

**EMPLOYMENT RELATIONSHIP AND POLITICISATION: VIEWS
OF MALAYSIAN CIVIL SERVANTS WORKING IN PENANG**

Ali Haidar, Len Pullin, & Lim Hong Hai

*Working Paper 52/04
October 2004*

**DEPARTMENT OF MANAGEMENT
WORKING PAPER SERIES
ISSN 1327-5216**



Abstract

This paper examines the issue of the politicisation of public servant employment in the context of the Malaysian public service. Based on a survey of the Administrative and Diplomatic Service (ADS) officers – the elite civil service – the paper suggests that the employment aspects of the ADS officers is not as ‘non-political’ as many Malaysian public management commentators claim. The ADS officers perceive that politicians substantially influence such employment matters as recruitment, selection, promotion and dismissal. The paper argues that the political influence on employment matters is related to the manner in which the governing political parties cooperate with each other and the way some of the public service management processes have been implemented.

This paper is a work in progress. Material in the paper cannot be used without permission of the author.

EMPLOYMENT RELATIONSHIP AND POLITICISATION: VIEWS OF MALAYSIAN CIVIL SERVANTS WORKING IN PENANG

INTRODUCTION

This article examines the issue of political influence in the employment matters of public servants in the context of Malaysian public management. The paper begins by defining the term 'politicisation' and establishes a framework for examining politicisation in the context of this study. It argues that the emphasis on developing a non-political public service in Commonwealth countries began with the implementation of reforms proposed by the Northcote-Trevelyan report - 1854. The structure of the Malaysian public service is then explored with the Administrative and Diplomatic Service – the elite civil service of the Malaysian government – as its main focus. The findings of an empirical survey of ADS officers in Penang are then examined. The paper finishes with a discussion and concluding remarks.

POLITICISATION

Politicisation in the context of public management has multiple meanings. Politicisation of public service does not occur when public servants express their opinion or even take political action as part of their trade union activity. However, politicisation does occur when opinions expressed by public servants "are so preponderant that they deliberately thwart the intentions of the elected government, when a public servant, in other words, acts against the directions or interests of the government" (Weller, 1989, 370). Power struggles within the bureaucracy over budgets and jurisdiction are not instances of politicisation either. Neither does politicisation occur when public servants influence policies as that is part of their role. Politicisation does occur when public servants implement policies without dispassionate impersonality and when they support one individual or social group rather than another. Politicisation also occurs when the public service is used by ruling politicians for party political purposes and when ruling politicians influence such human resource matters as appointment and promotion etc. of public servants (Weller, 1989, 369-371).

The meanings of politicisation discussed above, in real life, could be interrelated. For example, politicians can, through their control over the employment relationship, compel public servants to be responsive to unlawful partisan demands and to implement partisan policies (see Haidar, et al., in press). This paper concentrates quite deliberately on the existence or otherwise of politicisation in the employment relationship (ER) of Malaysian civil servants.

EMPLOYMENT RELATIONS

This article examines whether politicisation has occurred or not in the ER matters of ADS officers in Malaysia. This meaning of politicisation has also been termed as 'spoils system' – an extreme form of politicisation which was practised in the USA before the introduction of the major reforms (Stahl, 1971, 32-33). With the spoils system, it was common practice for politicians when they gained office following an election, to dismiss civil servants who worked for the deposed political party and employ those who supported their political views. This practice was not confined to the USA as public service employment in the UK and other Commonwealth countries followed a similar practice until the reforms introduced following the Northcote-Trevelyan report (1954). These reforms were introduced to the civil services of most countries that formed the British Empire at that time, including Malaysia (See Haidar & Pullin, 1997).

Northcote-Trevelyan Type Employment Relationship (NTER)

The 'Westminster' system of ER had its genesis in and was based on the *Report on the Organisation of the Permanent Civil Service* (1954), commonly known as the Northcote-Trevelyan Report after its two authors. The need for the Northcote-Trevelyan Report arose due to the problems afflicting the British civil service at that time, including public service patronage appointments, an inability of the service to attract capable people, competition between public departments for their services when a competent person became available and a lack of unity in form, structure and conditions of work (1954, 2-5). The report observed that the public service required

“...aid of an efficient body of permanent officers, occupying a position duly subordinate to that of Ministers who are directly responsible to the Crown and to Parliament, yet possessing sufficient independence, character, ability, and experience to be able to advise, assist, and to some extent influence, those who are from time to time set over them” (1954, 1).

