

## **Give frontline officers the power to decide: Chee Internal auditors must also give feedback on rule tweaks that would allow such flexibility, says Chee Hong Tat**

FRONTLINE public officers should be empowered to make quick decisions on the ground to respond to urgent situations without having to seek approval from the designated authority, said Senior Minister of State for Trade and Industry Chee Hong Tat on Thursday.

This is because in general, these officers "are often in a better position to make judgment calls than someone sitting in Ministry HQ", said Mr Chee, who was speaking at the 7th Public Sector Internal Audit Conference at Marina Bay Sands.

The annual event was attended by close to 300 internal auditors of public agencies, as well as Auditor-General Goh Soon Poh and Accountant-General Ow Fook Chuen, and was organised by the Institute of Internal Auditors Singapore.

Mr Chee said internal auditors need to encourage such innovation and experimentation, besides their current function to manage risks and review rules and processes within the organisation.

"If an officer is trying out a new idea with good intent and does not comply strictly with the SOP, do we come down on the officer like a tonne of bricks? Or do we take the audit finding as a feedback and review our procedures to see if further flexibility can...cater for new situations that were not included when the SOP was drafted?", he asked, referring to standard operating procedures.

Mr Chee said there was no easy answer to this, but the government would support a general approach where ground officers are allowed to make decisions as much as possible. Singapore must not end up with a situation

where public officers avoid taking initiative or become overly risk-averse for fear of making mistakes, he added.

But internal auditors must also give feedback on rule tweaks that would allow such flexibility, instead of focusing on non-compliance and adding more rules that would further complicate the approval process, he said.

Urging internal auditors to be open to try new ideas, Mr Chee added: "We can only achieve these positive outcomes if we see our role as proactive influencers and shapers of rules... not as passive individuals who can only comply blindly with existing rules and processes even if we disagree with them." He also challenged auditors to help design rules and processes that can be properly followed, citing one example faced by the Housing Board following an audit.

HDB had specified in a grass-cutting contract that the contractor must trim the grass to no more than 3cm, leading auditors to highlight a non-compliance as HDB did not measure the length of the grass after the contractor had cut it. "HDB clarified that it was humanly impossible to measure the length of each blade of grass. The Auditor-General's Office then pointed out that if you cannot measure, then why did you include this requirement in the tender specifications?" Mr Chee said, adding that both sides had valid points.

He called for auditors to work closely with the management to understand the policy objectives, operational and governance needs of the organisation, working towards rules that are simpler, cheaper and faster to comply with.

To this end, Mr Chee highlighted the government's licensing framework, which is based on cost-recovery principles. This means that licence fees are priced at a rate meant to cover the cost of regulating the industry or providing the service.

He said agencies often explain they have to raise fees to maintain rising costs. But he noted that agencies can also reduce costs on their end, which is more difficult.

"But isn't this part of improving our productivity in the public sector? We must not take the easy way out... without first examining whether there are ways to reduce our costs."