



MALAYSIAN TRANSPARENCY PERCEPTION SURVEY 2007

PERSPECTIVES FROM MEMBERS OF THE PUBLIC AND CORPORATE SECTOR ON THE STATE OF TRANSPARENCY AND INTEGRITY IN MALAYSIA

March 5th 2007

Prepared by
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Methodology (Members of the Public)

1. The survey of members of the public was conducted utilizing Merdeka Center's Household Telephone Database whereby interview calls are distributed throughout Peninsular Malaysia
2. In total, 1,025 respondents provided completed feedback using a structured questionnaire instrument. Each respondent is defined as an adult aged 20 or older. Only one respondent was selected from each household.
3. A structured random probability sampling was used to select the sample involving the following stages:
 - Selection of state-based telephone blocks from Merdeka's National Household Telephone Database
 - Random selection of respondents from each state; and
 - Listing of all sampled households and contacting the respondents for interviews.
4. Interviews were conducted between 30th November to 8th December 2006

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Methodology (Corporate Sector)

1. The survey of members of the corporate sector was conducted by Transparency International Malaysia
2. In total, 411 respondents provided completed feedback using a structured questionnaire instrument. Each respondent was defined as a senior employee of a corporation incorporated or engaged in business in Malaysia
3. Questionnaires were distributed via a network comprising trade and industry organizations, corporate training organizations and directly to participating individuals
4. Questionnaires for the corporate survey were completed between 11th December 2006 and 12th January 2007

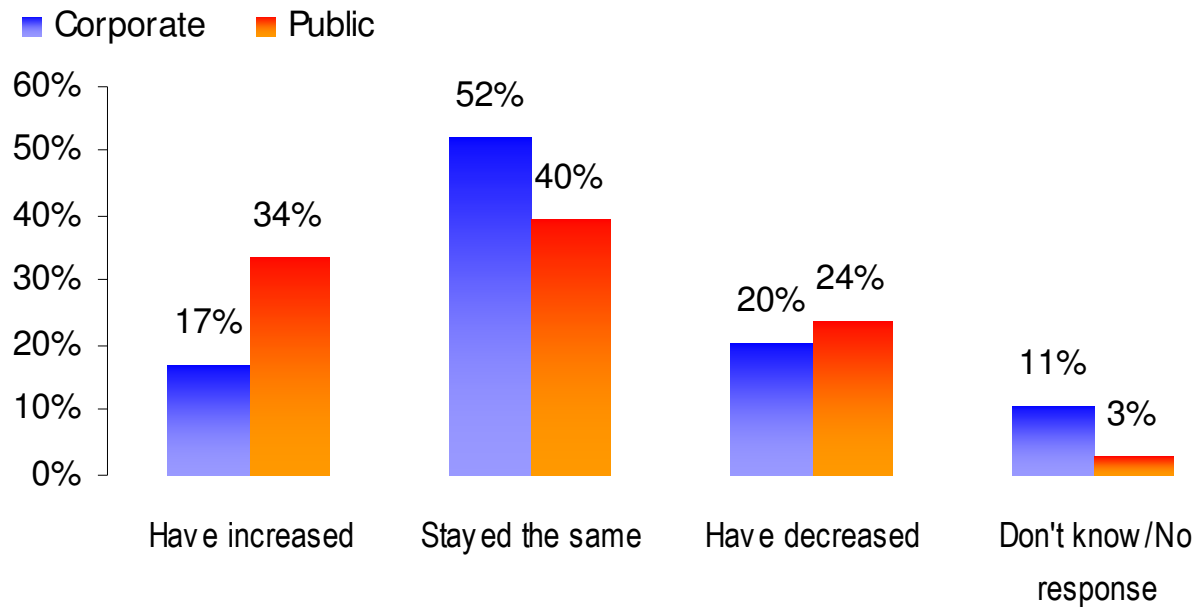
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Survey Results Opinions on Current State of Transparency & Integrity

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1. How has the transparency and integrity level in the public sector fared over the last 12 months?

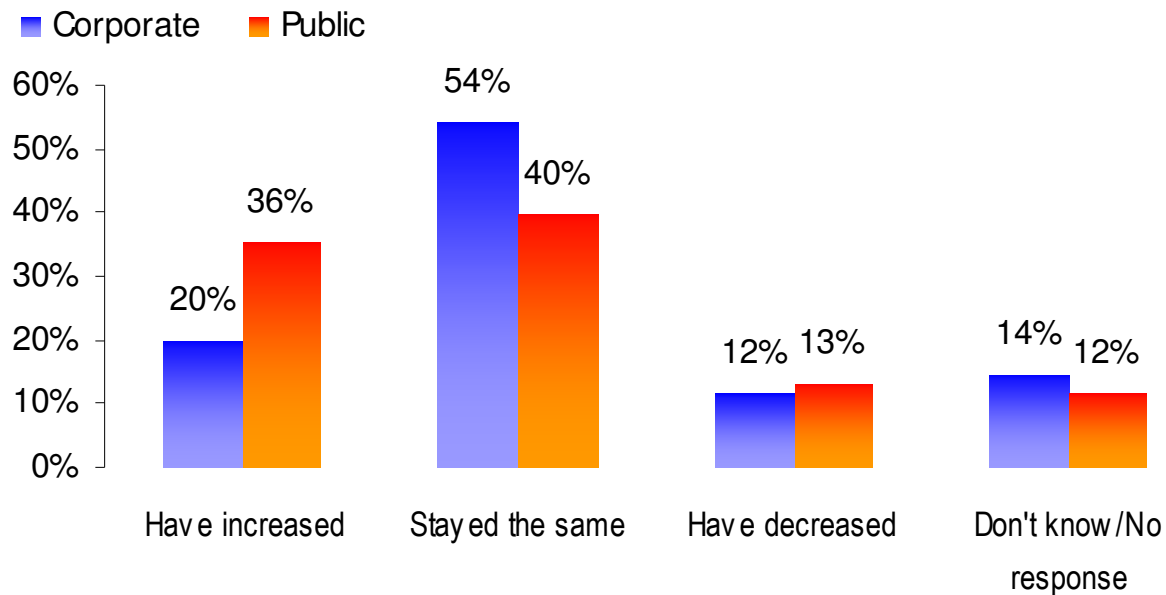
Fig 1. Perceived Public Sector Integrity



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2. How has the transparency and integrity level in the private sector fared over the last 12 months?

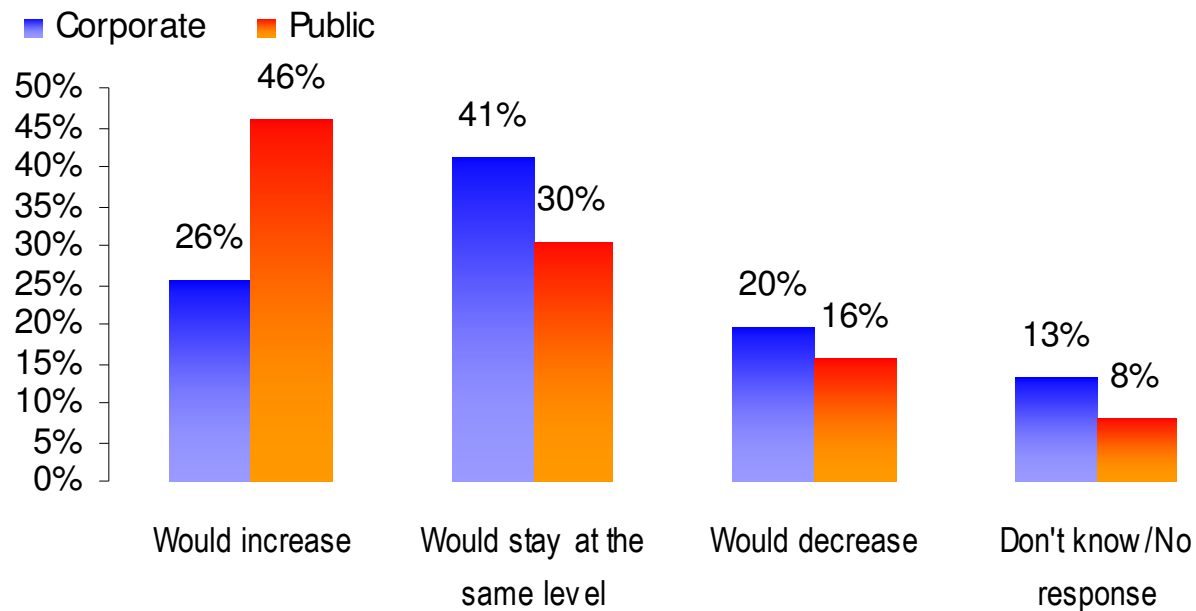
Fig 2. Perceived Private Sector Integrity & Transparency



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3. Do you expect that the level of transparency and integrity of the public sector to increase or decrease in the next 12 months?

Fig 3. Optimism over Public Sector Integrity & Transparency

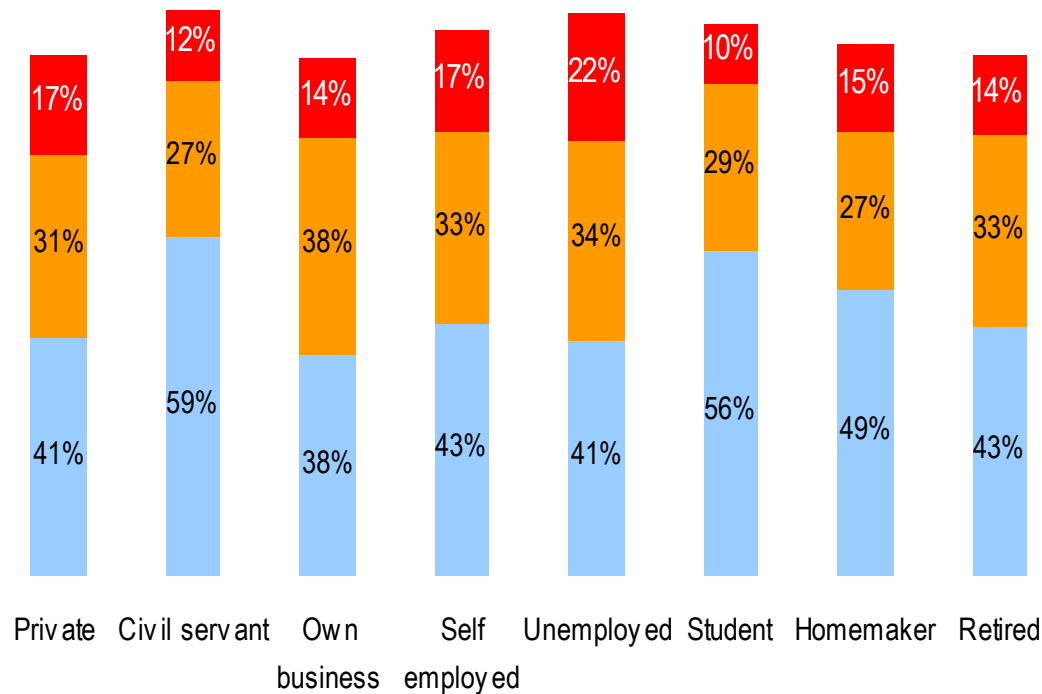


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3. Do you expect that the level of transparency and integrity of the public sector to increase or decrease in the next 12 months?

