in the organisation, the higher the level of understanding of quality concepts.

viii. The higher the level of understanding of quality concepts, the greater the degree of practice of a quality culture.

ix. Sources of information on quality aspects will influence employee perception of the existence of a quality culture in the organisation.

x. Sources of information on quality aspects will influence the level of understanding of quality concepts.

xi. Sources of information on quality aspects will influence the extent of practice of quality principles.

xii. Factors which are said to hinder practice of a quality culture will actually influence practice.

xiii. Males tend to have a higher level of understanding of quality concepts than females.

xiv. Males tend to practise quality concepts more than females.

xv. Older employees tend to have a higher level of understanding of quality concepts than younger employees.

xvi. Older employees tend to practise quality concepts more than younger employees.
xvii. Degree holders tend to have a higher level of understanding of quality concepts than non-degree holders.

xviii. Degree holders tend to practise quality concepts more than non-degree holders.

xix. Those in the head office tend to have a higher level of understanding of quality concepts than those in the branch office.

xx. Those in the head office tend to practise a quality culture more than those in the branch office.

xxi. Those in the managerial and professional group tend to have a higher level of understanding of quality concepts than those in the support group.

xxii. Those in the managerial and professional group tend to practise a quality culture more than those in the support group.

xxiii. Those with longer years of service tend to have a higher level of understanding of quality concepts than those with shorter years of service.

xxiv. Those with longer years of service tend to practise a quality culture more than those with shorter years of service.
1.7 Background of the Department of Environment

The department chosen for the study is the Department of Environment (hereafter referred to as DOE). The department is headed by a Director General who is appointed under Section 3(1) of the Environment Quality Act 1974 and he is assisted by the Deputy Director General. Presently, the department at the head office has five divisions each headed by a director. These are the Divisions of Administration, Information System, Control, Development Planning and Assessment. It has 13 branch offices in respect of Kedah/Perlis, Pulau Pinang, Perak, Selangor, Federal Territory of Kuala Lumpur, Melaka, Negeri Sembilan, Johor, Pahang, Terengganu, Kelantan, Sarawak and Sabah/Federal Territory of Labuan. DOE was set up in 1983 under the Ministry of Science, Technology and Environment.

DOE has its origin as a division under the Ministry of Local Government and Environment in 1975 and was transferred to the Ministry of Science, Technology and Environment the following year. It was not until September 1 1983 that DOE was upgraded from a division to a full-fledged department. DOE has a staff strength of 512 as at January 1 1995 manning its head office in Kuala Lumpur and the 13 branches throughout the country. Special environmental units have also been established in some local authorities, public and private corporations.

DOE's mission is to conserve, prevent and control the environment in line with the Environmental Quality Act 1974 as well as to protect and preserve marine environment under the Exclusive Economic Zone Act 1984. Its vision statement reads as follows:

"We are aware, sensitive and will continuously review all legal provisions, regulations, orders, standards, procedures and our work culture so as not to jeopardise or bring about adverse effects on sustainable development."
We shall always endeavour to bring into effect all possible improvements to achieve the objective of VISION 2020."

Its objectives are geared towards the achievement of the National Policy on the Environment which aims to foster economic, social and cultural growth through environmentally sound and sustainable development. To achieve its vision, DOE has organised itself along six main objectives. These objectives are:

i. To sustain a healthy and clean environment;

ii. To reduce impact on the environment brought about by population growth and human activities in the area of mining, forestry, agriculture, housing, tourism and development of other resources;

iii. To balance socio-economic development objectives with the need to protect the environment;

iv. To emphasise on preventive measures rather than control for the attainment of environmental quality;

v. To integrate environmental factors into project planning and implementation for the prevention of environmental pollution by carrying out environmental impact studies; and

vi. To enhance cooperation and coordination with the Federal and State governments and with other ASEAN countries on environmental management issues.
Its motto is *Quality Service for Continuous Development*. Staff and employees of the organisation pledge to serve with honesty, sincerity, impartiality, trustworthiness and wisdom. They also pledge to be disciplined, dedicated and responsible in discharging their duties. They believe that the key to excellent work performance is the possession of the right attitude, skills, knowledge and motivation and to approach work with a sense of urgency, responsibility, humour, caring and sharing.

DOE has vied for and won several national awards on quality, the most notably of which is the Director General of MAMPU Quality Award 1994 which is one of the three additional awards introduced in conjunction with the Prime Minister's Quality Award. In addition, it was also declared one of the winners of the Best Client's Charter Award in 1994. It was also nominated for the Efficient Service Award by the private sector in the same year. The conferment of those awards is a recognition that DOE has performed well in its efforts to improve quality. Winning the Director General of MAMPU Quality Award meant that it had satisfied eight prerequisites for successful implementation of TQM. These are leadership in quality management, analysis and use of facts and information for quality improvement, strategic planning, human resource utilisation, quality assurance, successes achieved, customer satisfaction and innovations. Winning the Best Client's Charter Award is further testimony of the department's commitment to customer satisfaction. Being nominated for the Efficient Service Award by the private sector is proof of the good impression its customers have of the quality of its services.

DOE's strength in quality management lies in the fact that it is very sensitive to customer needs. It believes in maintaining a close relationship with its customers by talking and listening to them and obtaining feedback on its performance. It is therefore able to set and comply with quality standards that fulfil the needs of customers. DOE strives to meet customer requirements by ensuring the capability of its systems and processes. Constant monitoring and
measurement of performance not only of the outcome but the systems and processes is a permanent feature of its management practice. Decisions are made based on facts and information. Leadership plays an important role in setting the vision and outlining quality goals. Leaders are also instrumental in instituting a quality structure and quality-support systems such as training, recognition and employee involvement. Efforts are directed at motivating, communicating and clarifying roles of the people. Efforts have also been made to improve the work environment. Continuous improvement through work improvement projects and innovations have resulted in the reduction of operational costs, increase in output, time savings and higher customer satisfaction. The department is able to revise its targets and quality standards in an upward manner to provide better products and services to its customers made possible by dedicated staff and greater internal efficiency.

1.8 Arrangement of Chapters

This report consists of six chapters. Chapter One is the introductory section comprising of eight subsections - introduction, area of study, objectives of study, significance of study, theoretical model, hypotheses formulation, background of the selected organisation and arrangement of chapters. Chapter Two is made up of two main sections, namely the research methodology and literature review of the subject matter. The research methodology section is divided into five subsections covering aspects such as data collection methods, respondents for the study, variables and measurement, data analysis techniques and explanation of key concepts. Literature review consists of four subsections which pertain to the introduction; discussion of the concept of culture; organisational culture in the public sector; and definition, composition and assessment of a quality culture.
Chapter Three is the first part of data analysis which analyses the perception, understanding and practice of a quality culture in the Department of Environment. It contains six parts - profile of respondents, employee perception of the existence of a quality culture, understanding of quality concepts, practice of the culture, comparison of the three dimensions of perception, understanding and practice, and conclusion. Chapter Four is the second part of data analysis which analyses the implementation features of a quality culture. It contains four parts - factors which contribute to the emergence of a quality culture, sources of information on quality aspects, factors which hinder the practice of a quality culture, and reasons cited for the non-implementation of quality principles. Chapter Five analyses and discusses the relationships between the various aspects of a quality culture. It also includes analyses of the degree of association of those relationships. Chapter Six is the concluding chapter outlining the summary of research findings and recommendations.
NOTES


7. Ibid., p. 32.


