



**14 May 2009 (Thursday)**

## **PNB told to investigate complaints**



**Datuk S.K. Devamany says his office has been flooded with telephone calls from angry Indians nationwide**

**PUTRAJAYA:** Bank Negara and Permodalan Nasional Berhad (PNB) have been urged to investigate complaints from Indians that some banks had refused to distribute Amanah Saham Wawasan 2020 (ASW 2020) units to them.

Deputy Minister in the Prime Minister's Department, Datuk S.K. Devamany, said yesterday that his office had been flooded with telephone calls from angry Indians nationwide who had been turned down by these banks. "The implementation of the ASW 2020 unit distribution should be thoroughly studied as it is obviously flawed." He said the Economic Planning Unit (EPU) in the Prime Minister's Department had already told PNB officials to investigate the matter.

A PNB officer, however, said the company had not heard from EPU on the matter. Devamany suggested that PNB allow Indian cooperatives to purchase the units to distribute them to members. The government had allocated 499.5 million ASW units to Indians of which only 77 per cent had been subscribed as of Monday. He urged Indians to grab the remaining 114.9 million units before July when they would be open to purchase by others.

**15 May 2009 (Friday)**

## **Indemnity cover request by firm delays PKFZ report**



**PKA chairman Datuk Lee Hwa Beng will seek legal advice over the audit firm's request**

**PORT KLANG:** The Port Klang Authority (PKA) board yesterday held an emergency meeting to deliberate on the provision of indemnity to PricewaterhouseCoopers (PwC) to secure the release of the review of the Port Klang Free Zone project.

PKA chairman Datuk Lee Hwa Beng told a press conference after the meeting that the accounting firm had requested for the letter of indemnity to cover its part in preparing the report. "It was my initial intention to expedite the process by way of a circular resolution. "However, a few of the board members felt that a full board meeting has to be called owing to the gravity of the issue. "The board has resolved to give me authority to seek legal advice on the issue whether the proposed indemnity covers the possible negligence of the party (PwC) that made the report. "I am confident that this single technical issue can be sorted out in a very short period of time. We at PKA will continue to do the needful to ensure the proper release of the report," he said.

Lee said he would seek legal advice from the legal firm, Skrine, next week and once the lawyers issued the letter of indemnity, the report would be released immediately. "We have to follow the proper channel in releasing the audit report. Other technical issues have been resolved except for this one, and once this is resolved, the report will be released. PKA had missed the deadline set by Transport Minister Datuk Seri Ong Tee Keat last Wednesday to release the report on PKFZ.

**15 May 2009 (Friday)**

**Najib: I will forever be with the people**

By : Hamidah Atan



**Datuk Seri Najib Razak at the function with public-sector employees in Putrajaya yesterday. At left is Cuepacs president Omar Osman.**

**Government must be able to listen to the pulse of the nation.**

**PUTRAJAYA:** Saying he would remain sensitive to the needs and welfare of workers in the public sector, Datuk Seri Najib Razak reiterated his ultimate wish to be the prime minister for all the people. "I want to be the rakyat's prime minister. I am with the people and I will forever be with them," he told a mass gathering of workers in the public sector at the Putrajaya International Convention Centre yesterday. Present were his deputy Tan Sri Muhyiddin Yassin,

Cuepacs president Omar Osman, Chief Secretary to the Government Tan Sri Mohd Sidek Hassan, Public Services Department director-general Tan Sri Ismail Adam and several ministers.

Najib, who is also finance minister, said there must be a close relationship between members of the administration and civil servants in order for the country to forge ahead. "The government must understand the public sector and we must also listen to the pulse of the nation, the rakyat. That was why I started my walkabouts. "I went to Puduraya (bus terminal) so that I could smell the sweat, the grime and the dust. This is totally different if I were to listen to a briefing on the terminal by the mayor in my air-conditioned room. You are able to look deeply and assess the real situation. "I do not want formality, red-carpet welcomes, garlands and so on. I just want to continue going down to the ground. Even if there is no (media) coverage, it is OK as I want to be the people's prime minister," he said to applause from about 5,000 workers who turned up at the centre.

Najib also said he did not like to see or hear people looking down on the country. "That is why your productivity, performance and integrity must always be at the highest level. Let them say that we are good and courteous whenever they call us for answers or see us at the counters. Whenever you are manning the counters, please smile. Even if you do not know English, try to learn a few words like 'welcome to Malaysia'. "This is especially important for immigration officers at the Kuala Lumpur International Airport as this is our contact point for tourists."

Najib also said he wanted Putrajaya to be a showcase of excellence for the country. "The offices, even the toilets, must always be managed and maintained. Then, Malaysia will be seen as successful. "I don't want other people to look down on us or for Malaysia to be known as a low-wage nation." He said physical development in the country had to be balanced with intellectual capital. "If you want a successful Malaysia, we must perform diligently and be able to assess everything, from ministers, heads of department to workers." "I want all of us to uphold the philosophy of close relations, mutual respect for each other, commitment and loyalty. I will take care of you and you, please, take care of the government."

