GOVERNMENT OF MALAYSIA

DEVELOPMENT ADMINISTRATION CIRCULAR

NUMBER 2 YEAR 2005

**GUIDELINE ON ESTABLISHING KEY PERFORMANCE
INDICATORS (KPI) AND IMPLEMENTING PERFORMANCE
ASSESSEMENT AT GOVERNMENT AGENCY**

PRIME MINISTER'S DEPARTMENT
MALAYSIA
7 April 2005

Circulated to:

Secretaries General of Ministries
Heads of Federal Departments
Heads of Federal Statutory Bodies
Hons. State Secretaries
Local Government Authorities

PRIME MINISTER'S DEPARTMENT, MALAYSIA
PRIME MINISTER'S DEPARTMENT COMPLEX
FEDERAL GOVERNMENT ADMINISTRATION
CENTER
62502 PUTRAJAYA

Telephone : 603-8888 195
Fax : 603-8888 3721

Our Ref: UPTM 159/303/337
Date: 7 April 2005

Secretaries General of Ministries
Heads of Federal Departments
Heads of Federal Statutory Bodies
Hons. State Secretaries
Local Government Authorities

_____

**DEVELOPMENT ADMINISTRATION CIRCULAR
NO. 2 YEAR 2005**

_____

**GUIDELINE ON ESTABLISHING KEY PERFORMANCE INDICATORS
(KPI) AND IMPLEMENTING PERFORMANCE ASSESSEMENT AT
GOVERNMENT AGENCY**

PURPOSE

This circular aims at proving an explanation and guidance to Head of Agency on
strategy, approach and steps to establish *Key Performance Indicators* (KPI) and
to implement performance assessment at respective agencies. **Guideline on
Establishing Key Performance Indicators (KPI) implement performance
assessment at Government Agency** is in Appendix attached to this circular.

BACKGROUND

2.   Malaysia Civil Service is able to achieve world class through
implementation of programs that focus on five areas:

    a.   mind and attitude that strive for excellence
    b.   noble ethics
    c.   knowledge- and skill-based human resource development
    d.   performance-based work culture
    e.   strong leadership capacity

3.   Therefore, Government has proposed that performance-based work culture to be inculcated in the Civil Service. The implementation of this performance-based work culture aims to upgrade the quality of delivery services at Government agencies for the customers.

4.   Several efforts have been made before this that focused on the same purpose, including individual and organizational performance assessments through Annual Work Objective (SKT), competency evaluation under Malaysia Pension System (SSM), assessment on efficiency of Quality Management System through MS ISO 9000 and Total Quality Management (TQM), ability to resolve problems innovatively through Quality Circle Group (KMK) and benchmark best practices through Quality Awards in Civil Service. Customer Charter is also established at Government agencies and it becomes a service quality standard that can be measured to assess the achievement and performance of an agency.

GUIDELINE USAGE

5.   The attached **Guideline on Establishing Key Performance Indicators (KPI) implement performance assessment at Government Agency** with his letter is to provide an assessment system that is more organized, complete, and comprehensive. This guideline, among others, explains the following matters:

a. Process-based Model for Performance Assessment of Government Agency
b. Steps to establish KPI and implement performance assessment at Government agency
c. Strategies to establish KPI and implement performance assessment at Government agency

6.   Government agencies, which have implemented MS ISO 9000, have a basis and experience that will ease such agencies to implement this directive. In addition, the implementation of this Development Administration Circular (PKPA) will strengthen and complement assessment efforts that are parts of MS ISO 9000 standard. The requirement to assess the performance in circular should be conducted at least **once in every quarter each year.**

7.   The Task Force to Reduce Bureaucratic Procedures at the Ministry is responsible to monitor the implementation of performance assessment at the Ministry and agencies under the Ministry. Performance assessment must be implemented continuously to upgrade the excellent service delivery of the Government agency for the customer.

ENFORCEMENT

8.   This circular should be implemented completely at agency's frontline especially agency that offer counter services to public and community of trade and industry. In addition, other agencies besides frontline services should also implement this circular.

9.   Depending in the acceptance by respective authorities, the allocation in this circcular is extended to all State Civil Service, Statutory Body, and Local Authority.

EFFECTIVE DATE

10. This Letter of General Directive is effective form the date it is issued.

"SERVICE TO THE NATION"

TAN SRI SAMSUDIN BIN OSMAN
Chief Secretary to the Government

GUIDELINE TO DEVELOP
KEY PERFORMANCE INDICATORS (KPI)
AND IMPLEMENT PERFORMANCE
ASSESMENT IN GOVERNMENT AGENCY

Malaysian Administrative Modernization and Planning Unit (MAMPU)
Prime Minister's Department

CONTENTS

GUIDELINE TO DEVELOP KEY PERFORMANCE INDICATORS (KPI) AND IMPLEMENTING PERFORMANCE ASSESSMENT AT GOVERNMENT AGENCY

PURPOSE

This guideline is to provide descriptions on the model, steps and strategy in developing the Key Performance Indicators (KPI) and implementing performance ASSESSMENT at the Government agency.

TERMINOLOGY

2.   A few terminologies used in this guideline are as followed:

(a) Core business:	Agency responsibility in line with the vision and mission of the agency;
(b) Core process:	Functions under the core service that need to be carried out to provide service for customers;
(c) Service Delivered to Customers:	Service provided by the core process to be delivered to customers in line with the core service;
(d) Customers:	Receiver or service user provided by the agency;
(e) Key Performance Indicators (KPI):	key performance indicators determined as the basic to measure performance;
(f) Performance Target:	Target set for every KPI to enable performance measured; and
(g) *SMART*:	Specific, measurable, achievable, realistic and time bound.

