

**A CASE STUDY OF POS MALAYSIA BERHAD
AND ITS CUSTOMER SERVICE POS LAJU
COURIER BUSINESS**

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A CASE STUDY OF POS MALAYSIA BERHAD AND ITS CUSTOMER
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ABSTRACT

Privatization of several key public services managed by the Malaysian Government strategic utilization departments such as electricity and water utilities, communications and the postal delivery has affected public perception and expectation over time. The postal-chain of delivery is a case in point, in relation to the more encompassing practice of Logistic-Supply Value Chain (LSVC) and Public Enterprise Management (PEM) today. Customer service is an important component of the marketing concept in Logistics Supply Value Chain Management (LSVCM) of Free Market Private sector enterprise. Menus of new development in the Logistics Supply Value Chain (LSVC) components especially in Public Enterprise Management have shown fresh areas of logistics that need to be addressed. This research study is therefore an attempt to fill the gap between existing and emerging new knowledge and applications in the management of logistics customer service in a transformed public enterprise performing the public delivery postal services in Malaysia, particularly wherein there is a growing awareness that issues pertaining to logistics-supply value chain management are becoming more complex and researchers have been criticized for lack of methodology diversity and general unwillingness to employ research method and design that are more appropriate for theory generation and investigation. In order to fill this gap, an inductive qualitative method research design in combination with the researcher's insight and experiential knowledge is utilized to further advocate advances in supply-value chain theory and practice for the purpose of this study. This case study of **POS MALAYSIA BERHAD** and its **Customer Service Pos Laju Courier Business** is directed to resolve policy-procedural issues and discrepancy ineffective and efficient quality customer-service courier delivery as attested by 12 participant-respondents from top-middle-supervisory front-line management positions in various operation-

functional departments or Divisions in Pos Laju throughout numerous Headquarters Sectors and its Service Centres in the Federal Territory of Kuala Lumpur and Shah Alam in the State of Selangor. Among the recommended improvement actions include a negotiated contract for Pos Laju to operate autonomously independent of its parent company in order to add and create values that will propel it to quick response-fast track the courier service delivery to meet rapid market demand changes including client lifestyle preferences for home-site delivery today in view of the Covid-19 pandemic episodes domestically and worldwide. In conclusion, the results-analysis of this study achieves both answers to the research questions and fulfilling its objectives that include evaluates the candid interviewed responses on the LSVCM Pos Laju Courier Business customer-relationship contributions to enhancing its own Corporate Image and Return on Investment (ROI) and those of the parent company POS MALAYSIA BERHAD.

Key Words: courier business, privatization, policy-procedural issues, discrepancy in customer-service delivery, Logistics Supply Value Chain Management (LSVCM), top-middle-supervisory frontline management, transformed public enterprise and public postal delivery, quick response-fast track customer-courier service.

APPROVAL

I certify that I have supervised / read this study and that in my opinion it conforms to acceptable standards of scholarly presentation and is fully adequate, in quality and scope, as a thesis for the fulfilment of the requirements for the degree of Doctor of Business Administration.

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DECLARATION

I hereby declare that the thesis/dissertation submitted for the fulfilment of the degree for Doctor of Business Administration (DBA) is my own work and that all contributions from any other person or source are properly and duly cited. I further declare that the materials have not been submitted, either in part or in whole, for a degree at this or any other university. In making this declaration, I understand and acknowledge that any breach in this declaration constitutes academic misconduct which may result in my expulsion from the programme and/or exclusion from the award of the degree.

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I am very fortunate, in the pursuit of my knowledge and doctoral qualification throughout the twilight of my retired life from a 5-decade of hectic and demanding working in both public and private sectors, to have been reacquainted with my 2-year junior in our Alor Star (Kedah Darul Aman) *alma mater* (Sultan Abdul Hamid College) who became my DBA Research Methodology course-lecturer and subsequently my thesis/dissertation supervisor. This is a blessed uncharted meeting that has founded a strong relationship beyond a formal mentor-mentee interaction in the campus; it has developed into a blossoming bonding friendship that has motivated me tremendously and instigated me continually to complete this challenging academic journey. I've even managed to co-author with his guidance a *scopus-indexed* publication following my active participation in two international e-conferences in May and December 2020, with another joint-paper presentation in June 2021 to be published thereon. I am therefore indebted to Professor Dr Oo Yu Hock, a government retiree himself but a committed lifelong and potent academic who is an active organizer-participant of the said e-conferences. He was my schooling junior, my university doctoral supervisor, my knowledge-share mentor-motivator, and my twilight-sharing friend who still advocate mutual-participatory active academic and professional interests for community-share, even until today.