Najib paid tribute to his late father, Tun Abdul Razak Hussein, whom he said could remember all the district officers in the country, including their fathers. "It may be impossible for me to remember all of you because of the huge size of the present civil service but I am committed to establishing good rapport with all of you, regardless of your positions."

Najib announced the allocation of RM170.4 million to improve the service schemes of workers in the support group category. He said the move was in appreciation of the contributions of the 176,066 officers in the support group for the federal service. "In this respect, officers in the support group with 15 years of service or more will be considered for promotion to a higher grade effective July 1. "The government also agreed to formulate and improve 10 service schemes, involving 20,637 government servants, also effective July 1." The service schemes include those covering food preparation officers and marine assistants. Data processing machine operators, junior administration assistant officers and guards will also benefit from the move.

**16 May 2009 (Saturday)**

### **Welfare assistance process painfully slow**

**SOCIAL Development and Urbanisation Minister Datuk Seri William Mawan said the painfully slow process of verifying the thousands of applications for welfare assistance under the "Cari" programme is one reason many have yet to receive assistance.**

Answering questions from three assemblymen, during question time, Mawan said it can take up to two months to verify just one application. He said up to last month, the Welfare Department had received 27,229 applications, and only 2,621 were approved. "We have reached a point where we don't want to be... unable to fulfil the expectations of the people," he said, hinting that the programme had lost momentum after the federal cabinet reshuffle.

"When there is a change in leadership, there is also a change in emphasis. So far we have not received any indication that the programme has been called off. Welfare assistance under the Cari programme is given to families with income of less than RM830 a month.

**17 May 2009 (Sunday)**

### **We're not to blame for delay, says CEO**

**BUTTERWORTH: Penang Port Sdn Bhd yesterday denied it was the cause of the delay of the RM2 billion Penang Sentral bus terminal project.**

PPSB chief executive officer Datuk Ahmad Ibnihajar said he did not understand why there was a delay. "As far as I am concerned, the site, where the former bus terminal was located, has been cleared since last year for the contractor to begin work. "I do not understand why there is a delay," he said after presenting awards to the children of PPSB staff, who did well in last year's UPSR, PMR and SPM examinations, at Wisma Perkeso in Seberang Jaya. "The delay has nothing to do with PPSB. I think it has been caused by the state government, which has yet to relocate more than 100 hawkers to the temporary hawker centre located opposite the temporary bus terminal.

"There were only 50 hawkers in the old bus terminal, whereas there are more than 100 now." The three-storey old bus terminal, which was located at the Penang Port Commission (PPC) complex was gutted by fire in 2001. The site has been earmarked for the Penang Sentral transport and logistic hub under the Northern Corridor Economic Region. Project developer, Malaysian Resources Corp Berhad has built the RM5 million temporary bus terminal near the site.

**17 May 2009 (Sunday)**

### **Ghani: Federal Govt will decide on bridge**

By : Satiman Jamin



**Datuk Abdul Ghani Othman (fifth from left) joining schoolchildren in planting mangrove saplings at the launch of Malakoff Mangrove Initiative in Pontian yesterday**

**PONTIAN: Johor will leave it to the Federal Government to decide whether to revive the bridge project to replace the 85-year-old Causeway that links Johor Baru and Singapore.**

Menteri Besar Datuk Abdul Ghani Othman said the project had always been the prerogative of the Federal Government. Ghani was speaking at the launch of Malakoff Mangrove Initiative at the Tanjung Bin power plant, near here, yesterday. Earlier, Ghani mentioned in his speech the need to curb erosion at Tanjung Piai, which was getting smaller by the day due to continued lashing of waves on the mangroves there.

"This is the identity of Johor, which was known as Ujung Tanah or Ujung Medini since time immemorial, despite the claim by certain quarters that the island next to us (Singapore) should be regarded as the land's end for the Asian continent as it was connected to Johor by the Causeway."

Ghani also said the Causeway would one day be gone and Tanjung Piai's position as the land's end for Asia would no longer be a subject of debate. Asked whether the revival of the bridge project would be discussed during his scheduled trip to Singapore next week, Ghani said it was up to the Federal Government to decide on the matter.

**19 May 2009 (Tuesday)**

### **RM149m cable project will end city power cuts**

By : Joniston Bangkuai

**KOTA KINABALU: The almost daily power interruptions here and the surrounding areas are expected to be greatly reduced when Phase Two of the Kota Kinabalu Outer Ring System (KKOR2) is completed next year.**

Work on the RM149 million KKOR2 project which, among other things, involved the installation of a 132-kilovolt underground cable system began in March. Implemented by Sabah Electricity Sdn Bhd (SESB), the project was awarded to YBS Tenaga-Global Globe Sdn Bhd Consortium, a joint-venture company between state-owned YBS Tenaga Sdn Bhd and Global Globe Sdn Bhd. SESB and the consortium signed the agreement on the project here yesterday, witnessed by State Resource Development and Information Technology Minister Datuk Dr Yee Moh Chai. "The project will enhance the security, stability and quality of the existing power supply system in Kota Kinabalu and its surrounding areas," Dr Yee said.

