

Human Resources in Malayan Railway (KTMB)

Fauzi Said

Introduction

Malayan Railways is now more commonly known as Keretapi Tanah Melayu Berhad (KTMB), and traces its origins to 1885 when local railways were first constructed to move bulk commodities, especially tin, from inland mines to coastal ports for export.

Past to present

Throughout its 112 years, KTMB has played a significant, if not predominant, role in Malaysia's economic development, especially in the west coast of the peninsula.

August 1992 marked a radical change in KTMB's history when it became the first ASEAN railway to be incorporated. Although its equity is wholly owned by the government, since 1992, the railway has been operated entirely as a private-sector business. Malaysia's recent rapid socio-economic growth and the constantly-changing business environment are placing greater demand on KTMB. The company is now in its sixth year after becoming a private entity and various strategies, including a multiprogram approach, are in hand to enhance its capabilities.

Major Concerns

One major concern is the need to optimize human resources. At incorporation, KTMB absorbed all its 7600 employees, who were guaranteed employment for 5 years.

The current issues requiring attention are related to staffing levels and developing employees' skills. The strategic intent is to reduce personnel levels gradually by non-replacement of retiring staff, and by redeployment. This intention has been explained to all managers and supervisors, and to the labour unions.

To ensure that the initiative will be ac-



Tin mining freight train before World War II

(KTMB)

cepted, a force-field study using questionnaires and interviews was undertaken to determine the appropriate number of employees, the findings of which formed the basis of the Operations Improvement Program. Of course, the management is conscious that this initiative is not misconstrued as downsizing, because this would create a poor impression with the work force. For this reason, two objectives were emphasized: 1. Organizational restructuring, and 2. Skill development.

Organizational Restructuring

A major concern of the Operations Improvement Program is the need to optimize the human resources. Organizational restructuring is needed to:

- Improve regional marketing and management focus
- Centralize administrative and support activities
- Strengthen maintenance



Train model room in KTMB's Training Centre in Sentul, Kuala Lumpur

(KTMB)

These moves will enable KTMB to deliver better and more appropriate services to its customers.

However, regional restructuring does not mean simply reducing fragmentation and centralizing activities; in addition, regional managements are to become commercially driven, eventually improving the competitiveness of regional services. Restructuring activities include:

- Streamlining by discarding redundant or non-essential activities
- Merging related functions and strengthening coordination
- Instituting cost-reduction programmes to eliminate unnecessary costs and rationalize expenditure
- Instituting management audits to improve services and procedures

Skill Development

Concerns about productivity are not new in any business, and KTMB is focusing on the three Es—Efficiency, Effectiveness, and Effort. Most importantly, an awareness programme is needed to make employees understand that they are a vital part of productivity. The management strategy has been to transform day-to-day work activities into measurable indices.

First, the employee reaches a performance agreement with their supervisor. Together, they establish specific targets, performance standards and tasks to be accomplished over the next 12 months.

The employee's skill development needs and how they are to be achieved are established in this agreement. Skill development has a direct impact on performance and provides a basis, together with the agreement, for continuous assessment of the employees' achievements.

During the year, the supervisor and employee assess performance continuously in relation to the agreement. Objectives are reviewed periodically and any emerging skill development needs are also



Female employee at work in Information Technology Department

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added as necessary. After 12 months, the supervisor and employee jointly review achievements and progress; comments are made, performance is rated, and a new performance agreement for the next 12 months is concluded. Good performance is reinforced with praise, recognition and more opportunities, while low performance is remedied by coaching and counselling. Most

importantly, these meetings provide the chance for frank discussion between the supervisor and employee.

Training

Employee training has always been of paramount importance in KTMB and responsibility for training and development lies with the Training and Development Department, which runs a training centre



Child care centre located at ground floor of staff quarters in Bangsar Utama, Kuala Lumpur

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providing a full range of courses including train operations, management skills, information technology, etc., taught by full-time staff. External training using outside consultants to conduct training for KTMB employees is also available to provide new skills in operations, signalling, communications and, more importantly, safety.

Recently, training programmes have been geared more towards acquisition of multiple skills. On-the-job training, including coaching and self-teaching, is commonly used to provide skills, especially to lower-level employees, and the Training and Development Department provides on-the-job training kits as part of this programme.

Department heads are responsible for offering employees the opportunity to learn new skills and knowledge so that they can work more effectively. Supervisors are also responsible for identifying training and skill development needs, as well as for creating an appropriate learning environment.

Equal Opportunity Employer

Equal opportunity is now part of the KTMB workplace, and the company makes employment decisions based only on qualification.

In the past, KTMB has been male dominated, and as a result, women still only comprise 5.3% of the total work force, with only 1.2% as executives. In recognition of the vital role women play in the development of KTMB, new policies focus on ensuring equal employment opportunities. There are more training and retraining opportunities to help female employees adapt to new technologies, as well as to improve their mobility within and across occupations.

To encourage more married women in the KTMB work force, additional measures have been taken. Traditionally, child care



The latest model of EMU for Kuala Lumpur's suburban services

(KTMB)

has not been seen as part of the business world, but KTMB realizes that child-care services and flexible working hours can help female employment and has established day-care services for its employees' children. The company also provides paid maternity and paternity leave.

To develop new business opportunities and services, the work force must be creative, adaptable, dedicated, diligent, disciplined, and quality conscious. KTMB believes that productivity and efficiency is a journey, not the destination. The task of nurturing people rests on providing education and training that meets current market needs and future challenges. ■

Conclusion

KTMB is making slow but steady progress in developing its human resources; strategies are being established, monitored, and reviewed, based on feedback from progress meetings and surveys to determine the success of these activities. The response to a 1996 survey on staff's opinions of the company's policies and practices, is encouraging.



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