The report recommended that public managers should be recruited from younger people who would join at the lower ranks based on a competitive examination conducted by a central Board: “Such board should be composed of men holding independent position, and capable of commanding general confidence; it should have at its head an officer of the rank of Privy Councillor...” (1954, 6-7). By Order in Council of May, 1855, the British Government established a Board of three Civil Service Commissioners to conduct qualifying examinations (Spann, 1973, 361). Under this system, public servants are selected based on merit assessed through open competitive examination. Promotion and other related employment matters are decided on seniority.

Because of its peculiar colonial history, Malaysia for most of its pre-independence period had several state based civil service systems (Tilman, 1961). The process of establishing a Malaysian civil service began in the mid-1950s with the appointment of a commission focusing on the protection of the integrity of the public service. This commission submitted its report in 1955 and was mainly concerned with “how to reduce the opportunities for corrupt practices by improving organization and discipline in the public service” (Winslow, 1978, 268). A meeting of Malayan and British representatives held in London in 1956 recommended, following the Westminster tradition of public service, four basic principles of public service for Malaysia when it achieves its independence. They are:

- (a) political impartiality of the public service should be recognized and safeguarded;
- (b) promotions policy should be regulated in accordance with publicly recognized professional principles – i.e. impartiality on the basis of qualifications, experience and merit;
- (c) a reasonable security of tenure and a freedom from the arbitrary applications of disciplinary provisions; and
- (d) the establishment of an independent public service commission to ensure the observance of the foregoing principles (Winslow, 1978, 269).

One of the fundamental aspects of the Northcote-Trevelyan type is that the employment relationship is managed by a centralised personnel management agency. These central personnel agencies impartially defended the merit system against politicians and patronage and protected the legitimate interests of the public service (Spann, 1973, 386). However, it is not without its critics. It is argued that the NTER becomes obsessed with uniformity; fails to recognise differences in needs and demands and creates rigidity rather than flexibility. “If the principles of good management are to apply in the public sector, then the real employer, the agency that determines the work to be done, should have more control over who is to do it and on which terms” (Spann, 1973, 387).

Managerialist Employment Relationship (MER)

Since the end of WW2, the public sector all over the world has come under attack from a number of areas and these pressures really intensified in the nineteen sixties. The critics, banding together under such labels as managerialism and New Public Management (NPM) developed an emphasis on results rather than processes, and on performance evaluation, performance based pay, decentralisation, separation of production from delivery, contestability etc (Hood, 1991, 4-5). One of the most important aspects of general public sector reform was the introduction of fundamental changes to the employment matters of public servants. Reforms introduced by the Commonwealth Government of Australia quite significantly aligned themselves with the managerialist style of ER. For example, the Commonwealth Government of Australia adopted a series of measures that began in the mid 1980s with, amongst other changes, the abolition of the Public Service Board (McInnes 1990: 118-119) and culminated in the passing of the Public Service Act 1999.

The Public Service Act (1999) saw greater focus on outcomes rather than processes (Anderson, Teicher and Griffin 2002: 18), introduction of pay for performance schemes, the diminution of the notion of a career service and the empowerment of agency heads with the power over the ER matters of employees, including the SES (Fairbrother and Macdonald 1999: 352). The Act excludes the review of decisions regarding policy, strategy, resources; decisions which are in accordance with a direction by a minister or the Public Service Commissioner; and decisions regarding the engagement, duties and termination of employees. Reviews that are allowed, except in the case of promotion, are not binding on the agency head (Anderson, Griffin, and Teicher 2002: 19). An instance of the practice of a MER is clearly demonstrated by the dismissal of Paul Barratt, head of the Department of Defence by the Howard government in 2000 (Pullin, & Haidar 2003).

MALAYSIAN PUBLIC SERVICE

Most English speaking countries have moved away from the NTER and have introduced NPM style employment systems. However, Malaysia is an exception as it still purports to follow, by and large, the NTER system. "The public service in Malaysia is modelled after the British system, but took into consideration local conditions, for example, the availability of local personnel and existing customs and practices" (PSD, 1989, 25).

In Malaysia, the civil service (CS) is a part of the public service (PS). The public service consists of the armed forces, judicial and legal services, police forces, railway service, the general public service of the Federation, the joint public services (common between the Federal and State service), the public service of each state, and the education service (Malaysia, Constitution, art. 132, sec.1). The civil service includes such general and non-specialised services as the public services of the Federation, the joint public services, and the public services of each state. Members of these services are commonly referred to as civil servants to distinguish them from military, police and other specialised services.

