

CHAPTER I

INTRODUCTION

Tenaga Nasional Berhad (Tenaga) was privatised in September 1990 and for the first five years employees were assured of their jobs. Everyone in Tenaga knows that the job security enjoyed so far would slowly be threatened by the transitional changes that were creeping in. The new environment as well as the needs to change the attitudes of workers towards work, would have sociological and psychological impacts on the workers. There were cases of complaints, grouses, resistance to changes and resentment amongst sporadic groups of workers. Though not widespread, cases of non-co-operation, non-committal, and in certain instances, deterioration of communication in specific Departments, were the areas of concern for the top Departmental managers in Tenaga. The fact that the appointment of new CEO from outside Tenaga in 1991 seemed to worsen the situation.

Tenaga is now a public listed company with seventy percents of its shares owned by the Government. Although one of the major objectives of a privatised company is to maximise profit, many of Tenaga's business activities are being dictated and regulated by bureaucratic procedures of the various Government agencies. These are some of the impediments that stifled the smooth operation of Tenaga. Moreover, the unexpected deregulation and liberalisation of the Electricity Supply Industry (ESI) in the form of

premature competition from the Independent Power Producers (IPPs) poses additional threats and challenges to Tenaga.

Tenaga's top management find it difficult to lead and steer the company, and to stand up and face the challenges whilst being closely controlled and regulated by the different Government agencies. The uncertainties of the new business environment coupled with high expectations from the stockholders, added to the burden of the management. What was felt at the top, would some how or rather, be felt and reverberated downwards. Generally, staff was unclear of the organisation's new missions and objectives. The initial changes, which involved quite a number of restructuring exercises, unsettled many workers at different levels. Staff suddenly felt that their job positions are somewhat threatened. The work environment, the affluent and the demanding public and the demanding pace of the private sector are new challenges to Tenaga's staff. It is not unusual for Tenaga, one of the biggest organisations in the country, to encounter a lot of problems in the area of human resource management during the early years of privatisation. Having been in the public sector for more than forty years, the staff were deeply entrenched in the traditional public or 'Lembaga Letrik Negara (LLN)' beauraucratic culture, and therefore changes were difficult to implement and control. This is more so among the lower echelon of staff. The different work style and the changing 'modus operandi' had contributed and added to what can be termed as 'the job-culture shock'.

To a certain degree, Tenaga's management was aware of the potential transformational problems before the privatisation exercise. The effects and the

consequences were identified and recognised. It is important to arrest the situation early before it is too late. The privatisation exercise was well advised by experience consultants in the like of Arthur Anderson, Price Waterhouse and others. Strategies and action plans were drawn up to tackle possible, post-privatisation potential problems.

Total Quality Management and Teamwork in Tenaga.

One of the strategic initiatives proposed by the consultants was the adoption and implementation of Total Quality Management (TQM) in Tenaga. A special unit, aptly named ‘Quality Promotion Unit’ was formed in the Management Development and Services Department (MDS), to spearhead the implementation and to promote TQM culture in TNB beginning in the year 1992. Distribution Division was the first division to embark on TQM activities in Tenaga by introducing ‘Quality Customer Service - Improvement Teams (QCS-IT)’. The main objective was to improve services to customers and to inculcate quality culture among the staff. Initially, the main target group was front-liners who have directly dealing with customers. Other Divisions, specifically Transmission, would emphasise on internal customers, vis.a.vis the other Divisions within Tenaga. Since then, the TQM has been driven across the organisation. At the onset, the support and commitment from top and senior Tenaga management was seemingly superb and unwavering.

Teamwork is one of the more important and essential ingredients in TQM. It goes hand in hand with quality and in fact, without emphasis on teamwork and team effort in quality ventures, one might as well say goodbye to TQM. This is an important aspect which Tenaga recognises and is determined to succeed.

Teamwork in the Transmission Division.

