

VALUES, ETHICS & GOOD GOVERNANCE IN THE PUBLIC SERVICE

By
DATUK DR MOHD TAP SALLEH
PRESIDEN
INSTITUT INTEGRITI MALAYSIA

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INTRODUCTION

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GOOD GOVERNANCE

Underpinning Good Governance in Democratic State is essentially a combination of:

- transparent and accountable institutions
- high level of skills and competence
- fundamental willingness to do the right things

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Governance Standard (Ethical Standard) is demanded and

"...fall on all those in public life, whether they are politicians, administrators or business executives. It is their ethical duty to *serve the public interest...*"

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Good governance in public service refers to:

- Administration, and
- Good Management of Social and Economic Resources

Basically...PUBLIC SERVICE THAT DELIVERS ITS SERVICES WITH INTEGRITY

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Effective public service delivery system?

- Efficient (up-to-date systems, procedures and competent staff)
- Fast
- Cost-Effective
- Accurate (as expected by customers or customer driven & zero defects)
- Delivery with Integrity (transparent, accountable & guided by rule of law)

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PUBLIC SERVICE THAT PROVIDES

- More Choices Services
- More Transparency
- More Accountability

and Able to Respond Positively to *New Situations and Environment* while delivering exemplary service is what Good Governance is all about...

9

DEFINITIONS

- Ethics
- Values
- Integrity

10

ETHICS

"..... ethics is a set of moral values and principles which form the standards guiding the code of conduct of individuals, organizations and professions."

(National Integrity Plan, pg.21)

11

BASIC VALUES

- Trustworthy
- Honest
- Courteous
- Respectful

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INSTITUTIONAL VALUES

- Just
- Fair
- Sensitive
- Cooperative
- Accountable

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INSTRUMENTAL VALUES

- Hardworking
- Competent
- Effective
- Efficient
- Disciplined
- Transparent
- Friendly

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INTEGRITY

"....a quality of excellence that is manifested in a holistic and integral manner in individuals and organisations. Integrity is based on ethics and noble values and their concrete manifestation in daily lives".

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INTEGRITY IN INDIVIDUAL

"...the harmony between what an individual says and does. His or her actions are in accordance with moral and ethical principles as well as laws and regulations and do not go against public interest."

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INTEGRITY IN PUBLIC OFFICIALS

"...carrying out the trust and responsibilities bestowed upon them in line with public interest. They are not allowed to misuse their power for their self interest, or for the interest of their family or relatives. Should a conflict of interest occurs, public interest overrides personal interest."

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Country Comparison CPI/ GDP (Nominal) Per Capita

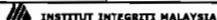
COUNTRY	CPI	W. B/USD	IMF/USD
N.ZEALAND	9.4 (1)	30,614/ 23	30,030/ 28
DENMARK	9.3 (2)	62,327/5	62,097/ 5
SINGAPURA	9.2 (3)	37,600/ 20	38,972/ 22
SWEDEN	9.2 (3)	52,057/ 8	52,181/ 10
SWITZERLAND	9.0 (5)	64,011/ 3	68,433/ 4
FINLAND	8.9 (6)	51,060/ 9	51,588/ 11
NETHERLAND	8.9 (6)	52,322/ 7	52,500/ 9
AUSTRALIA	8.9 (8)	47,498/ 11	46,824/ 15
CANADA	8.7 (9)	42,031/ 17	45,085/ 18
ICELAND	8.7 (9)	52,549/ 6	53,058/ 8

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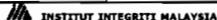
Country Comparison
CPI/ GDP (Nominal) Per Capita

COUNTRY	CPI	W. B/USD	IMF/USD
NORWAY	8.6 (11)	94,359/ 2	94,387/ 2
HONG KONG	8.2 (12)	30,862 / -	30,726/ -
L'MBOURGH	8.2 (12)	111,182/ 1	113,044/ 1
GERMANY	8.0 (14)	44,471/ 15	44,729/ 19
IRELAND	8.0 (14)	- / -	60,510/ 6
AUSTRIA	7.9 (16)	49,902/ 10	50,039/12
JAPAN	7.7 (17)	38,443/ 18	38,457/ 23
U. KINGDOM	7.7 (17)	43,089/ 16	43,734/ 20
USA	7.5 (19)	46,716/ 12	47,440/ 13
BARBADOS	7.5 (19)	- / -	13,314/ 51