BACKGROUND

3.   Government has suggested for the work culture based on performance inculcated in the Civil Service. This performance assessment is to upgrade the quality of delivery service of the Government agency to the customers specifically the public.

4.   Government Agency is developed to offer service to the customers. Service that needs to be delivered by the agency is determined by the function of the agency, in line with the vision, mission and objective of the agency. To ensure that the service delivered is of quality in line with the function, vision and mission of the agency and fulfilled the customers' needs, Government agency needs to assess the performance of the service. The outcome of the assessment on services delivered to customers will depict the overall performance of the agency.

BASIC PRINCIPLES OF PERFORMANCE ASSESSMENT AT THE GOVERNMENT AGENCY

5.   The implementation of the performance assessment at the Government agency is based on the basic principles as followed:

(a) Performance assessment at the Government agency is to evaluate the quality of service delivery for customers.

(b) The focus of this assessment is on the main services delivered by the agency to customers.

(c) These main services are assessed in term of the process to provide and deliver it to the customers and the level of customers' satisfaction towards the services offered.

(d) For a start, the implementation of the assessment at the Government agency is made based on the current process of the agency.

(e) The implementation of the performance assessment requires the agency to develop KPI and determine the performance target as a basis to the assessment.

(f) The set performance target must take into consideration the following matters:

(i) Process capability which covers the work flow, the requirement for human resource, financial, equipment, infrastructure and environment appropriate to provide service to customers.

(ii) Needs, expectation and feedback from customers.

(g) Performance target set to assess KPI must fulfil *SMART* criteria (which are *specific, measurable, achievable, realistic, time bound)*

(h) Assessment, evaluation, observation and improvisation action need to be implemented continuously.

(i) Service delivered to customers need to be reviewed occasionally to ensure it is always relevant and effective.

PROCESS-BASED PERFORMANCE ASSESSMENT MODEL OF THE GOVERNMENT AGENCY

6.   The performance assessment at the Government agency is conducted using the Process-Based Performance Assessment Model of Government Agency. The model is as in **Diagram 1.**

DIAGRAM 1

PROCESS-BASED PERFORMANCE ASSESSMENT
MODEL OF GOVERNMENT AGENCY

VISION and MISSION
Determine the Core Service
Determine the Key Processes
Identify Service Delivered
Develop KPI and Determine Performance Target
Assess and evaluate Performance
Monitor Performance Level
Performance Improvisation
Obtain Customers' Feedback

Evaluate Continuously

Review The Performance of Agency

Service of Customers' Satisfaction
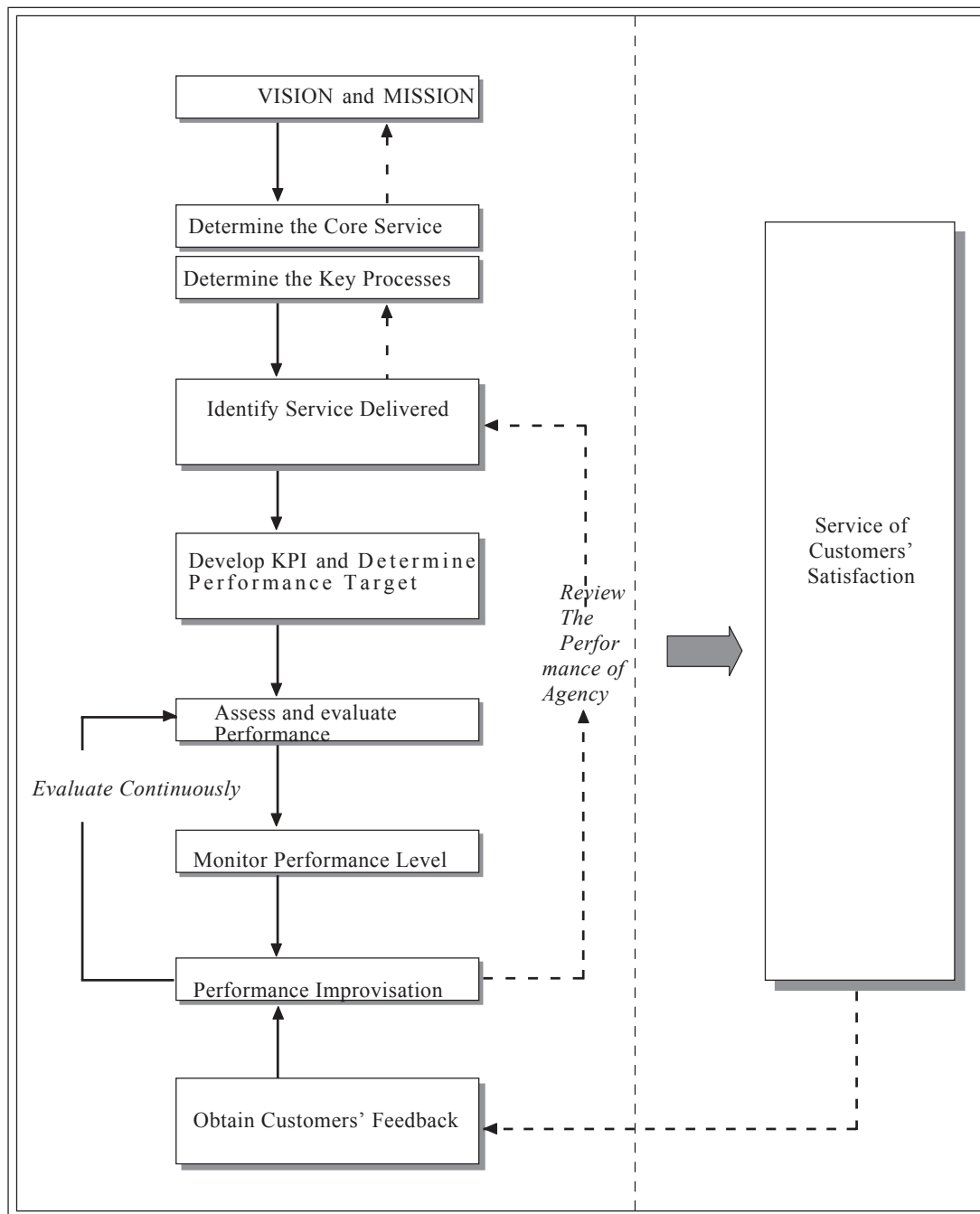
7.   Government agency needs to start the assessment implementation by determining the core business of each agency in line with the vision, mission and objective of the agency. Next, the agency needs to determine all the core process and identify service requirements to be provided and delivered to customers under each of the core process. All services delivered by the Government agency to customers needs to be assessed to evaluate its performance.