Noting the frequent power outages in the state capital and areas such as Penampang, Putatan and Lok Kawi, Dr Yee said the implementation of the project was proof of the government's commitment to improve power supply. SESB managing director Baharin Din said there would be a more efficient distribution and transmission of electricity, paving the way for additional capacity for consumers. "Our objective in implementing the project is to minimise power interruptions in the state capital and its vicinity ". There are also plans to implement similar projects in Sandakan and Tawau.

## **19 May 2009 (Tuesday)**

### **Shoddy projects to be sorted out**

**KUALA LUMPUR: Works Minister Datuk Shaziman Abu Mansor wants to get to the bottom of government projects with shoddy workmanship and those that are being delayed.**

"We have been facing this problem for a while now. I would like to have a roundtable discussion with the Public Works Department (PWD), Construction Industry Development Board (CIDB), the Economic Planning Unit and the Finance Ministry." Shaziman was speaking after visiting the construction site of the Bukit Aman logistics complex here yesterday. He said delayed projects and shoddy work contributed to wasted government funds. "I believe that we have the expertise in the PWD to solve the problem and ensure that these projects get completed and are up to standards, but it would take time."

Replying to a question, Shaziman said it was useless to come up with new rules and regulations for contractors without getting to the core of the problem. "Sometimes, the problem starts at the planning phase, we need to ascertain the causes first before we can come up with solutions."

## **20 May 2009 (Wednesday)**

### **RM10m for KTMB plan**

By : Koi Kye Lee

**KUALA LUMPUR: Keretapi Tanah Melayu Bhd (KTMB) will spend RM10 million under the Ninth Malaysia Plan to make its KTM Komuter network more disabled-friendly.**

The allocation has been approved by the Transport Ministry. Facilities such as lifts, ramps, special car parks and disabled toilets will be built at five Komuter stations -- Rawang, Sungai Buloh, Bandar Tasik Selatan, Serdang and Shah Alam. Work is scheduled to start in July and is expected to be completed by May next year. KTMB managing director Datuk Abd Razak Abd Malek said that aside from upgrading the facilities for the disabled, the company also plans to organise an Orang Kurang Upaya Mesra Day. "We are organising the campaign to create awareness of the needs of disabled Malaysians to help them fully enjoy equality in the spirit of 1Malaysia."

Seven KTM Komuter stations have already been equipped with facilities for the disabled -- KL Sentral, Mid Valley, Kepong Sentral, Bank Negara, Subang Jaya, Seremban and Kajang. Persatuan Mobiliti Selangor dan Kuala Lumpur president Anthony Arokia applauded the steps the company has taken to make its facilities more accessible to the disabled.

## **22 May 2009 (Friday)**

### **Najib to discuss new JB link with Singapore**

By : Anis Ibrahim and Syed Umar Ariff

**NUSAJAYA: Prime Minister Datuk Seri Najib Razak will today re-start talks with his Singapore counterpart, Lee Hsien Loong, on a suitable bridge to replace the 85-year-old Causeway.**

Najib, who arrived in Singapore yesterday afternoon for a two-day official visit, said "whether it is a crooked bridge, a straight bridge, an underground (tunnel) or overhead (bridge), we will talk about it. "We'll see how the discussion goes," he told reporters before leaving for Singapore via the Second Link crossing to attend two official programmes. He is scheduled to meet Lee, President S.R. Nathan and former premier Goh Chok Tong this afternoon.

There have been growing calls from Johor's political and business communities for the Federal Government to review its 2006 decision to cancel the RM600 million crooked bridge project. They said the project would spur economic growth and provide various economic opportunities to the locals. Meanwhile, AFP, quoting an interview with Singapore's Straits Times ahead of the visit, reported that Najib has plans to rise above the long-running quarrels that have undermined relations between the neighbours. "It is incumbent upon our two governments to not allow some difficult -- or if you like, thorny -- bilateral issues to impede and hamper whatever progress we can achieve," Najib said.

"I hope that the relationship will continue to improve in the years to come." He told the daily that as well as the Iskandar Malaysia project, which will be high on the agenda of his meeting with Lee, he would push for more cooperation on trade, tourism, security and defence. Earlier

when speaking to journalists in Kota Iskandar here, Najib said he would also inform the republic's leaders of the many opportunities available in Iskandar Malaysia. "I have seen Iskandar and it is an exciting and promising development to consider, whether they want to invest at the strategic level or for individuals who want to purchase houses or properties."