Fig 3B. Public Optimism over Public Sector Integrity & Transparency across Segments

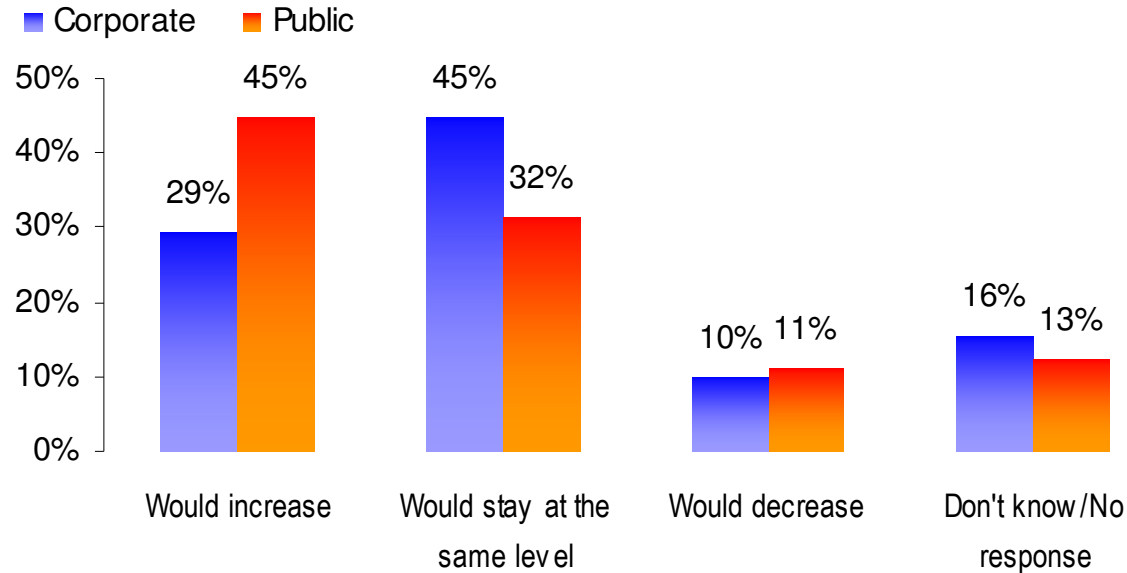
■ Would increase
 ■ Would stay at the same level
 ■ Would decrease



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4. Do you expect that the level of transparency and integrity of the private sector to increase or decrease in the next 12 months?

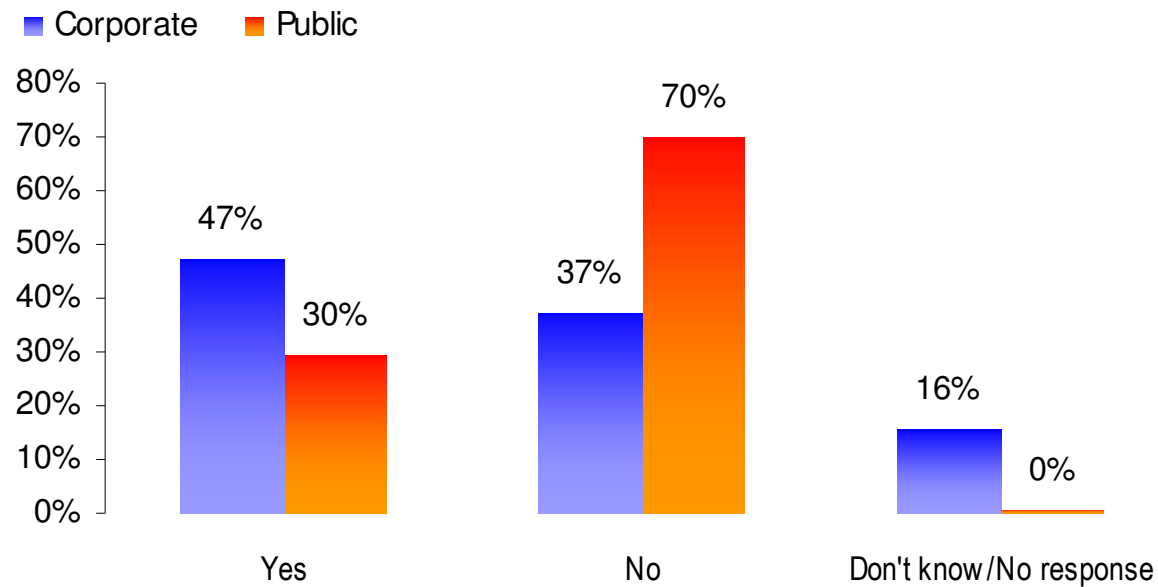
Fig 4. Optimism over Private Sector Integrity & Transparency



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5. In the past 12 months, have you or anyone in your family know anyone who had paid bribe in any form?

Fig 5. Bribe Paying Experiences over Past Year



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5. In the past 12 months, have you or anyone in your family know anyone who had paid bribe in any form?

Fig 5B. Bribe Paying Experience among the Public (By Ethnic Group)

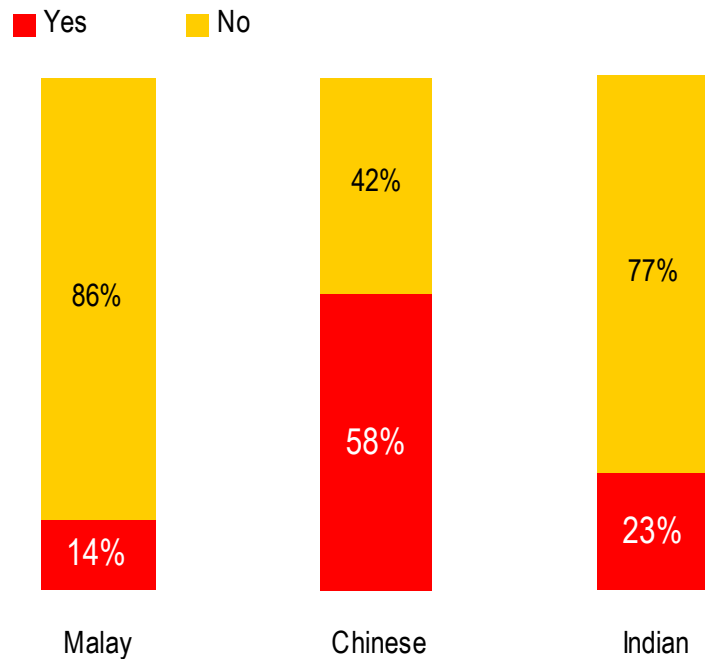
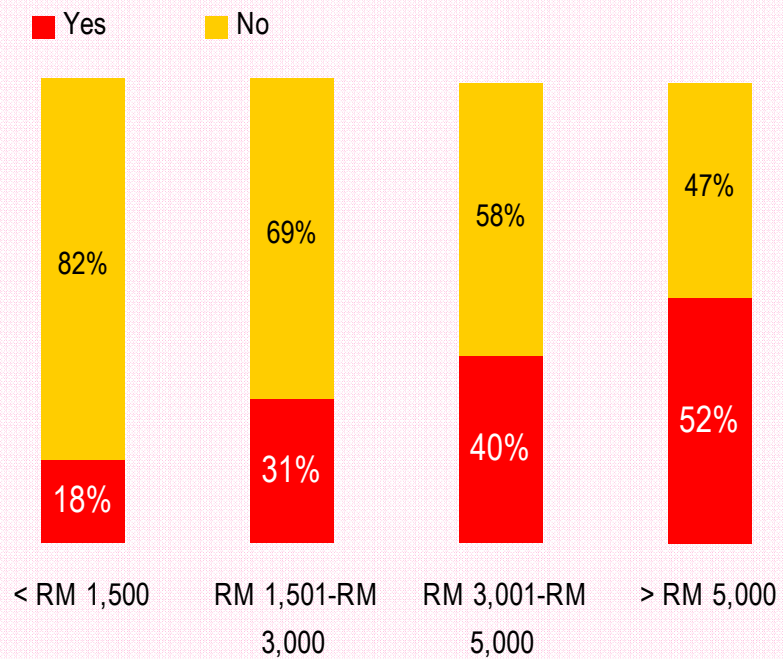


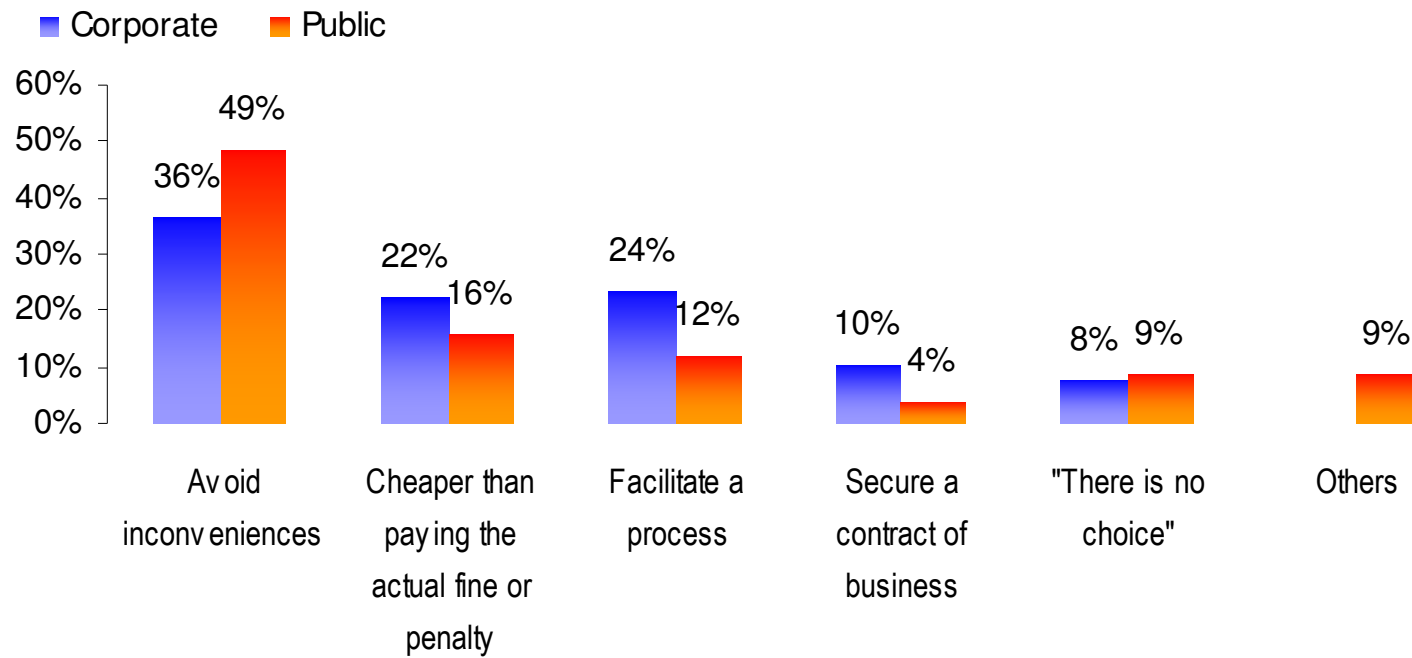
Fig 5B. Bribe Paying Experience among the Public (By Household Income Levels)



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6. (If yes Q5) what is the reason or likely reason for doing so?

