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# The Management of Administrative Ethics and Ethical Misconducts in Malaysia: Issues and Concerns

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## **ABSTRACT**

Alarming grand corruption incidences and ethical misconducts in the public sector have brought to the fore the importance of administrative ethics management in Malaysia. This exploratory study uses summative content analysis of official national data sets and relevant textual materials to describe the strategies that have been implemented in managing administrative ethics to address ethical misconducts. Findings show that despite Barisan National (BN) administrations' consistent efforts at strengthening administrative ethics management, corruption and ethical misconducts have prevailed in the public sector. Hence the current Pakatan Harapan (PH) administration has revised existing anticorruption laws, and instituted political and institutional reforms. Issues and concerns identified that affect administrative ethics management include political influence, public sector's size, different layers of government, various codes of ethics, fusion of secular and religious values, and stringency of enforcement. Based on the aforementioned findings, the following recommendations are advanced. First, stakeholders have to actively scrutinize and participate in enforcement efforts. Second, workable and effective ethics management strategies must also be formulated based on a future comprehensive study addressing the lack of fit between existing public sector's ethics codes with religious values, organizational and social cultures and practices in Malaysia.

Keywords: Administrative ethics, integrity, Malaysia, management, morals, values

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#### INTRODUCTION

Ethical misconducts in the public sector erode public trust in government because public interests and the rights and entitlements of citizenship are compromised by costly or shoddy provision of public goods and services. Hence good

administrative ethics are needed to ensure that the public sector has the required level of morality to facilitate the attainment of public policies' goals and objectives. The types, frequency, magnitude and duration of ethical misconducts and corruption in the public sector serve as indicators of the level of government's morality. Indeed the foundations of democracy and democratic governance would be jeopardized if the morality of government is eroded (Menzel, 2007).

Ethical misconducts refer to intentional and/or unintentional conducts as well as omissions and/or negligence that are inappropriate, incorrect and/or unlawful that are in contravention of policies, procedures, rules, regulations, or laws (Werbel & Balkin, 2010). According to "Public Officers (Conduct and Discipline) 1993 (Amendment) 2002", (2006), examples of ethical misconducts include fraud, theft, embezzlement, corruption, abuse of power, unfair action, disregard for policies and procedures that can lead to investigations and disciplinary actions being taken against the transgressor. Like many of its counterparts the world over, the public sector in Malaysia suffers from ethical misconducts of varying degrees of severity since the country gained its Independence in 1957. However, in recent years, the public have been jolted by incidences of grand corruption involving public officials and offices that have left the public indignant by their magnitude and audacity. When other forms of public sector corruption and lapses of moral judgments (resulting in ineffective

or inefficient decisions and actions, but not amounting to legal culpability) are added to the equation, it is impossible to determine the exact amount of public funds and resources that have been misappropriated and used for personal benefits. In the case of public sector corruption, one can only rely on perception-based indicators such as the Corruption Perception Index (CPI) and the Global Corruption Barometer (GCB) for guidance.

At the time of writing, major scandals involving Government-Linked Companies (GLCs), Ministries-Owned Companies as well as federal and state government entities include:

- (i) The 1Malaysia Development Berhad (1MDB) scandal whereby huge amount of funds of the government's strategic development company have been misappropriated through abuse of power, money laundering, fraud and criminal breach of trust by top political leaders, civil servants and private individuals on a global scale;
- (ii) Federal Land Development Authority (FELDA) scandals involving massive expenditures on dubious investments; thus imposing financial hardship on FELDA settlers;
- (iii) Majlis Amanah Rakyat (MARA)'s purchase of Australian properties at inflated prices for its officials' RM 15 million kickbacks;

- (iv) The Pilgrims Fund Board (*Tabung Haji*)'s dubious investments, financial mismanagement and misrepresentation that have jeopardized the savings of millions of Muslim depositors (The Malaysian Insider, 2016);
- (v) A huge housing and land scandal involving millions of Malaysia Ringgit by a State Executive Councilor from 2013-2017, that is currently being investigated by the Malaysian Anti-Corruption Commission (MACC) (Kim, 2017), and,
- (vi) Top public officials funneling 60% or RM1.98 billion of the Federal Government's approved allocation of RM 3.3 billion for water projects in Sabah from 2010 to 2016 (Vanar, 2016).

It is not surprising that ethical misconducts (as exemplified by the scandals), put to question the moral state of government in Malaysia. One cannot help but ask what are the compliance and integrity approaches to ethics management used, and how can ethical misconducts (as exemplified by scandals of such magnitude) be prevented from occurring?