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LIST OF ABBREVIATIONS

CRM: Customer Relationship Management

CSP: Customer Service Paradigms

ETP: Economic Transformation Programme

GNI: Gross National Income

GTP: Government Transformation Plan

GVCM: Generic Value-Chain Management

KBA -Key Business Areas

LCSM: Logistics-Supply Chain Management

LSVC: Logistic Supply-Value Chain **LCS:** Logistic Customers Service

MBV – Mission-Brand Values of POS MALAYSIA BERHAD

MPI: Malaysian Incorporated Policy

MPP: Malaysian Privatization Policy

NKEA: National Key Economic Areas

PEMADU: Performance Management and Delivery Unit

PSE: Private Sector Enterprise

CHAPTER 1.0 INTRODUCTION

As a prelude to the organization of the research study, Chapter 1 provides an overview of the study on POS MALAYSIA BERHAD in the context of logistics supply chain management in postal and parcel deliveries domestically and internationally. It then discusses the Background of the Study summarized as operational dimensions of the study as shown in Table 1.1 although the relationship between POS MALAYSIA BERHAD and Pos Laju in terms of fulfilling their customer products and services is discussed in Chapter 2. However, issues arising as the problem of the study are identified and enunciated as an expression of a set of Research Questions raised to seek answers for the problematic issues, and these are aligned with a set of Objectives of the Study. The operational dimensions in the logistics value chain are specified within the scope and limitation of the qualitative-case study research whose brief reference in the Research Methodology is further explained in detail in Chapter 3. The Scope and Limitation of the research is confined to a case study of Pos Laju and its courier delivery services, with the Significance of the Study expounded and the core or key terminologies defined explicitly. The chapter ends with a brief description of chapters 2, 3, 4 and 5 as the remaining thesis content-structure in the organization of the study.

1.1 Overview

Customer service is an important component of the marketing concept in Logistics Supply Value Chain Management (LSVCM) of Free Market Private sector enterprise. Menus of new development in the Logistics Supply Value Chain (LSVC) components especially in Public Enterprise Management have shown fresh areas of logistics that need to be addressed. This research study is an attempt to fill the gap between existing and emerging new knowledge applications and practices in the management of

