

CHAPTER 4

4. COMMUNICATION IN TNB

TNB is a leading Malaysian corporation involved in the electricity energy business. The company's core activities are found in strategic business units of generation, transmission and distribution of electricity supply in Peninsular Malaysia. The TNB group is involved in the manufacture of transformers and high voltage switchgears, the supply of professional consultancy services, repair and maintenance services, freight and project insurance coverage, research and development, higher education, property management, and architectural, civil, electrical and engineering works. To date the company has about 23, 000 employees and more than 4 million customers. Communication departments were set up in the company to disseminate information internally and externally. At present there are 4 communication departments that deal with communication in the company. The location of these departments are shown in Appendix 2

4.1. Formal Organisational Structure

a. Customer Relations and Media Unit

This unit is under the distribution division. Its major functions are:

- handling customer complaints
- organising regular dialogues with the various trade associations, business groups and government agencies.
- responding promptly to all press and media queries

- organise regular dialogues sessions with the press.

b. Corporate Communication Department

This unit is under the Corporate Services department. Its major functions are:

- to promote the image of the company through donations and corporate sponsorship
- maintaining good relations with the mass media
- organising corporate functions including contract signing ceremony, campaign and conferences,
- publishing the in house publication TENAGAWAN

c. Employees and Government Relations Department

This unit is also under the corporate services department. Its major functions are:

- maintaining close rapport with the government
- communicating with employees.
- organising internal and external events for the company such as organising the annual loyal service awards to employees, management retreat etc.
- The unit also organises the annual friendly games with the Thailand and Singapore electric utilities.
- producing the weekly bulletin Sumber which gives the latest
- updates happening in the company.

d. Investor Relation Department

This unit is under the Secretary department. Its major functions are;

- notifying the company's shareholders of the Annual or if any, emergency general meetings.
- Producing the annual report of the company's for the Annual General Meeting together with the finance division for their annual financial report.

4.2. Communication Facilities

Various communication tools were provided for TNB executives. These include:

- telephone.
- mobile phones for all levels of managers.
- facsimile machines at all the offices.
- personal computers are given to various departments and offices. They are connected to a local area network which in turn are connected to the wide area network linking all the TNB offices throughout the country. E-mail facility is provided to every executive.
- notebook computers are provided to all departments and offices.
- personal communication devices, e.g., the palmtop given to certain departments and are equipped with e-mail facilities through the wireless network.
- internet facilities were given to the various departments and offices.
- all executives who are required to be on standby for emergency purposes are given pagers to be easily contactable.

4.3. Media

Apart from the equipment and facilities mentioned above, the company also generated numerous newsletters and pamphlets. They are:

- ***Tenagawan*** which is published every month. This newsletter reports the major happenings and ceremonies of the company, messages from the Chief Executive Officer, social and religious functions carried out by the various departments, stations and offices throughout the company.
- ***Sumber*** the weekly publication that updates the latest happenings to the company e.g. contract signing ceremony, visits by the CEO to any TNB offices within the country.
- ***Berita Pembahagian*** is a monthly newsletter produced by the distribution division. It is similar to *Tenagawan* but the news are focused upon events in the distribution division only.
- ***Infojana*** is a quarterly newsletter produces by the generation division. It focused upon activities in the generation division only.
- ***Tenagalink*** is published by the Distribution division also, but it is for external customers of the company. It is produced twice every year and it gives customers updates of any major projects undertaken by the company

to improve customer service. It also provides information about many courses conducted by the company and which are made available to customers.

- ***Annual Report*** is produced annually. The report is normally in two parts: the corporate book and the financial book. The corporate book contains the latest information on the company. It highlights the important activities of the company in the last financial year. The financial book contains the board of directors report and the company's accounts.

4.4 Story 1: The Restructuring Exercise

The structure of Tenaga Nasional Berhad is given in Appendix 3 which shows the location of various human resource departments as well as the corporate human resource department. The core business of TENAGA NASIONAL BERHAD that is to generate, transmit and distribute electricity is under the Senior Manager Supply Operation. These functions are separated into divisions and each is headed by a general manager. There are two other Senior General Managers in finance and corporate services.