8.   Assessment implementation require agency to develop KPI and determine the performance target fro each KPI as a basis to assess each service performance. KPI developed must cover aspect of efficiency and effectiveness of the core processes in producing and delivery service to customers and aspect of customers' satisfaction towards the service received.

9.   The efficiency of the core processes to provide and deliver service to customers is assessed specifically, in term of how fast and accurate the service provided and delivered to customers.   The effectiveness is assessed in term of the number of output produced within a time fixed as planned whereas the productivity of human resource and financial to produce the output is also assessed. The customers' satisfaction is assessed specifically in term of complaints given in written feedback within time fixed, valid complaints solved and the level of customers' satisfaction gathered through the Customers' Satisfaction Form for Counter Service, and study on the level of customers' satisfaction implemented.   This KPI is a basic KPI that must be developed by the Government agency. However, apart from this basic KPI the agency may develop other KPI found appropriate to assess its own performance.

10.   The performance of service production and delivery requirements to be assessed, evaluated, monitored and improvised continuously so that the service can be delivered to customers quickly, accurately, and effectively.   Apart from that, Government agency needs to review the service delivered to customers holistically to ensure it is always relevant and effective in line with the vision, mission and objective of the agency and the customers' needs. This review must be implemented occasionally or when changes occur, among which are changes in policy, structure, and environment.

STEPS IN DEVELOPING KPI AND IMPLEMENTING PERFORMANCE ASSESSMENT AT THE GOVERNMENT AGENCY

11.   Steps need to be implemented by Government agency to establish KPI and carry out performance assessment at respective agencies as shown in **Diagram 2**.

DIAGRAM 2: STEPS IN DEVELOPING KPI AND IMPLEMENTING PERFORMANCE ASSESSMENT AT THE GOVERNMENT AGENCY
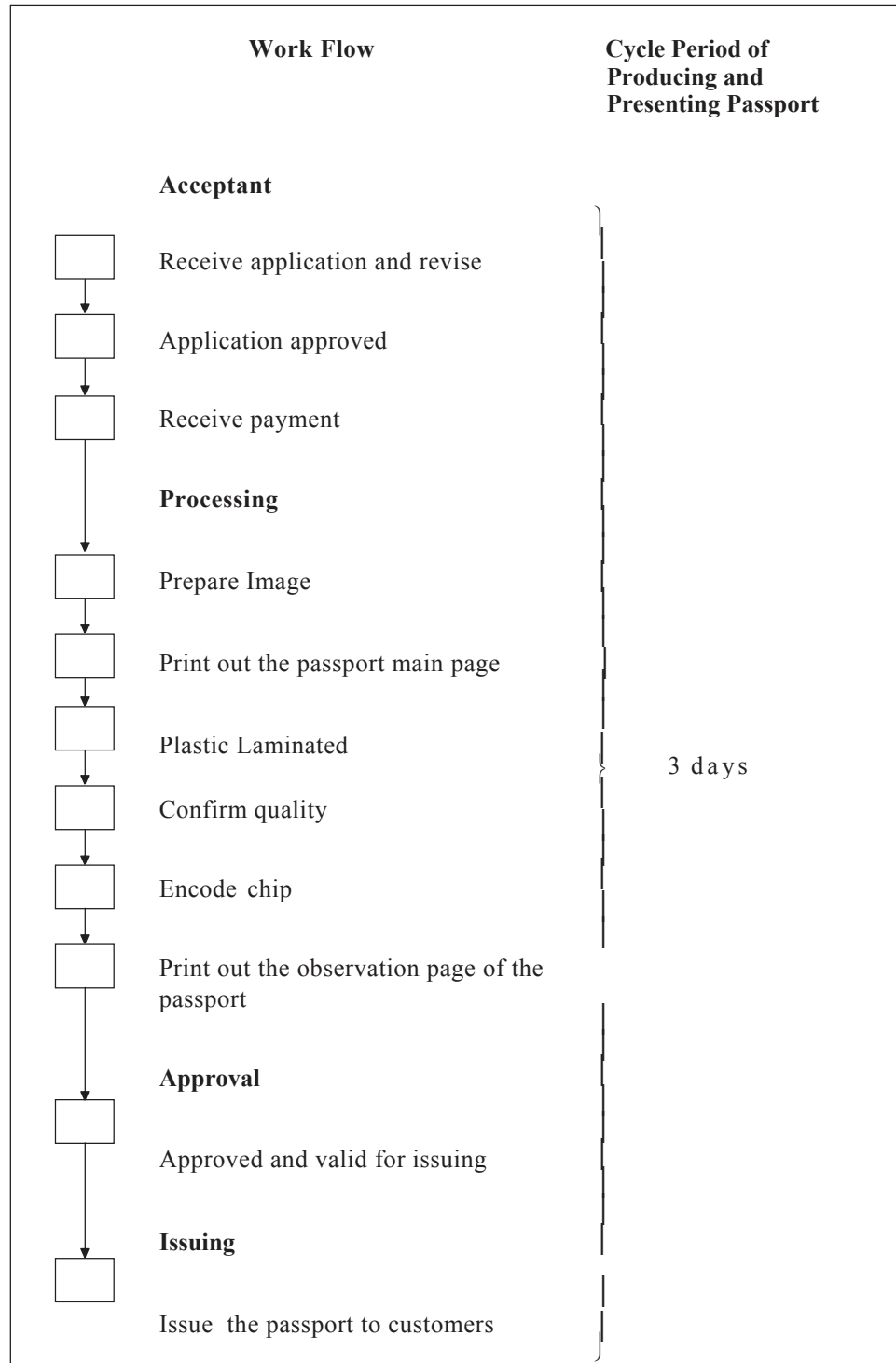
PERFOR
MANCE
LEVEL

