

## Chapter 1

### *Introducing the transformation*



“We must achieve our national vision of a developed nation that is prosperous, peaceful, safe, and united, with social justice. To do so, the Government will champion the spirit of *1Malaysia*, put the people first, and perform and deliver results in the best interests of the people. This roadmap provides the way forward to address the basic concerns of the people. As we prepare to execute the various delivery plans, let us be mindful of our past achievements and impediments, yet confident of our ability to draw upon our heritage and courage to transform Malaysia. We must be fully committed and prepare ourselves for the challenges that lie ahead.”

Tan Sri Dr Koh Tsu Koon, Chairman of PEMANDU

“We must transform to achieve Vision 2020 and fulfil the rakyat’s expectations of a government that champions *1Malaysia*, puts its people first and delivers big results fast. Transformations are seldom easy – they involve conquering our own fear of the unknown while also winning over those who defend the status quo and attempt to obstruct our efforts. In this journey, we will be transparent with our plans, transparent with our targets and transparent in reporting our performance to the rakyat. We will continuously seek the rakyat’s input, learn by doing (instead of spending too much time planning for the perfect outcome), resist the temptation of setting easy targets and be fully accountable for our performance.”

Dato’ Sri Idris Jala, CEO of PEMANDU

Malaysia is at a crossroads. In 1991, we committed to Vision 2020, to become a fully developed nation by 2020, with goals encompassing economic, political, social, spiritual, psychological and cultural dimensions of development. Since then, we have faced a challenging global environment – the 1997 Asian financial crisis, an outbreak of Severe Acute Respiratory Syndrome and, over the last 18 months, a global financial crisis and economic downturn.

While we have made progress, at our current rate of growth, we are in danger of becoming stuck as a middle-income nation, losing our competitiveness and falling short of our ambitions. A fundamental change is required, not just in economic performance, but also in the delivery of public goods that underpin our ability to develop the economy.

Among the salient issues are crime, corruption, poverty alleviation and the quality of our education system and infrastructure, in urban and in rural areas. What is at stake here is the people’s sense of well-being, but equally, the partnership and trust between rakyat and government, a partnership which has delivered so much since Merdeka. We need to revitalise that trust and partnership and deliver big results on a higher level.

To meet the above challenges, we have committed ourselves to a Government Transformation Programme, in accordance with the principles of *1Malaysia, People First, Performance Now*.

## **1.1 This roadmap describes our targets and outlines our plans to deliver**

The Government Transformation Programme (GTP) will help us to realise the step change necessary to achieve Vision 2020. This roadmap details the objectives and the initial set of actions for the GTP, with a particular focus on 2010. It focuses on the actions and the outcomes the rakyat can immediately see and feel in areas identified as National Key Results Areas (NKRAs) and Ministerial Key Results Areas (MKRAs). It also details the targets and schedules we commit to.

This document is not a comprehensive statement of our nation's strategy and economic model, but rather a roadmap of this government's delivery agenda, guided by the principles of *1Malaysia, People First, Performance Now*. In parallel, the National Economic Action Council is formulating our New Economic Model, and the Economic Planning Unit is developing the Tenth Malaysia Plan to implement new economic strategies. Both will be released this year, and this roadmap should be read together with those plans.

In line with the principle of *Performance Now*, we will continue to drive the delivery of tangible outcomes via this Government Transformation Programme. In the first quarter of each year, we will publish our progress against current targets and indicate what new actions we will take to enhance performance. This is in response to the rakyat, who, during the open days, asked for regular disclosure of progress against key performance indicators (KPIs). We hope that this document not only serves to increase our transparency, but also engages the rakyat, solicits feedback and calls for the best ideas. It is our intention to identify, acknowledge and implement the best ideas for the benefit of the rakyat.

## **1.2 We will use a transformation engine to deliver big results fast**

The underlying rationale for the GTP and thus this roadmap is that the Government needs a new way of doing things to both accelerate and sustain impact. Essentially, we want to deliver substantial results more quickly.

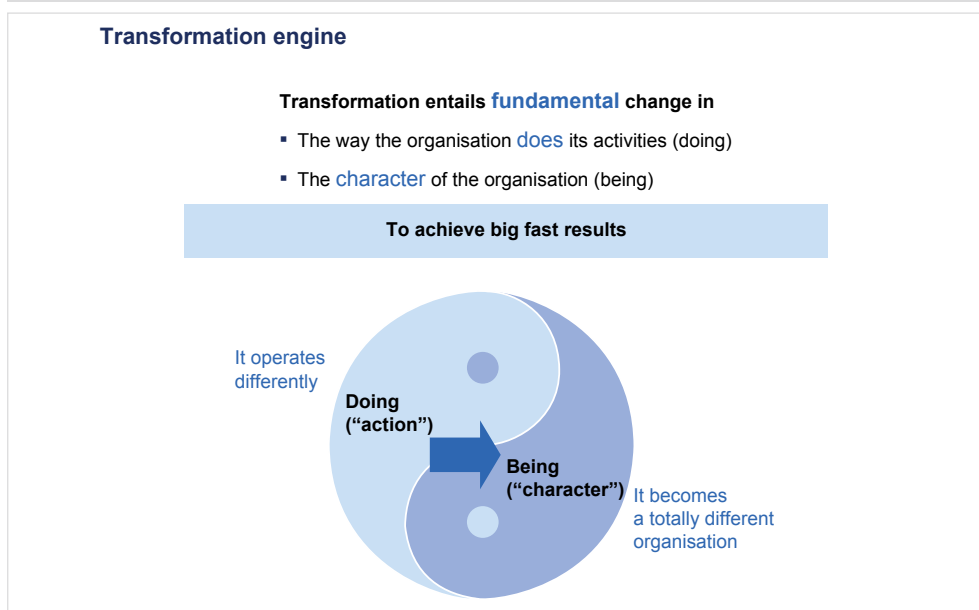
In taking on this much needed transformation, we realise that the rakyat are impatient for results, that resources are limited, that new ideas are necessary – and that we do not always have all the answers. Prioritisation is inevitable, but a new way of tackling transformation itself is also necessary.