Schemes of Services

The career of a Malaysian civil servant is determined by the 'scheme of service' to which s/he belongs. Human resource matters of the officers are determined by the conditions of the scheme of service to which one belongs. "An officer is recruited to the lowest grade in a scheme of service and not to a particular post. An officer who is holding a post in a certain grade is eligible for promotion to a higher grade within the same scheme of service to which he belongs" (Omar, 1980, 263). This is known as a "rank-in-corps" careers system where:

usually in conjunction with a more or less closed entry policy, the focus is on the person. Assignment, training, utilization, rank, and recognition are viewed in terms of the individual and the corps to which he 'belongs' rather than in terms of a hierarchy of positions. Rank has more to do with length of service, relationship to others in the same group, and general

aptitudes demonstrated than to level of job occupied or to performance on a particular job. Thus, the designation rank-in-corps (Stahl, 1962, 51).

Since January 1992, the PS was divided into two groups: the managerial and professional which includes the Administrative and Diplomatic Service (ADS) and the support group. The support group is further divided into three support groups (Ahmad, et al., 2003, 107).

ADS: An Elite Service

The most prominent example of the rank-in-corps type of classification is the Administrative and Diplomatic Service (ADS). In Malay it is called Perkhidmatan Tadbir dan Diplomatik or PTD. This service, originally created as the Malayan Civil Service in 1895 (Ahmad, et al., 2003, 105), was renamed as the Malaysian Civil Service (MCS) after independence in 1957. The ADS was created in 1967 by integrating the Malaysian Foreign Service and MCS (Omar, 1980, 274). It is a quota restricted service where a 4:1 'Malay non-Malay' ratio is maintained in accordance with the constitutional provision on ADS appointments (Ahmad, et al., 2003, 96).

ADS officers hold all the top positions in most of the departments of the federal government, the statutory bodies, public corporations and also top positions of government departments in many states (Omar, 1980, 258-59). The ADS advises ministers on policy formulation, implements government policies, helps government in directing economic development, and maintains cordial relationship with the private sector under the Malaysia Incorporated policy (PSD, 1989, 28).

Separating Politics and Employment of Public Servants

One of the central aspects of NTER is the establishment and maintenance of a non-political employment relationship for public servants. Political influence is kept at bay in the employment of Malaysian civil servants by establishing constitutional bodies such as the Public Service Commissions (PSCs) and empowering them to administer the recruitment, selection and dismissal aspects of the HR function. Other employment related functions, such as promotion and salary administration are administered by the Public Service Department (PSD) which is within the control of the government in power.

Malaysia, following the NTER tradition, emphasises a non-political career civil service. One way of ensuring this is to have independent employment agencies. The London Conference held in 1956 stated that "it is of vital importance that the Public Service Commission (PSC) should be independent and free from political influence" (in Tilman, 1961, 187). In addition to the PSC that deals with civil servants, there are several other specialised service commissions to deal with specialised services e.g. education (Malaysia, Constitution, art. 141a). These commissions deal with appointment, confirmation, placement, promotion, transfers and discipline in their respective jurisdictions (Malaysia, Constitution, art. 144).

The PSC deals with the general public service of the Federation, the Railway Service and the public services common to the Federation and states (Malaysia, Constitution, art. 139). The PSC consists of a chairman, a deputy chairman, and not less than four but not more than twelve other members. Appointment, removal, and determination of remuneration of a member of PSC are outside the control of the executive (Malaysia, Constitution, art. 143, sec. 2). These members are appointed by the King "in his discretion but after considering the advice of the prime Minister and after consultation with the Conference of Ruler" (Malaysia, Constitution, art. 139, sec. 4). A member of PSC is appointed for a term of five years and can "not be removed from office except on the like grounds and in the like manner as a judge of the Supreme Court" (Malaysia, Constitution, art. 143, sec. 1c)

PSC deals with the employment matters of the ADS officers. The prerequisite qualification to apply for an ADS post is a university degree. ADS officers are selected on merit (Ahmad, et al., 2003, 84-85) where the process is quite rigorous involving a three step elimination process – initial short

listing, written tests and individual interviews (Ahmad, et al., 2003, 92). Public Service Department (PSD) that manages Malaysian public service claimed that 'there was little, if any political patronage for recruitment' (PSD, 1989, 26).

