

Performance Measurement in Malaysian Public Sectors: An Exploratory Study

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Abstract

The purpose of this paper is to look at the adoption of performance measurement in public sectors in Malaysia by specifically examining the extent to which performance measurement is designed, implemented, and used. A survey was conducted to senior civil servants of federal government agencies in Putrajaya, Malaysia. This study found that the public sectors in Malaysia have been to a moderate extent designing their performance measurement system to align to the organizational strategy. This study shows a fairly extensive use of inputs, activities as well as a moderate use of efficiency and quality measures as compared to outcome measures. The results suggest that the Malaysian public sector performance measurement system is seemingly lacking in terms of balanced driver-outcome indicators. Indicators for sustainability, innovation, environmental and social responsibility are also not used extensively. The relatively small sample size causes a limitation to this study which might provide a potential source of bias to generalizability. Besides, the evidence from this study is only descriptive, thus it ignores other variables that can be associated with the performance measurement in use. One important implication of this study is to encourage the Malaysian Government to increase efforts in adopting outcome-based performance monitoring and evaluation method on the governments' projects and programs. Findings from this study provide insights into the design of performance measurement system and would have drawn attention to its implementation and usage in the public sector.

Keywords : Performance measurement, Public sector, Balanced scorecard, Government