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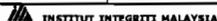
Country Comparison
CPI/ GDP (Nominal) Per Capita

COUNTRY	CPI	W.B/USD	IMF/USD
TAJIKISTAN	2.0 (158)	751/ 144	795/ 151
ANGOLA	1.9 (162)	4,627/ 80	5,054/ 82
VENEZUELA	1.9 (162)	11,230/ 43	11,388/ 53
KYRGYZTAN	1.9 (162)	837/ 138	951/ 144
GUINEA BISSAU	1.9 (162)	273/ 167	-
D.R CONGO	1.9 (162)	180/ 169	2,952/ 106
CONGO BRAZZ	1.9 (162)	-	-
GUINEA	1.8 (168)	434/ 161	439/ 168
EQUA GUINEA	1.8 (168)	28,111/ 24	14,941/ 46
BURUNDI	1.8 (168)	144/ 170	-

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Country Comparison
CPI/ GDP (Nominal) Per Capita

COUNTRY	CPI	W. B/USD	IMF/USD
TURKMENISTAN	1.8 (168)	3,633/ 92	3,606/ 102
IRAN	1.8 (168)	5,352/ 73	4,600/ 87
HAITI	1.8 (168)	711/ 145	790/ 152
UZBEKISTAN	1.7 (174)	1,022/ 134	1,027/ 141
CHAD	1.6 (175)	755/ 143	863/ 145
SUDAN	1.5 (176)	1,413/ 119	1,522/ 125
IRAQ	1.5 (176)	-	3,007/ 105
MYANMAR	1.4 (178)	-	446/ 166
AFGHANISTAN	1.3 (179)	-	416/ 170
SOMALIA	1.1 (180)	-	-

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GOVERNANCE

"power is exercised by the government in the management of a country's social and economic resources".

(Canadian International Development Agency (CIDA))

22 

GOVERNANCE

"the exercise of power by various level of government that is effective, honest, equitable, transparent and accountable".

(Institute of Governance)

23 

GOOD GOVERNANCE

"means competent management of a country's resources and affairs in a manner that is open, transparent, accountable, equitable and responsive to people's needs".

24 

PUBLIC SERVICE THAT PROVIDES

- More Choices Services
- More Transparency
- More Accountability

and Able to Respond Positively to *New Situations and Environment* while delivering exemplary service is what Good Governance is all about...

25

WHY NEED TO BE ACCOUNTABLE?

- Right to know
- Public interests
- Rising stakeholders demand
- Awareness of consequences
- Proper discharge of duties and responsibilities
- Moral duty

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ACCOUNTABILITY & INTEGRITY IN PUBLIC SERVICE

Essence of Accountability and Integrity in Public Service is discharging one's responsibility at all times in accordance with established

- Ethical norms
- Values and laws

and willing to submit oneself to public scrutiny of every aspect of one's product/action.

27

PRINCIPLES OF GOOD GOVERNANCE IN PUBLIC SECTOR

- Rule of Law
- Transparency and Accountability
- Managing Performance of Public Sector Agencies Efficiently
- Responsiveness
- Good Policy & Institutions

28

LACK OF GOVERNANCE

- Abuse of Power and Position
- Wastage of Resources
- Corruption and Poor Delivery System
- Erosion of Competitiveness

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Sekian. Terima Kasih

Hubungi Kami:

Tel: 03-6209 2020

Fax: 03-62092090

✉ mohdtap@ilm.com.my

🌐 www.ilm.com.my



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**VALUES, ETHICS & GOOD GOVERNANCE
IN THE PUBLIC SERVICE**

**By
DATUK DR MOHD TAP SALLEH
PRESIDENT
INSTITUT INTEGRITI MALAYSIA**

5 JANUARY 2010

A) INTRODUCTION

[SLIDE 3]

1. The long term viability of a country depends to a large extent on good governance, a comprehensive and conscious efforts to manage the often complex social, economic and political demands of a modern state of the 21st Century.

[SLIDE 4]

2. Underpinning the concept of good governance in a democratic state is *"...essentially the combination of transparent and accountable institutions, strong skills and competence, and a fundamental willingness to do the right thing. Those are the things that enable a government to deliver services to its people efficiently"*. (Paul Wolfowitz, *Good Governance and Development: A Time for Action*, Jakarta, Indonesia).