#### **METHODS**

This exploratory research adopts a qualitative content analysis method because of the subjective nature of the phenomena of corruption, administrative ethics and ethical misconducts in the public sector in Malaysia. Understanding the social

reality of the aforementioned phenomena through inductive inferences of themes on issues and concerns arising in the course of their management will be used to facilitate the formation of typologies in a subsequent research that the researcher hopes to undertake in the future.

Qualitative content analysis can be conducted using conventional, directed or summative approaches depending on the level of inductive reasoning involved (Hsieh & Shannon, 2005). As conventional content analysis approach is commonly used for grounded theory development, and directed qualitative content analysis approach is usually adopted for research that is based on a specific theory, it is believed that summative content analysis is most appropriate for this exploratory research because it does not fall into the above two approaches. Summative content analysis allows "... for the subjective interpretation of the content of text data through the systematic classification of coding and identifying themes or patterns" (Hsieh & Shannon, 2005). It also allows for manifest and latent analyses to be performed. Manifest content analysis entails quantifying the number of appearances/ frequency of specific words or contents in the chosen textual materials (Potter & Levine-Donnerstein, 1999). The assumption is the importance of a specific theme is determined by the level of its usage frequency (Crowther & Lancaster, 2005). Latent content analysis is then conducted to understand the meanings of the words and their contents (Morse & Field, 1995). Hence the use of summative content analysis in this instance enables a consistent approach to be used in this exploratory study and the subsequent research that the researcher wishes to undertake by incorporating findings from in-depth interviews and focus group discussions.

Data for this exploratory study are collected from official websites and publications of the Public Complaints Bureau (PCB), the Public Services Department (PSD), the Auditor General (AG) office, the MACC, other relevant government agencies and media reports. The publicly available PCB, PSD, AG and MACC national data sets provide rich sources of data needed to understand and contextualize the management of administrative ethics, as well as the types and occurrences of ethical misconducts in Malaysia.

The process of qualitative content analysis has been conducted in the following steps. First, the data are prepared by selecting relevant contents from the aforementioned sources according to formulated research questions. Second, the unit of analysis is a theme. Several themes are derived from specific words, e.g., corruption, ethics, etc. that are quantified according to the number of their appearances/frequency. Third, a coding scheme is formulated inductively and is tested on a sample text. The coding scheme is then checked and rechecked for consistency. Fourth, the coded data are then used to make conclusions through the interpretation of the themes identified. Finally, the findings are reported based on the researcher's interpretation and understanding of the themes that have emerged in the management of administrative ethics, as well as the types and occurrences of ethical misconducts identified.

# ADMINISTRATIVE ETHICS AND THE EVOLUTION OF THE PUBLIC SECTOR IN MALAYSIA

Discussions on administrative ethics focus on morality, standards, principles and norms as factors that influence the actions of public officials within the perimeters set by public organizations' rules and procedures that facilitate their translation into practice (Cini, 2016). It is argued that public officials must make moral judgments (that require the exercise of care and caution when deciding what is right or wrong) because actions taken in the performance of public duties can adversely affect the well-being of an individual or the society as a whole. Moreover, public officials themselves will be "objects of moral judgments" based on the actions that they have taken (Thompson, 1985). It is argued that better government can only be the result of morality in administration through positive traits such as patience, loyalty, courtesy and honesty as means of sustenance (Appleby, 1952). Hence virtue ethics are also required if public administration is to be ethical.

It is contended that specific rules and procedures are needed to regulate and control the conduct of civil servants. The contravention of those rules and regulations could result in punishment being meted out to those who have committed the transgression as non-compliance is considered unethical

(Fox, 2001). Therefore most countries the world over have adopted the "compliance/ low road" and the "integrity/ high road" approaches to ethics management (Gilman, 1999; Paine, 1994); whereby "compliance/ low road" emphasizes controlling and regulating the conduct of civil servants through external controls, while "integrity/ high road" emphasizes the use of moral judgments and personal virtues of civil servants when performing public duties.

In Malaysia, modern Weberian administrative ethics were first introduced by the British during its colonial administration. The introduction of the 1854 Northcote-Trevelyan Report in Britain led to the adoption of public service ethos based on professionalism, objectivity, impartiality, honesty, political neutrality and trustworthiness in the Malayan public sector. The reliance on virtue ethics as a means to regulate and control the conduct of public officials persisted at Independence until the late 1960s. This can be inferred from the statements of the first and second Prime Ministers of the country, Tunku Abdul Rahman Putra Al-Haj (1957) and Tun Abdul Razak Hussein (1960); whereby it was presumed that civil servants would be people with exemplary values (e.g., honest, sincere, with integrity and courage) and would uphold the unwritten code of ethics when performing official duties.