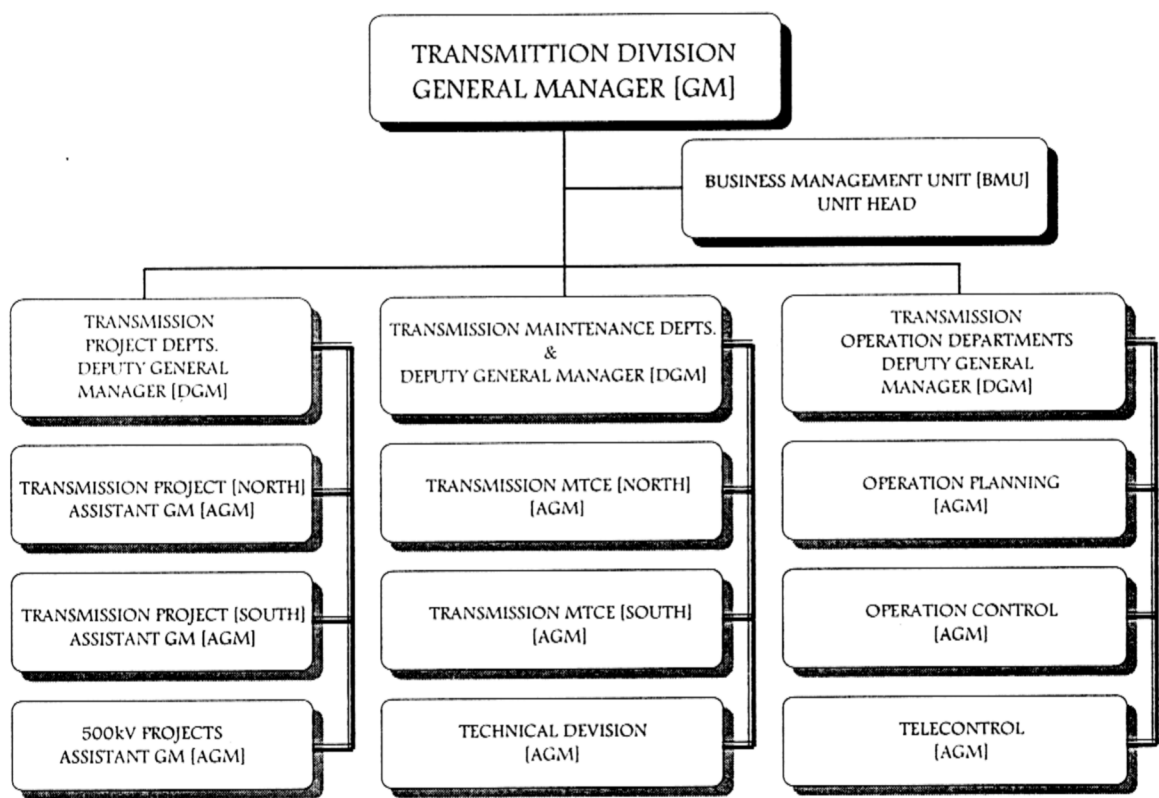
The core activities of Tenaga involves the generation, transmission and distribution of electricity. Basically, the business aspects of Tenaga are undertaken by the Generation Division which deals with the production of electricity; the Transmission Division which transmits or transports electricity produced to load centres for distribution, and the Distribution Division which distributes the electricity to the end-user customers.

In Transmission Division, the core activity would involve its staff that deals with the high voltage transmission equipment. Since the early days of privatisation, the activity is vertically integrated. At the upstream the Transmission project Department would construct and install transmission lines and substations. The completed projects would then be handed over to the Transmission Department which oversee maintenance and repair of the equipment. Operation of the transmission system, vis. a. vis. safe and reliable transfer of electrical power from the generators to the load centres, is performed by the Transmission Operation Department. The Business Management Unit would look into the commercial and business aspects and transaction of the Division within Tenaga or with outside parties. The Organisation Chart of the Transmission Division is as indicated in Figure 1.

The General Manager of the Transmission Division of Tenaga was very much aware of the recurring teamwork problems in the Division. The Division recognised

the important roles and contributions of teamwork towards achieving its quality objectives and the role it can play in regrouping workers toward achieving common objectives. In around August 1993, the General Manager (Transmission) came up with the opinion that the TQM initiatives just introduced would not be fully beneficial if there is no awareness on the importance of teamwork. He felt that teamwork and team

FIGURE 1. TRANSMISSION DIVISION ORGANISATION CHART



spirit would form the basic building block for TQM efforts. After considering the prevailing situation in the Division, the feedback from all Departmental Heads and the benefits the teamwork program could bring in, the “Team Dynamics” program was introduced in March 1995. Whilst the QCS-IT program was meant for the non-executives, the “Team Dynamics” program was aimed at the executives of the Division, for the purpose of disseminating awareness on the importance of teams amongst all levels of workers.

The team-based programmes in Transmission were to be implemented in (3) three stages, namely :-

1. *The awareness stage*
2. *The implementation and development stage*
3. *The maintenance and sustenance stage.*

As the first step to introduce team awareness, ‘Team Dynamics’ programme was launched in March 1995, and ended in November 1995. It focused on all the executives in the Division. Almost all of the two hundred and five executives of different levels and grades in the Division participated in the programme. The ‘QCS - IT’ programme which was launched in March 1995 was meant to instil quality and the importance of teams amongst lower run staff. To date, nearly 900 staff have attended the programme. Seven hundred more staff of the Division are yet to attend the programme. In this case, the Division had taken a two-pronged strategy of addressing the ‘teamwork’ issue, from the top and the bottom simultaneously.

OBJECTIVES OF THE TEAM DYNAMICS PROGRAM

The main objectives of the “Team Dynamics” programme were identified before it was implemented.