ADS officers get promotion "strictly based on merit" (Ahmad, et al., 2003, 84-85). Before independence, seniority was the main criterion of promotion but now merit is the main criterion of promotion (Omar, 1980, 266). Personality, performance during training programs, qualifications and experience suitable to the post are also considered. Seniority is considered when two or more candidates are equal in all other respects (Ahmad, et al., 2003, 130). Special confidential reports written by superiors on the annual performances of the officers are also considered for the purpose of promotion (Omar, 1980, 266). For promotion applications, promotion boards are established consisting of the Director General of the PSD, Secretary General of the Treasury and the Chief Secretary to the Government (Ahmad, et al., 2003, 130). Officers who are not happy with the outcome of these decisions can appeal to the PSC (Ahmad, et al., 2003, 131). "Promotion in the Civil Service is completely a non-political process in which no politician is allowed any role in the selection or recommendation of suitable candidates" (Omar, 1980, 266-267).

Disciplinary action against ADS officers involving dismissals can only be taken by the PSC. Departments are authorised to take action against ADS officers where the charges are less serious. Punishments that can be imposed on civil servants range from a simple warning to dismissal on a number of grounds. Offences that can lead to dismissal include:

disloyalty to the King, nation and Government, working for self-interest at the expense of or which conflicts with the public interest, using official positions for self-interest, bespoiling the good image of the Civil Service, inefficiency and lack of conscientiousness, lack of sincerity, irresponsible action and insubordination and discourteous behaviour (Omar, 1980, 269).

It can be seen that judgement of some of the offences listed above can be quite subjective and ruling politicians can easily influence them. However, civil servants charged with any of these offences can appeal. The PSC which is independent of ruling politicians is the highest Board of Appeal for all public servants (Ahmad, et al., 2003, 136). Importantly, the perceived job security in the Malaysian public service is derived from the processes established to make it harder for governments to dismiss a public servant:

The basic ingredient of a disciplinary action is the officers' right of natural justice. They must be given the right to defend themselves in fair hearing. For this purpose, a proper charge is made which they must acknowledge receipt. They are normally given three weeks to reply. The board will formally sit to hear cases, and can even call them to further explain, with or without legal counsel. They will be formally informed of the decision in writing. If convicted, they are given two weeks to appeal. This whole procedure is dispensed with if officers are convicted in a court of law, in which case they are simply asked by the disciplinary board to show cause why they should not be dismissed (Ahmad, et al., 2003, 136).

The Dismissal of civil servants is made even harder by the provision of the Federal Constitution which provides that "No member of any of the services ... shall be dismissed or reduced in rank by an authority subordinate to that which, at the time of the dismissal or reduction, has power to appoint a member of that service of equal rank" (Malaysia, Constitution, art. 135, sec. 1). This means that only the king can dismiss civil servants because they hold "office during the pleasure of the" King (Malaysia, Constitution, art. 132, sec. 2A). It must however be mentioned that in no way this means that civil servants cannot be dismissed. In 1965, in *Amalgamated Unions of Public Employees v. permanent Secretary (Health)*, Winslow in the Singapore High Court said: "It is no doubt true that article 135 of the [Malaysian] Federal Constitution confers certain rights on civil servants but these relate to matters such as the manner in which or by whom they may be dismissed. They do not confer any right to office or to pension or any right not to be dismissed" (in Winslow, 1978, 281).

This legal opinion only indicates what can or cannot be done. A more important question is to find out what happens in practice. Has anyone been dismissed? How many and on what grounds? There are not many disciplinary cases in the service. For example, disciplinary cases ranged in numbers between 732 and 1615 from 1989 to 1998. During the decade mentioned, there were about 800,000 civil servants and the above figure represents less than 0.25 percent for any given year. Most cases involved lower level employees and included such minor charges as absenteeism, drug abuse and bringing disrepute to the public service. More serious cases involving senior officers included loss of government revenue, irresponsible action, court convictions and corruption (Ahmad, et al., 2003, 137).

The Public Services Department (PSD) is often referred to as the central personnel agency of the Malaysian government. PSD is the department which decides on policies relating to the terms and conditions of service of the civil service and the creation and grading of posts in federal and state departments. They manage the placement and transfers of officers, administer the various pension legislations governing the award of retiring and death benefits, maintain the consultative machinery with the staff side on terms and conditions of the service and meet the needs of training and development for personnel in and for the PS (Ahmad, et al., 2003, 48).