True transformation requires a fundamental change to the way things are done in an organisation, and through this new way of acting, the character of the organisation is changed.

The methodology – or transformation engine – that we will use now, begins with a quick call for the best ideas and then rapidly moves to action. It is our belief and experience that we learn best from doing, rather than simply planning, similar to learning to ride a bicycle. Watching Lance Armstrong might show you how to balance on the seat of a bicycle and take corners effectively. However, it is only by getting on a bicycle and pedalling, and then improving our actions each time we fall, that we actually learn, equip ourselves with new ways of doing things and over time become better cyclists.

With our transformation engine, we rapidly take ideas to doing, assess the impact of our initial actions and then rapidly implement enhancements. In this way, we will both immediately make a difference and we will learn, very practically, what is required to ensure implementation success (Figure 1.1). We will also build new capabilities in doing things differently that will allow us to sustainably improve performance, as the rakyat demand and deserve.

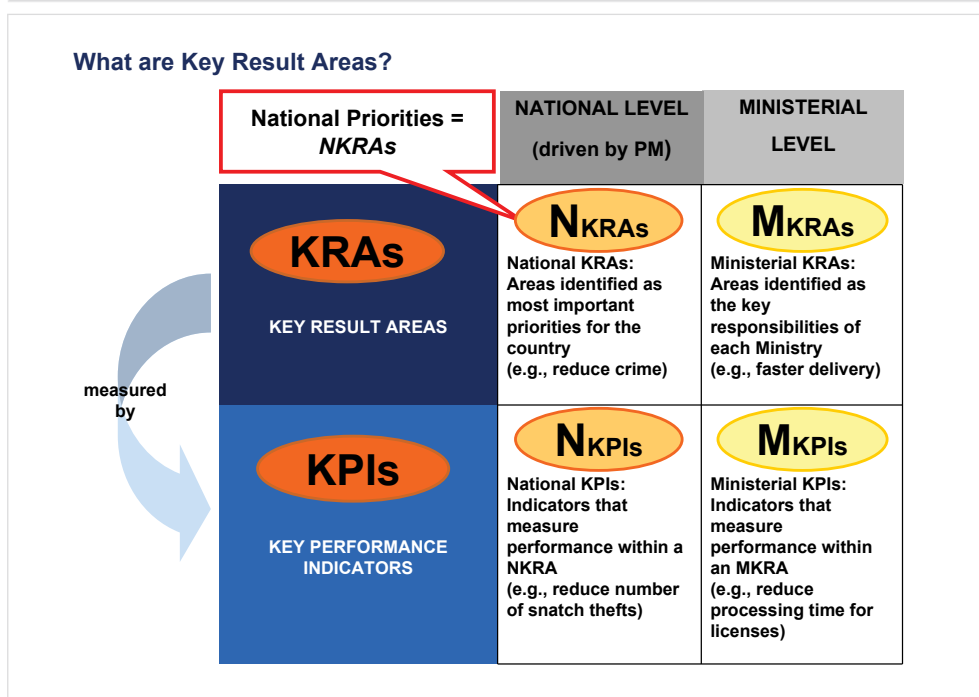
Figure 1.1



The GTP sets firm targets for 2010 and in some cases for 2011 and 2012. These will not change. The initiatives discussed in this roadmap, however, should be seen as the initial set of activities intended to deliver these targets. Given our methodology, as we implement these initiatives, we will learn more about how best to meet the targets, and we will continue to enhance the programme.

To build momentum, the GTP focuses on the **National** KRAs (NKRAs), as we need to prioritise our focus and actions. We realise that there are many other areas that require improvement, and we have set targets for improved performance in other areas of government through the **Ministerial** KRAs (MKRAs) (Figure 1.2). This roadmap, however, focuses more on the NKRAs, as these are national priorities.

Figure 1.2



### 1.3 Performance management is an integral part of this programme

Another important aspect of the transformation is the performance management of officers of the Government – both Ministers and civil servants. Our published targets are ‘stretch’ targets. Since we intend to inculcate a high-performance culture, we have resisted the tendency to set modest ‘soft’ targets. This means it is not likely that all targets will be achieved. If they were, we would not have stretched our aspirations far enough.