He was earlier taken on a helicopter tour of the development region and was briefed on Iskandar's progress as well the status of current investments and Ninth Malaysia Plan projects within the economic region. He said being an area of tremendous potential, Iskandar would become a region worthy of pride of all Malaysians. "I am fully aware that development has proceeded according to schedule and that 30 per cent of the committed investments of RM42.63 billion have already been spent to carry out works. "I reiterate the Federal Government's pledge to continue focusing on Iskandar and to proceed with plans initiated by (former prime minister) Tun Abdullah Ahmad Badawi. Iskandar is an ideal development project because it is not purely physical development, it also places emphasis on enhancing the economic potential of locals."

**22 May 2009 (Friday)**

### **Privatisation may help, but it's fraught with risks**

By : Kang Siew Li

**KUALA LUMPUR: Privatisation is the only way to fix the controversial Port Klang Free Zone (PKFZ) in Pulau Indah, Selangor, as attempts by its owner, Port Klang Authority (PKA), to overhaul and run the free zone have failed, industry sources said.**

Even with the much awaited release of the PricewaterhouseCoopers (PwC) report on the PKFZ scandal, it will be a mammoth task for PKA to pull the free zone out the doldrums as the government agency itself is facing mounting losses, dwindling cash reserves, and a leadership crisis following the resignation of its general manager, Lim Thean Shiang. Industry players said there were several shortcomings in PKFZ and overcoming them required a lot of money. One of the reported shortcomings was the lack of a multi-purpose berth. The port authority, through Port Klang Free Zone Sdn Bhd (PKFZSB), operates the 405ha facility. It comprises 298.4ha of open land for long-term lease, 512 pre-built light industrial units, four blocks of office complexes, a 100,000sq ft exhibition centre and a four-star hotel.

A recent proposal to build a 300m multipurpose berth looks set to fall through because PKA is not in a position to pump in money. A source estimates that PKFZ needs some RM300 million to construct the berth. PKFZ needs such a berth badly as the nearest is at Westport, 4km away. It is said that PKFZ lost a large number of potential investments, especially from the oil and gas industry, because of the lack of a multipurpose berth. One of them was French engineering and construction giant Technip, which last year signed an agreement to build a plant in Tanjung Langsat Port in Johor instead. Some quarters believe that to ensure PKFZ's viability, the government should give it to a private corporation.



PKA tried turning PKFZ into a corporation by setting up PKFZSB in 2007, but sources said the firm was not given a free hand to run the free zone. Another source, however, pointed out that even if PKFZ was privatised, finding a buyer could be a problem. The source said fixing PKFZ was a big task and even with strong management, it could take as long as a decade before it made a profit. In an August 2007 press conference, PKFZSB general manager Chia Kon Leong was quoted as saying that it aimed to be operationally self-sustaining in 2010 and have an occupancy rate of 80 per cent by 2012. But the free zone remains far behind its target, having signed up only 56 companies with investments worth some RM980 million. These companies take up a mere 18 per cent of the open land, 18 per cent of its light industrial units and 19 per cent of its office space.

**22 May 2009 (Friday)**

### **Cabinet's call to make public PKFZ report**

By : Mazlinda Mahmood

**PORT KLANG: The decision whether to make public the PricewaterhouseCoopers (PwC) audit report on the controversial Port Klang Free Zone (PKFZ) project now rests with the cabinet, Port Klang Authority (PKA) chairman Datuk Lee Hwa Beng said yesterday.**

He said PKA had no authority to release the report as it was now being discussed by the cabinet. "It is no longer my decision to release the report to the public. This issue has been brought up and discussed at two cabinet meetings. "Our board resolved to wait for the cabinet's decision before making the report public," Lee said after chairing a PKA board meeting here. On the provision of indemnity requested by PwC, Lee said PKA could issue the letter at any time as the port authority could sue the audit firm if it was negligent. "According to our lawyers we can give the letter of indemnity. If PwC is sued for negligence, we can sue the audit firm." Last week, PKA convened a meeting to discuss the PwC's request to indemnifying the international audit firm from potential suits over its report on the billion-ringgit PKFZ scandal.

On PKA general manager Lim Thean Shiang's resignation, Lee said the board decided to accept it, adding that the resignation had nothing to do with the report. Lim resigned as PKA general manager and PKFZ Sdn Bhd executive chairman on May 7, citing personal reasons and has gone on leave until June 6. The board has appointed PKA assistant general manager Captain David R. Padman to assume the duties of the general manager. But Lee said Padman was not an acting general manager as the appointment could only be made by the transport minister. The board appointed Lee as acting non-executive chairman of PKFZ Sdn Bhd. On the Malaysian Anti-Corruption Commission's inquiry into the project, Lee said: "Board members and all officers will open our books to the MACC if they come in to investigate. We will give our full cooperation."