The above discussion clearly establishes that the employment relationship in the Malaysian public service, at least constitutionally, particularly in regard to the ADS, conforms to the NTER. Two subsidiary but related conclusions also emerge from the discussion. Commentators, who are mostly very senior retired public servants, argue that Malaysian civil servants enjoy security of tenure. For example, it is argued that although the pay in the public sector is low, there are other incentives to work in the public sector: 'The opportunity for a career, security of tenure, the pension system and housing and health care acted as incentives for those who wish to enter the civil service' (PSD, 1989, 26). A second recurring theme is a claim from commentators that the HR matters of civil servants are devoid of political influence. They suggest that the employment of civil servants is decided almost exclusively on merit (Ahmad, et al., 2003, 106). Puthuchery (1978) argues that Malaysia's ruling coalition wants and presses for a loyal public service and she maintains that the human resource management (HRM) aspect of public service has not been politicized: "there has been little political interference in the internal civil service system" and there is "no attempt to infiltrate the civil service with political cadres" (p. 47).

The above discussion on ADS provides us with a point of departure which is largely based on the Malaysian Constitution – the most authoritative source - and observations of several insiders who by and large argue that the employment relationship of ADS officers is not politicised and conforms to the NTER pattern. This needs to be verified. There are very few studies that empirically examined the claims of these observers. Our paper is one of the first to examine whether the ER practices of ADS officers, in actuality, is devoid of politics and conforms to the NTER pattern or not. In this paper we seek to achieve what has been prescribed by Weber as empirical researcher. We have described what exists "by virtue of law" and once that is done our tasks as empirical researchers is to assess to what extent the 'legal norms' are "actually heeded to a socially relevant degree". We must not laugh away what exists "by virtue of law" because it provides us with a point of departure. If our findings suggest that the legal norm is not "actually heeded to a socially relevant degree", we will have every right to conclude that the legal norm is only a paper picture (Weber, 1978, 948).

METHOD OF DATA COLLECTION

In order to assess whether the Malaysian civil service is devoid of politicisation or not, this study focuses on the views of ADS officers who are located in Penang, Malaysia. The study uses a questionnaire survey method where the questionnaire was specifically developed for this research based on previous studies by the researchers (Haidar et al. in press). Penang provides an excellent location for research such as this. There is relatively easy accessibility to public servants

compared to many other states and Penang is also one of a small number of states where the ADS officers work for the state as well as the Federal government, because of complex colonial reasons, some states have their own civil service while others do not (Jabar, 1985, 74). Penang is one of those states that does not have its own civil service and Federal ADS officers are seconded to the state government to work in the various state government departments. These officers are in addition to the ADS officers who work in Federal government departments in Penang.

The survey was conducted among all ADS officers in Penang, irrespective of their work location. We were able to identify 86 officers in this category and received 78 survey responses. There were 58 ADS officers working seconded to the state government of Penang and 28 ADS officers in federal departments in Penang at the time of the survey. It is unlikely that these numbers have significantly changed since we collected our data in 2000/2001. The response rate is greater than 90 percent. Respondents included officers across the majority of hierarchic levels and virtually all of the functional areas of government.

RESULTS

The ADS officers are for the most part senior bureaucrats who report directly to a political superior or have significant interaction with a political superior. The questionnaire sought the views of the ADS officers on their 'assessment of the role of [the] political superior in determining the following aspects of [their] employment'. The responses are presented in Table 1.

Table 1: Political Superior Role Influence on ADS Human Resource Matters

Perception of Role Influence	Appointment %	Promotion %	Continued employment/ dismissal %	Salary increase %	Access to training %
Decisive	3.8	6.4	6.4	00	5.1
Important	55.1	50	28.2	25.6	37.2
Quite important	20.5	17.9	43.6	24.4	19.2
Not important	5.1	9	14.1	25.6	20.5
No role at all	14.1	12.8	7.7	24.4	17.9
No answer	1	1	00	00	00
Total	100	100	100	100	100

Although structured organizationally otherwise, the majority of ADS officers in Penang perceive their political superiors to have a 'decisive' to 'quite important' role in decisions regarding their appointments, promotion, continued employment, salary increase and access to training. Only a minority of ADS officers perceived their political superiors to have 'no role at all' in these aspects of their employment. Particularly interesting is the response of officers regarding appointment to their positions and promotion – two very important aspects of employment. In these two areas, the majority of ADS officers (58.9%) perceive their political superiors to have an 'important' or 'decisive' role to play.