However during the same period, the public sector's roles and functions expanded from collecting revenues and maintaining law and order (at the time of Independence), and became more complex and demanding,

e.g., development projects and programs' implementation and planning, as well as carrying out policies on poverty eradication and social restructuring in the aftermath of the 1969 racial riot (Ahmad et al., 2003). This provided civil servants with more opportunities in the exercise of administrative discretions, and also tested the limits of their virtues. Thus in 1959, a unit was established under the Prime Minister's Department to undertake corruption prevention activities. The investigation of corruption cases was handled by the Special Crime Unit of the Police's Criminal Investigation Department while the Ministry of Justice's Prosecuting Unit conducted the prosecutions. These three entities were later merged to form the Anti-Corruption Agency (ACA) on October 1, 1967.

The establishment of the Public Complaints Bureau on July 23, 1971 as an additional formal ethics management strategy, further illustrates the limits of personal virtues as absolute determinants of public sector integrity. On August 29, 1973 the ACA was strengthened when it became the National Bureau of Investigation (NBI) with more powers to investigate corruption cases. On January 1, 1979, the third Prime Minister of Malaysia, Tun Hussein Onn, launched a public service code of ethics with Berkhidmat untuk Negara (serving the country) as the underlying premise. The introduction of a written code of ethics put emphasis on the fact that civil servants should ensure that their actions serve the interests of the country and the people.

Tun Dr. Mahathir Mohamad's administration (1981-2003) saw rigorous efforts at modernizing, re-orientating and reinventing the public sector being undertaken in line with New Public Management's (NPM) management techniques and the adoption of private sector's values. The emphasis was on establishing a culture of quality as a means to achieve Vision 2020; whereby Malaysia would attain a developed country status (Hamid, 1993). However, the privatization and corporatization of some of the country state-owned enterprises, using public-private partnerships for major infrastructure projects, and contracting out of some of the services previously done inhouse led to the introduction of additional formal and informal ethics management strategies. Measures introduced to enhance public sector integrity, boost productivity and enhance public service quality included Bersih, Cekap, Amanah (Clean, Efficient, Trustworthy), Work Ethics Initiative in 1981, Kepimpinan Melalui Tauladan (Leadership by Example) campaign in 1983, 1985 Islamic Values Assimilation Program, Islamic Work Ethics in 1987, Excellence Work Culture drive in 1989, 1992 Twelve Pillars as well as the Guideline on Overall Quality Management 1992 and the 1996 MS ISO 9000 (Salleh, 2007). It was believed that the NBI would be more effective if it was to concentrate its efforts on anticorruption activities only; resulting in the agency being reverted back to be the ACA.

Under Tun Abdullah Ahmad Badawi's administration (2003 – 2009) more efforts were made to promote good government

through Islam Hadhari (civilizational and comprehensive Islam) and the National Integrity Plan (NIP) of 2004. Islam Hadhari emphasized the building of good moral character, exercising caution and being accountable when undertaking public duties, fostering trust in social interactions, as well as upholding law and order. The NIP stressed on administrative ethics whereby the relationships between professional integrity, organizational integrity and organizational culture were clearly explained. Professional integrity of civil servants was defined as "...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" (Government of Malaysia [GOM], 2004). Organizational integrity would be "...reflected in the formulation and implementation of its code of ethics, clients' charter, and system or work procedures, as well as compliance with best practices..." so that an organizational culture of integrity would materialize through the constant reiteration, internalization and upholding of the organization's code of ethics to the extent whereby it became "second nature" (GOM, 2004). Under Tun Abdullah Ahmad Badawi's administration the ACA was given more powers and elevated to a greater stature. Hence on January 1, 2009 the ACA was officially replaced by the MACC. The MACC would be independent, transparent and professional in the performance of its duties.

Under the administration of Dato' Seri Mohammad Najib bin Tun Abdul Razak (April 2009 - May 2018), more efforts were made to enhance the effectiveness and accountability of government. First, the needs of the people were of paramount importance, and the provision and delivery of public goods and services must be designed in ways that met these needs. As the private sector would be helming the country's development drive, the public sector should do its best to facilitate private sector's growth. Second, the speed at which public goods and services was delivered should be faster as more powers had been delegated to agencies at the front-line to make and execute decisions. Focus was on more efficient and effective use of resources by ensuring value for money and adopting the "least cost, speedy execution and maximum impact" approach (Ministry of Finance [MoF], 2017).

Hence to facilitate the attainment of these objectives, the effective battling of corruption was a must as corruption adversely affect the effectiveness of service delivery. Thus the administration's zero-tolerance policy against corruption measures include, the 2010 Whistle blower Protection Act, strengthening compliance and monitoring of implementing agencies through periodic examination of enforcement processes, reducing the discretionary powers of front-line agencies, transparency in the award of government contracts, and the issuance of guidelines on handling recommendation letters so

as to minimize political interference in administrative matters (Economic Planning Unit [EPU], 2010).