3. In this instance, it must be clear that there should not be any difference between 'governance standard' (or ethical standards) expected or demanded from political leadership, the bureaucrats running the public service or executives running the corporate sector.

[SLIDE 5]

4. As Prof. Samford says *"...the ethical demands fall on all those in public life, whether they are politicians, administrators or business executives. It is their ethical duty to serve the 'public interest..."*(Integrating Integrity, World

Ethics and Integrity Forum 2005). In other words, all holders of 'public office' are obligated to exercise the power entrusted to them with utmost care, so as to benefit those for whom they have a responsibility.

5. When this concept of good governance is applied to the public service, as the theme of this forum, which is to create a value-based and ethical public service, simply put, it means

[SLIDE 6]

6. “...good administration and good management of social and economic resources in the public sector”. Good governance in the public service is basically about public service that delivers its services with integrity.

[SLIDE 7]

7. So one may ask...*what is a good or efficient delivery system?* When we talk of effective delivery system, we are basically talking about public service that is **efficient** (with

its up-to-date systems and procedures and competent staff), providing **fast** service (fast decision making and shortest processes), **accurate** (as expected by customers or customer driven output and zero defect), cost effective and above all, delivery with **integrity** (guided by the rule of law, transparency and accountability).

[SLIDE 8] screwdriver cost 430}

In other words, when we talk of Good Governance in public service, we talk of

[SLIDE 9]

8. It is a public service that provides customer satisfaction.

B) DEFINITIONS

[SLIDE 10]

i. Ethics, Values and Integrity in Public Service

9. When we talk of ethics, values and integrity in public service, invariably the personal characteristics of public

servants are critical factors and are vital in establishing an excellent public service. A noble character is just as important as having an efficient and effective management system. Having the best system would not bring benefit if the person administering it does not possess values and ethics such as being trustworthy, efficient, responsible, honest, clean and hard working. The attitude towards work will be determined largely by the personal value and ethics that one possesses. Therefore having the right values, as mentioned will go a long way towards creating and maintaining a positive attitude towards work. There are various definitions of ethics, values and integrity but for our purpose we will look at these definitions in relations to public service.

[SLIDE 11]

10. ***Ethics*** is a set of moral values and principles which form the standards guiding the code of conduct of individuals, organizations and professions. Ethics is concerned with how we should live our lives. It focuses on

questions about what is right or wrong, fair or unfair, caring or uncaring, good or bad, responsible or irresponsible, and the like. It also includes principles, norms, and standards of conduct governing an individual or group in relation to their responsibilities as public officials.

[SLIDE 12]

11. **Values**, on the other hand, or in philosophy known as *virtues* are categorized into 3 categories: (i) basic values such as trustworthy, honesty, courteous and respectful. These are inculcated in a person since young by the parents and reinforced by teachers and these basic values form the character of the person. It must be stressed that the process of implanting values to individuals need to be repeated constantly, as when our parents “grilled” into us not to tell lies, when we were young. Likewise discussions on enhancing integrity in organizations must not be confined to rare occasions like these, but must be reinforced constantly. When the individual goes into employment environment, he

enters an organization and these basic values are transformed into (ii) institutional values

[SLIDE 13]

such as being just, fair, cooperative and accountable. The more senior the post one is being entrusted, the more critical such values are to be observed. This leads to

[SLIDE 14]

(iii) instrumental values, values that will help to enhance one's effectiveness in decision making. For eg. as being hardworking, competent, and effective and disciplined, where one is being tasked to work productively within one's job requirements.

12. Values in public service can be defined as a set of ideas that one conceives in his or her mind which becomes the foundation of attitudes and behaviours. Values determine the criteria for acceptable, appropriate or positive behaviours; or otherwise.

13. *Integrity*

[SLIDE 15]

[SLIDE 16]

Integrity on the other hand is defined (at least as in Malaysia's National Integrity Plan) as a quality of excellence that is manifested in a holistic and integral manner in individuals and organizations. It is based on ethics and noble (good) values and their concrete manifestation in daily lives. For holders of public office,

[SLIDE 17]

integrity means carrying out the trust and responsibilities bestowed upon them in line with public interest. They are not allowed to misuse their power for their self interest, or for the interest of their family or relatives. Should a conflict of interest occurs, public interest overrides personal interest. This is what is I termed as ***integrity check*** when we step back and ask ourselves, am I or my family and friends going to benefit from my decision or the general public? Holders of public office must be transparent, sincere, and accountable to their superiors and

subordinates as well as to their clients. In a nutshell, integrity in the public service is about being accountable, being transparent and about fast delivery with minimal cost. Integrity of the public service is connected closely to a country's competitiveness.