It is hard to find empirical research that supports or contradicts our findings because this type of research on the Malaysian public service is quite rare and studies that have been conducted are quite outdated. For example, the only known empirical research on the ER aspects of Malaysian public service was completed in 1978 (Puthuchearry 1978). However, one recent survey of a small group of ADS officers does support our findings on one aspect of employment. This survey found

that ADS officers 'are divided on the statement that promotion was given based on their annual performance as reflected in the NRS evaluation system' (Ahmad, et al., 2003, 97).

Findings of an unpublished Master thesis that studied politician-bureaucrat relations in Penang and Kelantan with a sample of 140 senior civil servants also support findings of this research. Among the 142 senior civil servants, there were 58 senior officers from Penang and 83 senior officers from Kelantan. In response to a question entitled "Generally, politicians do not interfere in civil service matters, such as promotion, transfer/posting and the like", 5 respondents (3.6 percent) strongly agreed, 36 respondents (25.7 percent) agreed, 34 respondents (24.3 percent) remained neutral, 49 respondents (35.0 percent) disagreed and 16 respondents (11.4) strongly disagreed. Although these results are not as emphatic as our findings, they do indicate that political influence does occur in the HRM matters of civil servants. In response to another question whether conflict occurs between politicians and civil servants over appointment, transfer and promotion of civil servants, 99 respondents (72.3 percent) said that conflict does occur while only 38 respondents (27.7 percent) denied occurrences of conflict (Yahya, 1989). It is difficult to interpret this result but one interpretation could be that it indicates occurrences of political influence and conflict between politicians and civil servants occurs because civil servants resent occurrences of political influences over HR matters of public servants.

DISCUSSION

We do not pretend that this is an elaborate statistical analysis; neither do we pretend that the findings are applicable to anywhere but the ADS population in Penang. However, irrespective of their shortcomings, the findings indicate quite a difference to the claims of commentators and senior public servants whose arguments we have summarised above. These commentators consistently claim that the employment aspects of Malaysian ADS officers in particular, and public servants in general, are non-political and beyond the influences of politicians. A group of authors that includes very senior former public servants claimed that recruitment, selection, and promotion in the public service 'is a non-political process in which no politicians are allowed any role in the selection or recommendation of suitable candidates' (Ahmad, et al., 2003, 131). The perception of ADS officers working in Penang seems to quite strongly disagree with this claim. In our view, a number of political and administrative reasons may be contributing to this gap between what the commentators claim and what the ADS officers perceive.

Since its independence in 1957, Malaysia has been governed at the federal level by the United Front which is a coalition of three ethnic based parties. These are the United Malay National Organisation (UMNO), Malaysian Chinese Association (MIC) and Malaysian Indian Congress (MIC). In the absence of the periodic change of government that occurs in other democratic political systems, the possibility exists that the coalition is trying to establish hegemonic control over the administrative system through controlling the employment aspects of public servants. This possibility is supported by the view of a former Chief Secretary to the Government who has alleged that politicians are putting pressure on public servants to act according to their political whims:

certain groups [including political parties] in the country are trying to disrupt the neutrality of civil servants by influencing them with their own ideologies...There are people who are trying to influence government officers...asking them not to abide by the neutrality principle which had been one of the pillars of strength of Malaysia's civil service...They want civil servants to take sides especially with the country's present political situation. (Ali, 2000).

It is quite likely that politicians in their desire to make public servants responsive to their demands are influencing aspects of their employment. A study of the instruments of control over public employment in Australia have indicated that control over employment is one of the most effective ways to establish control over public servants (Pullin and Haidar, 2003).

Since independence, the standard practice for appointing senior officers has been for the PSC to recommend persons for appointment to various positions and ministers largely accepted such recommendations. Since the 1970s, the PSD has introduced a subjective element in the form of 'suitability' for such high level appointments which gives the minister the option to decide whether they want a certain officer to be head of his/her department. The rationale underlying the suitability clause is to ensure that the minister and the head of department can work together. Appointments of officers to these posts are confirmed only after ministers agree to such appointments (Ahmad, et al., 2003, 131). It is quite possible that a 'trickle-down' effect of this policy to lower level appointments has occurred and it has become widespread practice to ask superiors about subordinate suitability.