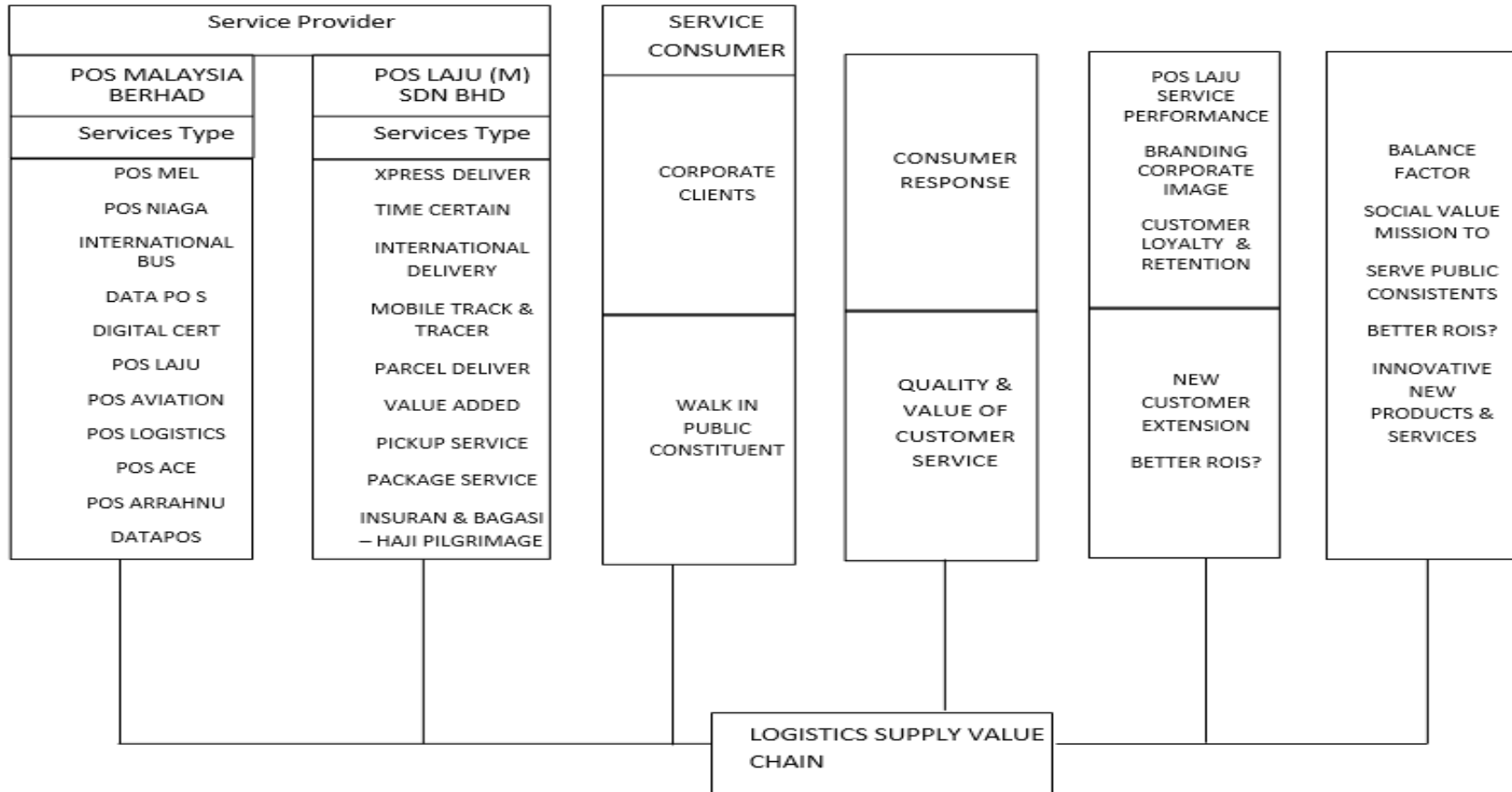
customer-service logistics in a transformed public enterprise performing the public delivery postal services in Malaysia, ensuing the growing demand for courier services domestically, regionally and internationally.

The research focuses on Malaysia's leading Postal Delivery Service during pre and post COVID-19 pandemic era. It is a case study of POS MALAYSIA BERHAD and its Customer Service Pos Laju Courier business, with the main objective to resolve policy-procedural issues and discrepancies in effective and efficient quality customer-service through courier delivery where lacking or questionable. The growing courier services delivery since early 1990s have begun to feel the pressure of the first-ever foreign courier services company (DHL Express) in the country, especially in security, coverage, speed and tracking in individualized and specialized express delivery of parcel services. In the early development years with limited technology input and more human-dependent effort, quality and speed of courier services were doubted. Hence, the area of special attention in this study is more on the human element and service-direct management perceptions of the Customer Service providers of Pos Laju, based on such assumed shortcomings of the management-focus population. The latter is represented by a function-based sample from this population in the Pos Laju Headquarters in Shah Alam, Selangor and Distribution Service Centres in the Klang Valley. The operational dimensions of this study are summarized in Table 1.1 below.

The organization chart comprises two main divisions, that is, the functional division which serves as the support-backup units of the organization and the operational division that provides the frontline services to the walk-in public customers and industrial corporate clients. The parameter of this research mainly cover the Customers Service Provision. Thus, the case study mostly covers the operational

division with four subdivisions: (a) Courier, Express and Parcels, (b) Customer Experience, (c) Quality, and (d) Vehicle and Property.