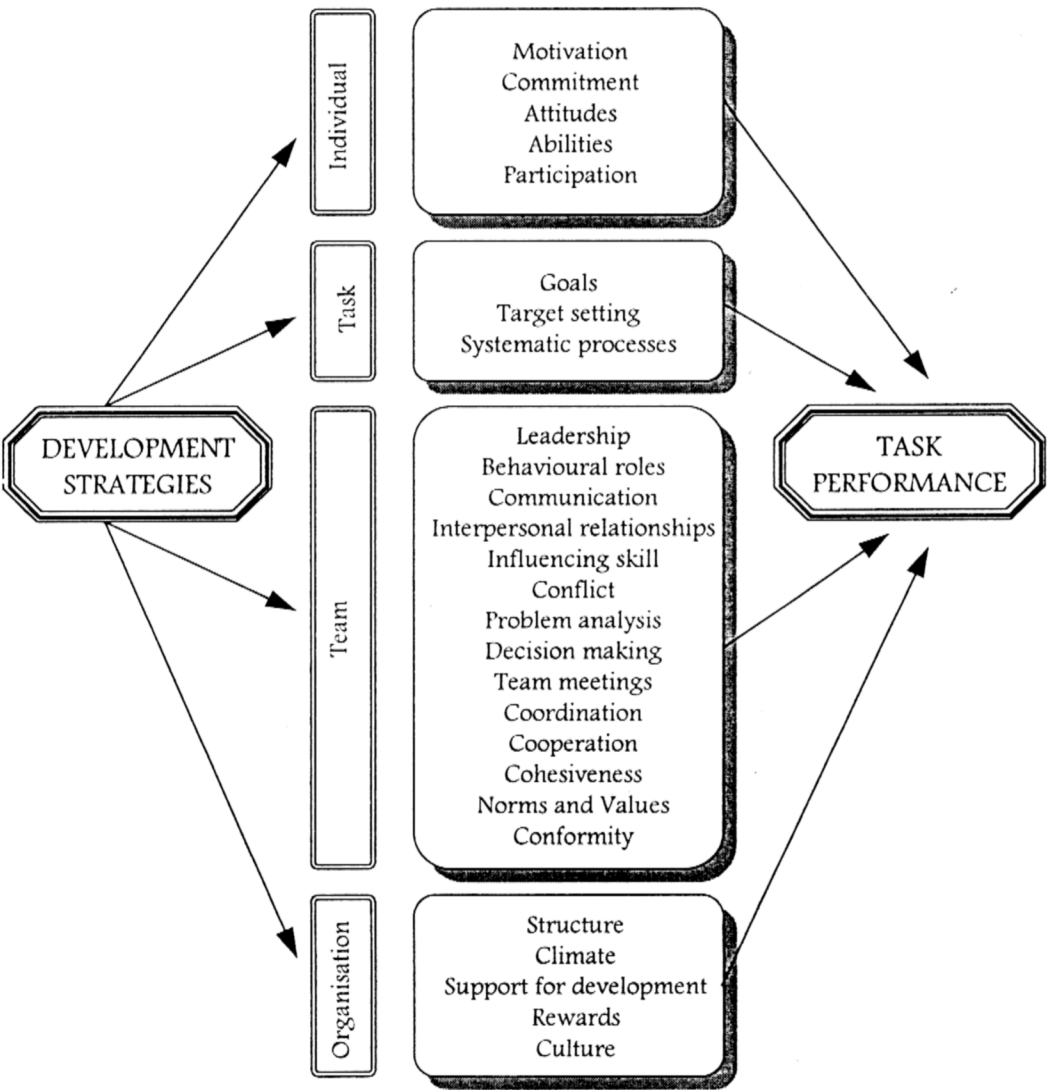
The main objectives were :-

- *To inculcate and build teamwork among executives and first-line supervisors in the Departments and Units of the Transmission Division. Attention were to be given to improving team spirit and sense of belonging to the Division.*
- *To elevate the quality and productivity of each Unit and Department.*
- *To enhance the performance of each Unit and Department, so as to support the Division and Corporate objectives.*
- *To improve communication and develop productive relationship.*
- *To minimise negative attitudes that inhibit progress in the Division.*
- *To promote cross-functional integration.*

Figure 2 illustrates an extended model of team development which can become the basis for the team building program to be implemented by the Transmission Division. The development strategy would address four distinct items starting with individual, the task expected from each of them, followed by the different traits of teams that can finally contribute to the attributes of an organisation. All the four would later lead and contribute to task performance. The figure indicates that organisations need to develop strategies that involves individual and organisations. Management deep understanding of the task in relation to the need to build teams that can benefit individual and organisation alike, must be internalise at different levels of the

organisations. Individual attributes like motivation, commitment, abilities etc. can be enhanced by conducive organisational climate and culture, which in turn would maximise utility for the organisation.

