

RSOG Seminar

Pushing Towards Innovative Leadership: LHDNM's Experience

with

YBhg. Tan Sri Datuk Wira Dr. Hj. Mohd. Shukor Hj. Mahfar

When : 28 May 2015
Where : Razak School of Government
Speakers : YBhg. Tan Sri Datuk Wira Dr. Hj. Mohd. Shukor Hj. Mahfar

About The Seminar

Benjamin Franklin once said *"in this world nothing can be said to be certain, except death and taxes"*. Despite such certainty, Lembaga Hasil Dalam Negeri Malaysia (LHDNM), do not rest on their laurels as far as excellence is concerned. LHDNM under the stewardship of YBhg. Tan Sri Datuk Wira Dr. Hj. Mohd. Shukor Hj. Mahfar are looking beyond power and authority in ensuring all tax related laws are complied with. LHDNM believe an equitable tax collection system; trust and confidence of tax paying public; an enlarged tax base; a modern and up to date procedures; and a competent, dedicated, and with high integrity workforce is crucial in fulfilling their mandate in challenging times like today. Indeed, such forward thinking has borne fruits of success. The amount of tax collected has been in the upward trend for the last three fiscal years. For the first time in 2011, *the amount of tax collected surpassed the RM100 billion. As YBhg. Tan Sri keep telling his HASiLiAN, "nothing is impossible and impossible is nothing"*.

Summary

The speaker began the seminar by giving a brief introduction of his job responsibilities as a CEO of the Inland Revenue Board Malaysia (LHDNM). He mentioned that after assuming the role of CEO, he focused on gathering information and understanding the existing work culture at Inland Revenue Board of Malaysia (LHDNM). He even related some key historical events such as the destruction of Japan post World War II to the

situation he was facing when he took over the leadership of LHDNM then. Taking inspirations from Japan, he believed that a rebound in terms of overall tax collections was not only possible but can be brought to the next level.

Following that *sense-making* exercise, stakeholder management was his next target. He realised that LHDNM itself is made of various layers of stakeholders where every groups have their roles to play in taking LHDNM forward. Structurally, there is the headquarters, the states' office as well as the branches. The headquarters itself consisted of various departments. At the informal level, there were numerous employees' clubs and associations that could potentially be mobilised too. Externally, there were the taxpayers themselves plus other key stakeholders such as the relevant ministries and agencies that have influence in shaping the direction of his organisation. YBhg Tan Sri realised that all the stakeholders need to be identified and engaged before any transformation journey could start.

The combination of *sense-making* and *stakeholders'* management facilitated his next move – articulating the transformation journey. He painstakingly conveyed his transformation ideas to the employees as well as the stakeholders. Among the initiatives included changing the work culture to include more flexibility and more staff-oriented, introducing roadmaps and key drivers for organisational growth, and providing quality service to the taxpayers. The speaker regards himself as a prime mover and great motivator in his organization and is able to command the respect of his peers and subordinates. However, he acknowledges that it took a lot of work, determination and commitment from his staff to transform his organization to what it is today.

He concluded the seminar by reaffirming the importance of learning from past experiences to generate better ideas and execute the right actions to attain personal and organizational goals. It is important to have clear goals and devise strategies to achieve them. He advised people to believe in themselves and to continuously seek ways to improve themselves, be it thorough developing their skills, greater educational attainment or harnessing their creativity.

Issued raised

- It is important for leaders to adopt the approach of transformational leadership to motivate and inspire subordinates. This includes encouraging a creative and flexible work environment to ensure better output and job satisfaction.
- One of the key lessons he imparted is the courage a leader should have in making drastic changes in the organization. He introduced various strategies to achieve the intended results for the organization. This included the roadmap to increase efficiency of tax collection and to provide quality service to the

taxpayers. In addition, Key Performance Indicators (KPI) were improvised to be more comprehensive.

- He mentioned that it is crucial to ensure that the work environment is conducive for staff morale. He conceptualized a few innovative ways to motivate staff. This included flexible working hours, creative dress code, fun corporate theme song and other ways of encouraging staff creativity.
- He emphasised the importance of Human Governance in an organization. He added that it is important to meet the education and development needs of the staff for them to maintain their relevance according to changing times.

About the Speaker

YBhg. Tan Sri Datuk Wira Dr. Hj. Mohd. Shukor Hj. Mahfar has a Master in Taxation and a PhD in Public Administration. Tan Sri has vast experience in tax administration, having successfully held various senior positions in LHDNM prior to his appointment as the CEO of LHDNM in January 2011. Tan Sri is currently the Chairman of the Commonwealth Association of Tax Administrators (CATA) which is presently the largest organization of tax administrators in the world, with 49 member countries. Under Tan Sri's leadership, LHDNM is seeing many transformation programs which results in positive outcomes. Tan Sri is Adjunct Professor of University Tenaga Nasional, University Tun Abdul Razak, University Malaysia Perlis, University College of Technology Sarawak and University Technology Mara. He was also the President of the Statutory Bodies Association, Malaysia.

Contact

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