Table 1.1: Operational Dimensions of the Study



Source: Reconstructed by Researcher from adapted materials provided by target Headquarters and Case-study Branches Interviewed

The Courier, Express and Parcel Departments comprise the 1st sub-division overseas operational planning, engineering, regional operation, operational solution and hub management. The Customer Experience Division is the 2nd sub-division, encompassing customer-input and feedback reviews to deliver services including dispensing compensation for justified customers, and solving neglected grievances from Pos Laju customers

The Quality Division is the 3rd sub-division that ensures official documents are produced and maintained according to Standard Operating Procedures (SOP), thus maintaining internal quality and assuring overall quality of operations and services delivery regardless of mitigating circumstances and at all times. The result of a high quality assured division ensures the sustainability and reliability of the high quality expectation of management and services (HRIS) in the operating divisional departments or units of Pos Laju.

The 4th and final sub-division is the Vehicle Property Division. It is a critical operational unit of Pos Laju because a well-serviced and ready-proper functioning convoy of vehicles ensure on-time customer delivery of courier services, with minimum of delay due to vehicle break-down and other vehicle-care maintenance circumstances. On the whole, this sub-division is also responsible for the numerous physical assets (property) of Pos Laju, thus making its property and transport management functions a significant cost-effective responsibility.

1.2 Background of the Study

Customer service is an important component of the marketing concept in Logistics Supply Value Change Management of Free Market Private sector enterprise. Menus of new development to logistics Supply Chain Components especially to Public Sector Enterprise Management have shown fresh areas of logistics that need to be addressed. The mode of operations in the logistics management, with due transformation from manual and partial technology means to almost fully integrated technology-based operations for speed and efficiency, particularly related to improving the postal and parcel delivery businesses of POS MALAYSIA require heavy investment and training of technology-related handlers in sorting, tracking and monitoring quality courier services especially in its Pos Laju subsidiary

