

SECTION 1  
INTRODUCTION

## 1. Introduction

### 1.1 Background of Organization

TNB Kajang is one of 8 main TNB District offices in Selangor. The other districts are TNB Petaling Jaya, TNB Shah Alam, TNB Klang, TNB Port Klang, TNB Banting, TNB Rawang and TNB Kuala Selangor. They report to TNB Regional Office of Selangor located in Shah Alam.

The district offices offer basically the same services which are electricity supply applications, supply restoration services, billing and bill payment services, consumer enquiries, consumer advisory services as well as miscellaneous services like shifting of installations on consumers' requests.

TNB district offices normally offer all these services at their main offices, but in addition, Consumer Service Centers are set up in various locations in their districts to improve these services particularly bill/payment services, enquiries and supply restoration.

## 1.2 Background of Study

Cheras/Balakong area is defined in this study to mean an area in Ulu Langat which encompasses Serdang Town, Kajang Town, Balakong Town, Batu 9 Town, Batu 14 Town and stretching right up to the border of Kuala Lumpur in the north (see Figure 1). It is densely populated with about 30,000 TNB consumers (population approximately 150,000). The electricity load growth and the number of TNB consumers growth rate are very high, around 13 % annually. As such, TNB local district management is reviewing its infrastructure to cope with the increasing demands of its consumers in the area concerned.

At present, TNB consumers in the area fall under the direct responsibility of TNB Kajang district office. TNB Kajang has its main office in Kajang Town which is about 15 km from Balakong Town. TNB Kajang, in addition, has 1 Consumer Service Center in Kajang town located 0.3 km from the main office.

Services normally provided by a TNB district office to TNB Consumers are Bill paying facilities, Consumer Enquiries with regard to accounts, and also, Restoration of electricity interruptions (Fault Restoration). TNB offices at Kajang town provide completely all these three main services.

However, there are other third party offices (non- TNB) that collect TNB bills under the 'one -stop payment' collection concept. The 'one stop payment' concept is a government directive for all collection agencies to accept different utility bills at their collection centers. The purpose is to reduce the discomfort of customers having to pay their various utility bills at different utility centers.

Third party centers in the Cheras/Balakong area are provided by the Post Office, Telekom, JBA (Jabatan Bekalan Air) and Majlis Daerah. A substantial number of consumers in the area work in KL where some of them would settle their TNB bills there.

Services provided by third parties for TNB do not come free. TNB pays 40 sen to the Post office for every electricity bill paid at its collection centers. Post office, in addition to collecting TNB bills and other utility bills (JPJ, Majlis Daerah, Telekom), also sell stamps and carry out its own normal activities. TNB cannot offer that wide range of activities as offered by Post Office. Hence, Post Office is a more of 'one-stop payment center' than most. This may mean that customers prefer to frequent these offices more than others.

However the advantage of paying at TNB's own collection centers is faster updating of TNB bills which leads to less likelihood of a customer's electricity supply being disconnected for non-payment. To TNB, the faster collection of payments improves its average collection period; and efficient updating of transactions that results would reduce the cost of mistaken supply disconnections.

All these considerations must be balanced by the high capital cost in setting up a consumers collection center in the area as well as it's running costs.

TNB Consumer Service Centers come in three types:-

- i) Collection Center (Cashier counters).
- ii) Fault Restoration Center (Breakdown office).
- iii) Different combinations of Collection, fault restoration and Consumer Enquiries.

Collection Centers are centers which provide bill-paying facilities. Fault Restoration Centers, also known as Breakdown Centers, provide services to restore electricity supply interruptions. Consumer Enquiries Services are services provided to consumers who need any help pertaining to their accounts. Examples of these enquiries services are providing a consumer a copy of their electricity bill on her/his request, addressing problems on arrears and change of tenancy.

### 1.3 Objectives of the Study

The objectives of the study are:

1. To determine the existing customer satisfaction level of services offered in the Cheras/Balakong

area pertaining to TNB's operations either offered by TNB or other parties (as in case of payments).

2. To determine the appropriate level of services or facilities in the study area which can be offered by TNB.
3. To recommend the type of TNB Consumer Service Center if so required.

#### 1.4 Significance/Benefits of the study

It is hoped that the study can serve as a guideline in setting up other TNB Consumer Service Centers in the country.

#### 1.5 Organization of Study

This study is organized in 5 Sections. Section 1 is the Introduction. The background of the organization, the background of study, the objectives, the benefits/

significance of the study and the organization of the study is dealt with here.

Section 2 deals with the Research Methodology. The Sampling design is discussed as well as the method of data collection. This includes the survey technique and collection procedures.

Section 3 displays and discusses the results of the study. Respondent characteristics and present satisfaction level of existing services are examined. Opinions of consumers on a new Consumer Service Center are also explored here. Bill paying patterns, bill paying methods, consumers' preference on pay locations and collection centers, time of payments and day of payments are also discussed.

Section 4 is the Conclusion and Recommendation part. It discusses the necessity of a new Consumers Service Center, its ideal location, its features as well as type of the center. This section also discusses suggestions for future research.