4.4.1. The Plan

Each division in the core business has its own human resource department to manage its own human resource matters. Sultan Salahuddin Abdul Aziz power station, one of the power stations in TENAGA NASIONAL BERHAD, comes under the jurisdiction of the general Manager (Generation Division). In late 1995, Sultan Salahuddin Abdul Aziz Power Station was instructed to restructure its manpower requirements. The objective is to streamline its operation and maintenance functions and the number of personnel executives and non executives with a view to outsource most of the maintenance works to third party maintenance companies. The instruction was given more than a year ago and until the end of 1996 the restructuring has not been finalised yet.

The directive was given during the Generation Division divisional meeting. This was followed by a letter from Generation human resource department. The restructuring is supposed to follow the following stages.

Stage 1.

Each station in the Generation Division put up a proposal of its own station to the Assistant General Manager (Services), Generation Division. The Assistant General Manager will look into the proposal and do the necessary adjustment to the proposed structure. Once the structure is formalised, the ASSISTANT GENERAL MANAGER (Services) will table it to the Generation Division Establishment Committee chaired by the General Manager (Generation) for approval.

Stage 2

After the approval is granted, the proposed structure is given to the Human Resource Department in the Corporate Services for ratification before it is submitted to the Board Of Directors Establishment Committee for approval. The approval of the Board of Directors Establishment Committee must be obtained before the proposed structure can be implemented.

Stage 3

the approved structure is then passed back to the Assistant General Manager (Services), Generation Division to be implemented at the various stations in the generation division.

In response to the directive of the General Manager (Generation), the management of Sultan Salahuddin Abdul Aziz Power Station put up its proposal to restructure its organisation. The proposal was submitted to ASSISTANT GENERAL MANAGER (Services). The proposal includes the number of personnel required together with their salary grades.

4.4.2. The Implementation

In the actual implementation of these stages, problems were faced when the proposal by the Assistant General Manager (Services) was not approved by the management of station. Eventhough, the station manager had modified his proposal twice to accommodate suggestions from the Assistant General Manager (Services). The Assistant General Manager (Services) did not communicate to them about his disagreements, instead, he just sent his own version of the structure to the Generation Division Establishment Committee for approval.

The Generation Division Establishment Committee after approving the structure proposed by the Assistant General Manager (Services) submitted it to the Human Resource department in the corporate services to gain approval of the Board of Directors Establishment Committee. Once more, at this stage the structure was modified without the knowledge of station as well as the Assistant General Manager (Services). The structure approved by the Board of Directors Establishment Committee was different from what was previously

approved by the Generation Division Establishment Committee as proposed by the Assistant General Manager Services. Encik Ibrahim Osman Bashah, General Manager (Generation Division) in his letter to the various power stations just simply directed the station to implement the structure as approved by the Board of Directors. The actual structure could not be presented in this research paper as this is considered private information and is treated with strict confidentiality.

4.4.3. The Result/Outcome

The problems with the approved structure are:

- a) The manpower requirement of power stations differ from station to station because stations differ in the number and type of generating units they possess. For example, Sultan Salahuddin Abdul Aziz power station has 4 steam turbines with a capacity of 300 MW each. Two of them are tri-fired units, e.g., they can use any one of the 3 types of fuels, oil, gas or coal. The other two units can use either oil or gas only. Moreover, there are 7 gas turbines in the station ranging in capacity from 20 MW to 110 MW. Sungai Perak power stations have 7 hydra turbines ranging in capacity from 26 MW to 83 MW.
- b) Station managers felt that their suggestions and recommendations were overlooked. The structure that was approved provides a standard structure for all the power stations without taking into consideration the peculiarities mentioned earlier.
- c) They felt that the rationale of the structure was not communicated to them and that the structure was forced upon them. Some job positions in the structure were downgraded in term of the salary grade and justifications for this was not given.