**24 May 2009 (Sunday)**

## **Driving the KPI**

**KEY performance indicators, which come in many forms, shapes and sizes, have been employed by the world's corporations and, for more than a decade, by government-linked companies in Malaysia. Most private sector managers are familiar with them. The measures are also no stranger to top civil servants, the directors-general, secretaries-general and department heads. Prime Minister Datuk Seri Najib Razak has taken the KPI one level higher, and adopted them for members of his cabinet and their deputies. Minister in the Prime Minister's Department Tan Sri Koh Tsu Koon has been busy the past six weeks working to come up with the indices for the ministers. Just as a stopwatch can't be used to compare a marathon runner with a gymnast, Koh has a different set of KPIs for each of his fellow ministers and their ministries. A more focused unit called Pemandu (Performance Management and Delivery Unit) would be set up to support each minister and ministry, Koh said.**

Engaging the people is an important component in the KPI exercise. In a democracy, popular satisfaction is perhaps the best sign that the government machinery is delivering, the civil servants are toiling away and that their political masters are providing the right leadership. "If you are happy, tell us. If you are unhappy, tell us. Write to the ministries. Write to the prime minister's 1Malaysia blog," is Koh's plea. Malaysians are noted for their apathy, indifference to what is happening around them and ignorance of what services they should be enjoying or are entitled to. This is not a new observation. Chief Secretary to the Government Tan Sri Sidek Hassan had said that people must inform the local councils if the drains were blocked or if rubbish was not collected.

As the government prepares to listen and intensify its services to the people, mechanisms must be provided for feedback and public input. There has been a well-known disconnect between aspiration and reality in previous efforts such as hot lines, which tend to cool down into unanswered complaints and eventually to unanswered calls. Government agency websites have to be proactive, people-friendly and functional, not just tokens of information technology savvy. The human touch can never be overlooked, particularly in the services that only government can provide. KPIs for the elected members of the executive may be difficult to formulate and harder to implement. But such objective yardsticks are necessary and urgent if politicians are not to find out how badly they have done only by getting booted out at the next elections

**24 May 2009 (Sunday)**

## **Tricky task of fine-tuning KPIs**



**Minister in the Prime Minister's Department Tan Sri Dr Koh Tsu Koon, is in charge of driving the ministers and their KPIs.**

**Finally, after six weeks, the preliminary key performance indicators (KPIs) for the ministers are ready. What are they and will they actually help our ministers perform their duties better? ANIZA DAMIS speaks to Minister in the Prime Minister's Department Tan Sri Dr Koh Tsu Koon, who is in charge of driving the ministers and their KPIs, and finds out that this is only the beginning**

**Q: Why is it that ministers are only having KPIs now? Does this mean the government had no focus?**

**A:** That's not true. The government does have focus but it was done through the civil service. Every ministry has a mission statement, vision statement, objectives and, for each and every programme, they have a listing of what is to be achieved. Budgeting and implementing the budget is in itself a performance-management exercise. It's just that we have not used the methodology, KPIs and the balance-score card system in such a rigorous way. And we have not applied it to ministers and deputy ministers. For example, it used to take three weeks to get a new passport. And then, a year ago, you could get your passport within a day, and now you can get your passport within three hours. So, this is a very clear and obvious success of a KPI exercise.

**Q: The ministers have submitted the preliminary KPIs to the prime minister. Have they done a good job of it?**

**A:** This is only the first round. For many ministers, and even for me, there is a learning curve. In the corporate world, the exercise of driving performance through KPIs usually takes a few cycles, around two to four years, to fine tune, to make sure the targets are correct. The KPIs make the targets very focused, very clear. But I think there's a sense of commitment. I was really impressed that every minister was dedicated to getting their preliminary KPIs done.

It wasn't easy. There was concern over how to measure something that doesn't seem quantifiable. For example, take my own portfolio: How do you measure national unity? I'm still in the process of figuring it out. As a rough measure, we used to take what is called the index of inter-ethnic quarrels. Any quarrel between at least two individuals of different ethnic

backgrounds may become a police case. So, we take that and track it. We look at how many quarrels there were, how serious they were and how they were resolved.

**Q: So, what's your KPIs?**

**A:** I just submitted what was being used as preliminary KPIs, the number of incidents that have been reported to and recorded by the police. I said this was all that we had (as a yardstick). But I have asked the Institute for Inter-Ethnic Relations of Universiti Kebangsaan Malaysia, headed by Professor Shamsul Bahrin, and his researchers to help me find out whether there are already existing ones in other countries and new indices we can create to more effectively measure "national unity" and "social harmony".

If we can come up with certain measures as an indicator, then we can come up with an implementation plan to enhance social harmony, national unity, inter-ethnic and inter-religious harmony.