Performance
Improvisation

Monitor
Performance
Level

Step 4

Evaluate
Continuously

Access and
Evaluate the
Performance

Step 3

Develop KPI
and Determine
the Performance
Target

Step 2

Step 1

TIME

9

Step 1:   Develop KPI and Determine Performance Target

KPI needs to be developed to assess the performance of each service delivered to customers.   KPI also needs to be developed to assess the level of customers' satisfaction towards the service received. For every KPI developed, the performance target requirements to be determined to enable the particular KPI assessed. Performance target must be specific, assessable, and realistic, and can be achieved within the specific time.   For this purpose, agency needs to tae into consideration of the work load and process capability which covers working style, requirement for the current human resource, financial, equipment, infrastructure, and environment when deciding on the assessment target.   For agency which has carried out MS ISO 9000, quality objective set can be used in developing KPI and setting the performance target. Agency's Costumers Carte also can be used to develop KPI and set the performance target.   Other indicators existing in the agency can also be used to develop KPI and set the performance target.

No.	Action
1	Determine the core service based in vision, mission and objective of the agency.
2	Ensure all the core process is under the core service.
3	Identify the services delivered to customers under each core process.

4	Develop basic KPI for each service covering three aspects below:
	
	    a. KPI to assess efficiency and effectiveness of process to provide and deliver service to customers.
	
	    b. KPI to assess human resource and financial productivity to provide and delivery service to customers.
	
	    c. KPI to assess customers' satisfaction towards the service received.
	
	A. KPI to measure efficiency and effectiveness of process to provide and delivery service to customers.
	
	    Basic KPI that can be developed accordingly to suitability include:
	      a. Waiting period at the counter.
	      b. Period of giving responds to customers.

No.	Action

	c. Duration of serving during the service is received.
	
	d. Cycle period of producing and delivering a service.
	
	e. Error percentage for the service delivered.
	
	f. Number of output produced within the time fixed as planned.
	
	B. **KPI to measure human resource and financial productivity to provide and deliver service to customers.**
	
	   KPI that can be developed includes:
	
	   a. Productivity of individual/a group within the time fixed.
	
	   b. Expenses used to provide and deliver a service to customer.
	
	KPI developed for A and B above is based on the work flow of every process related.
	
	C. **KPI to measure customers' satisfaction towards service received.**
	
	   Basic KPI that need to be developed includes:
	
	   a. Level of customers' satisfaction towards counter service evaluated through the Customers' Satisfaction Form.
	
	   b. Level of customers' satisfaction towards the service of the agency on the whole through the study of the customers' satisfaction.
	
	   c. Percentage of the customers' complaint taken action and given feedback within the time fixed.
	
	   d. Percentage of valid complaints solved within the time fixed.
	
	Apart from the basic KPI recommended for the three aspects above, agency may develop other KPI found suitable for assessing performance of each agency.

5	Decide on the performance target to enable every KPI assessed. This target can be decided based on the work load, experience, existing capability, and trend analysis and agency progress record.
	11

No.	Action
	Example of performance target decided by the Immigration Department is as followed:

A. Performance target to assess process efficiency and effectiveness in producing and delivering passport issuing service to customers.

          KPI   **PERFORMANCE TARGET**

a. Waiting Period   **2 hours**

Performance target of 2 hours is set from the time customers reach at the office to apply for passports until called to the counter.

b. Serving period when applying 22 minutes for passport

Performance target of 22 minutes is set from the time customers reach at the counter until service delivered complete.

c. Cycle period of producing and presenting passport   **3 days**

The cycle period of producing and issuing passport is counted starting from a complete application is received until the passport is issued to the customers.