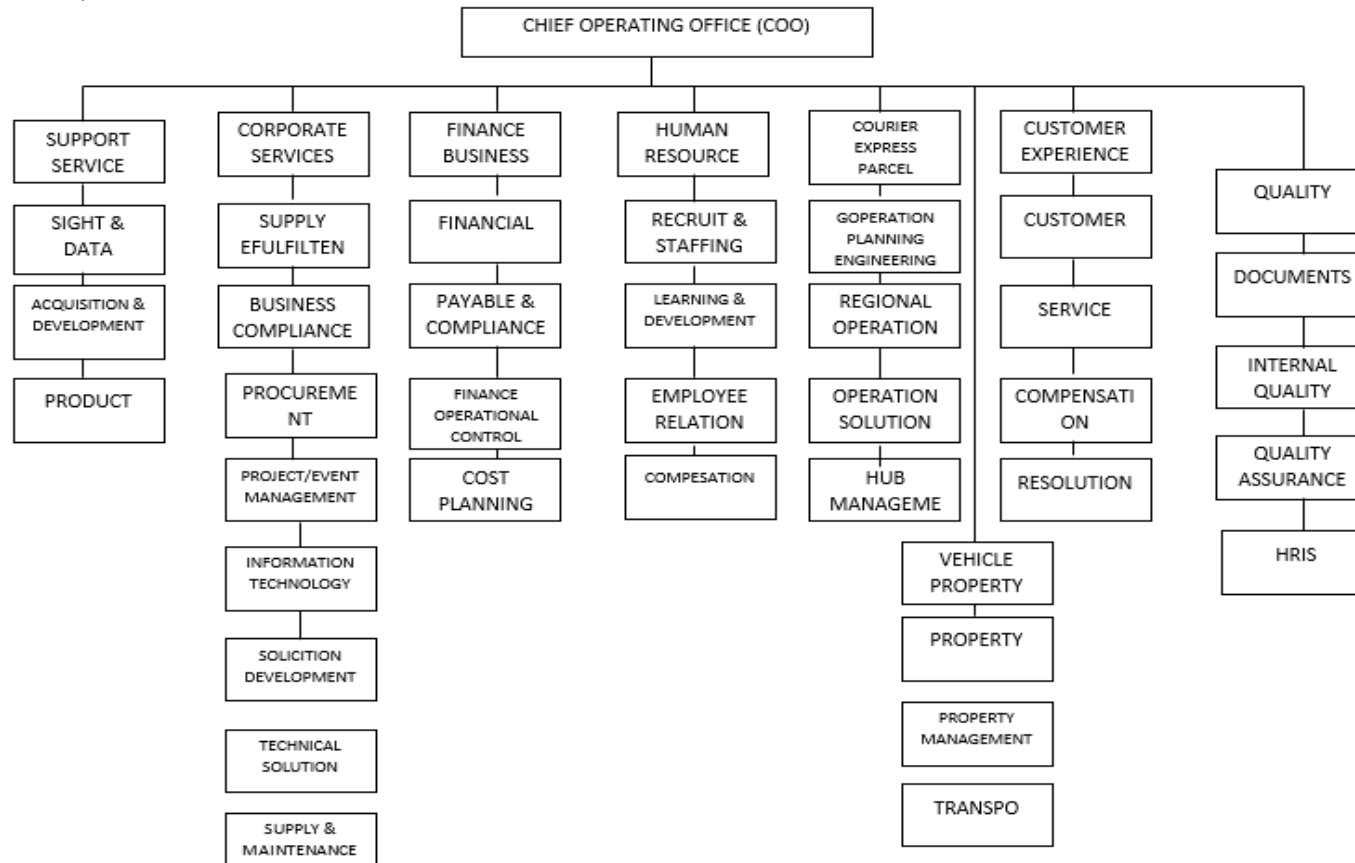


Figure 1.1: Organization Chart of POS LAJU Headquarters

In the past, logistics was viewed as a support-function for production and consumption in the food-chain manufacturing industry where it is a cost center. Similarly, in the conventional context of the government postal and parcel services enterprise, the logistics (then a non-existent concept of the present-day supply-delivery chain of courier services) aspects were purely “in the public interest” – a public service function-duty of the government at state and federal levels. Today, however, in the global business context of profitability and value-investment opportunities, at home and abroad, the eventual corporatization of the multi-facet public-service Pos Malaysia as POS MALAYSIA BERHAD with a thriving Pos Laju subsidiary as its courier services business enterprise, has changed and redefine the need for, nature and character of, the traditional postal and parcel delivery activities whereby the increasing independent functionality and responsibility of Pos Laju must adapt and reinvent itself to remain competitive against localized foreign players in an expanding courier services industry.

In essence, an industry gap between public and private practice of the supply logistics chain of value services-delivery management that is compounded by an existing literature gap on then corporatized Pos Malaysia postal and parcel services and current logistics courier services of Pos Laju underline the urgent need to research and add value to a growing domestic, regional and international market-hubs for speed-accuracy and timely-quality modes of courier services. And this a snowballing impact in turn engenders income-revenue sources, employment avenues, technology applications and innovation opportunities for business continuity, in this case, the further enhancement of the courier services initiatives in Pos Laju for evolving an independent corporate image from its parental bondage to POS MALAYSIA BERHAD.

Due to the twin-gaps mentioned above, the research methodology essentially adopts the qualitative method of study, using a semi-structured interview questionnaire directed at four key management sub-division personnel only because they, directly and indirectly, execute functions and responsibilities that affect the performance delivery of courier services in Pos Laju. It is deemed most appropriate because the triangulated responses from the key-serviced based interviewees will provide the answers to the research questions posed and achieve the objectives of the study intended. Moreover, Pos Laju as seen from its current status in transition from its inherited bondage to POS MALAYSIA BERHAD should be developing, reinforcing and maturing its own independent identity as a national domestic courier services entity to break into the competitive advantage dominance of localized foreign-based companies in the courier services logistics industry in Malaysia. Today, this crowded domain is witnessing the mushrooming of entrepreneurial agencies for the dominant foreign brands as well.

Thus, to address this increasing external competitive market and, also to be able to redress its internal organizational inadequacies, the main effort of reviewing policy issues in the corporatized company of Pos Malaysia Berhad and Pos Laju cannot be left to the Headquarters of Pos Malaysia Berhad alone. Pos Laju, among others, should review and reorganize its Fiscal Efficiency (that is, cost-effective pursuits) and Techno-Innovative Efficacy (that is, innovative tracking-retrieval technology investments) to pursue a forward-action agenda to value add to its limited menu and spread of products and services and further value create to its meagre global branding-handling initiatives on high-speed drive. In short, Pos Laju should dismiss completely the over-hang of the past-obligatory social value mission in the public interest and reinforcing a business-driven reorientation of a profit-bent world-class courier services provider.