4.5 STORY 2: The Blackout

On August 3 1996 at 5:17pm, a national blackout hit our country. This is the second time in 4 years a national blackout hit our country since the electric utility was privatised in 1990. The first national blackout occurred back in 1992 but the severity of that blackout then was not as extensive as the one on August 3, 1996 when the whole of the peninsular of Malaysia was plunged into darkness.

A local newspaper reported on the incident. It started when an electrical flashover happened at TNB-Paka (Tenaga Nasional Berhad's Sultan Ismail Power Station). It automatically initiated a tripping command to both the YTL-Paka (an independent power producer's power station also located at Paka Trengganu) and TNB-Paka power generators to turn off. TNB-Paka itself shut down after 630 milliseconds (0.63 seconds) and YTL-Paka after 551 milliseconds (0.52 seconds) resulting in a loss of 160 MW and 762 MW of electricity respectively. When the TNB-Paka and YTL-Paka stations tripped, 922 MW was lost abruptly from the grid. Automatically, the other stations fired up to make up the loss and to prevent the power frequency from dipping too low, which would cause problems like damage to equipment. The gas turbines cranked up to the temperature trip point. The overheated turbines shut down automatically to prevent severe damage. A few tripped due to 'flame out' which means the flame in the combustors had gone out. By the 12th seconds, the accumulated generation loss was 2,143 MW and the

resulted in a total grid collapse and hence the national blackout. The fault was traced to a faulty switchgear which triggered a chain reaction throughout the country when all the generating plants were tripped off one after another including those owned by the Independent Power Producers (New Straits Times, 1996)

An operation manager in one of the power station was informed of the news by a friend who happened to hear the news over the radio which informed the public about the national blackout. It was nearly half an hour after the incident happened.

The spokesperson for customer relation and media unit knew about the blackout from Radio and Television Malaysia who in turn received the news from the police in the Police Headquarters at Bukit Aman. Radio and Television Malaysia called him to confirm whether a national blackout had hit the country. He could not confirm this but he had received news from his friends in Bagan Serai (Perak), Johor Bharu (Johor), Subang Jaya, Shah Alam and Petaling Jaya (all in Selangor) that blackouts did occurred at their areas. He could not confirm if that was a national blackout. The public was informed of the blackout by the Radio and Television Malaysia over the 6 o'clock news based on the information provided from the police, however not by TENAGA NASIONAL BERHAD!. The spokesperson was informed by the Supply Management Centres of Tenaga Nasional Berhad at 6.20 p.m., an hour since the blackout! After receiving the confirmation, the spokesperson after getting directive from his immediate superior, the Deputy General Manager (

Customer Service) open the Distribution Division Operation Room to conduct the followings:

- a) To gather and relay updates to customers and the media information about the blackout.
- b) To co-ordinate the activities involving the Supply Management Centre/Regions/Districts with the aim to expedite the restoring of electricity supply.
- c) To handle customer enquiries and keep them informed of the current development.

Only by 7.30 p.m. did Tenaga Nasional Berhad manage to make an official announcement over the Radio and Television Malaysia's Radio 1 about the national blackout. From then on, the Radio and Television Malaysia was regularly updated by the operation room on an hourly basis.

Summary

The company after the blackout in 1992 did prepare contingency plan to face such emergency again. But somehow the plan was not implemented during the August 3rd. 1996 blackout. One of the reason was because of the unavailability of a permanent operation room to handle such crisis. The existence of such a room once it is set up must be made known to outside public especially the media such as Radio and Television Malaysia, TV3, radios and newspaper companies. If such emergency happen such as blackout, public can get information by simply contacting the operation room.

Another reason is the fact that there was a breakdown in communication between the National Load Dispatch Centre that controls the electrical supply for the whole of the Peninsular of Malaysia and the communication departments in the company. The people in the National Load Dispatch Centre were the first to know about the blackout but they did not inform the relevant communication departments, such as the Media and Relations Unit or the Corporate Communication Department immediately when the blackout happened. This prevented these parties from playing their role in informing the public.