Way to determine the performance target is as followed:
  i. Prepare the work flow chart of the passport issuing process.
  ii. Based on the chart, decide on the cycle period to produce and issue passport to customers.
  iii. Decide on the performance target using the cycle period fixed.

The performance target for KPI to assess the cycle period of producing and issuing passport is as in **Table 1.**

TABLE 1   WAY TO DETERMINE PERFORMANCE TARGET FOR THE CYCLE PERIOD OF PRODUCING AND PRESENTING PASSPORT AT THE IMMIGRATION DEPARTMENT

Work Flow	Cycle Period of Producing and Presenting Passport
Acceptant	
Receive application and revise	
Application approved	
Receive payment	
Processing	
Prepare Image	
Print out the passport main page	
Plastic Laminated	3 days
Confirm quality	
Encode chip	
Print out the observation page of the passport	
Approval	
Approved and valid for issuing	
Issuing	
Issue the passport to customers	

No.	Action

KPI	PERFORMANCE TARGET
e. Percentage of errors for passport issued to customers.	5% errors

This performance target is determined based on the percentage of passport errors made issued to the customers. This errors percentage is determined by the higher management.

KPI	PERFORMANCE TARGET
f. Number of passport produced and issued within a day	195 passports/day

This performance target is determined based on the number of passport that can be produced in a day. The way to determine the performance target is as followed:

i.   Prepare the work flow chart of producing and issuing of passport to the customers, starting from an application is received up to the issuing of passport to customers.

ii. Based on the work flow chart, determine the **actual time** taken for **every action** of producing and issuing passport to the customers.

iii. Total of actual time for every action to get the actual time of producing a passport.

iv. Count the number of passport that can be produced and issued within a day based on the actual time taken to produce and issue a passport, total of staff involved and productive work time of a day.

v.   Determine the performance target for the number of passport that can be produced and issued within a day.

The way to determine the performance target for the number of passport that can be produced and issued within a day is as in **Table 2**.

**T A B L E   2   THE WAY TO DETERMINE THE PERFORMANCE TARGET
FOR THE NUMBER OF PASSPORT THAT CAN BE PRODUCED
AND ISSUED WITHIN A DAY**

Work Flow	Actual Time For Each Action (minute)
Acceptant	
[6 PI] Receive application and revise	12
[2 PIT] Application approved	5
[2 PI] Receive payment	5
Processing	
[2 PI] Prepare image	2
[2 PI] Print passport	2
[2 PI] Plastic laminated	2
[2 PI] Quality Assured	3
[2 PI] Encode chip	2
[2 PI] Print out observation page of the passport	2
Approval	
[1 PIT] Approved and valid for issuing	5
Issuing	
[2 PI] Passport issued	10
Total of actual duration to produce and issue a passport	**50 minutes**

**Method to count the number of passport that can be produced
and issued within a day**

Actual time to process an application
(from the time application is received
to the issuing of passport to
customers)   =   50 minutes

Productive work period of a day   =   6.5 hour/day x 60 minutes
                                                   =   390 minutes/day

Number of staff involved in producing
and issuing passport   =   25 people

Total of productive work period in a day = 390 minutes/day x 25 people
of all staff involved

                                                   =   9,750 minutes/ day

Number of passport that can be
produced and issued   = $\frac{9{,}750 \text{ minutes/day}}{50 \text{ minutes/passport}}$

                                                   =   195 passports

**Number of passport produced
and issued to customers in
a day**   =   **195 passports/day**

Guide:

[Figures] = **Number of Officers**

PI   =   **Immigration Officer**

PIT   =   **Superior Immigration Officer**

No.	Action
	B. **Performance target to assess human resource and financial productivity of producing a passport.**

Productivity of the human resource affects the efficiency and effectiveness of the process in producing and issuing passport to customers.

KPI	PERFORMANCE TARGET
a. Individual/s group productivity of a day	Target is as in Table 3

This performance target is determined based on the productivity of an individual / a group in a day. The way to determine the performance target is as followed:

i. Identify the actual time taken by individual / a group for very action to produce and issue a passport based on the work flow chart.

ii. Count the number of passport that can be produced and issued by an individual / a group within the a day based on the actual time period and productive work period in a day.

iii. Determine the performance target for the number of passport that can be produced and issued by an individual / a group within a day.

The way to determine the performance target of the individual / group productivity in producing and issuing a passport is as in **Table 3.**

b. **Expenses used**

Assessment for this KPI may be implemented at the Immigration Department.

No.	Action
	C. **Performance target to assess customers' satisfaction towards the service of producing and issuing passport.**

KPI   **PERFORMANCE TARGET**

a. Customers' satisfaction   **95% customers are**
towards the counter service   **satisfied**

The level of customers' satisfaction towards the counter is evaluated using the Customers' Satisfaction Form

b. Customers' satisfaction   **95% are satisfied**
level for the overall service
of agency

The customers' satisfaction towards the service of the agency on the whole may be assessed through the study on the level of customers' satisfaction implemented according to the prescribed schedule.

c. Percentage of customers'   **100% of complaints**
complaint taken action over and   **are given feedback**
given feedback within 7 days   **within 7 days**

Duration determined starting from the date complaint received, taken action and feedback given to the complainer.

d. Percentage of valid complaints   **95% of**
solved within 30 days   **complaints**
                                         solved within
                                         30 days

Duration is determined starting from the date complaint received up to the complaint solved and customers informed.