**Q: Last year, the National Unity and Integration Department registered 364 demonstrations and street protests. Would you take a demonstration as a positive or negative indicator of unity?**

**A:** That is debatable. In fact, I'm in the process of discussing this with my officers. If it's a peaceful gathering of 2,000 people at a town hall, they are very unhappy and demonstrating their anger, but if they sit down and discuss things, then that's positive, because there would be a fruitful exchange of ideas. But with street demonstrations, although some would say that's an avenue to vent their feelings, I would say that it would be less fruitful than a serious discussion, where there is real communication and dialogue. Whatever it is, we need to resolve the problem.

**Q: If it takes a few cycles to fine-tune KPIs, how solid are these KPIs which were prepared in just six weeks?**

**A:** Whatever that was submitted by the ministers are what we call preliminary KPIs. They are very preliminary, based on the KPIs for their own secretary-generals, but not solely based on them. The most important thing the minister has to look at is the impact and outcome for the people and public perception. That makes it challenging. We are trying to do something, that normally takes a very long time, in a very short span of time. Since my official appointment, I've been sleeping and eating KPIs. We have lunch meetings and dinner meetings. I have to do lots of reading and have discussions with people who have a lot of experience with KPIs.

**Q: At what point will these preliminary KPIs translate to actual KPIs?**

**A:** After the preliminaries, there will be a dialogue between my colleagues and I to fine-tune the KPIs with the help of experts. Then, the second round will be a discussion with the prime minister, to see whether the KPIs are realistic. Then, we will implement it. The prime minister has set another deadline in November, which is when they have the first assessment. After November, we will be going into KPI Version 2.0.

**Q: That means the first assessment in November is not going to be an assessment on the ministers, but rather it is an assessment on the effectiveness of the KPIs?**

**A:** Yes. There is a wide range of quantitative and qualitative aspects of performance, and of a different nature, too, from ministry to ministry. The International Trade and Industry Ministry and the Domestic Trade Ministry, for instance, have more quantitative measures. But even then, you have to see what the relevant measures are. For example, if you take foreign direct investments as the absolute amount, how would you measure it? We must also have a relative measure, because in the context of a global economic crisis, you cannot expect Malaysia to have an increase in FDI when the whole global FDI is collapsing. So then, it has to be relative.

This is what I mean by fine-tuning. The danger is, if you set your KPIs too high, you're going to be in trouble, because people will say, "You're boasting". You can be 100 per cent sure that there will be a shortfall and you'll end up punishing yourself. But if you set your KPIs too low, people will think it's ridiculous, because it doesn't make any difference. So, the setting of targets itself is extremely challenging.

**Q: Besides setting a target for what is deemed to be a success, are ministries setting a target for what is deemed to be a failure?**

**A:** I think there would be a grading scale. For instance, if we set a target for getting a passport ready in three hours, would it be realistic to say that, if for some reason you deliver it within six hours instead, that it is a failure? No, I would still say that it is a success.

**Q: How many hours would constitute failure?**

**A:** That would depend on public perception. People want speed, but most are also reasonable. They ask for reasonable speed. If you tell people their documents will be ready the next day before 5pm, and you keep to that promise, they would be happy. But, for those who need their passports urgently, special efforts will be made to get the passports ready in time. If we set our target too unrealistically and invest in too many personnel, we can get the passport done in one hour, but then the law of diminishing returns would come in.

For instance, if in the past it took three weeks and now it takes three days, that's a tremendous improvement. But, if it takes five times the resources to drive it to one day, then it may not be worth it. Because those resources are actually public resources, and could be used to drive other things. So, you have to have a very holistic view of the allocation of resources, and this is where some of us come in. Because, even if you have billions, it is still limited resources. So, part of it is setting expectations. People want speed, certainty and courtesy; that's the three most important factors in their perception of government service. We should drive our organisation so that it works to its maximum. But we should also not over-drive it so that it's humanly not possible.

**Q: How are you going to measure public perception?**

**A:** We would like our political leaders and civil servants to be sensitised, so that they can immediately detect public sentiments. They must be sensitive, yet positive to complaints.

Secondly, we can conduct public opinion polls. Or we can even have certain devices for people to vote whether they are happy with the service of that particular officer. In some countries, there are certain buttons to push: green is for "very happy", amber is for "so-so", and red is for "very bad". We might adopt that for certain counter services. But this would only come in later, after we have assessed the situation.

**Q: What are the KPIs for the home minister?**

**A:** Each minister will probably have a few KPIs. But we would like the minister to identify what he thinks are the most important and relevant KPIs to the people. That can only be arrived at through the experience and acumen of the minister as a political leader and the head of the ministry; but more importantly, through some kind of feedback from our clients.

**Q: At what are the KPIs targeted? Is it the satisfaction of the people or the well-running of the government and nation?**

**A:** They are inter-related. There are KPIs that can be objectively measured -- in the delivery of certain services. But then there's also the qualitative aspect, which is perception and sentiment, which may not be completely related and determined by the objective and quantitative measure. For instance, I can give you your passport within a day. But if I give it to you with a sour face and with certain negative remarks, you're going to be very angry. Today, through technology, we will get much more feedback than 10 years ago. That in itself is a monitoring process and wake-up call. It's already there. And the final analysis is how people will vote.

