

# Malaysian E-government: Issues and Challenges in Public Administration

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**Abstract.** E-government has become part and parcel of every government's agenda. Many governments have embraced its significant impacts and influences on governmental operations. As the technology mantra has become more ubiquitous, so government have decided to inaugurate e-government policy in its agencies and departments in order to enhance the quality of services, better transparency and greater accountability. As for Malaysia, the government is inspired by the wave of the e-government, as its establishment can improve the quality of public service delivery, and also its internal operations. This qualitative study will explore the status implementation of e-government initiatives as a case study, and will also provide a comparative evaluation of these findings, using the South Korean government as a benchmark study, given its outstanding performance in e-government. The findings of this study will highlight potential areas for improvement in relation to the public administration perspective and from this comparative approach too, Malaysia can learn some lessons from South Korea's practices to ensure the success of e-government projects.

**Keywords:** E-government, Public administration, Public service delivery.

## 1. Introduction

E-government has emerged as a popular catchphrase in the world of public administration. The astronomical growth of its movement has urged all governments in the world to adopt the idea of e-government as a solution to reform the way in which governments work, both internally and externally. As far as Malaysia is concerned, the implementation of e-government was initiated through the introduction of the Malaysia Super Corridor (MSC) in 1996, which promised boundless benefits to citizens, businesses and the edifice of the government itself (Muhamad Rais & Nazariah 2003, Abdul Karim & Mohd Khalid 2003). The Malaysian government believed that embracing the notion of e-government could improve the quality of public service delivery, making it more efficient and effective, and also helping to reinvigorate the relationship between the government, its citizens and businesses. In short, the utilisation of technology will have a massive impact on government administration, and will be an engine to drive Malaysia towards a knowledge-based economy and society. Under the aegis of the MSC, e-government is listed as one of its flagships. E-syariah, e-land and pemudah are amongst of the e-government initiatives and applications that are led by different governmental agencies.

The emergence of the e-government is believed by Silcock (2001) to be able to transform government administration to be more responsive, open and cleaner, especially within the realm of public administration, and notably in the domain of service delivery; for Homburg (2008), however, this is somewhat overstated and overly simplistic. Noteworthy here is the extent to which the e-government changes its public administration, and on how smart machines interact with the norms and values of public administration. What are the issues and challenges that arise in the execution of the process that can form a major impediment to the effectiveness of the government policy? In this paper, the author will look at three e-government initiatives in Malaysia as a case study, namely E-syariah, e-land and pemudah, which facilitate relations with Government to Government (G2G), Government to Citizen (G2C) and Government to Business (G2B) respectively. And a comparative evaluation with South Korea will be drawn as an e-government benchmark.

## 2. Implementation Status of E-government Projects in Malaysia

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As previously mentioned, this paper will examine three e-government projects in Malaysia, namely e-syariah, e-land and pemudah (e-business). The details and status of the project implementation are discussed below:

## **2.1. E-syariah**

E-syariah was introduced in March 2002 as a flagship e-government initiative aiming to enhance the quality of services in the Malaysian Syariah Court through electronic means (MAMPU 2009). It enables the court to conduct its management and administration in a more sophisticated way by maximising the use of ICT.

In the past, the Syariah court, which has jurisdiction only over matters involving Muslims, the majority population in Malaysia, has always seemed to be an out dated institution, both inefficient and incompetent in the public eyes. The services were slow and also delays in the disposition of Syariah court cases. This contributed to the number of redundant cases every year. Therefore, to uphold the splendours of the Syariah court, e-syariah has been seen as a solution to enhancing the quality and efficiency of public service delivery through the use of ICT. The project comprises various modules, including Syariah Court Case Management System, Syariah Lawyers Registration System, e-syariah Portal, Library Management System and Office Automation System (MAMPU 2009).

Overall, it may be noted that e-syariah has had remarkable success in its implementation, although there have been some difficulties in the early phase of its operation. As far as the system is concerned, the efficacy of e-syariah as an e-government application hinges on several aspects, for instance leadership and environment factors. Most civil servants in the Syariah court administration agreed that the Chief Justice at that time was very committed and positive as to the proposition of ICT development in the Syariah court, although there was some opposition to the proposed changes. Having a strong and determined leader has assisted the Malaysian government's mission in reforming and revamping the Syariah court administration and management, in order to enhance the quality of public service delivery. Besides this, global technological advancement has been booming, with governments adopting and embracing the idea of e-government. However, the current challenge that the system is currently facing is that of online payment, where they need to deal with third parties which is bank on management charges issue. As religion is a state matter, the federal government does not have power to force the states to pay service charges to the bank if they refuse. This problem is related to the legislation issues.