Fig 6. Reasons for Bribe Paying



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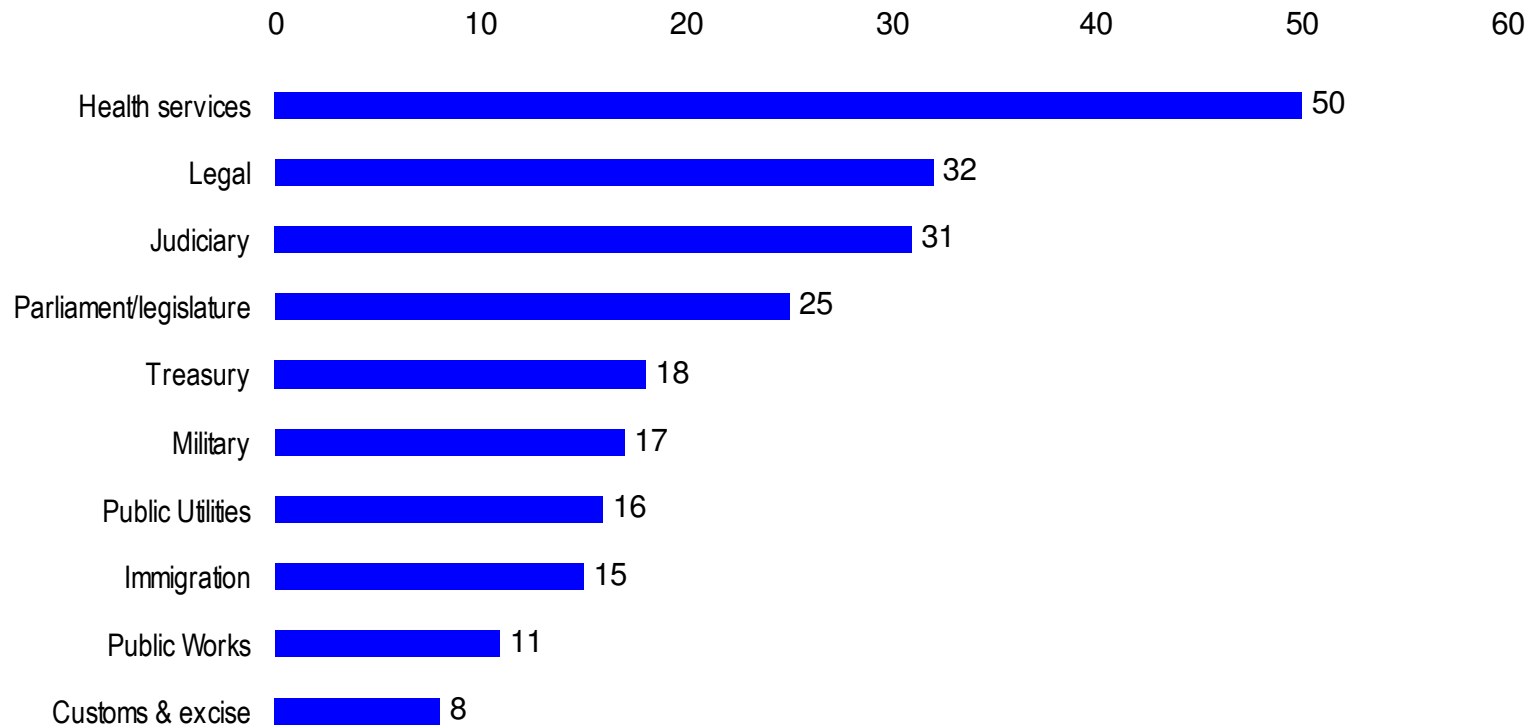
Survey Results Perceptions on Government Agencies & Industry Sectors

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Among Corporate Respondents

9A. In terms of transparency and integrity of the following public (government) sectors, please mark three sectors which you perceive as having the highest integrity:

Govt Agencies with highest perceived integrity by corporate members

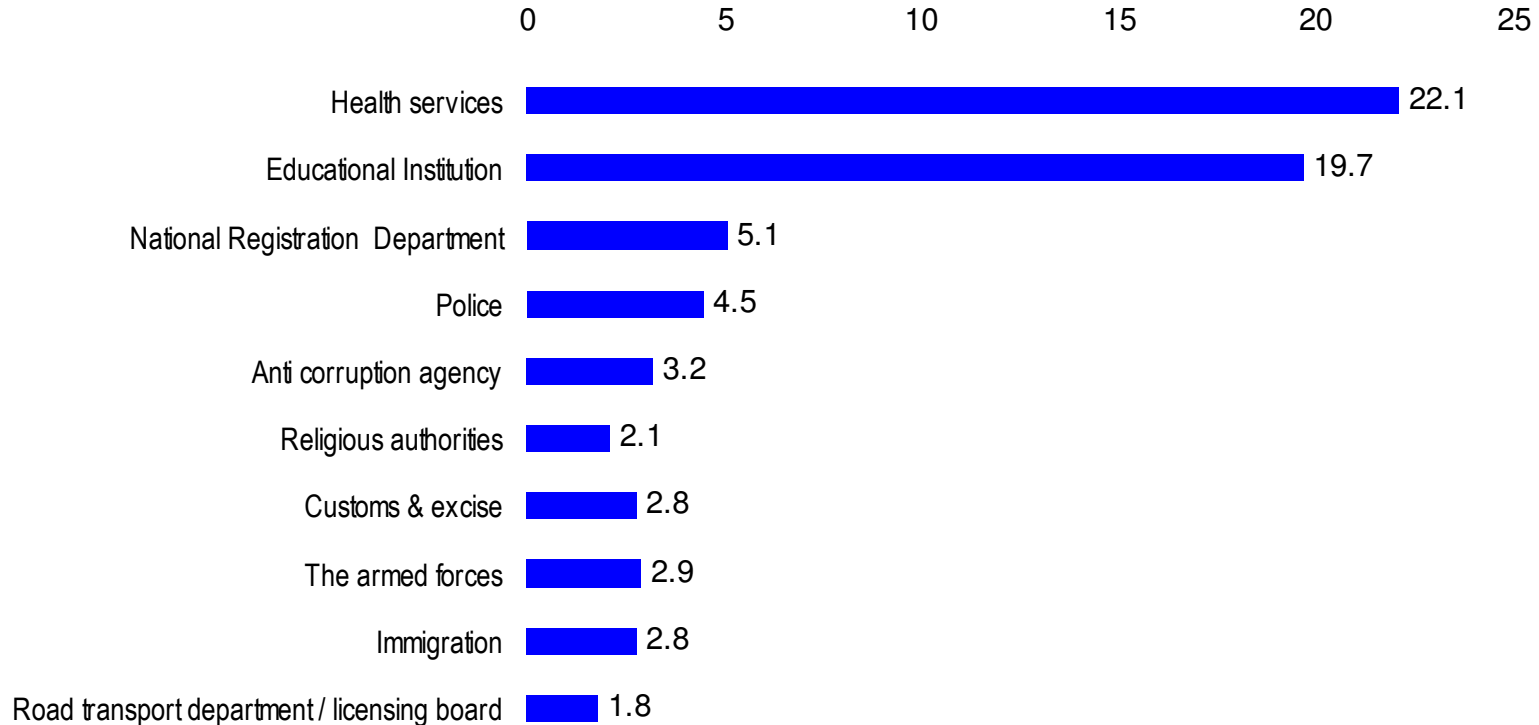


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Among Members of the Public

9B. Can you tell me the names of three government agencies or departments which you think has the highest level of integrity and transparency:

Govt Agencies with highest perceived integrity by members of the public

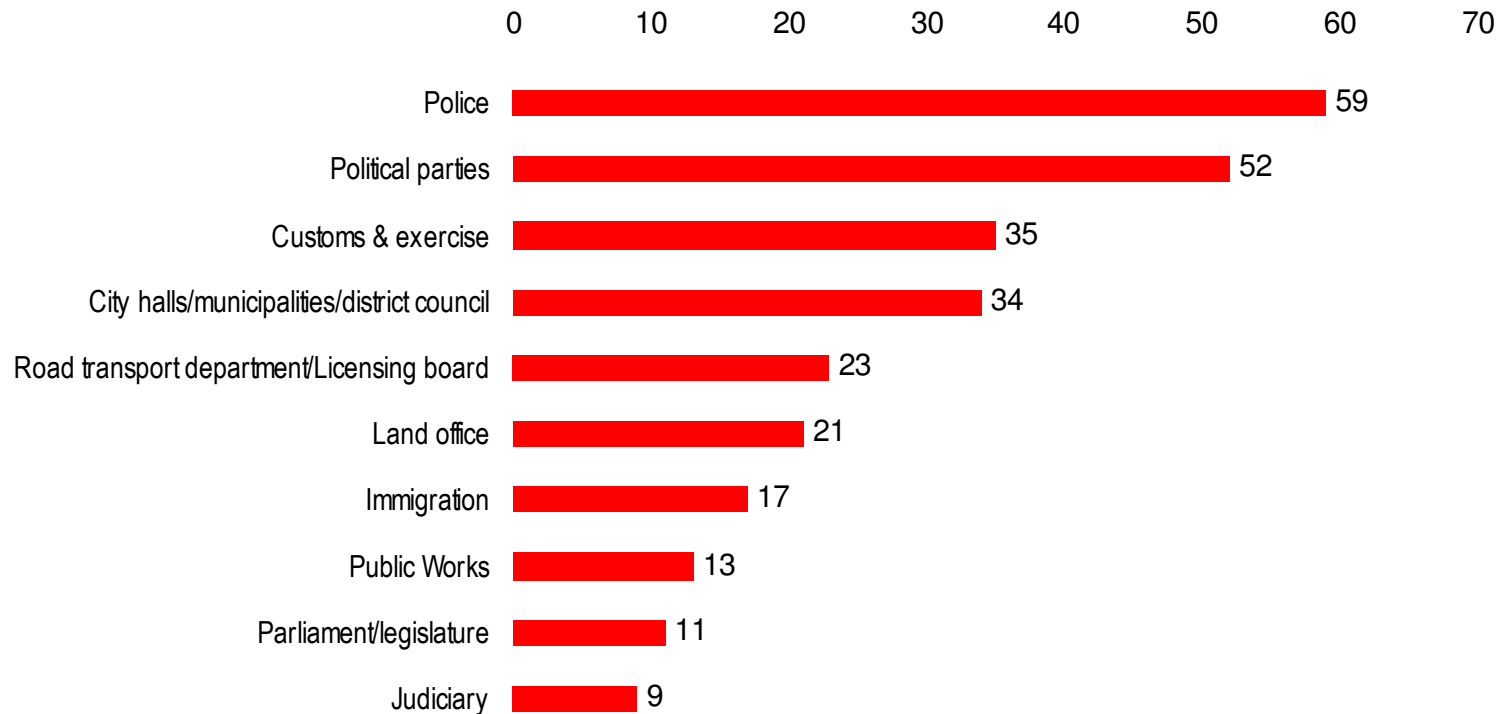


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Among Corporate Respondents

9C. In terms of transparency and integrity of the following public (government) sectors, please mark three sectors which you perceive as having the lowest integrity:

Govt Agencies with lowest perceived integrity by corporate members

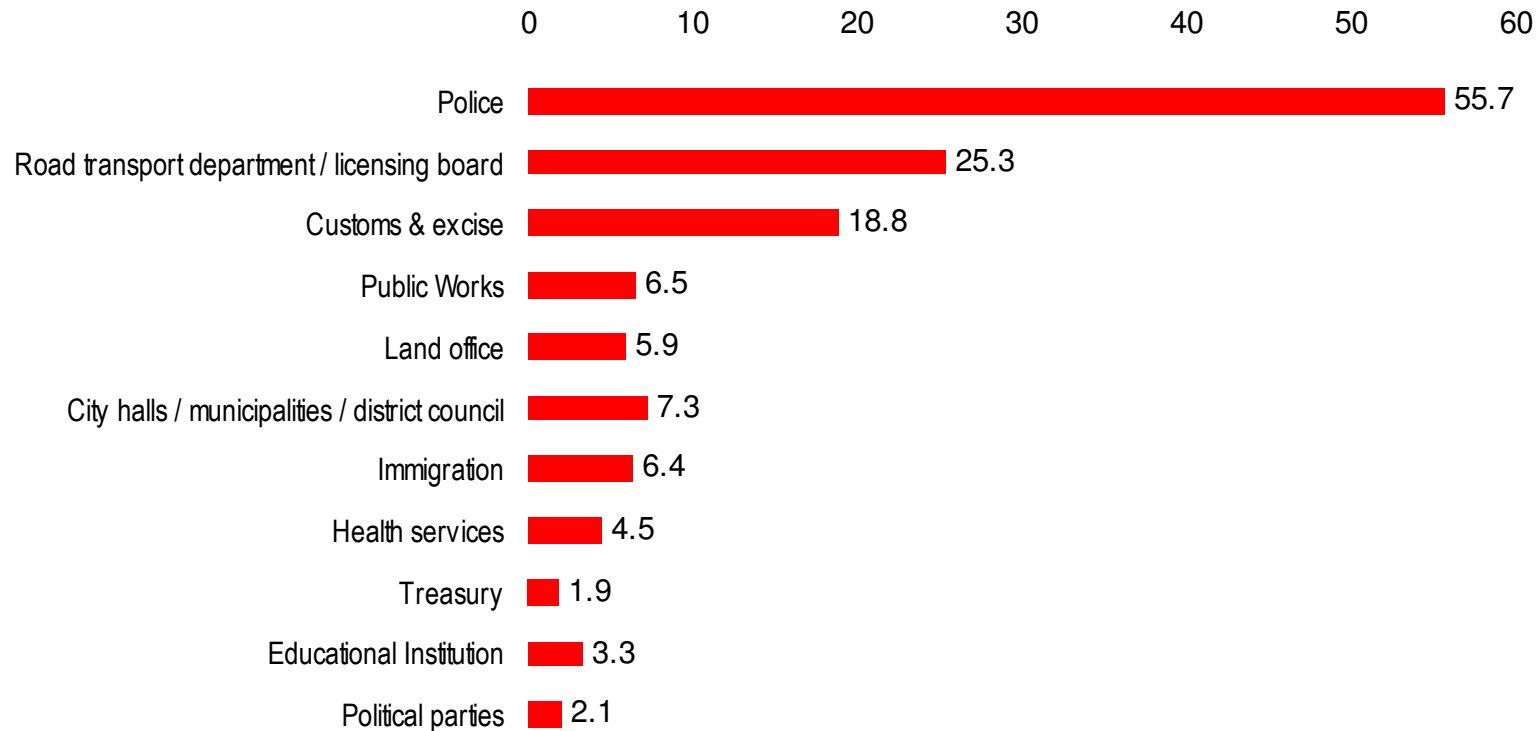


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Among Members of the Public

9D. Can you tell me the names of three government agencies or departments which you think has the lowest level of integrity and transparency:

Govt Agencies with lowest perceived integrity by members of the public

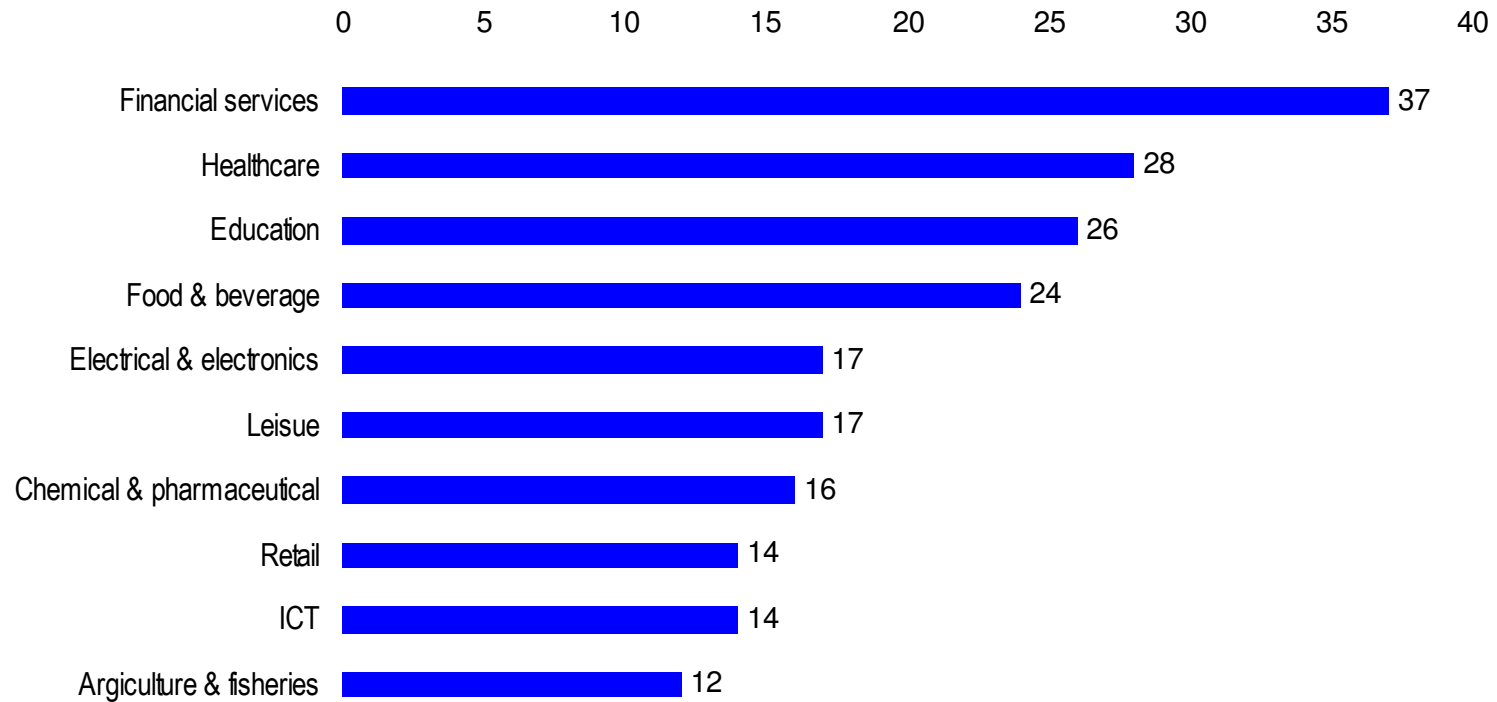


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Among Corporate Respondents

10A. In terms of transparency and integrity of the following business sectors, please mark three sectors which you perceive as having the highest integrity:

Business sectors with highest perceived integrity by corporate members

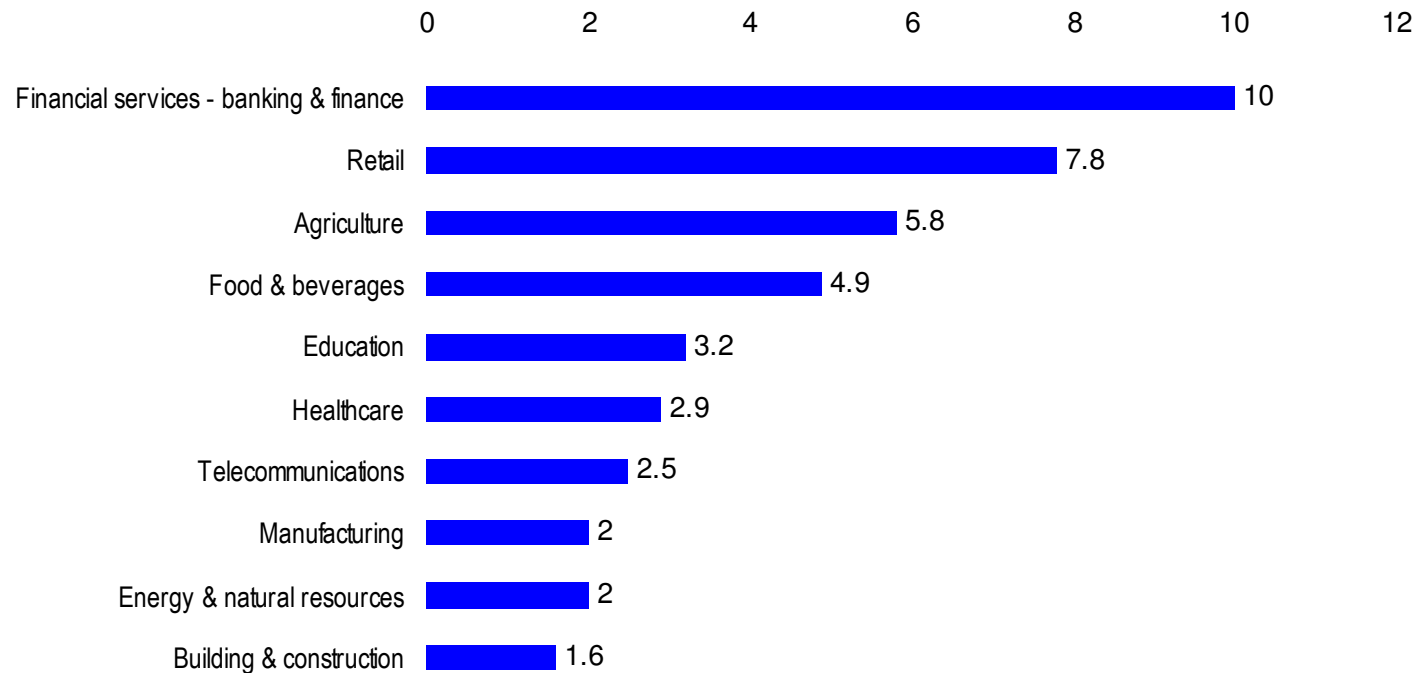


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Among Members of the Public

10B. Can you tell me the names of three sectors or industries in the business community which you think has the highest level of integrity and transparency:

Business sectors with highest perceived integrity by members of the public

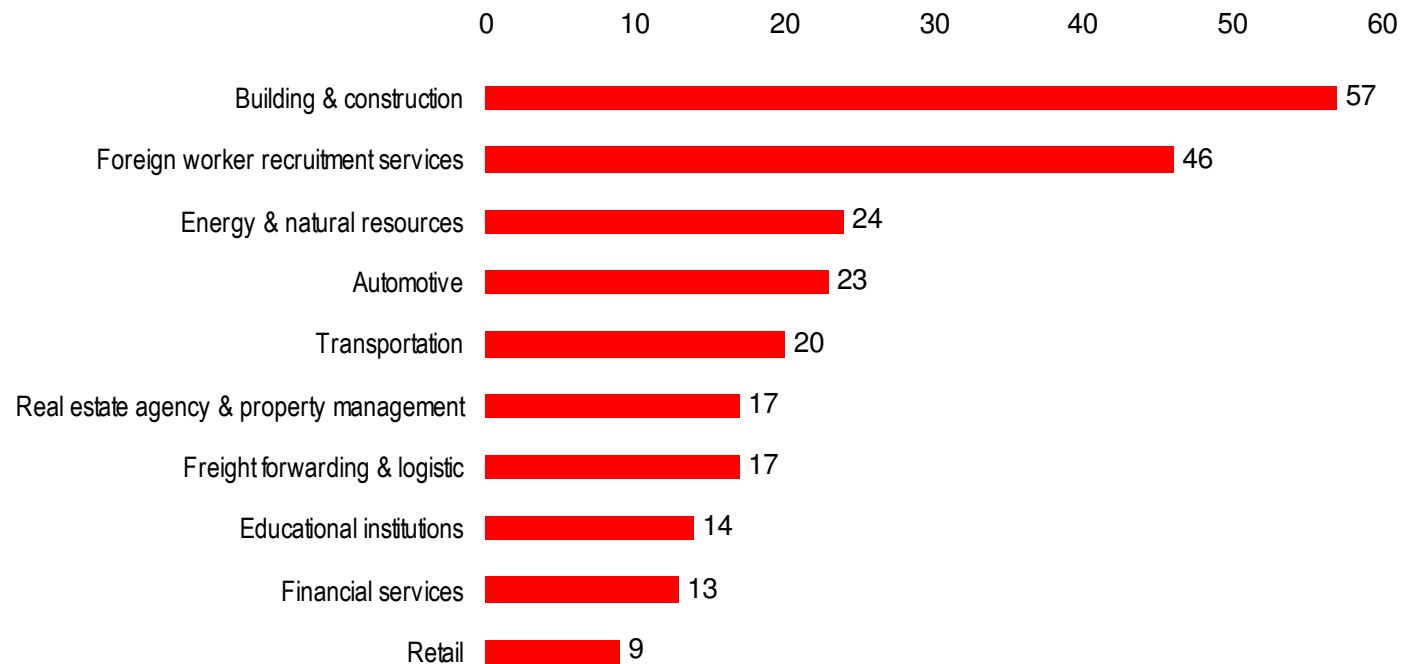


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Among Corporate Respondents

10C. In terms of transparency and integrity of the following business sectors, please mark three sectors which you perceive as having the lowest integrity:

Business sectors with lowest perceived integrity by corporate members

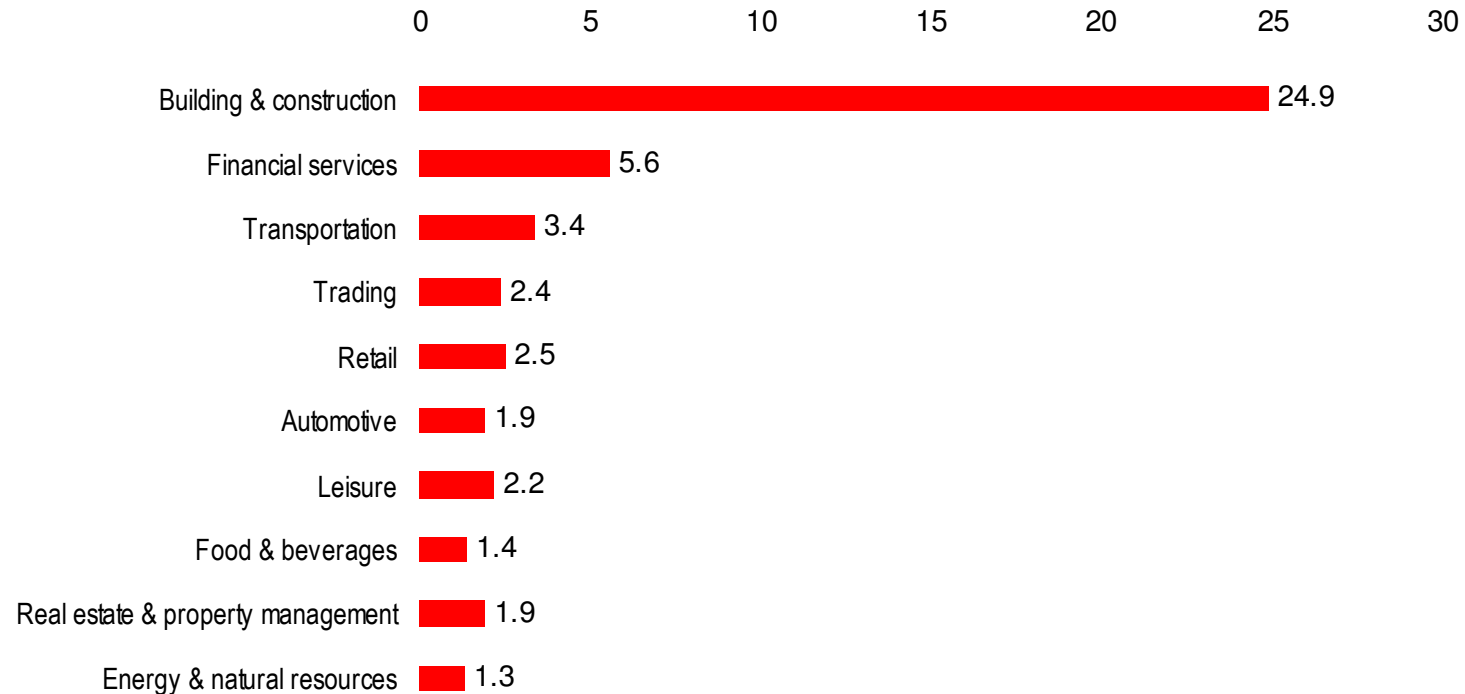


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Among Members of the Public

10D. Can you tell me the names of three sectors or industries in the business community which you think has the lowest level of integrity and transparency:

Business sectors with lowest perceived integrity by members of the public



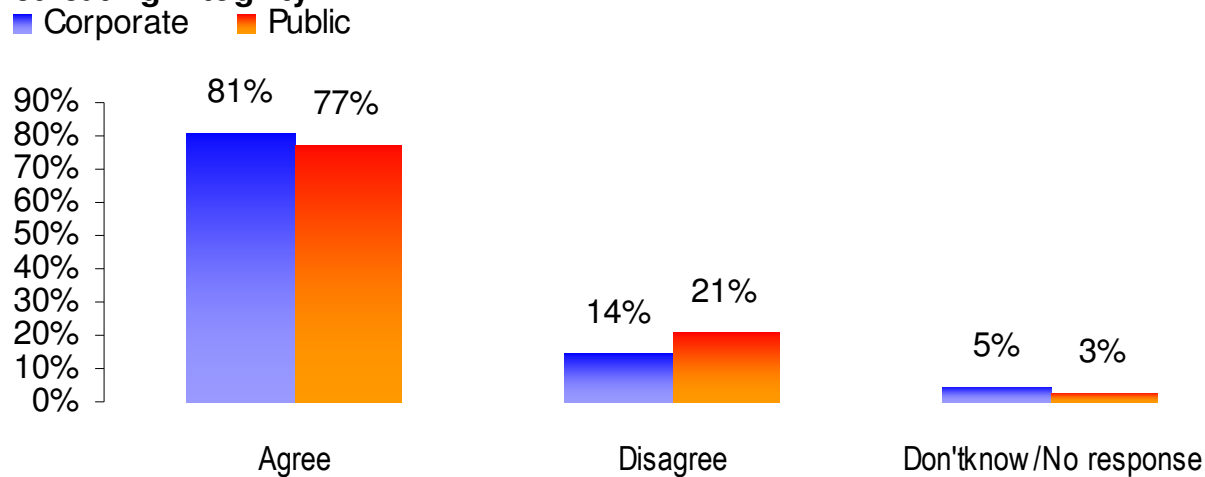
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Survey Results Opinions on Measures to Strengthen Transparency & Integrity

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7. How strongly do you agree or disagree that the current education system plays an important role in the present in future improvement of transparency and integrity in the country?

Fig 7. Perceived Importance of the Education System in Inculcating Integrity

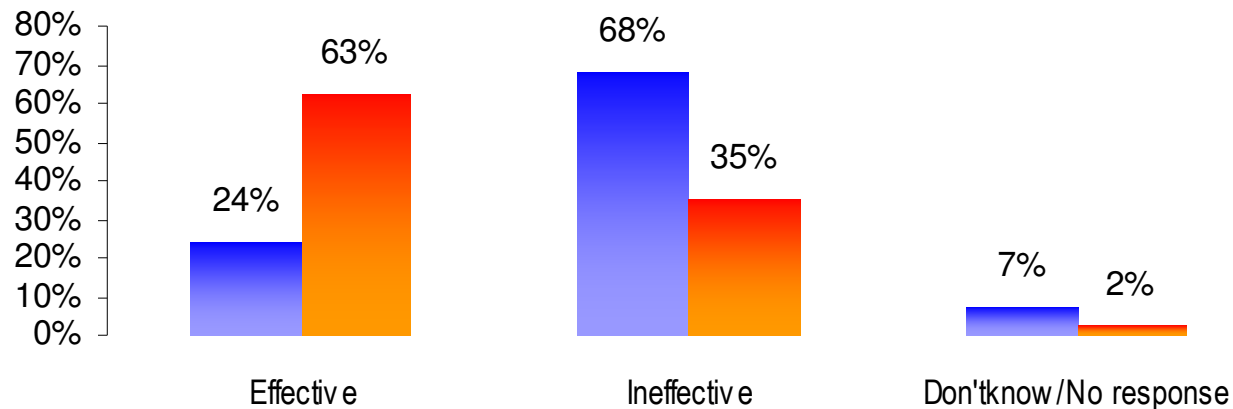


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8. (If "strongly agree" or "somewhat agree" to Q7) How effective or ineffective is our current education system in improving the transparency and integrity in the country?

Fig 8. Perceived Effectiveness of the Education System in Inculcating Integrity

■ Corporate ■ Public

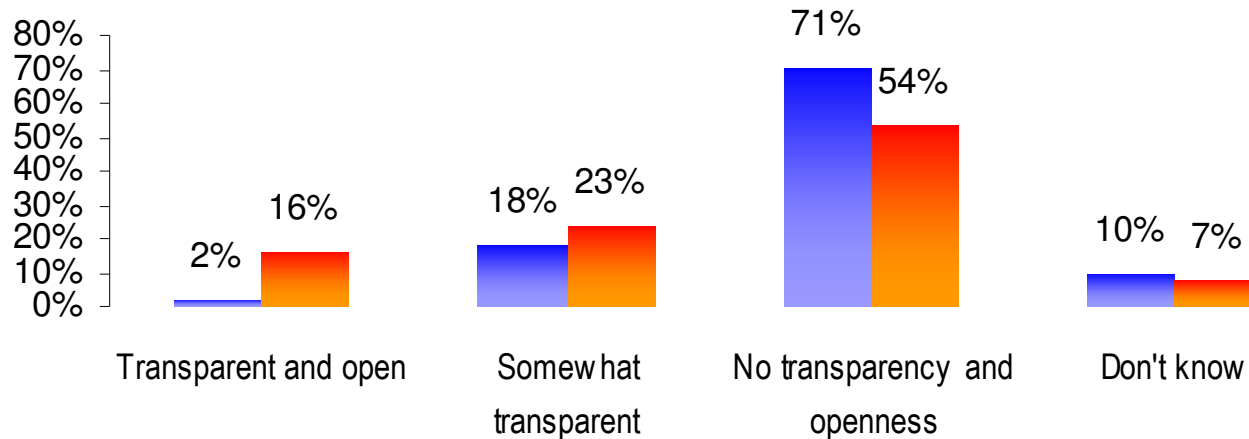


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11. What do you think of the current procurement process or system used for awarding major government projects?