However, given the substantial nature and extent of corruption scandals uncovered under Dato' Seri Mohammad Najib's administration, doubts on the efficacy and adequacy of the measures to enhance the effectiveness and accountability of government, began to surface. According to Transparency International Malaysia (TIM) president, Datuk Akhbar Satar, corruption in the public sector was alarming because of its increasing frequency and comprised 5% of the country's Gross Domestic Product (GDP) (Kana, 2018). Hence the public began to wonder whether the Barisan Nasional (BN) administration was sincere or merely paying lip service to the notion of real efficiency and accountability in government. Moreover, important factors had emerged as to whether a change of government was in order. These included concerns about the Prime Minister's influence over appointments of key personnel in the judiciary and the executive to silence criticisms. Moreover, particular sections of the media, some figures of BN's own Cabinet (including the then Deputy Prime Minister), and the then Pakatan Harapan (PH) Opposition, had suggested that proposed inquiries into the corruption scandals, had been deliberately prevented by the country's top political leadership.

PH's 14<sup>th</sup> General Election Manifesto (known as *Buku Harapan*/Book of Hope) promised to institute major institutional

reforms that would strengthen governance and address issues of wastage and corruption (amounting to almost RM20 billion or equivalent to 1.4% of the GDP) (Kana, 2018). *Buku Harapan* comprised five main pillars, with Pillar 2 comprising nineteen promises on institutional and political reforms, namely:

- (i) Controlling and reducing the concentration of power held by the Prime Minister (PM) and the Prime Minister's Office (PMO) by limiting the PM's term of office and restructuring the PMO;
- (ii) Resolving the huge corruption scandals involving the 1MDB, Tabung Haji, MARA and FELDA;
- (iii) Upgrading the legal status of the MACC, giving it more independence and revising existing anti-corruption laws;
- (iv) Removing the Attorney General's Office from under the Public Prosecution Office (PPO) to address the conflict of interest arising from the AG being the Executive's legal advisor as well as a member of the PPO;
- (v) Enhancing Legislature's roles, autonomy, deliberative and scrutinizing capabilities by allocating more resources, and making effective use of parliamentary select committees and,
- (vi) Decisions made by the Judiciary and the selection of judges, should be free from Executive's influence.

This will enhance Judiciary's credibility by enabling it to better review decisions made by Federal and State Governments, in line with constitutional provisions (Pakatan Harapan, 2018).

Upon winning the 14th General Election, the PH administration (10 May 2018 – present day) currently led by Tun Dr. Mahathir Mohamad, has been quick to establish the Institutional Reforms Committee (IRC). The IRC has been tasked to come up with recommendations on addressing issues and weaknesses of governance, corruption and integrity lapses that have been plaguing the nation. Important measures relating to the management of administrative ethics and ethical misconducts include:

- (i) Establishing a National Centre for Governance, Integrity and Anti-Corruption Centre (GIACC). Headed by Tan Sri Abu Kassim Mohamed, it is responsible for planning, formulating, coordinating, monitoring and evaluating all strategies and activities pertaining to fighting corruption;
- (ii) Establishing a Special Cabinet Committee on Anti-Corruption (Jawatankuasa Khas Kabinet Mengenai Anti-Rasuah or JKKMAR) to evaluate GIACC's improvement recommendations. JKKMAR is also tasked with policy formulation functions specifically on civil servants' integrity transgressions and misconducts in line with the National Anti-

Corruption Plan (NACP) 2019-2023;

(iii) Implementing the NACP 2019-2023 which was launched on 30 January 2019. The NACP replaces the 2004 NIP, and focuses on six sectors most prone to corruption as identified by the number of complaints received by the MACC from 2013-2018; namely political governance, public administration, corporate governance, legal affairs and judiciary, public procurement and law enforcement. 22 key strategies with 115 initiatives have been formulated whereby new legislations, rules and regulations will be introduced on lobbying and political funding, enhancing integrity, efficiency and effectiveness of public service delivery, mandatory rotation of sensitive civil service postings, and transparent public procurement practices (Idris, 2019).