Bearing in mind that we have ambitious KPI targets at national and Ministerial levels, we will manage performance by taking appropriate actions with Ministers and civil servants for different levels of achievement (Table 1.1):

Table 1.1: Performance management of ministries

Achievement (% of KPI targets)	Action
• 90-100+	• Hold up as inspirational case study for other parts of government
• 80-89	• Commend and challenge to raise aspirations
• 70-79	• Provide appropriate support and resources to continue and upgrade delivery
• 60-69	• Provide help, coaching and problem-solving support to meet targets
• <60	• Provide extra help and activate consequence management (e.g., potentially change team structure and composition)

For example, consider one of the targets of the Crime NKRA – reducing reported street crimes in 2010 by 20%. If the actual reduction is 18%, then the relevant Ministry scores 90%, i.e.,  $18/20 \times 100\%$ . However, if the actual reduction is 12%, the Ministry only scores 60%, i.e.,  $12/20 \times 100\%$ .

Alternatively, consider the Rural Basic Infrastructure target of constructing 338 kilometres of roads in Sabah and Sarawak in 2010. If 271 kilometres are built, then the relevant Ministry scores 80%, i.e.,  $271/338 \times 100\%$ . If only 202 kilometres are built, then the Ministry scores only 60%, i.e.,  $202/338 \times 100\%$ .

The performance bar has been set high. Our minimum expectations, in the examples above, are 12% fewer reported crimes, and 202 kilometres of roads to be built in Sabah and Sarawak (whereas from 2006 to 2008, an average of 220 kilometres were built or upgraded annually nationwide).

### 1.4 This programme will evolve and be improved over time

The transformation programme this roadmap describes is not comprehensive, definitive or static, but rather transparent, action oriented and dynamic. Indeed, even as this roadmap is going to print, some initiatives may continue to be refined based on results from on-the-ground implementation. We will not scale back on our targets for improved performance, nor will we move away from the transformation methodology we will use to accelerate change and impact. In addition, we intend

that this roadmap also serves as a public call for the best ideas, as the sole intention of the programme is to make a difference, on behalf of the rakyat, and to implement the best ideas, from wherever they come.

This programme will not succeed without support and contribution from the rakyat. As the Government of the people, for the people and by the people, we need the rakyat's feedback and constant vigilance to monitor our performance. Continue to send the Performance Management and Delivery Unit (PEMANDU) – the unit within the Prime Minister's Department responsible for overseeing this programme – your comments and suggestions for improvement through the various available channels – in person, by post (at PEMANDU's address printed on the inside cover of this roadmap), by e-mail to [ideas@transformation.gov.my](mailto:ideas@transformation.gov.my) and online at [www.transformation.gov.my](http://www.transformation.gov.my).

### **1.5 This roadmap describes the Government Transformation Programme in detail**

- The first chapter has outlined the objective and structure of this roadmap, as well as the methodology behind the Government's approach
- Chapter 2 outlines the country's current position, its achievements to date and the gaps to be filled in order to achieve Vision 2020.
- Chapter 3 details the *1Malaysia, People First, Performance Now* principles and the relationship to previous and ongoing government programmes, including this GTP. The remainder of the document is framed around these principles.
- Chapter 4 details the principles of *1Malaysia* and potential initiatives to enhance unity. It also frames a series of polarities in society that require continued, explicit, constructive and transparent discussions.
- Chapter 5 details the principles of *People First*.
- Chapters 6 through 11 describe the initiatives, targets and outcomes associated with each of the NKRA's.
- Chapter 12 highlights the process of arriving at the MKRAs and highlights some example MKRAs and MKPIs.
- Chapter 13 details the mechanisms that will be in place to ensure delivery.
- Chapter 14 recaps the way forward for transforming Malaysia.
- The appendices include a glossary of acronyms and acknowledgements

### **1.6 The programme incorporates output from the labs and inputs from the rakyat**

The GTP is led by the Prime Minister and his Cabinet, supported by the Chief Secretary (KSN) and the civil service. The development of this document was spearheaded by the Minister for Unity and Performance Management and the CEO of the PEMANDU in response to the Prime Minister's call for greater accountability of the Government in delivering tangible outcomes for the rakyat.

To formulate and detail the targets, timelines and initiatives, we formed eight dedicated teams – one for each of the six NKRA's, one for *1Malaysia* and one formed to look at the data management needs common to these efforts. These



teams, called labs, comprised about 250 top civil servants from across ministries as well as representatives from the private and social sectors. The labs worked for six weeks exclusively and intensively on defining detailed, implementable solutions for each NKRA. The labs involved intense problem-solving and collaboration across ministries and agencies, and with participants from the private sector. The Prime Minister, Cabinet Ministers and top leaders of the civil service spent significant amounts of time with the labs, to monitor progress and challenge the participants towards setting more ambitious goals and faster delivery times.

In detailing the initiatives, the labs solicited inputs from the rakyat as well as from experts in the respective areas. The results of the labs were then displayed during Open Days in Kuala Lumpur, Kuching and Kota Kinabalu, at which the rakyat were able to provide input and feedback on the targets, initiatives and implementation details.