Fig 11. Perceived Transparency of the Govt. Procurement System

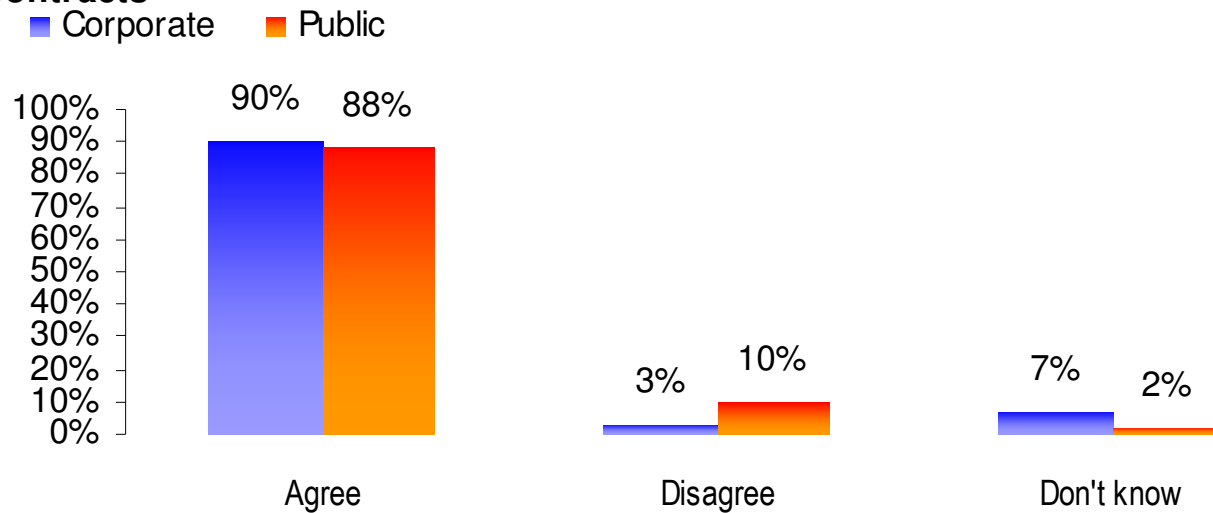
■ Corporate ■ Public



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12. Do you agree or disagree that the companies which failed to deliver on past government projects should be blacklisted for at least 3 years from tendering for current and future projects?

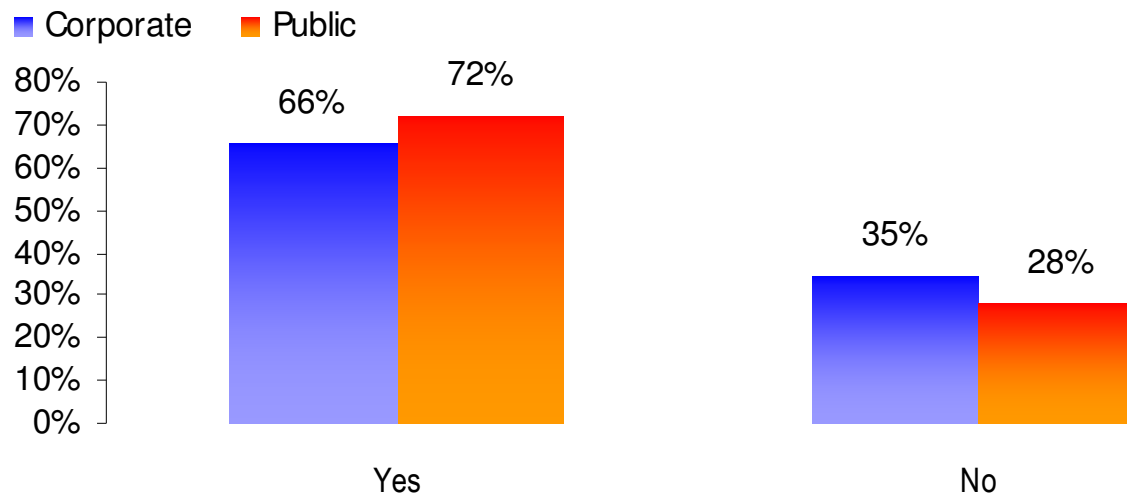
Fig 12. Approval for Blacklisting Companies in Breach of Govt Contracts



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13. Are you aware that there is a Public Complaints Bureau?

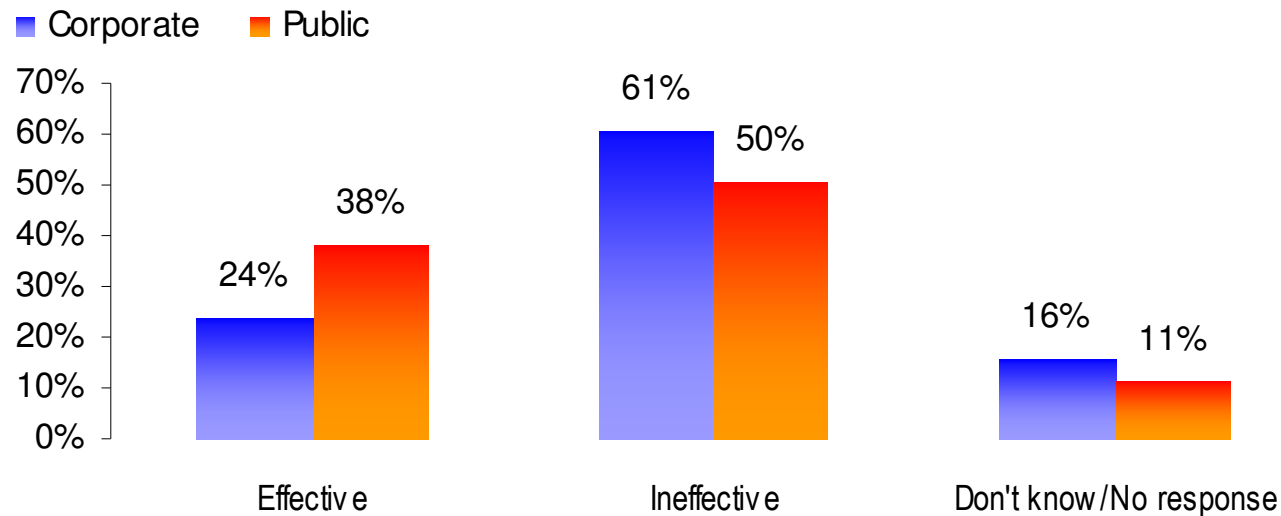
Fig 13. Awareness of the Public Complaints Bureau



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13A. (If Q13 = 'Yes') In your opinion, how effective or ineffective is the Public Complaints Bureau in dealing with the public complaints about government services?

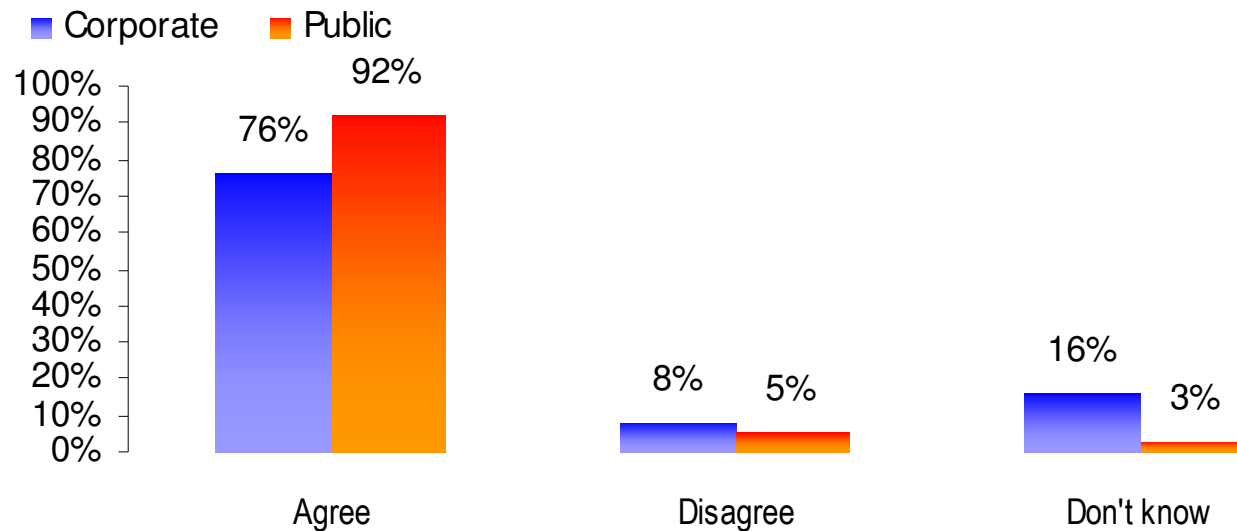
Fig 14. Effectiveness of the Public Complaints Bureau



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14. Do you agree or disagree with the establishment of an 'Ombudsman' (Public Watchdog) in Malaysia to help improving public administration and increasing the level of transparency and integrity?

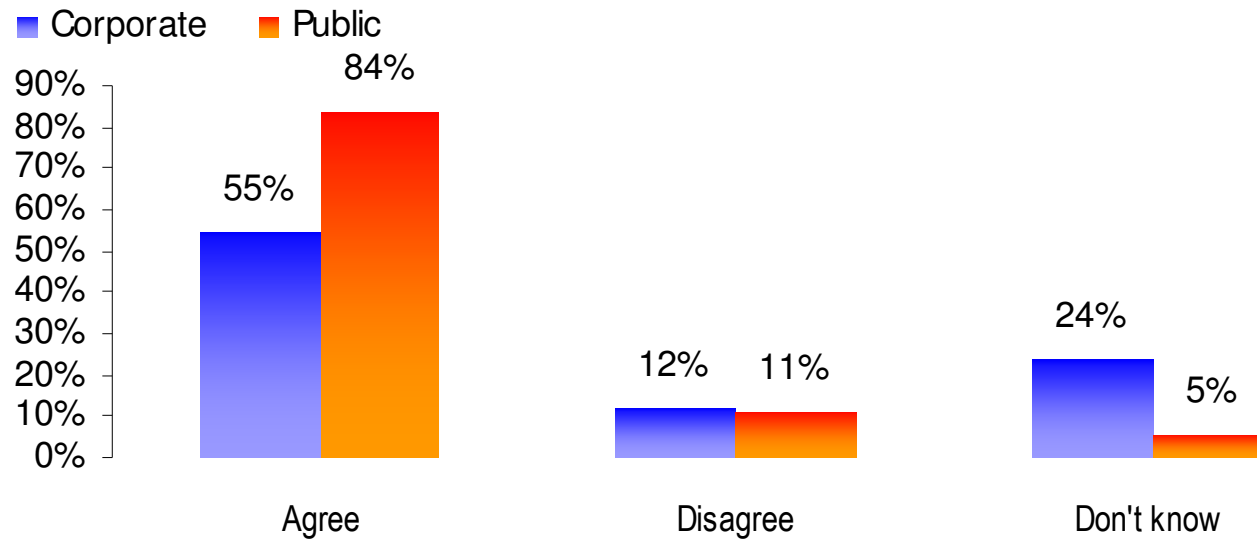
Fig 15. Acceptance of an Ombudsman agency



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15. Do you agree or disagree that re-introducing the 'jury' system will bring better transparency and integrity in the judiciary?