# EXISTING AND NEWLY INTRODUCED ETHICS MANAGEMENT STRATEGIES IN MALAYSIA

It is important to take into consideration the context within which ethics management is conducted in the Malaysia public sector. First, as specified by Articles 132(1) and 133 of the Federal Constitution of Malaysia, the public sector comprises the judicial and legal service, the education service, the Federation's general public service, the public service of each state, the federal-state

joint public services, the police force and the armed forces. Central federal agencies comprise the Public Services Department (PSD), the Treasury, the Economic Planning Unit (EPU), the Malaysian Administrative Modernisation and Management Planning Unit (MAMPU), and the Implementation and Coordination Unit (ICU). Federal operating agencies encompass numerous ministries, departments and statutory bodies. State operating agencies comprise state departments, state statutory bodies and local authorities. There are also branches of federal ministries and departments operating at the state level. Some of these are only answerable to the Federal government although they fall under the respective state's coordination. This situation illustrates the heterogeneity of the public sector, and the respective locations and functions of the public agencies within a centralized federal system.

Second, the size of the public sector has been increasing whereby in 2009 the number of civil servants was 1.27 million (EPU, 2010). However, by 2014, the number had increased to 1.4 million (Transformation Unplugged Idris Jala, 2014) and currently the number stands at 1.6 million (Jay, 2017).

Third, the aforementioned discussion on the evolution of the public sector shows that government has become more complex as citizens have become more vocal in their demands for ethical government. Thus, an observation by Maesschalck (2003) that traditional hierarchical accountability is no longer adequate and must be supplemented by horizontal accountability, is also applicable to Malaysia.

In 2012, the Government of Malaysia issued a book on public service ethos outlining the need for civil servants to uphold integrity, to perform their duties with a sense of urgency, to be cooperative and united, innovative and creative, empathetic, courteous and responsive to customers' needs, to make decisions through consultative and participatory means, to take criticisms in a positive manner, and to always strive for knowledge and enhancement of skills (Malaysian Administrative Modernisation and Management Planning Unit [MAMPU], 2012). The public agencies also have their respective client charters and training programs that incorporate good moral and religious values for their employees. Another strategy that has been implemented by the PSD include the continuous rotation of civil servants who hold "sensitive positions". Therefore mandatory implementation of their rotation will ensure that opportunities for corruption are curbed.

Enhancing the integrity and competency of civil servants are also pursued through continuous training and the implementation of the Exit Policy - whereby those who scored below 60% in their yearly performance assessments would be closely supervised, and the termination of their services would ensue if their performance levels remain below par (Hamsa, 2015).

Certified Integrity Officers (CeIOs) have been placed at ministries and departments to ensure that corruption and abuse of power are detected and handled. Although around 47 of them were removed from their respective ministries and departments in early 2018, a majority have been reinstated under the PH administration so that their experience and expertise can be utilized to enhance integrity at the organizational level (Dzulkifly, 2018).

Public Officers (Conduct and Discipline) Regulations 1993 and Public Officers (Conduct and Discipline) (Amendments) Regulations 2002, can be used to deter noncompliance through disciplinary actions taken against deviants (Public Services Commission, 2016). Civil servants can be investigated by the MACC as provided by the 2009 Malaysia Anti-Corruption Commission Act (MACCA). Sections, 16, 17, 18 and 20 deal with bribery offences, false claims, and the use of corrupt means to procure a tender withdrawal. Sections 22 and 23 deal with the bribing of foreign officials and incidences of abuse of power or conflict of interest. Should incidences of bribery are known but not reported to the appropriate authorities, then the civil servants concerned can be arrested under Section 25 of the MACCA. Other legal measures to punish civil servants for bribery related activities include the 1954 Election Offences Act, the Trade Unions Act 1959, the Societies Act 1966, the 1967 Customs Act, Anti-Money Laundering and Anti-Terrorism Financing Act 2001, Youth Societies and Youth Development Act 2007, the Financial Services Act 2013, the Penal Code and the Islamic Financial Services Act 2013.

The Public Complaints Bureau (PCB) deals with complaints about administrative actions lodged by the public. These include

delaying or not taking action, not providing customers with quality service, taking unfair actions, not enforcing relevant rules and regulations, abusing powers of public offices, misappropriations, and not adhering to specified procedures (Public Complaints Bureau [PCB], 2017). Indeed, to keep civil servants on their toes, customers and stakeholders are provided with numerous channels with which to submit their complaints, e.g., calling, texting, sending emails and faxes, walking-in, submitting the complaints online or at the PCB mobile counters.

The Auditor General (AG) plays a very important role at detecting ethical misconducts amongst civil servants. The AG conducts performance and financial audits to discover whether government agencies at all government levels, federal statutory bodies and subsidiary companies, as well as Islamic religious councils, have complied with the relevant laws and regulations in managing public funds, adopted accepted accounting procedures so as to reveal their true financial conditions, and whether the implementation of their projects, programs and other tasks and activities have been conducted in an economically prudent and effective manner. Upon the completion of the audits, the AG would issue reprimands that require corrective measures to be instituted. However, if the shortcomings detected are the results of ethical misconducts, e.g., failure to perform official duties effectively because of deviations or transgressions, abuses of power, bribery, etc., then punitive reprimands would then be issued.