FIGURE 2. TEAMS, TEAMWORK & TEAMBUILDING



An Extended Model of Team Development
[STOTT AND WALKER:1995]
[Source : Adapted from Buller, 1986]

NATURE OF THE STUDY

This study focuses on teamwork in the Transmission Division of Tenaga Nasional Berhad. The study is made relevant by the introduction of teamwork initiatives, particularly the 'Team Dynamics' programme in the Division. Evaluation on effectiveness of the programme would provide feed-back that can be useful for further actions.

Numerous studies on teams and teamwork have been carried out in the developed countries, especially in the USA, Europe and Japan. As early as 1980s, companies like Boeing, Xerox Corporation, Volvos and many others had introduced a team-based concept of 'Self Directed Work Teams (SDWTs)'. In SDWTs, teams consisted of between 6 to 18 members who are given specific tasks of completing a major portion or a complete tasks. The cross functional teams consisted of members with different skills and expertise. Members are given the opportunities to lead and exhibit their skills, with leadership of the teams are rotated amongst members. Jobs rotation is also practised, whereby members can enhance their knowledge and skill in areas that they are lacking. In this way, members are motivated to perform to their best ability and to achieve certain standards in their job performance. Jobs are evaluated based on the team performance and their productivity. The teams are wholly responsible and accountable for their tasks. One very good example is in the case of Volvo Sweden, the teams are given the responsibility to assemble a complete car.

In Malaysia, companies like Motorola and Petronas have embarked on enhancing teamwork and team building . For Tenaga, formal initiative on teamwork has just begun and it is hoped that Tenaga can derive maximum benefit from the team building programme.

OBJECTIVES OF THE STUDY.

As explained earlier, the Transmission Division of Tenaga has introduced “Team Dynamics” programme as one of the ways to regroup people towards understanding internalising the importance, advantages and benefits of “Teamwork”. Organisations world-wide had proven that people have to work together in order to face the challenges of the perpetual changes in the business environment. By working as a team, through synergistically co-ordinated and concerted effort, organisations can achieve extraordinary results beyond what they can dream of. At this stage it is too premature to determine the success of the programme. However, the author is of the opinion that it is appropriate to assess the effectiveness of the “Team Dynamics” programme. To gauge the effectiveness, the author has proposed that a study be conducted in a form of exploratory survey. The survey results would indicate effectiveness of the programme, development and progress in “teamwork” in the various Departments and Units, as well as possible weaknesses and areas of concern of which the Division can focus and concentrate effort to overcome those weaknesses.

The author was appointed as the ‘co-ordinator’ of the ‘Team Dynamics’ programme and as such his involvement in the program is full time. He was involved

in planning and later in the implementation of the programme. In certain instances , he facilitated and gave lectures at the sessions.

The following are specific objectives of this study :-

- *To examine the team performance rating of the various Departments and Unit in Transmission Division.*
- *To evaluate the effectiveness of “Team Dynamics” program implemented in the Transmission Division of TNB.*
- *To assess group effectiveness and interpersonal processes in the Departments and Unit of Transmission.*
- *To recommend the next course of actions to the Division Management, to follow up and enhance teamwork efforts in the Division.*

SIGNIFICANCE OF THE STUDY.

Tenaga, particularly the Transmission Division has taken steps to introduce team awareness program as part of the TQM initiatives. It is important and appropriate that the programme be evaluated and assessed so that justifications for the investment and beneficial contribution of the program can be determined. Although the study is based on some research works carried out in USA and Europe, it is equally useful to Tenaga in terms of its applicability, and therefore is one of the objectives of the study.

The outcome of the study would be useful for Tenaga's management to decide on future actions and plans on teams and teamwork activities. The study will also provide a tool for management to evaluate similar programmes in the future. As a result of this study, the author hopes to recommend to the Transmission Division

specifically, and to Tenaga generally, proposal that can enhance team building in the organisation, as one of the ways that can provide increased performance and productivity.

ORGANISATION OF THE STUDY

The study comprises of five chapters. Chapter One serves as an introduction, specifically relating teamwork and team-based initiatives in Tenaga. The chapter also illustrates the nature , the objectives and the significance of the study. Chapter Two reviews literature. It provides an overview on teamwork and research performed in this area. The research methodology of the study is discussed in Chapter Three. It discusses briefly the research design, sampling design, sampling plan, data collection procedure and statistical tool used in the analysis of data. The limitation of the study is also described. In Chapter Four, the findings of the study is analysed, and presented. This includes the demographic profile of respondents and their responses to the various aspects of teams. Chapter Five concludes the study by summarising the findings and making recommendations or proposals to Tenaga’s management, specifically the Transmission Division on future course of actions on teams and teamwork initiatives. Some recommendations for future research are also included.