The fact that ADS officers perceive there is political influence in almost all aspects of their employment, is also related to the introduction of another subjective management process, the New Performance Appraisal Scheme (NPAS). This scheme is used to award salary increments, promotion, career development, job assignment, counselling, training and merit award. Public servants have argued that the NPAS is a subjective process which has been abused by superiors and used as tool to victimise their subordinates. The Congress of Union of Employees in the Public and Civil Service (CUEPACS) and the Malaysian Trade Union Congress (MTUC) have formally complained about this tool to the Government (Ahmad, et al., 2003, 132).

The NPAS has been a controversial issue since its implementation. The main issue was the quantification by the assessors and the lack of uniformity as well as the difficulty of being objective in the awarding of marks... In this evaluation system, only five percent of the staff is eligible for excellent performance. This is forced ranking which has its weaknesses. It drew wide opposition from members of the PS (Ahmad, et al., 2003, 134).

The performance evaluation or appraisal process provides the "means for exercising greater control over those implementing the program" (Goldenberg 1983: 515). Evaluation helps managers achieve greater control over their subordinates and "the system of performance appraisal" offers "new tools for controlling subordinate's behaviour by rewarding or punishing on the basis of the appraisal" (Goldenberg 1983). Goldenberg states that "once pay and other personnel actions are tied to program performance measures, these measures take on a new significance" (Goldenberg 1983: 519). Managers judged as outstanding through the appraisal process may receive financial or other rewards and those "judged inadequate may ... lose stature and position" (Goldenberg 1983: 519).

As a general observation it can be said that current HR practices of ADS officers have shifted from 'objective' process to a 'subjective' process. This is particularly true for promotion. As we have noted above, prior to independence, promotion processes were more 'objective' because they relied almost exclusively on seniority. Hardly can there be a debate about the length of service. Annual confidential reports written by superiors, evaluation of performances during training programmes and suitability for a position judged by superiors are largely subjective processes. More importantly, it is extremely difficult if not impossible to measure performance in the public sector where goals are usually vague and multiple (Ring & Perry, 1985). This means performance evaluation in the public sector, no matter how objective the method sets out to be, it will usually become largely subjective. Subjective processes then open the scope for differences of opinions and provide options to provide favours to the supporters, to victimise opponents and to ignoring those in the middle.

CONCLUSIONS

The findings in this paper challenge the legal norms established in the Malaysian Constitution and the claims of many commentators of Malaysian public management that the employment relationship of ADS officers is completely non-political. The questionnaire data from ADS officer respondents who work in Penang suggests that several ADS employment dimensions are not

devoid of political influence. In fact, on some dimensions the respondents perceived political influence to be quite strong. We do not seek to make any comparisons with the spoils system or suggest that political patronage is endemic. Neither can we say that the ER of the ADS officers complies more with managerialist type rather than the NTER type because this is happening despite the existence of a PSC which is constitutionally independent of the ruling politicians. What we can say is the evidence suggests that political influence exists in the ADS officer employment relationship where it should not exist.

We are quick to point out that these findings should be treated as tentative and with extreme caution. They need to be verified by research that takes account of a representative sample of the ADS officers across all state and federal levels in Malaysia. We are the first to admit that these conclusions are limited by the focus on the relatively small number of ADS officers who work in Penang when compared to the ADS population at large in Malaysia. However, based on our findings in Penang we are in a position to make an observation on one of the central assumptions of the Westminster theory of public administration. This observation provides an interesting area where further research can be conducted.

The public service employment relationship in the Westminster context is based on an assumption that an independent public service agency reduces politicisation. In a related way, it has been assumed that in the absence of an NTER style central public service agency, ruling politicians would engage in the widespread use patronage. To date, this assumption, at least in appearance, held true because the tradition did not come under serious challenge. Our data from Malaysia suggests that the existence of constitutionally established public service agencies independent of the control of the executive do not by themselves stop ruling politicians influencing the ER aspects of public servants. Alford (1993, 5), based on the Australian experience where the NTER style central public service boards have been abolished, has argued that it is not clear whether the absence of external control in the form public service boards is associated with politicisation of ER matters. The matter seems to be more complex. He argues that whether, for example, selection would be based on merit or patronage would depend on at least five factors. It may not just depend on the strength of a centralised external board such as a public service boards. The factors include prevailing political culture, degree of electoral support for the party in power, policy priorities of the government of the day, relative strength of other central agencies, and personal values of personnel decision makers (Alford, 1993, 7).