#### RESULTS AND DISCUSSION

The PSD have taken actions to punish deviant civil servants as provided by Public Officers (Conduct and Discipline) Regulations 1993 and Public Officers (Conduct and Discipline) (Amendments) Regulations 2002. From 2012 until 2014, 69 civil servants had been given warnings, 7 fined, 14 had had their salary progression suspended, 10 had had a reduction in their salaries, 3 were fined and warned, 11 were required to pay surcharge and/or warned/ fined, 4 had had a combination of suspension of salary progression or salary reduction with a warning or a fine, 1 was demoted and warned, while 29 had to pay surcharge. Out of a total 438 civil servants investigated, a total of 149 had been punished, 276 had been freed while 13 are still in proceedings (Public Services Department [PSD], 2018).

MACC's arrests statistics from 2011 until 2018 provide causes for alarm as (with the exception of 2013) the percentage of civil servants arrested has generally been increasing from 40.76% in 2014, to 47.32% in 2015 to 49.52% in 2016. Although the percentage has gone down to 46.53% in 2017 it has gone up again to 46.97% in 2018. This trend is worrying as the MACC is very professional in its conduct and sufficient grounds would have been discovered to warrant the arrests. However only 16 convictions were secured in 2015 and 66 convictions were secured in 2016. Higher conviction rates are expected in the future as the proceedings of some of these cases can take years (as indicated by the lack of

Table 1

MACC arrest and conviction statistics from 2011 – 2018

Year	Number of public officials arrested / Number of total arrests	Number of civilians arrested/ Number of total arrests	Number of public official convicted/ Number of total convictions	Number of civilians convicted/ Number of total convictions
2011	323 / 918	595/918	Not Available	Not Available
2012	288 / 701	413/701	Not Available	Not Available
2013	170 / 509	339/509	Not Available	Not Available
2014	225 / 552	327/552	Not Available	Not Available
2015	398 /841	443/841	16 / 32	16 / 32
2016	465 / 939	474/939	66 / 162	96 / 162
2017	409 / 879	470/879	Not Available	Not Available
2018	420 / 894	474/894	Not Available	Not Available

Source: Adapted from MACC Statistics on Arrests (Malaysian Anti-Corruption Commission, 2019a) and MACC Offenders-Corruption Database (Malaysian Anti-Corruption Commission, 2019b).

available conviction figures for 2017 and 2018 at the time of writing) (refer Table 1).

Table 1 also shows that from 2011 to 2013 the number of civil servants arrested for all grades went down from 323 to 170. This positive trend did not last long as from 2014 until 2016 the number went up from 225 to 465. Although the number went down to 409 in 2017, it went up again to 420 in 2018.

Table 2 shows the breakdown of civil servants arrested according to their grades from 2011 – 2018. The majority of those arrested were those in the implementing group, while the premier/top management group had the least number of arrest; although the number of those arrested in the premier/ top management group had been increasing from 7 in 2016 to 12 in 2017 to 14 in 2018. This does not mean that those

Table 2
Breakdown of civil servants arrested according to grades from 2011-2018

Year\Grades	Premier Grade / Top Management	Professional and Management	Implementing Group	Total
2011	3	89	231	323
2012	0	68	220	288
2013	0	47	123	170
2014	2	45	178	225
2015	9	82	307	398
2016	7	117	341	465
2017	12	102	295	409
2018	14	133	273	420

Source: Adapted from MACC Statistics on Arrests (Malaysian Anti-Corruption Commission, 2019a) and MACC Offenders-Corruption Database (Malaysian Anti-Corruption Commission, 2019b).

in the premier/top management group are more ethical than those in the professional and management group, or those in the implementing group. A possible explanation is that those in the premier grade/ top management group had committed corrupt activities by soliciting the support from those in the professional and management group, and those in the implementing group. Another possible assumption is the salary difference between the different grades makes those in the professional and management group and those in the implementing group, more susceptible to corrupt activities.

PCB data from 2011 until 2018 (refer Table 3) show that the incidences of civil servants delaying, not taking action, or action taken not meeting customer's expectations, failure of enforcement, misconduct, abuse of power or misappropriation, and failure to

adhere to set procedures have been steadily decreasing; with significant improvement being made across all categories in 2017. Unfortunately, the 2018 data show a reversal of this trend.

Thus the questions remain whether the 2018 increase can be attributed to: (i) better complaints management; (ii) an increase in the number of complaints lodged; (iii) or a decline in ethical conduct by civil servants as a whole. As the effects of the NACP 2019-2023 have yet to felt, these questions remain unanswered.