Step 2 : Assess and Evaluate Performance

After KPI is developed and deciding on the performance target for every KPI, agency must execute performance assessment and evaluation by comparing the actual progress with the performance target determined, making cause analysis of the difference and suggest the improvisation action to the higher management of the agency.

No.	Action
1	List KPI and performance target determined.
2	Gather data on the actual progress for every KPI.
3	Compare actual progress with the performance target for every KPI.
4	Calculate the progress percentage for every KPI and identify the progress difference.
5	Do analysis and conclude on the performance progress for every service delivered to customers based on all progress KPI developed for every service.
6	Do analysis on the difference and study the cause for the difference.
7	Prepare report on the level of performance progress of the agency on the whole consisting: a. Analyse the performance target progress for every service. b. Analysis on the actual progress difference to the performance target of every KPI determined. c. Analysis on the causes of the difference occurrence. d. Rectification action and improvisation suggestion to upgrade the service performance level delivered to customers.

Step 3: Monitor Performance Level

Head of Agency is responsible to monitor the service performance delivery for customers continuously. Head of agency needs to report the performance progress of his agency to the Task Force to Reduce Bureaucratic Procedures. Task Force to Reduce Bureaucratic Procedures needs to ensure the service delivered to customers is of effective, effective and fulfil the customers' needs at all time. This Task Force is responsible to monitor, re-evaluate, and improvise the performance of the agency consistently and berkala. The feedback of the observation needs to be the fixed meeting agenda of the Task Force to Reduce Bureaucratic Procedures. Task Force also needs to review requirement of human resource, financial, tools and equipment needed to conduct the task effectively.

No.	Action
1	Head of **Agency** Review matters below and prepare report to the Task Force to Reduce Bureaucratic Procedures Meeting: a. Performance progress for each service delivery to customers. b. Level of customers' satisfaction on the service delivery. c. Problem, issue, difference and its. d. The requirement for human resource, financial, tool and equipment needed. e. The capability to produce and deliver service to customers.
2	**Task Force to Reduce Bureaucratic Procedures** Review report of the agency progress and decide on the level of service performance delivered by the agency to customer by giving the focus to: a. Upgrade the efficiency and effectively of the process through: i. Reengineering process to improvise and stabilise processes in the agency by suspending overlapping steps, repeated, not relevant and not having additional value. PKPA

No.	Action
	Nol. 1 Year 2002 entitled **Guideline to Revise the Procedure and Work Process at Government Agency** can be of a reference and guide for this purpose.

      ii.   Implement the power delegation and empowerment approach to ensure service can be delivered quickly and efficiently.

     iii.   ICT usage to upgrade the efficiency of process implementation where time duration to provide service can be reduced.

b.   Implementing research and development and producing innovation to improvise service production process capability.

c.   Competency upgrade of the agency member through training, course and relocateas well as study every field of competency set.

d.   Preparation of appropriate and sufficient tools and equipment to carry out process of service producing and delivering quickly, accurately, efficiently and effectively.

Step 4: Performance Improvisation
Head of Agency needs to take improvisation action based on the decision of Task Force to Reduce Bureaucratic Procedures .

No.	Action
1	Implement the improvisation as decided by the Task Force to Reduce Bureaucratic Procedures
2	Reporting the improvisation implementation status to the Meeting of the Task Force to Reduce Bureaucratic Procedures once a month. Further action is repeating step 2 up to step 4. This action must be done continuously to further improvise agency performance level on the whole to the more excellent level and upgrade the customers' satisfaction towards the service delivered. For example, to upgrade passport issuing process efficiency and effectiveness, the Immigration Department has reviewed the overall process and implement reengineering. Review and reengineering are carried out because the Department found the capability process cannot cater for the number of applications received every day amounting more or less 380 applications. Capability of the producing and issuing passport before the improvisation effort implemented is as in Table **4.**

No.	Action

	Based on the example in Table **4**, Department is found incapable to process 380 passport applications received specifically at the level followed t:
	
	 a. Application approve
	
	 b. Accept payment
	
	 c. Approved and passport valid for issuing
	
	 d. Passport issued to customers
	
	 Department is capable of approving application and receive payment for 156 applications. At the approval level for passport valid issuing, the capability is only of 78 applications per day. Same goes to the issuing level, where department only able to issue 78 passports per day to customers. The lack of capability at these levels has caused the occurrence of delay in the passport issued to customers every day. However, the work flow of passport preparation using machine such as preparation of image, printing, making plastic lamination and encoding chip has more capability that is capable of processing up to 390 passports a day.
	
	 Based on the capability possessed, Department has set the cycle duration is of 3 days to issue passport to customers.
	
	 Department has implement improvisation on the passport issuing process by implementing efforts followed:
	
	 a. Application acceptant and payment reception is managed at the same counter to make it easy for the customers. This effort has shortened the customers' time to get a service at the counter.
	
	 b. Revise and shorten the actual time taken by each staff at all level of action in the work flow to upgrade the productivity of staff involved.
	
	 c. Combine two tasks to be implemented by only a staff for the tasks followed :
	
	     i. prepare image and print the main page of the passport;
	
	     ii. make plastic lamination and quality assurance review; and
	
	     iii. make encoding chip and print out observation page of the passports.