14. A country which is perceived as being high in integrity will be more attractive to investors. This is best illustrated in the next few slides.

[SLIDES 18, 19, 20, 21]

ii. Good Governance in Public Service

15. On the other hand, when we talk of Good Governance, there are numerous definitions used by various international and regional organizations when describing governance.

[SLIDE 22]

16. For instance Canadian International Development Agency (CIDA) defines governance as the manner in which “power is exercised by the government in the management of a country’s social and economic resources.

[SLIDE 23]

17. The Institute of Governance defined Good Governance as “the exercise of power by various level of government that is effective, honest, equitable, transparent and accountable”.

18. In short, all these definitions describe Governance as the process of decision-making and the process by which decisions are implemented (or not implemented). Public institutions conduct public affairs, manage public resources, and guarantee the realization of human rights. These are accomplished in a manner essentially free of abuse and corruption, and with due regard for the rule of

law. Governance is also the exercise of power or authority-whether political, economic, administrative or otherwise –to manage a country’s resources and affairs. It comprises the mechanisms, processes and institutions through which citizens and groups articulate their interests, exercise their legal rights, meet their obligations and mediate their differences.

[SLIDE 24]

19. ‘Good Governance’ means competent management of a country’s resources and affairs in a manner that is open, transparent, accountable, equitable and responsive to people’s needs. This seems to be an acceptable criteria of Good Governance in the Public Service.

[SLIDE 25]

Principles of Good Governance

20. Thus, essentially, when we talk of good governance of the public service, the focus will invariably be on accountability and transparency.

[SLIDE 26]

21. Within the public service **accountability** is popularly defined by Oxford Dictionary as “..the obligation to give a reckoning or explanation for one’s action...”. In other words, to be answerable for the results of an assigned action, while **transparency** entails the need to provide greater access to public sector information (which is reliable and easy to understand) to the citizens. Furthermore, the information must be disseminated freely to the citizens.

22. The essence of Accountability is the ...

[SLIDE 27]

23. Transparency is also a very important element of accountability, and it has been identified as a key and a necessary condition for good governance in the public sector. In a nutshell, the public servants must be able to explain and account for their actions (or inactions) while at

the same time, the public have the right and access to information.

24. In general the various principles of good public sector governance can be grouped under:

[SLIDE 28]

- Rule of law (adherence to the provisions in the law at all times.
- Transparency and Accountability
- Managing the performance of public sector agencies
- Adhering to public sector ethics and probity
- Responsiveness to stakeholders
- Good policy and institutions

Premium of Good Governance in Public Sector

25. In the past, good public (and private) sector governance was considered mainly as a means of combating corruption. However, as research and analysis of

governance in the public sector has progressed, a greater understanding of its benefits has developed. In particular, public sectors that are more transparent and accountable (practicing good governance) are likely to be more effective and efficient at:

- Developing and implementing policies
- Delivering services and producing goods efficiently
- Encouraging public participation in government
- Strengthening government systems
- Discouraging individuals from engaging in corruption and abuse of power.

26. In a democratic setting, it is a recognized fact that there is a strong relationship between good governance (especially in the public service) and good government performance. The elected government exists solely to serve the needs of the citizens, while governance, especially in the

public service is to ensure that those needs are served efficiently effectively and fairly.

27. Research has established a so-called “*public sector service value chain*” linking satisfaction and commitment of public service employees, client satisfaction in the public service, and the trust and confidence of the general public in public institutions. An implication of this value chain is that if public sector managers give greater attention to management and accountability, they will achieve both improved internal and external performance. A public sector that both practices good governance and is seen to be practicing good governance has the potential to increase public trust and public participation in government.

Importance of Good Governance in Public Sector

[SLIDE 29]

28. To recognize the importance of good governance in the public sector, that encompasses greater accountability and

transparency, the following will illustrate the negative effects of lack of governance:

- (i) Abuse of Power and Position: Without proper accountability and transparency, holders of public office are 'free' to impose their interests above the public or national interests as in public sector procurement, awarding of contracts and approval of licenses, usually at the expense of efficiency, and cost effectiveness.