The AG's office is highly respected by the public for the various disclosures on how public funds have used by public entities. Again and again various Auditor General's reports (National Audit Department Malaysia, 2011, 2012, 2013, 2014) have noted that the public entities audited have not complied with procedures

lable 3
Categories of civil servants' ethical misconducts from 2011 – 2018

Year\ Ethical Misconducts	2011	2012	2013	2014	2015	2016	Jan-Oct 2017*	2018
Delay\ No Action\ Action not meeting customer's expectations	5975	5879	4274	2736	2561	1692	752	1012
Unsatisfactory Service Quality	2437	1837	1750	817	623	954	946	1107
Unfair Action	1643	1406	1115	526	440	533	354	529
Failure of Enforcement	1122	989	797	857	947	1145	837	1014
Misconduct of Civil Servants	239	222	201	171	173	217	164	228
Abuse of Power or Misappro-priation	194	160	148	151	156	253	180	283
Not Adhering to Procedures	309	317	276	548	844	1053	815	1364
Total	11919	10810	8561	5806	5873	5847	4048	5537

Note: Data from the PCB website only covers January - October 2017.

Source: Adapted from Public Complaints Bureau (2019).

and regulations when implementing their activities, projects and programs. Moreover, planning have been poorly and haphazardly done, and the monitoring and evaluation activities conducted have been below par because those involved do not have adequate knowledge nor expertise. This resulted in information gaps and obsolete data that adversely affected decision-making. The public entities audited were found not to have accorded importance to evaluating the impacts of implemented activities, projects and programs (National Audit Department Malaysia, 2011, 2012, 2013, 2014).

Undue political influence adversely affects the ability of the AG's office to function effectively. This is evident by the tampering of the audit report on 1MDB before its submission to the Public Accounts Committee (PAC) on March 4, 2016. The report was classified under the Official Secrets Act in 2016 and its reclassification as an open document was made under PH administration in May 2018. The current AG, Tan Sri Dr. Madinah Mohamad has stated that the former PM, his Chief Private Secretary, the former AG, and the former Chief Secretary to the Government were among those in the know about the amendments made (Choe, 2018).

# ISSUES AND CONCERNS OF ADMINSTRATIVE ETHICS MANAGEMENT AND ETHICAL MISCONDUCTS IDENTIFIED

The discussion above gives rise to several issues and concerns. First, the relationship between administrative ethics and nature of government are influenced by political

leadership, political system, structures and institutions of a country. It is evident that undue political influence weakens and corrodes ethics, accountability and integrity of the public sector; as exemplified by how the public sector has lost its impartiality and neutrality as top civil servants bow to political pressure. In Malaysia, the heterogeneous nature of the public sector, and the different layers of government do affect the forms and manner with which ethics management is, and, should conducted. The growing size of the public sector poses a challenge as ethics management practices must be effective enough to keep more than 1.6 million civil servants, in line. One is left wondering as to the exact extent of politicization and political influence over the public sector as a whole, and whether existing and newly introduced ethics management practices are adequate to address this challenge.

Second, although a common public sector ethos exist for the public sector as a whole, the different components of the public sector do have their respective codes of ethics and specific organizational ethics. It is imperative that the general core values of public organizations be in tandem with those of society's, whilst the interpretation and prioritization of such values are undertaken within the confines and limitations of organizational rationality (as influenced by resource and jurisdictional limitations of each component of the public sector whilst pursuing organizational goals and objectives). Hence this give rise to ethical conflicts that ethical codes might not have foreseen.

Third, the fusion of secular moral values and religious teachings in formal codes of ethics is commendable. However, their ability to make civil servants behave ethically in the performance of their public duties depends very much on civil servants' level of morality and/or religiosity. Successive Malaysia administrations have adopted this approach, but the effectiveness of this strategy remains unclear.

Fourth, the changing scope, responsibilities and strategies of government as reflected by the various paradigm shifts and the associated approaches as public administration evolves, do place exacting demands, and can be very trying on civil servants' moral fibers - as more opportunities and temptations for transgressions and deviations become available. One notes the miniscule number of punishments meted out under the provisions of Public Officers (Conduct and Discipline) Regulations 1993 and Public Officers (Conduct and Discipline) (Amendments) Regulations 2002. The lenient manner with which these offenders are dealt with makes it imperative that public entities' leaders take serious their responsibilities of disciplining their subordinates. While this take time, effort and the need to overcome resistance by staff, leaders must set appropriate examples and foster an ethical organizational culture. Leaders of public entities must not appear to be paying lip service to the above regulations. In light of MACC and PCB data, and size of the public sector, the incongruity of this situation is obvious. It is hoped that

the presence of CeIOs at ministries and departments will reduce corruption and abuse of power from occurring, and thus address the incongruity observed.