No.	Action

	Outcome of the improvisation effort implemented, passport producing and issuing process can be upgraded its efficiency and effectiveness as followed:
	
	  a. Serving duration when receiving service (from the first application is issued to the payment made) reduce from 22 minutes to 6 minutes.
	
	  b. Cycle time duration to produce and issue passport to customers is shortened from 3 days to 24 hours.
	
	  c. Number of passport managed to produced and issued to customers increase from 195 passport per day to 390 passports per day.
	
	  d. Number of staff involved can be reduced from 25 people to 17 people.
	
	After improvisation implemented the capability of passport producing and issuing process has increased from 390 per day as in **Table 5.**

No.	Action
	Based on this improvisation, Immigration Department has decided on the new performance that is: **A. Performance target for measuring efficiency and effectiveness of key process to provide and deliver service to customers.** **KPI** **PERFORMANCE TARGET** a. Waiting period at the counter 1 hour b. Serving period when making 6 minutes passport application c. Cycle period of producing and 24 hour passport issuing The way to determine the new performance target for the cycle period of producing and passport issuing after the improvisation effort on the process is as in **Table 6.** d. Percentage of error for passport 0% error issued e. Number of passport produced in a day 390 passports/day The way to determine the new performance target for the number of passport produced and issued after improvisation effort on the process is as in **Table 7.**

TABLE 6: **THE WAY TO DETERMINE NEW PERFORMANCE TARGET WITHIN THE CYLCE OF PRODUCING AND ISSUING PASSPORT AFTER IMPROVISATION EFFORT**

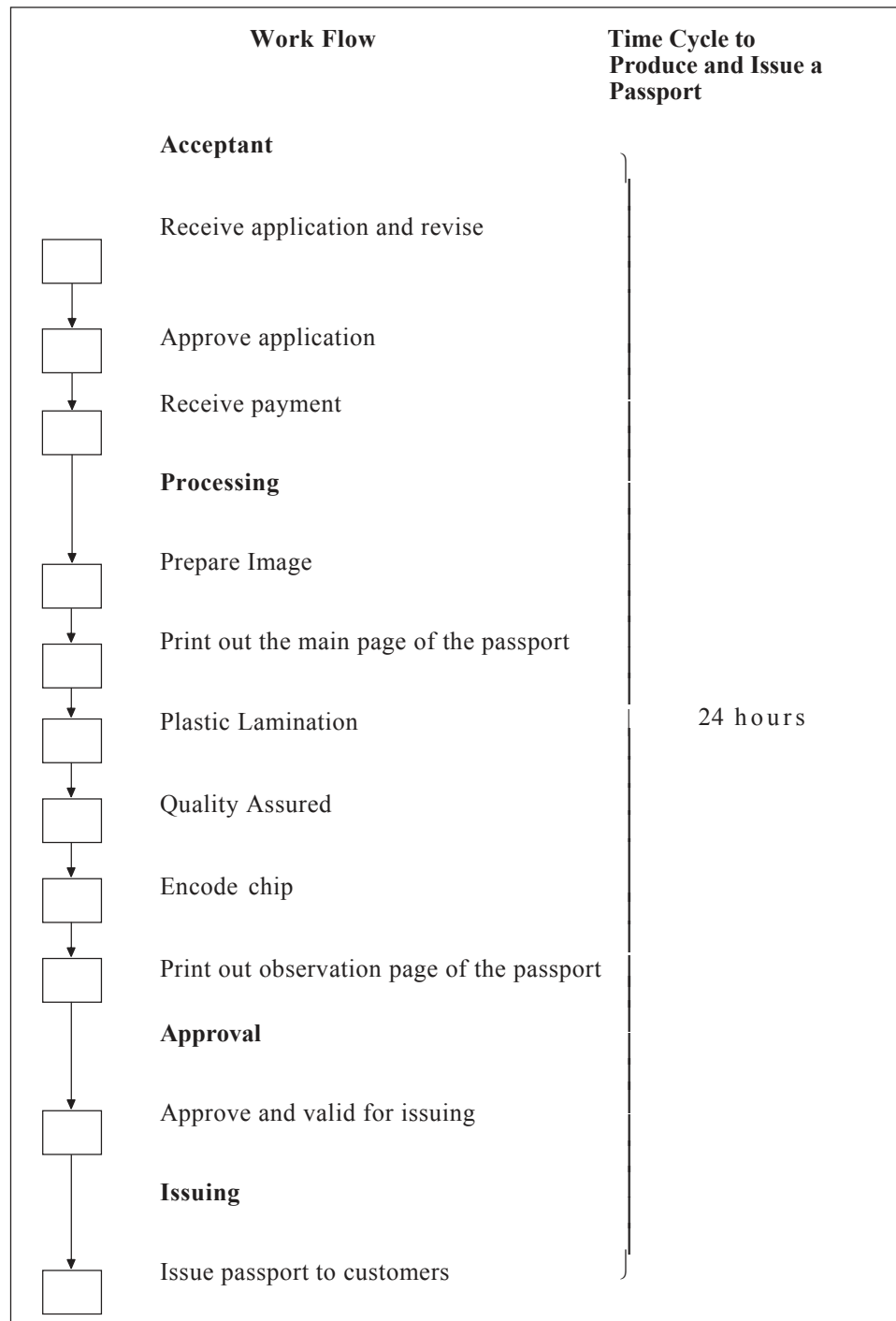| Work Flow	Time Cycle to Produce and Issue a Passport
Acceptant	
Receive application and revise	
Approve application	
Receive payment	
Processing	
Prepare Image	
Print out the main page of the passport	
Plastic Lamination	24 hours
Quality Assured	
Encode chip	
Print out observation page of the passport	
Approval	
Approve and valid for issuing	
Issuing	
Issue passport to customers	