REFERENCES

- Abdullah, Y. B. (1992) *Politician-Administrator Relationship at the State Level in Peninsular Malaysia: The Case of Penang and Kelantan*, Unpublished Masters thesis, Universiti Sains Malaysia, Penang, Malaysia. This thesis is in Bahasa Malaysia.
- Ahmad, A. S. Mansor, N. & Ahmad, A.K. (2003) *The Malaysian Bureaucracy: Four Decades of Development*, Selangor: Pearson.
- Alford, J. (1993), "Thinking about the demise of Public Service Boards in Commonwealth and State governments", in M. Gardner (Ed.), *Human Resource Management and Industrial Relations in the Public Sector* Brisbane, Centre for Public Sector Management, 1-14.
- Ali, H. (8 December 2000) "Certain groups trying to disrupt civil service neutrality", *Bernama*, Kuala Lumpur.
- Anderson, E., G. Griffin and J. Teicher, (2002), "Managerialism and the Australian public service: Valuing efficiency or equity" *New Zealand Journal of Industrial Relations*, 27 (1) 13-31.
- Fairbrother, P. & D. Macdonald (1999), "The role of state and Australian public sector industrial relations: Depoliticisation and direct intervention", *New Zealand Journal of Industrial Relations*, 24 (3) 342-363.
- Goldenberg, E. N. 1983. The Three Faces of Evaluation. *Journal of Political Analysis and Management* 2 (4): 515-525.
- Haidar, A. Lim, H. H., and Pullin, L. J. (in press) "An impoverished neutrality? Public management values in local government – Penang, Malaysia", *Local Government Studies*.
- Haidar, A. & Pullin, L. (1997), Public Sector Employment Relationship and management Morality: Conceptualising a Correlation Utilising a Multi-Dimensional Typology of Public Service Morality, in Spooner, K & Wright, S. (Eds.), *Centralism, Enterprise focus and individualism: Where is the balance and what are the implications? Proceedings for the 5th Annual Conference of the International Employment Relations Association, University of Technology, Sydney July 16-18 1997* (245-262). NSW, Australia: School of Management, Faculty of Business, University of Technology, Sydney in association with the International Employment Relations Association.
- Hood, C. 1991. A public management for all seasons. *Public Administration* 69 (1): 3-19.
- Jabar, M. S. A. (1985) "Administrative organization and personnel management in Malaysia", *Journal of Development Administration*, 25, (Special number, Dec), 66-81.
- Malaysia, *Constitution of Malaysia*.
- McInnes, M. 1990. Public Sector Reform Under the Hawke Government: Reconstruction or Deconstruction? *Australian Quarterly* 62 (2): 108-124.
- "The Northcote-Trevelyan Report" reprinted in *Public Administration*, London (1954) 32, 1-16.
- Omar, E. B. (1980) "The civil service systems in Malaysia", in Raksasataya, A. & Siedentopf, H. (eds.) *Asian civil services: Developments and trends*, Kuala Lumpur: Asian and Pacific Development Administration Centre, 249-299.
- Public Services Department, Malaysia (1989) "Current HRD policy and Practice in the Malaysian Public service", *Asian Review of Public administration*, 1 (2) 25-35.
- Pullin, L. J. & Haidar, A. (2003) "Hiring and Firing public managers: Returning authority to Australian politicians" *Employment Relations Record*, 3 (1).
- Puthuchery, M. (1978) *The Politics of Administration: The Malaysian Experience*, Kuala Lumpur: Oxford University Press.

- Ring, P. S. & Perry, J. L. (1985) " Strategic management in public and private organizations: Implications of distinctive contexts and constraints, *Academy of Management Review*, 10 (2) pp. 276-286.
- Spann, R. N. et. al. (1973) *Public administration in Australia*, new edn., Sydney, Government Printer.
- Stahl, O. G. (1971) *Public Personnel Administration*, 6th edn., New York: Harper and Row.
- Tilman, R. O (1961) "Public service commissions in the Federation of Malaya", *Journal of Asian Studies*, 20 (2) 181-196.
- Weber, M. (1978) *Economy and Society*, Berkeley, University of California Press.
- Weller. P. (1989) "Politicisation and the Australian Public Service", *Australian Journal of Public Administration*, 48 (4) 369-81.
- Winslow, V. S. (1978) "The public service and public servants in Malaysia", in Suffian, T. M., Lee, H. P. and Trindade, F. A. (eds.) *The constitution of Malaysia: Its development 1957-1977*, Kuala Lumpur, Oxford University press, 263-303.