Fifth, PCB data show that positive improvements have been made with regard to reducing incidences of civil servants delaying, not taking action, or action taken not meeting customer's expectations. However the causes for the reversal of trend in 2016 of providing unsatisfactory quality of service and taking unfair actions (as opposed to what had been happening noted from 2011 to 2015) must be uncovered so that the upwards trend can be halted. Similar action must be taken for categories of failure of enforcement, misconduct of civil servants, abuse of power or misappropriation, failure to adhere to set procedures, and inadequacies of policy implementation and law. It is equally important for reasons for the significant turnaround in 2017 to be uncovered. Recommendation by the JKKMAR to transform the PCB into an Ombudsman, if implemented, should not only lead to an elevation of its stature but would also enhance its ability to function more effectively ("Gov't: IRC made 223 suggestions", 2019).

Sixth, the causes of discrepancy between MACC's arrest statistics and its conviction statistics must be addressed. Despite the fact that legal proceedings can be time consuming, the number of convictions secured is still low when compared to the number of arrests made. Hence it is hoped that once the required legislations are passed

to enable the office of the Attorney General to be removed from under the Public Prosecution Office (PPO), this will result in higher conviction rates in the future.

Finally more attention must be paid to the strategies that can be adopted to address the AG's concerns. It must be noted that Malaysia has instituted a Monitoring and Evaluation (M&E) system of projects and programs based on international standards and best practices. However, in addition to providing more M&E training, civil servants' ethical standards must be continuously monitored through the implementation of the NACP 2019-2023. This will also ensure that undue political influence that tarnish the integrity of the AG's office (as exemplified by the 1MDB scandal) does not occur.

## **LIMITATIONS**

First, as this research relies on secondary data that is publicly available, the amount and scope of information gathered are not comprehensive. For example, the unavailability of MACC statistics on the conviction of public officials and civilians for 2011, 2012, 2013, 2014, 2017 and 2018 (refer Table 1) has prevented the identification of trends or patterns of conviction from being made. Incomplete PCB statistics on the categories of civil servants' ethical misconducts for 2017 can also be observed (refer Table 3). It is not known why the 2017 statistics only cover the period from January until October 2017, while the PCB data for 2011, 2012, 2013, 2014, 2015, 2016 and 2018 comprise January till December.

Second, while reliance on secondary data has enabled this research to save time and money, the accuracy of data is questionable. Hence an in-depth and more comprehensive understanding of public sector's management of administrative ethics and ethical misconducts in Malaysia, could be attained with the availability of primary data (e.g., through in-depth interviews and/or focus group discussions).

Third, the influences of Malaysia's social culture, organizational culture and religion on ethical conduct must be discovered. Only then can the suitability of existing and new administrative ethics management strategies with cultural, organizational and religious practices of Malaysia's civil servants be determined.

## RECOMMENDATIONS

The discussion undertaken has shown that the compliance and integrity approaches implemented for the management of administrative ethics and addressing ethical misconducts have become quite comprehensive because of the continuous improvements made by successive administrations. It is recommended that these improvements undergo proper evaluations to assess their effectiveness. Apprehension remains because data on ethical misconducts from the PCB, PSD, MACC and numerous AG's reports indicate the inability of ethics management practices from Independence until May 2018 (the end of BN's six decades of ruling the country at the federal level) to effectively cultivate good administrative ethics amongst civil servants.

Hence the political and institutional reforms strategies that have been introduced by the PH administration are much needed to control and eliminate political influence from interfering with the workings of the public sector, the judiciary and the legislature. However, these reforms strategies would only work if all stakeholders (comprising politicians, civil servants, the legislative, the executive, the judiciary and the public) show adequate commitment to their ideals and/or efforts for their effective operationalization. It is recommended that all stakeholders actively participate and stringently monitor the enforcement efforts implemented.

Issues pertaining to the size of the public sector, different layers of government, various codes of ethics, and fusion of secular and religious values, still require careful consideration. Hence it is recommended that aspects on service delivery, religious values, organizational and social cultures be seriously studied. Changes in the size of the public sector must not compromise the rights of citizens to quality services Thus, a thorough study to identify the lack of fit between existing public sector code of ethics with religious values, organizational and social cultures and practices in Malaysia must be conducted. The results can be used to formulate new strategies and/or improve existing arrangements.

#### CONCLUSION

Malaysia has a lot to gain if ethics management is done comprehensively, consistently and persistently. Indeed political and institutional reforms instituted and proposed by the current PH administration are conducive to the attainment of sound management of administrative ethics and the prevention of ethical misconducts in the long run. The challenges will be in the implementation of those reforms, and sustaining their momentum with continuous political will.

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