**Q: Keeping voters happy does not necessarily mean that the government is being run properly.**

**A:** Yes. That's why we need objective measures. You can be a populist and make people very happy over a period of time, and yet, misuse and abuse your resources. Or doing things that are not right, and yet keep people happy. For example, a very easy thing to do it is to give people money. Or to give a waiver on fines and summons; people can do what they like. But is it fair for other members of the public, if people park indiscriminately and they are not given a traffic summons? That's why we need objective measures.

**Q: What is the role of Khazanah in all this?**

**A:** Khazanah plays a very supportive role. But it's not Khazanah alone. We have within the civil service today the PSD (Public Service Department), Mampu (Malay-sian Administrative Modernisation and Management Planning Unit) and ICU (Implementation Coordination Unit). We are talking to everybody, because we would like to have a cross-fertilisation between the public and private sectors and what better group to turn to for experience?

Khazanah and Malaysia Airlines used KPIs to turn the airline around. But I have not exhausted all the possibilities. I have yet to have a very deep conversation with Pemudah (task force to address bureaucracy issues in business-government dealings), for instance, which is a fine example of how you can get the public and private sector to work together to drive delivery.

**Q: How much of the KPIs are the public going to be privy to?**

**A:** We would like to have KPIs that are relevant, that have a direct impact and outcome on the people. There are many KPIs that are related to procedural, technical aspects, which even if you explained to the public, they won't be interested.

**Q: Is a minister's performance going to be made public?**

**A:** The public is going to be making their assessment anyway, with or without disclosure. But there are bound to be some headline KPIs. For example, if the Immigration Department had announced three years ago, before they embarked on this exercise of reducing the time it takes to make a passport, that would have been a very publicly-known, trackable KPI.

**Q: KPIs are supposed to make ministers more answerable than in the past. But, like the report card system previously, no one knows what the report card reads. Surely we shouldn't have to wait five years for the elections?**

**A:** We will make the KPIs public in less than a year. In fact, many of the KPIs will be determined by the public. For instance, the public will say it wants the crime rate to be reduced. So, what's the measure? What category of crimes are we talking about?

**Q: How will you assure the people that their opinion matters outside of election time?**

**A:** We can assure them, because the prime minister has repeatedly talked about it, we are driving it and within 30 days, we were even able to come up with the preliminary KPIs, when it would normally have taken half a year.

**Q: If the public doesn't know what the preliminary KPIs are, how are they going to know whether six weeks' work is any good at all?**

**A:** It will be judged by our final delivery. People will not want to wait for too long. So, we are putting a lot of pressure on ourselves.

**Q: Everything I've heard so far are just promises. You are promising that you want to improve something. But you haven't told me what you want to improve, how it's going to be improved, and how I am supposed to know whether it's improved.**

**A:** We would like you to tell us the five most important things that you would like us to improve.

**Q: If the people want to give their feedback, how can they do that?**

**A:** They can do that through the media.

**Q: Is there a more formal channel?**

**A:** We can do that through every ministry, if the matter is ministry-specific. They can write to the prime minister's 1Malaysia blog; they can write to me. And many of us are going to the ground, going on walkabouts.

**Q: Is the feedback going to be collated properly?**

**A:** We are setting up a system. Every ministry also has its own public clients' charter, and service information unit. We also have the Public Complaints Bureau. I can only start gauging things when we are in the thick of it. With the kind of commitment I see from the prime minister and my colleagues, the awareness, the consciousness and commitment, there will be a marked improvement in the next one to two years.

**Q: Do your brother and sister ministers know what their goals are?**

**A:** They know what the broader objectives are for their ministry. They know the programmes and the projects. But now what we are trying to do is to actually give a methodology for them to set a target within a timeframe. A target that, preferably, would be measurable and trackable and a methodology of implementation and a way of measuring it daily or weekly so that we stay focused. Every one of them is trying his best. But trying our best is not good enough. We must try our best within a certain framework, guidelines and methodology that have proven to be effective in corporate companies and even in governments.

We want goals that the public can benefit from so that they can feel there is a difference. Part of driving KPIs is to look at the whole mechanism. It's not just tinkling with changes and procedure. It may involve changing the procedure itself! We are asking every minister to drive his own KPI exercise. I am only serving as a promoter and facilitator.

**Q: Does every ministry have a specific section in its ministry or website that allows the public to send feedback?**

**A:** Hopefully, within six months or so, every ministry will have a website that is interactive, that will be able to take more comments.

**Q: When the exercise actually starts, what do you see your role as being?**

**A:** The exercise has already started. I have to try to deliver this framework and guidelines, as well as supporting staff in order to drive other ministries. We will set up a new unit called Pemandu (Performance Management and Delivery Unit) which will draw upon existing units from Mampu, ICU, PSD, EPU, as well as Khazanah, to have a more focused group to support each minister and ministry in their drive. The whole KPI exercise is actually to get everybody focused and to get them to do a lot of things in their own area of responsibility, to contribute towards that goal.