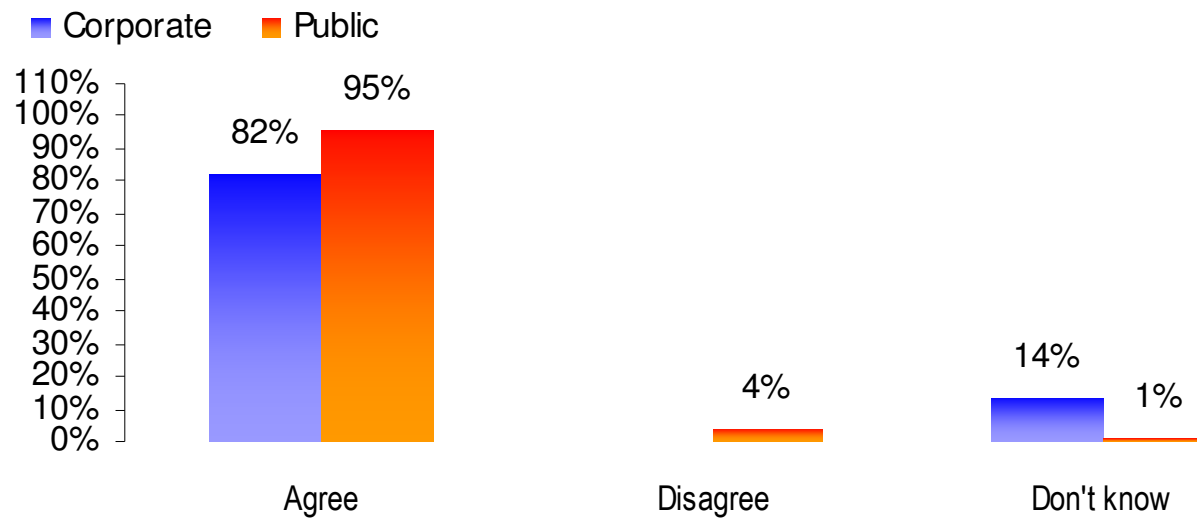
Fig 16. Acceptance of the re-introduction of the Jury System



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16. Do you agree or disagree that there should be a 'whistle blower' legislation that protects the initiators of corruption proceedings?

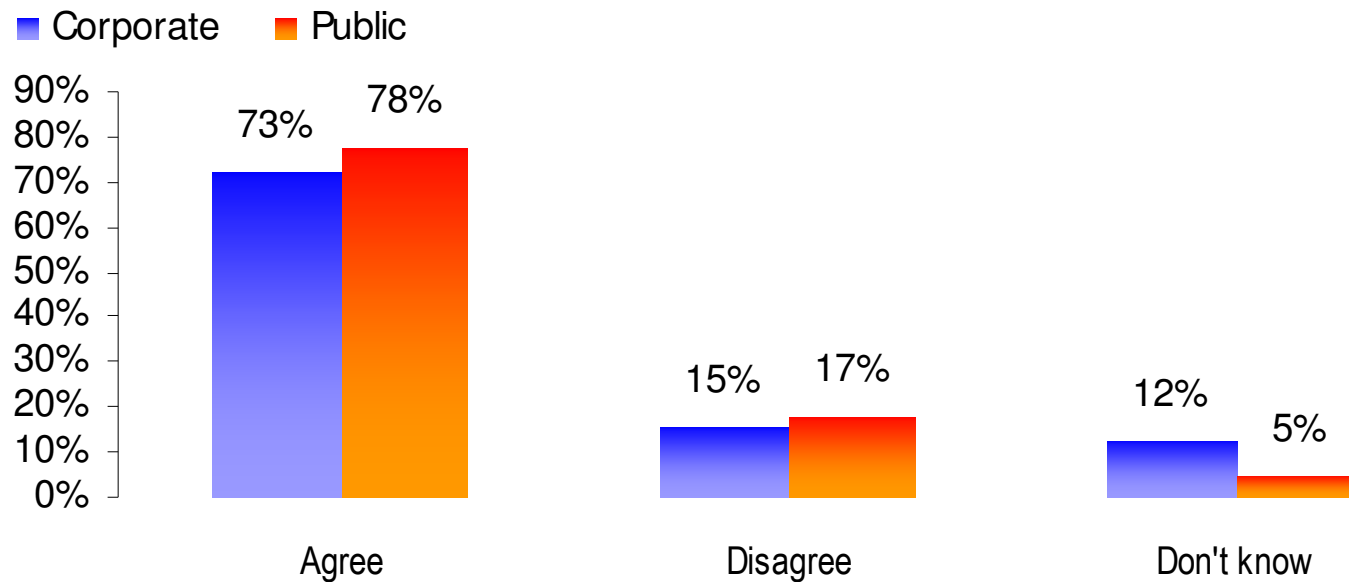
Fig 17. Acceptance of legislation to protect whistle blowers



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17. At present, the Anti Corruption Agency reports to the Prime Minister, in your view, do you agree or disagree that the Anti Corruption Agency (ACA) should report directly to the Parliament?

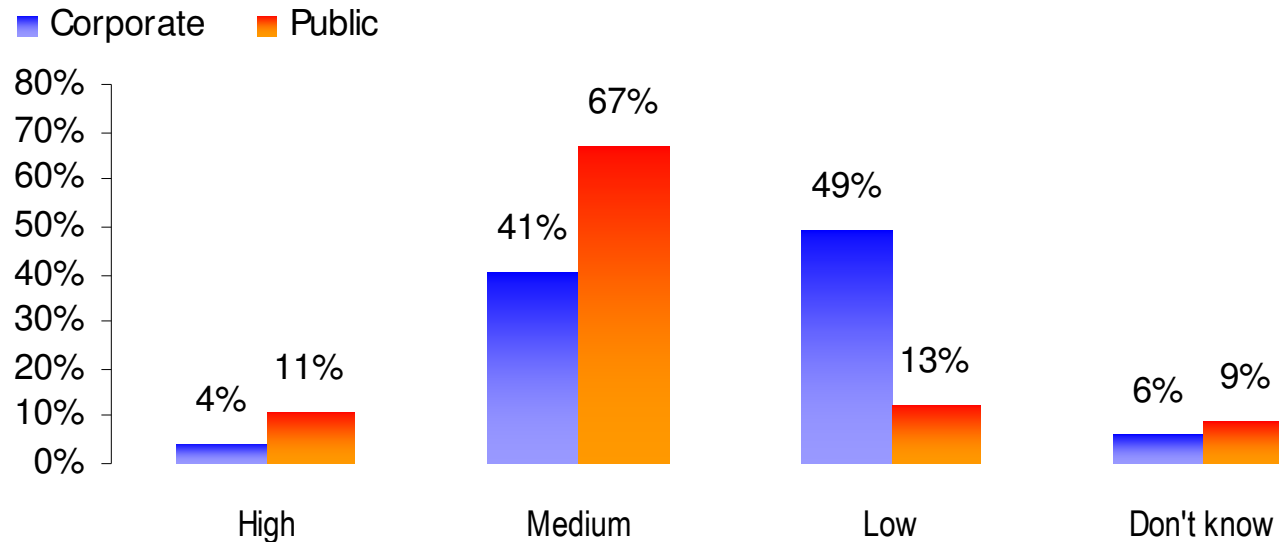
Fig 18. Acceptance of having the ACA to report to Parliament



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18. One of the major thrusts of Corporate Governance (good business practices) is "transparency". What is your perception of the current level of corporate governance in Malaysia?

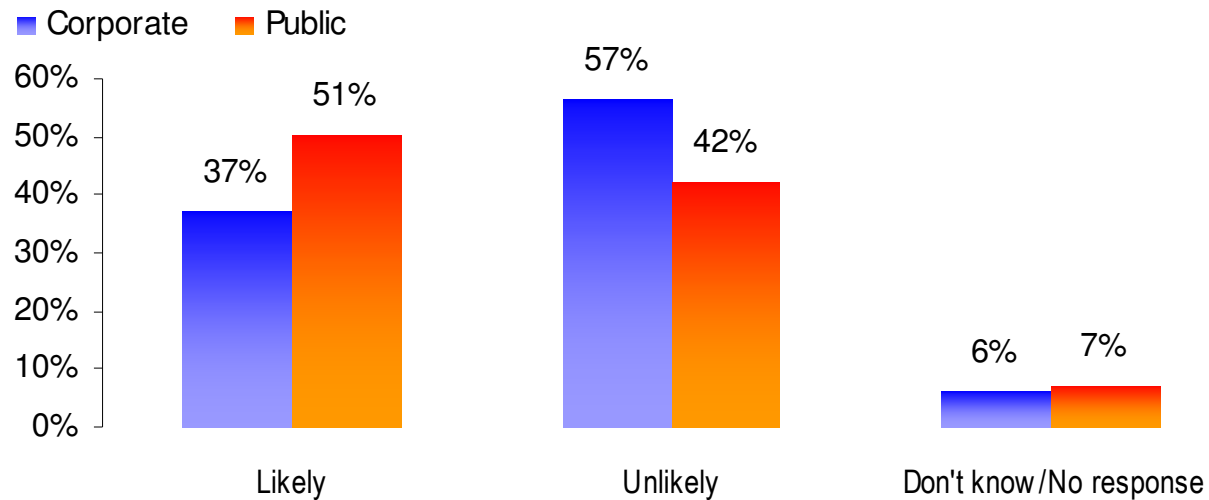
Fig 19. Perception of the level of Corporate Governance



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20. How likely or unlikely will the goals of Vision 2020 be achieved within the stated period?

Fig 20. Optimism over the attainment of Vision 2020



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Conclusions

Malaysian Transparency Perception Survey 2007 Conclusions

Members of the public and corporate sector continue to perceive that the problems relating to integrity and transparency remain acute and serious

- The survey finds that members of the Malaysian public and corporate sector remain embedded in the perception that the level of integrity and transparency in government agencies remained wanting.
- Significant numbers of members of the public also remain largely trustful of government pronouncements and efforts to improve the standard of integrity and transparency despite some of their own personal experiences.
- These can be clearly seen from some of the salient findings:
 - 40% of the members of the public and 52% of the corporate sector felt that integrity levels at government agencies were unchanged;
 - 20% of the corporate sector and 24% of members of the public felt that integrity levels have declined;
 - 46% of the public but only 26% of the corporate sector felt that government sector integrity will continue to improve;
 - 47% of members of the corporate sector and 30% of the public had someone close to them pay a bribe over the past one year
 - 54% of members of the public and 71% of the corporate sector perceived that there was no transparency in government procurement processes

Malaysian Transparency Perception Survey 2007 Conclusions

- Public and corporate perceptions of government agencies at risk (particularly enforcement agencies) remain largely unchanged – despite well publicized efforts to mitigate such perceptions
- The Malaysian public and members of the corporate sector perceive the police and other enforcement and regulatory agencies (RTD, Customs, Local Govt Agencies) as having the lowest level of transparency and integrity.
- In the private sector, the building and construction industry was perceived to have the lowest level of integrity by both the public and corporate sector respondents.
- Members of the public does not have strong views on corporate governance, describing as “moderate”

Malaysian Transparency Perception Survey 2007 Conclusions

- Members of the public and corporate are largely supportive of measures to reform present system of governance
- The findings also indicate a reasonable level of public and corporate sector awareness about the necessary systemic changes needed to bring about durable improvements in the governance structures of the country.
 - 90% of the corporate sector and 88% of the public supported moves to blacklist companies in breach of government contracts;
 - 92% of the public and 76% of the corporate sector supported the formation of an ombudsman body;
 - 95% of the public and 82% of the corporate sector supported legislation to protect whistle blowers in corruption cases;
 - 78% of the public and 76% of the corporate sector supported having the Anti Corruption Agency report to the Parliament.

