

# Fast Approval for Residential Development Plan

The Kuantan Municipal Council (Majlis Perbandaran Kuantan (MPK)) authority system was first implemented on 1<sup>st</sup> August 1913, with the inception of the Sanitary Board which was responsible for the control of cleanliness, health and development. In 1937, the Kuantan Sanitary Board was replaced by the Lembaga Bandaran Kuantan (Kuantan Town Board). After 16 years, it was upgraded to Majlis Bandaran Kuantan (Kuantan Town Council). On 1<sup>st</sup> September 1979, Majlis Bandaran Kuantan was once again upgraded to Majlis Perbandaran Kuantan (Kuantan Municipal Council) based on the Local Government's Act (Act 171) which remains to this day. Currently the actual area under the administration of MPK is 2,065 sq km consisting of Mukim Kuala Kuantan, Mukim Ulu Kuantan, Mukim Beserah and Mukim Sungai Karang.

The five core functions of MPK are namely administrating Kuantan according to Responsibility Acts, structuring Kuantan into a developed town, providing good municipality services, managing cleanliness and creating a conducive ambience to the town.

## Delay in approval on residential development plans for 1 - 4 units of houses

Plans for residential development in MPK is one of the main aims to bring modernisation and great development to the town. Fast approval on issuing residential plans is needed. However, there are problems arising due to certain factors. The factors are as follows:

### 1. Why were there non-value added works in obtaining speedy approval?

Because it followed rigidly on procedures and did not have much needed flexibility to improve on the work flow process.





### 2. Why did it take a longer time for approvals of plan to be issued?

The approval processes of building a plan would take a longer time as it involved two departments and had to go through the 13 stages before qualifying.

### 3. Why delay in process happened?

Delays in process happened because it took about 30 days for the approval to be granted.

### Speeding up application process on development plans of residences

The LEAN project of MPK has several objectives whereby it is targeted on improving the overall efficiency and augmenting the productivity level of the organisation. It is to expedite approvals of residential buildings of 1 - 4 units as well as improving customer satisfaction towards the achievement of high key performance organisation. It also hopes to reduce customer complaints by eliminating wastes in terms of time, equipment and workforce. With these objectives in mind, radical improvement of processes or services overtime with the goal of reducing waste on workplace functionality and excellent customer services will be achieved. Residential plans of approval at the MPK would then take a shorter time in due course.

Before LEAN and Kaizen implementation, approval process of residential plans took

30 days with 13 steps before being issued. Through the LEAN and seven Kaizen initiatives, 13 steps had been reduced to only three. The initiatives are as follows:

| KAIZEN THEME  | KAIZEN IMPROVEMENT  |
|---|---|
| To expedite approvals of residential buildings of 1-4 units | 1. Direct submission of application documents to the Building division.                             |
|   | 2. Application documents are submitted together with design documents during the application stage. |
|   | 3. No site visit to eliminate six steps in the existing approval process.                           |
|   | 4. Optimise manpower utilisation. From five staff to only one skilled worker.                       |
|   | 5. Eliminate repetition in documentation and record process.  |
|   | 6. Minimising paper documents in application process.   |
|   | 7. Empowerment or delegation of power.  |

### Analysis of LEAN project in MPK

Kaizen initiatives are beneficial to MPK in overcoming all the hitches in expediting approvals of residential buildings of 1 - 4 units. The approval only undergoes three processes as compared to 13 processes previously. This improvement has reduced the lead, process and waiting time to 45 minutes, 27 minutes and 15 minutes respectively. Clients are now more satisfied in dealing with MPK as no case is recorded for customer complaints in spite of 40 cases recorded previously. This has simultaneously reduced customer dissatisfaction rate to 18 percent instead of 48 percent previously. Only one staff is involved in the whole process of approval

and no site visit is required which saved MPK operation cost amounting to RM103,280. Now, MPK only allocates a total budget of RM20,000 for this activity. Hence, LEAN is able to assist any service provider to improve its services, increase customer satisfaction and reduce the operation cost tremendously.

**Matrix before and after LEAN project :**

| DESCRIPTION                          | BEFORE  | AFTER  |
|--------------------------------------|---------|--------|
| 1. Number of processes               | 13      | 3      |
| 2. Lead time (minutes)               | 12,000  | 45     |
| 3. Process time (minutes)            | 8,310   | 27     |
| 4. Waiting time (minutes)            | 3,690   | 15     |
| 5. Number of customer complaints     | 40      | 0      |
| 6. Customer satisfaction rate (%)    | 18      | 54     |
| 7. Customer dissatisfaction rate (%) | 48      | 18     |
| 8. Expenses (RM)                     | 123,280 | 20,000 |