## **2.2. E-land**

E-Land is a further flagship of e-government, and was initiated by the Ministry of Natural Resources and Environment (MAMPU 2009). It is monitored by MAMPU, and aims to develop an integrated, comprehensive and user-friendly land management and administration system to enhance the speed and quality of public service delivery. Until a few years ago, land dealings were still conducted in a conventional manner, which caused many repetitive complaints and dissatisfaction from citizens, such as red tape, corruption, rigid procedures and too much bureaucracy (The Star 2007). For example, there were still about RM 1.73 million on outstanding land charges, including registration and strata titles in Peninsular Malaysia, as well as RM 1.2 billion on unsettled revenue until 15 March 2008. In this case, the maladministration of land management and administration tarnished the government's reputation amongst foreign investors, businesses communities and the public. Therefore, in order to eradicate these problems, the government has sought to apply ICT to land administration, and *e-land* was introduced in 2005. As digital technology has increasingly come to be recognised by the law through the introduction of the Sixteen Schedule of the National Land Code (NLC) 1965, the Electronic Land Management System, e-land, is believed to be able to enhance the transparency of land administration, as well as to modernise the administration and management of land offices throughout Peninsular Malaysia (MAMPU 2011).

Overall, the implementation of e-land in Penang has made a huge impact on the quality of public service delivery (Berita Harian 2009). An impact research was carried out in 2010 amongst the public, users (public officials) and land administration in Penang in order to evaluate the effectiveness of the e-land project. The public realise that by dealing with the e-land system, the service is much better and more efficient. Indeed, it has been proved that the land tax via online payment has increased year to year. Although public officials have been very reluctant to adopt the system, they admit that it can enhance the transparency and integrity of land administration in Penang. Meanwhile, as for land administration and organisation, it has succeeded in modernising land management through a new technology infrastructure and facilities in the office, whilst it

also provides appropriate training to government servants regarding ICT skills. On the other hand, there is a requirement for an expert in ICT and land law to ensure the success of this project. In addition, maintenance cost is high and an inadequate budget has become a major problem that can impede e-government services.

### **2.3. Pemudah**

Pemudah is a short form for the Special Task Force to Facilitate Business, which was set up on 17 February 2007. It comprises representatives from both the public and private sector, and has the aim of supporting Malaysia's transition towards a knowledge driven economy (PEMUDAH 2009). Pemudah was given the task of addressing areas related to the business environment, and also providing a catalyst for change in placing Malaysia in the top 10 of the World Bank Ease of Doing Business (EoDB) (PEMUDAH 2010, New Straits Times 2008). By addressing each area highlighted in the EoDB Report, respective ministries/agencies/departments were challenged to improve their processes and procedures. Faster, Easier and Cheaper was the mantra for all related agencies to further enhance their Standard Operating Procedures (SOP). Among the initiatives undertaken in the area of online services developed under Pemudah have been the Business Licensing Electronic Support System (BLESS), Malaysia Corporate Identity Number (MyCoID), One Stop Centre (OSC) Online for Building Plans and e-Payment facilities (PEMUDAH 2009).

In the early stages of its implementation, there were some major challenges and issues faced by Pemudah, such as limited integration. Most online systems were developed in silos, thus creating problems for integration with existing systems in other agencies. Besides this, different working practices and SOP by different agencies and authorities due to state regulations also hampered the successful implementation of the system. Practising different sets of procedures has resulted in complications in implementing the projects. The challenge that Pemudah will face, now and in the future, is to maintain the improvements made and to start to explore new areas in ensuring business can be done easier, faster and cheaper.

## **3. Comparison with South Korean Government**

The South Korean government has shown that that the deployment of technology is able to reform and modernise its public sector in meeting citizens and businesses' needs, without the limitation of time and space (Sprano & Zakak 2000). It is evident that South Korea's policy of e-government has been fruitfully implemented. This is supported through the evidence of several reports and studies done by well-known institutions and organisation (United Nations 2005, West 2007). Furthermore, it has become one of the world's leading e-governments, which maximises the utilization of Information Technology, so as to provide more efficient, quality public services that surpass the United States, Singapore and other developed countries (Ovum 2009).

One of the key factors that make South Korean government successful in implementing the e-government is having a high-quality ICT infrastructure. The government has invested seriously in this matter, approximately around USD 8.6 billion from the Informatization Promotion Fund (Suh J 2006). By having an information-efficient infrastructure, many areas, including rural and far flung areas in the country, are able to access high-speed broadband networks through fiber-optic cables (Chen & Suh 2006). Hence, citizens can easily conduct their businesses and interact with governmental bodies online (Homburg 2008).