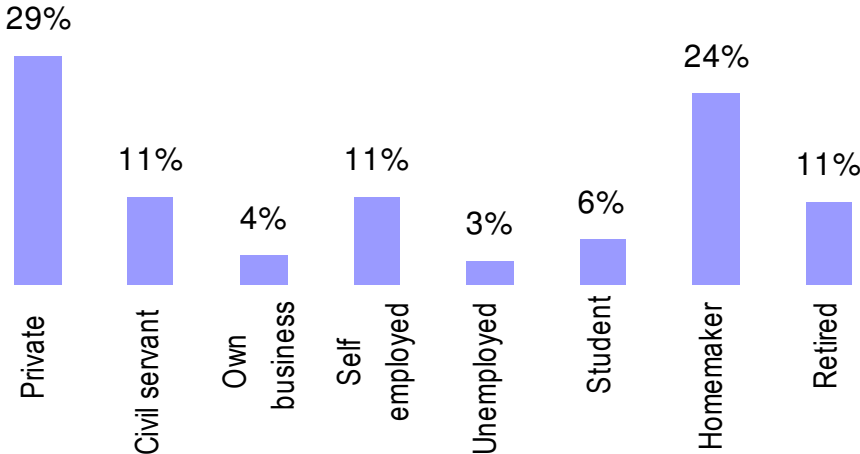
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Respondent Demography Members of the Public

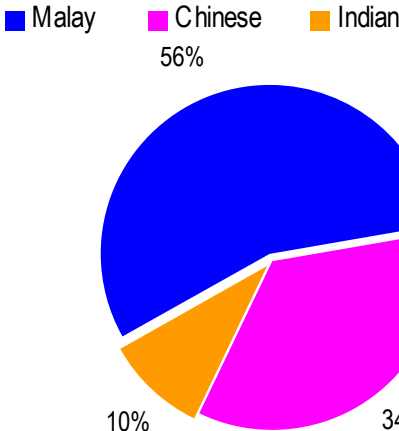
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Respondent Demography Members of the Public

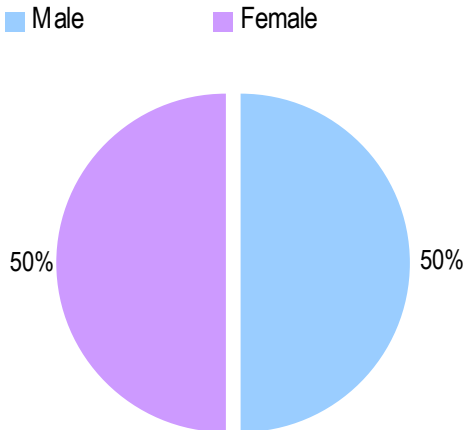
Occupation



Ethnicity

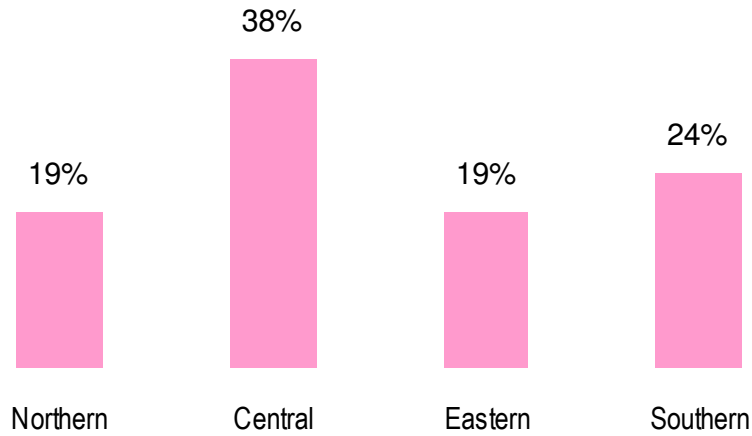


Gender

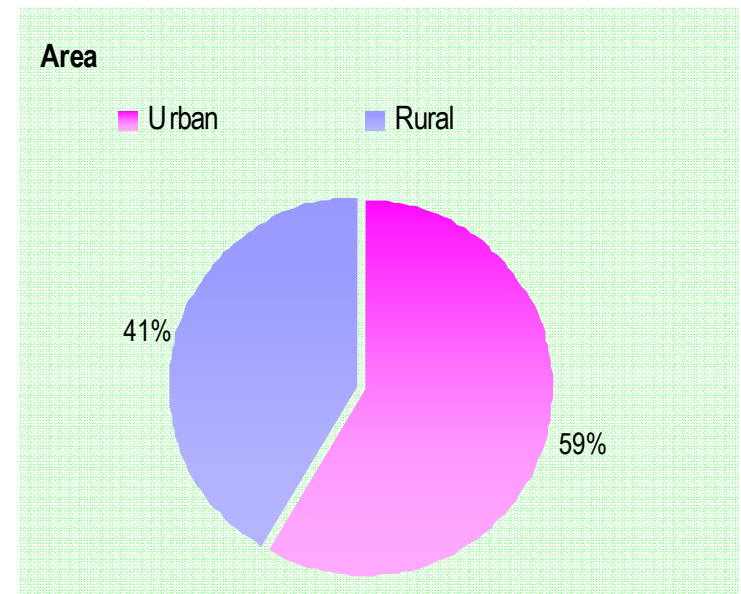
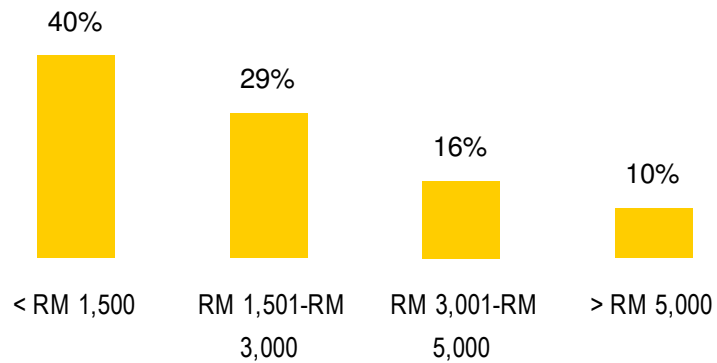


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Region



Household Income



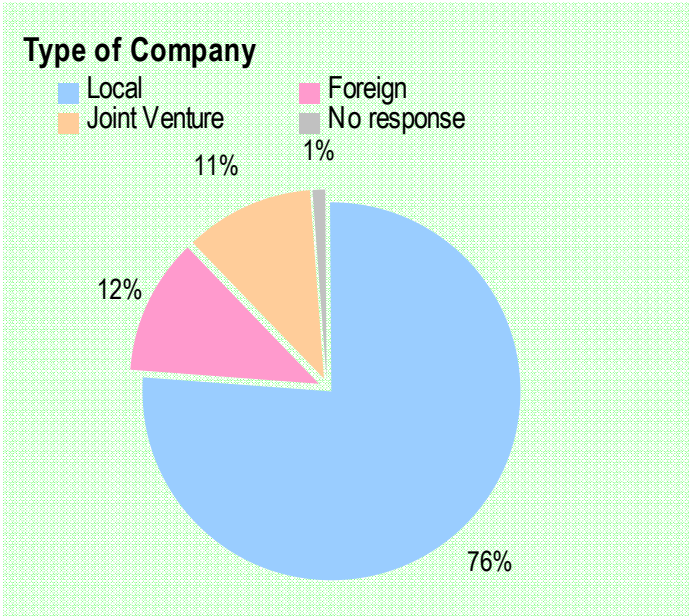
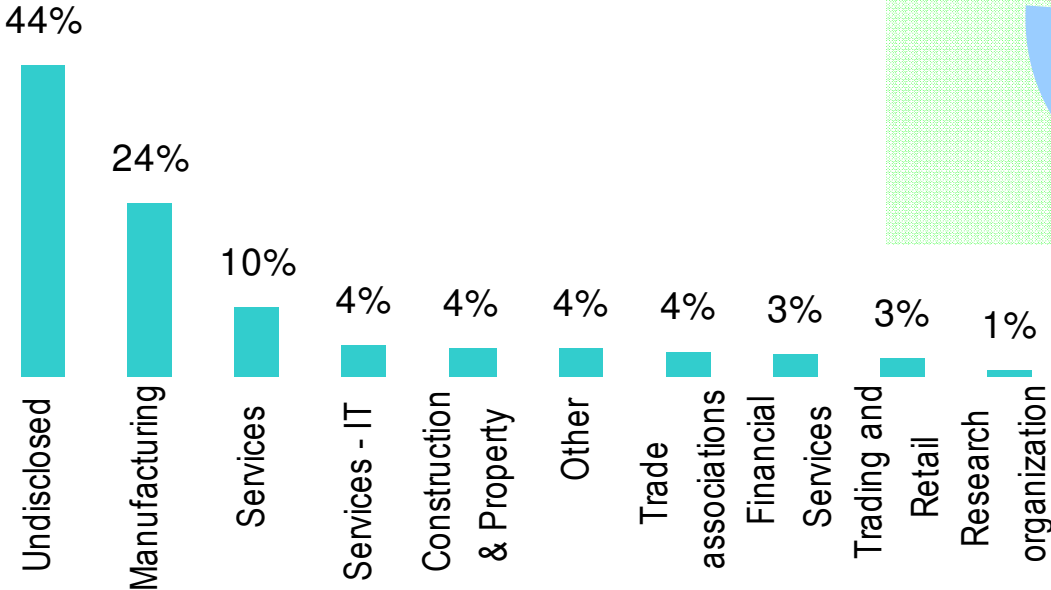
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Respondent Demography Corporate Sector

Malaysian Transparency Perception Survey 2007

Respondent Demography
Members of the Corporate Sector

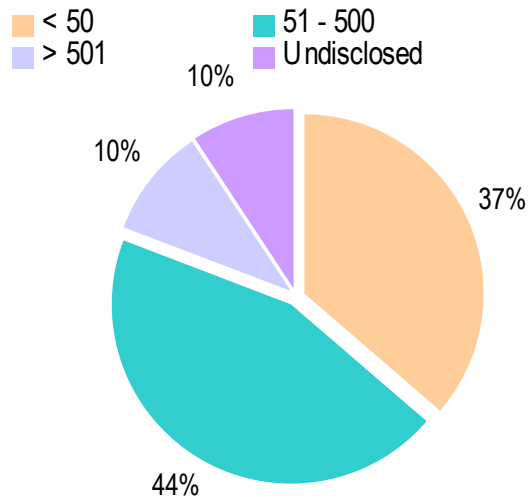
Industry Sector



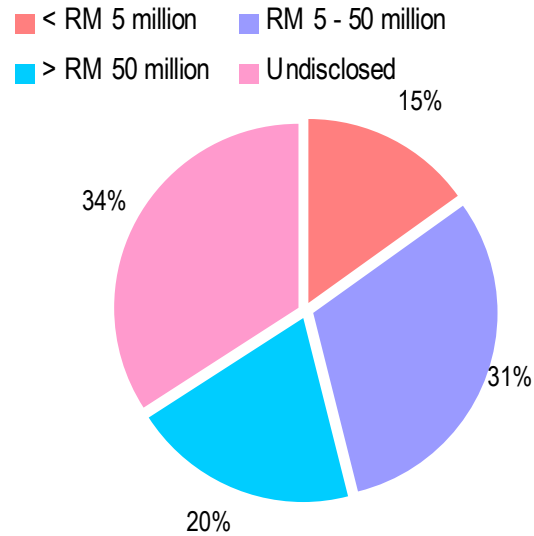
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Respondent Demography Members of the Corporate Sector

Number of Employees



Annual Sales



Public Listing Status