T A B L E 7: THE WAY TO DETERMINE PERFORMANCE TARGET FOR NUMBER OF PASSPORTS THAT CAN BE PRODUCED AND ISSUED IN A DAY AFTER THE IMPROVISATION EFFORT

Work Flow	Actual Time for Each Action (minutes)
Acceptant	
6 PI — Receive application and revise	5
2 PIT — Approve application	2
* — Accept payment	1
Processing	
2 PI — Prepare image	1
Print out main page of the passport	1
2 PI — Plastic Lamination	1
Quality Review	1
2 PI — Encode chip	1
Print out observation page of the passport	1
Approval	
1 PIT — Approved and valid for issuing	1
Issue	
2 PI — Issue passport to customers	2
Total of actual time to produce and issue a passport	**17 minutes**

Method to calculate the number of passports that can be produced and issued in a day after the improvisation effort

Total actual time to process an application (from the time received to the issuing to customers) = 17 minutes/passport

Productive Work Time in a day = 6.5 hours/day x 60 minutes
= 390 minutes/day

Number of staff involved in producing and issuing of passport = 17 people

Total of productive work time in a day for all staff involved = 390 minutes/day x 17 people

= 6,630 minutes/day

Number of passport that can be produced and issued in a day = $\dfrac{6,630 \text{ minutes/day}}{17 \text{ minutes/passport}}$

= 390 passports

Number of passport produce and issue to customers in a day = 390 passports/day

Guide:

Figures	=	**Number of Officer**
PI	=	**Immigration Officer**
PIT	=	**Superior Immigration Officer**
*	=	**Implemented by application acceptant PI**
}	=	**Implemented by the same PI**

29

No.	Action
	B. **Performance target for measuring human resource and financial productivity to produce and issue passport to the customers.**

KPI   **PERFORMANCE TARGET**

a. Individual/a group productivity in a day target   Target Performance is as in **Table 8**

b. Expenses used   Yet to be implemented

C. **Performance target for measuring customers' satisfaction**

a. Level of customers' satisfaction towards the counter service   100% of customers are satisfied

b. Level of customers' satisfaction towards the overall service of the agency   100% of customers are satisfied

c. Percentage of customers' complaint given feedback within 3 days   100% of complaints given feedback within 3 days

d. Percentage of valid complaints solved within 30 days   100% of complaints solved within 30 days

REVIEW ON THE SERVICE PERFORMANCE

12.   Apart from implementing assessment continuously, agency needs to review the service delivery to customers on the whole. This is to ensure the service is in line to the vision, mission and objective of the agency and delivered efficiently, effectively and fulfil the customers' needs.   This review is to evaluate matters below:

   (a) Service delivered to customers is in line with the vision, mission and objective of agency.

   (b) Service delivered to customers is still relevant.

   (c) Service deliver to customers is fast, accurate, efficient and effective.

   (d) Sources are use to the optimum and efficiently to provide service that fulfils the customers' needs.

13.   For this purpose agency needs to identify and analyse matters below:

   (a) Problem, issue, challenge, opportunity and obstacle to the agency vision, mission and objective progress.

   (b) Needs and hope of the management in line with the program agreement of the agency, customer and stakeholders.

STRATEGY TO DEVELOP KPI AND IMPLEMENTATION OF THE PERFORMANCE ASSESSMENT   OF THE GOVERNMENT AGENCY

14.   To implement the performance assessment based on the model and implementation procedures recommended in this circular, Heads of Government Agency needs to implement actions below:

   (a) Determine the policy on the implementation of the performance assessment.

   (b) Form the Agency Performance Assessment Committee. This committee must consist of all Heads of Section in the agency and chaired at least by Deputy Head of Agency. Government Agency may use the existing committee to implement the task of this committee. The committee tasks are:

      (i) Give comprehension and skill practise to all agency members to implement assessment.

      (ii) Develop KPI and determine the Performance Target (Step 1).

      (iii) Assess and Evaluate Performance (Step 2).

(iv) Monitor Level of Performance (Step 3).

(v) Performance Improvisation (Step 4).

(vi) Report the outcome of performance assessment to the higher management continuously.

(c) Implement the performance assessment of the agency every quarterly of the year.

(d) Supervise, control and monitor the implementation of the performance assessment at the agency.

(e) Gain customers' feedback on the service delivery including through the use of Customers' Satisfaction of the Counter Service Form and implement study on the customers' level of satisfaction consistently and occasionally.

(f) Make analysis and prepare report on the performance assessment and report the outcome of assessment to Task Force to Reduce Bureaucratic Procedures.

(g) Review holistically service delivery to customer to ensure it is still relevant and effective in line with vision, mission, objective of the agency and customers' needs.

CONCLUSION

15.   Work culture based on performance needs to be practised holistically. This culture needs to be inculcated at all Civil Service levels. All agencies at the Federal, State, District and Local Government Authority level must take step to develop KPI, and implement the performance assessment to see the performance level of the agency.   The agency also needs to take the improvisation action continuously to upgrade the quality of the service delivery to the level of customers' satisfaction.   The effective implementation of the performance assessment at the Government agencies is believe to realise the wish to develop work culture based on the performance in Malaysia Civil Service.

PNMB