[SLIDE 30]

- (ii) Wastage of Resources: Lack of accountability and transparency has often leads to wastage and leakages of government funds. Projects at the behest of interested parties are planned and approved in spite of its high cost, low strategic importance and the public's objections.

[SLIDE 31]

(iii) Corruption and Poor Delivery System: A public service that is not transparent and with low accountability will breed and encourage corruption, abuse of power and poor delivery system. The inability of the public to question decisions and actions of public servants due to lack of information and technical knowledge will lead to the lack of trust of the public on the government's ability to protect society's needs.

(iv) Erosion of Competitiveness: The lack of governance in the public sphere will result in an increase in the costs of doing business and an erosion of the nation's competitiveness. In an increasingly competitive international environment, this will lead to a decline in domestic as well as foreign direct investments. Job creation will be slow leading to an increase in unemployment rate. ***(This is best illustrated by the TI - CPI ranking of the bottom 20***

countries). Technological capability will stagnate without any new infusions from outside. Overall, people's quality of life will fall, causing dissatisfaction and social disorder (K.W.Toh : Promoting Accountability and Transparency, Aug. 2007).

29. On the other hand, when we talk of the positive effect to be gained from good governance in the public sector, it can easily be gauged from the impact or benefits of an open, transparent and accountable public service. Briefly, an open and transparent decision-making process where the basis and criteria of decision-making is clear (and stresses on merit, technical and financial criteria), will lead to more citizen's participation and invariably to increase trust on the government. In the present global economic environment, increased accountability and transparency will reassure the public that unpopular government policies (such as increase in fuel) are as a result of larger constraints, rather than arbitrary actions of bureaucrats.

30. Public officials fortified with good values and ethics has to ensure that the public service (the government) will be more responsive to society's changing needs and expectations.

[SLIDE 32]

31. The public no longer expect '*more-of-the-same*' from the public service. The government can no longer rely on one fixed solutions. Under this new pressure, the government and the public service has become one player among many seeking to represent and serve the public. The public's needs are rapidly changing as society's become more diverse, fragmented and complex. They expect the public service to deliver more of these services accurately (as expected), better, faster but cost-effective. Above all it must be grounded on integrity.

32. The ability of the public service to positively respond to these 'new situations' while delivering exemplary service is what good governance is all about.

33. The ability to deliver more choice services, more transparency and more accountability is what is needed to re-establish public trust in the public service of the future. In other words, public service of the future needs to demonstrate a higher degree of integrity in its policy making and provision of services.

CONCLUSION

34. In the final analysis, good governance in the public sector is critical to ensure sustainable human development (people being placed at the centre, as the principal actor and the ultimate goal of development). This is what has been emphasized by YAB PM....

[SLIDE 33]

The Prime Minister's view is fortified by Warren Buffet, when he stressed the importance of INTEGRITY in individuals and it is a foundation in any successful organization.

[SLIDE 34]

35. However, good governance is a shared commitment. The political leadership has a duty to lead by example, by putting the interests of the country above everything else, while public servants has to adopt noble values and ethical behaviour in delivering its services.

36. It must be recognized that to achieve the ultimate state of good governance, all sectors within the country must “live and abide” by its principles, spearheaded by the political leadership and managed by public officials.

37. It is universally recognized that good governance and human socio-economic development are indivisible. Where representative democracy, respect for the rule of law and where the principles of transparency and accountability are at its minimal and has not flourished, human socio-economic development has suffered. Various international surveys and indexes have shown that those countries in the

bottom quartile of the governance index would also ranked low in its competitiveness and human development index.

[SLIDE 35]

38. It is thus clear that good governance in all sectors is a critical prerequisite for any country to achieve social and economic development. The ex-Prime Minister of Malaysia when talking about good governance in the public service, while addressing an international forum in 2006 states that...

[SLIDE 36]

“...a country’s implementation machinery must be predicated on values, trustworthiness and integrity without which the country cannot be developed in the true sense of the word, no matter how developed the economy, the social landscape or the quality of life...”

With the time left, let me share briefly the current developments that will support good governance in the public service. TQ

[SLIDE 37] Sekian, Terima Kasih