**26 May 2009 (Tuesday)**

## **Water transfer project starts Monday**



**Datuk Peter Chin Fah Kui (centre) witnessing the exchange of documents between the ministry's secretary-general Datuk Dr Halim Man (left) and Shimizu Corporation director Yoshinori Tsukahara at the contract signing ceremony in Putrajaya yesterday**

**PUTRAJAYA: Construction of the 44.6km Pahang-Selangor Raw Water Transfer Project will finally begin.**

The RM4 billion project will start on Monday with its most critical phase, the construction of the water transfer tunnel costing RM1.3 billion. Energy, Green Technology and Water Minister Datuk Peter Chin Fah Kui said tunnelling work was expected to be completed on May 30, 2014. Construction of the other three phases - the building of the Klau Dam, the Semantan intake and pumping station, and the pipelines will start in March next year, with tenders to be offered between June and September. The three phases are expected to be completed simultaneously with the tunnel, which is set to supply Selangor, Kuala Lumpur and Putrajaya with a total of 1,890 million litres a day until 2025. Under the project, raw water will be transferred from the Semantan River to the three areas for domestic and industrial use to alleviate future water shortages. Chin defended the participation of Nishimatsu Construction in the project, saying the company had the capability to carry out the project. Several years ago, the Japanese company was held responsible for the fatal collapse of Singapore's Nicoll Highway tunnel.

Nishimatsu, the main contractor, was charged with failing to ensure that the temporary retaining wall system was properly built and maintained, and with running an unsafe site. "It is not the issue of public confidence but rather the ability of the company and our confidence that they are capable of carrying out the job as per tender. They would not have been picked otherwise. "Nishimatsu has given sufficient assurances that the project will be carried out without a glitch. They are in a joint venture with locals."

Nishimatsu's responsibilities in the project include the positions of finance manager and chief tunnel engineer. Shimizu Corporation, UEM Builders Bhd and IJM Corporation Bhd are part of the consortium. Chin earlier witnessed the signing of the Pahang-Selangor Raw Water Transfer Project between the government and the representatives of the consortium. Also present was the project team director Datuk Ismail Mat Noor. The Japan International Cooperation Agency is funding 75 per cent of the construction while the remaining sum will be borne by the government. Once in operation, Pahang will get an annual revenue of about RM80 million from the project.

**26 May 2009 (Tuesday)**

## **PM wants dramatic change in Felda settlers' fortunes**



**Prime Minister Datuk Seri Najib Razak launching Felda's the new taglines new slogan, Only 1 Felda in the World, in Kuala Lumpur yesterday. With him are (from left) Felda chairman Tan Sri Dr Mohd Yusof Noor, Felda director-general Datuk Ahmad Tarmizi Alias and Deputy Minister in the Prime Minister's Department Ahmad Maslan.**

**KUALA LUMPUR: Prime Minister Datuk Seri Najib Razak wants a transformation of the Federal Land Development Authority, with a quantum leap in the fortune of settlers.**

To achieve this, Najib said the land development organisation should focus on marketing, research and development, lay down good economic policies and have good marketing practices. He said it should also look into improving the social condition of settlers and strive towards realising a goal of zero social problems among settlers. "In a nutshell, it should result in a new culture which can only lead to a major upswing in the incomes of Felda settlers," Najib said during a gathering to launch a new tagline - Only 1 Felda in the World.

Najib envisaged the transformation to take place over the next 50 years, after the first 50 years of the organisation was focused on improving the livelihoods of the one million settlers. He said Felda had taken 112,000 families out of poverty and provided infrastructure for the settlers. He noted that the first 50 years of Felda had also created educational opportunities for the children of settlers to the point where they had succeeded in all spheres of life outside the settlements. "We have children of Felda settlers today who are aircraft pilots. I call on you to not just change or introduce improvements but work for a major transformation for a better future."

Later at a press conference, Najib said Felda would build 1,395 houses in six settlements in Pahang at a cost of RM135.5 million. The projects will be in Jengka 19, Triang 3, Jengka 11, Chiku 5, Neram 1 and Chini 3. "The number of people in Felda settlements in Pahang has increased over the years and the new housing projects are tailored for the second generation of settler families or their children. "Most of them are still living with their parents due to the lack of houses in the settlements. "The funding for the houses has been allocated under the Second Stimulus Package and some of the projects are in progress." Najib said walk-up flats would be built if the availability of land was a problem. On diversifying the incomes of settlers, Najib said Felda had initiated several programmes. The edible garden project was introduced this year to help settlers supplement their incomes. Some 35,000 settlers are also involved in entrepreneurship programmes in their areas." Najib said settlers could increase their incomes by investing in Felda cooperative shares.