Building a modern, high quality ICT infrastructure has been a priority task for the South Korean government in developing the ICT industry and enhancing e-government effectiveness. Besides this, in order to support its e-government policy, the government has enacted a series of laws to ease the implementation process (Relyea 2002). While the South Korean government undertook efforts to ensure a market-conducive environment, the government's role has also contributed to the success of e-government. Not only did the government need to have proactive and effective leadership, but it also needed to show its strong commitment to digital policy by supporting and providing a favourable environment that is able to foster and sustain such a transformation.

Moreover, the key to success in this e-government vision came from the Korean people, namely the citizens and the South Korean public officials. In short, the success of e-government implementation was determined by the engagement of the Korean people themselves. It depended on their attitudes towards accepting technology, albeit there were some deficiencies such as the misuse of technology and the reluctance to change amongst public officials. However, reforming working methods and habits is no easy task, because to change the organizational culture is tough, challenging and highly time-consuming. Hence,

technology and organization are not separate domains (Mackenzie & Wajcman 1985). Technology itself must be incorporated into the organization, so as to enable a mutual relationship between them.

By and large, although the South Korean government has made these advances, it needs to improve in several areas of e-government values, and to increase its efforts to sustain and maintain the system. For instance, investing heavily in R&D to keep pace with technological changes is needed, or else the implementation of the digital government will be ineffective, and will waste taxpayers' money. Nonetheless, the reform plans and the achievements so far that have been made by the South Korean government have demonstrated its maturity in terms of e-government policy, and can thus serve as a benchmark for other developing nations, especially Malaysia, to follow and learn lessons from the South Korean government practise.

#### 4. Key Factors Concerning E-government Implementation

Based on the South Korean government's experience, there are many lessons that can be learned by Malaysia in order to develop outstanding e-government performance. These key factors related to public administration perspectives are highlighted below:

Areas	Key Factors
Technical Infrastructure	<ul style="list-style-type: none"> <li>• Equality of e-government accesses to all citizens regardless their location and social status (demographical and geographical prejudice)</li> <li>• IT standards</li> </ul>
Legislative structure	<ul style="list-style-type: none"> <li>• Comprehensive laws and regulations to support all e-government areas holistically.</li> </ul>
Financial Conditions	<ul style="list-style-type: none"> <li>• Investment in ICT expenditure and infrastructure.</li> <li>• Alternative and innovative financial schemes and mechanisms.</li> <li>• Partnership with private sectors.</li> </ul>
Government's Role	<ul style="list-style-type: none"> <li>• Adopting both width and depth strategy of e-government policy (Litan &amp; Rivlin 2002)</li> <li>• Having a supportive and determined leader (political player)</li> </ul>
Human Infrastructure	<ul style="list-style-type: none"> <li>• Attitude and adaptability towards changing in public administration.</li> <li>• Training, skills and rewards for public servants.</li> <li>• Resolution of mind-set gap, knowledge and skill-gap issues.</li> <li>• IT competencies and Public sector competencies.</li> </ul>
Condition of Organization	<ul style="list-style-type: none"> <li>• Integration and collaboration across governments.</li> <li>• Public administration reforms</li> <li>• Approach and strategy to e-government system.</li> </ul>

Fig. 1: Key Factors Concerning e-government Implementation.

#### 5. Implication and Conclusion

The expansion of ICT is expected to reform the way in which the government works, by providing efficient and effective online services to citizens and businesses. It has also become an indispensable tool for the government itself to reinvigorate its internal and external systems, which promise to make a better government. In other words, the emergence of e-government is believed by Xu (2010) to act as an agent or a driver for public sector transformation and modernisation, but the chances are still hampered by the lack of a clear vision, and also the failure of governmental bodies to cooperate. It would seem that e-government has a huge impact on the public administration world, which affects changes from government structure to bureaucratic attitudes. For e-government, information is the core of public administration (Zouridis & Thaens 2003). For this reason, all key factors mentioned above need to be fulfilled by the Malaysian government in implementing e-government so that Malaysia can achieve its vision of increasing its efficiency and effectiveness in government administrative machinery, using information and communication technology, and to propel the country forwards into the information age.

#### 6. Acknowledgements

Thanks are due to the Malaysian Administrative Modernization and Management Planning Unit (MAMPU), and the lead agency for the Malaysian e-government initiatives for their cooperation in providing

information and feedback for this study. Special thanks also go to my supervisor, Dr Patrick Bishop a Senior Lecturer in Lancaster University, United Kingdom who always give me his valuable support and thoughts for getting this research improve and complete.

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