

NPC Malaysia receives UN Award for Innovations in Public Service

The General Assembly of the United Nations established Public Service Day in 2002 to recognize and encourage exemplary public service. In the belief that public service must be made visible to attract more to the field, a series of institutional awards was established in the four categories of improvement of public service results, improvement of the quality of the public service process, innovations in public service, and application of information and communication technology in local government: local e-government. The values of teamwork, innovation, and responsiveness to the public are reflected in the selection of award winners, which must have contributed to enhancing the role, prestige, and visibility of public service.

The National Productivity Corporation (NPC), Malaysia, was the recipient of the 2004 UN Award for Innovations in Public Service. The UN Division for Public Administration and Development Management emphasizes that this award is for “radical departures,” not simply for incremental improvements in existing public service mechanisms. Winners must have developed innovative methods, tools, and techniques that have had a major, long-term impact on citizens’ lives, and furthermore that impact must be qualitatively and quantitatively measurable. The final criterion is that the innovation must have reduced the cost of public service delivery while maintaining or increasing its quality.

The NPC was recognized for its Benchmarking On-line Networking Database (BOND), an interactive, real-time e-benchmarking system. Benchmarking is an important tool for enterprises seeking to remain competitive in the era of globalization. Many world-class organizations have found that by searching for best practices and processes and then benchmarking against them they can achieve significant enhancements in productivity, quality, cost, and delivery. The NPC therefore set up a database of best practices and performance measurements to assist organizations wishing to undertake benchmarking.

The BOND Web page has 11 crucial links:

- 1) *What is benchmarking?* This link spells out the basics of benchmarking and the code of conduct for community of practice (COP) members and provides links to international benchmarking organizations.
- 2) *The NPC benchmarking model.* The three



NPC staff members rejoicing as they pose with the UN award

phases of the benchmarking model (establishing benchmarks, learning best practices, and implementing best practices in one’s own organization) are detailed.

- 3) *Benchmarks.* Benchmarks are listed by process, industry, and sector, including productivity indicators.
- 4) *Best practices.* Excellent local and foreign organizations share success stories on best practice implementation on this link.
- 5) *Benchmarking case studies.* The members are taken through the complete benchmarking cycle in comprehensive international as well as local case studies.
- 6) *Best Practices Public Centre.* This link is a referral point for public-sector agencies

wishing to offer more efficient public service delivery.

- 7) *Best management practices.* The self-assessment tool in this link enables enterprises to measure performance and learn best practices in 21 TQM areas.
- 8) *BP Net.* The Best Practices Net is a collaborative tool to enhance learning, knowledge management, and sharing of best practices among COP members.
- 9) *HR Suite.* This provides information, benchmarks, and best practices on human resources.
- 10) *e-BP Digest.* Online abstracts and synopses of the half-yearly *Best Practices Digest* publication can be accessed.

(Continued on page 5)

11) *Interactive e-benchmark*. This is a Web-based tool for COP members to generate real-time benchmarks and rankings.

The e-benchmarking system is a Web-based tool that facilitates organizations in “bench-measuring.” e-Benchmarking COPs involving over 500 enterprises in the service (construction, ports, hotels, power producers, financial institutions, retail, and the public sector) and manufacturing (electronics, plastic, automotive, textiles, apparel, oleo-chemical, and industrial energy efficiency) sectors are using this system. Hands-on training is given to members of COPs, with the e-benchmark guidebook as a reference.

e-Benchmarking involves six simple steps. First, a COP agrees on the scope, key performance measures, and definitions to benchmark. Then a password is issued to each member of the COP, members key in and edit data at their own convenience, the data are processed in the e-benchmarking hub, and a real-time benchmark report is generated. Finally, members view their rankings and conduct self-evaluation for continuous improvement. Data confidentiality is ensured because each member has a password and names of organizations are coded. Members can interact on-line with others in a COP through the Best Practices Net, a supplementary tool to enhance more effective sharing of best practices.

As specified in the award criteria, BOND has had measurable results. The system has reduced the cycle time needed to collect benchmarks and generate key performance indicators from 10 to 12 weeks to real time. It has also reduced the cost of the first phase of a benchmarking project by an enterprise by 98%.

NPC Director-General Ir. Mah Lok Abdullah received the Innovation in the Public Service Award from UN General Assembly President R. Hunte in New York City on Public Service Day, 23 June. In thanking the UN for the honor, the Director-General said that the prestigious award was recognition of the NPC's efforts to improve the quality of service in both the public and private sectors. The use of IT-based e-benchmarking is encouraging more enterprises to measure and make benchmark comparisons, both within the Malaysian economy and on a global scale, he noted.

In his congratulatory letter to NPC Chairman Tan Sri Dato Azman Hashim, APO Secretary-General Takashi Tajima said that “It is a proud moment for all in the APO membership to know that an NPO has achieved such recognition for excellence by the United Nations.”

To learn more about BOND and register with a COP, go to <http://www.npc.org.my> and double-click on the BOND icon. 