

**THE ROLES OF RAPID PENANG TOWARDS
SUSTAINABILITY PUBLIC TRANSPORTATION IN PENANG**

By

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I dedicate this research to

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who always give me strength and inspiration

to complete this research.

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ABSTRAK

Adalah penting untuk pembekal pengangkutan awam untuk memainkan peranan dalam mereliasasikan kemampuan pengangkutan awam di Pulau Pinang. Ini adalah kerana pelepasan CO₂ kenderaan yang datang dari trafik yang sesak terutama di Pulau Pinang di mana ia kini pada tahap kritikal. Infrastruktur pengangkutan awam yang lebih baik adalah salah satu matlamat utama bagi mana-mana pelan untuk mengelak kesesakan lalu lintas. Kajian ini adalah untuk menyiasat, meneroka dan mengukur peranan Rapid Penang ke arah menjadikan pengangkutan yang mampan satu kejayaan di negeri ini. Pengurusan yang lemah, terutamanya apabila kos semakin meningkat, akan membawa kepada perkhidmatan yang kurang efisien, penumpang yang tidak berpuas hati, pekerja yang tidak berpuas hati, gaji yang lebih rendah, masalah dalaman, kelewatan kerja dan jadual kedatangan bas yang tidak konsisten, kesilapan manusia dan pembaziran kemudahan. Kajian ini adalah berguna untuk mengetahui kekuatan utama dan kelemahan penyedia pengangkutan awam yang berguna untuk membuat usaha bagi menyelesaikan masalah dalaman Rapid Penang dan secara tidak langsung juga menjadi penyelesaian bagi masalah kesesakan lalu lintas di Pulau Pinang. Melalui dimensi peranan penting dimainkan oleh Rapid Penang yang merupakan faktor kepada kepuasan pelanggan, profesionalisme dalam kalangan pekerja-pekerja mereka, pengurusan yang baik serta cekap, pengangkutan awam yang mampan ini dapat dicapai. Perhatian yang lebih serius dan fokus terhadap peranan pengangkutan awam dan pengurusan yang baik mungkin akan membawa kepada kepuasan pelanggan yang juga akan memberi manfaat kepada pembekal pengangkutan awam itu sendiri . Analisis kajian kes dijalankan dengan menggunakan FISHBONE, PARETO dan AUDIO bersama dengan kepelbagaian analisa melalui sumber manusia di Rapid Penang

Sdn. Bhd. untuk menentukan sama ada industri berkenaan telah melaksanakan peranan dan tanggungjawab yang baik. Kesimpulan dan cadangan yang diperolehi berdasarkan hasil penemuan dari analisis yang dijalankan. Rapid Penang dapat melibatkan diri dalam perkara berkaitan penangkutan dan inisiatif dari kerajaan ke arah pemuliharaan alam sekitar dan hal-hal berkaitan kelestarian. Perkara ini selaras dengan usaha kerajaan ke arah kelestarian, dan menjadikan Pulau Pinang dan Selangor sebagai negeri yang lestari, hijau dan mesra alam. Satu dasar yang lebih konkrit pasti akan diperlukan dalam menangani isu-isu alam sekitar yang membawa kepada perubahan iklim, terutamanya berkaitan pengangkutan mampan untuk masa depan pembangunan mampan.

ABSTRACT

It is important for public transportation provider to play a role in justifying the sustainability of public transportation in Penang. This is mainly because of the CO₂ emissions of vehicles that come from the congested traffics especially in Penang where it is now at the critical stage. Improved public transport infrastructure is one of the major goals for any congestion plan. This research is to investigate, explore and measure the roles of Rapid Penang towards making the sustainable transportation a success in the state. Poor management, especially when the cost is rising up, will lead to poor service, unsatisfied passengers, unsatisfied employees, lower pay, internal dissatisfaction, job delay, human error and wasted infrastructure. It is useful to know the main strengths and weaknesses of the public transportation provider which is useful to make the effort for sustainable transportation and solving the problems in Rapid Penang and indirectly also becoming the solution of the traffic congestion problem in Penang. Through the dimensions of important roles plays by Rapid Penang which is customer satisfaction, professionalism among their employees, efficient and good management, and sustainable public transportation can be improved. More attention and focus on roles of a public transportation and good management is likely to lead to customer satisfaction which will also beneficial to the public transportation provider itself. Analysis of this case study conducted using the FISHBONE Analysis, PARETO Analysis and AUDIO Analysis with diversity analysis through human resources in Rapid Penang Sdn. Bhd. This is to determine whether the industry has undertaken the roles and responsibilities in order to make Penang a sustainable country. Conclusions and recommendations are provided based on the major findings of the analyzes made. Rapid Penang could engage in the events pertaining public transportation and government initiatives towards environmental conservation and sustainability concerns. This is complying with the governments' effort towards greener,

sustainable and environmentally-friendly states for Penang and Selangor. A more concrete policy will definitely needed in addressing the environmental issues that lead to climate change, especially pertaining sustainable transportation for the future of sustainable development.

CHAPTER 1

INTRODUCTION

1.1 Introduction to the study

This chapter contains the introduction of the study. It begins with the explanation of background of the study and problem statement. Other important elements to be discussed in this study are research objectives, research questions and significance of the study.

From the research title itself, the word "Roles of Rapid Penang" and "Sustainability of Public Transportation" reflect indirectly on the problem faced by Penang society regarding the current situation of high traffic congestion and other traffic issues in Penang due to the vehicle ownership and dependency. This study aims to gather information on how far does the only Public Bus Transportation provider which is Rapid Penang Sdn. Bhd. plays its role on ensuring the sustainability of public transportation in Penang.

The purpose of this study is to recommend best ways for Rapid Penang to play its big role in making sustainable transportation a realistic one, Rapid Penang should operate their bus transportation service in more environmental friendly and ethical manner towards achieving green and sustainable business practitioner.

The study is focused in this research is Penang. Penang, known as the World Heritage Sites, had been selected by the United Nations Educational, Scientific and Cultural Organization (UNESCO) on July 7, 2007. Therefore, it is important for the state to be protected because of its importance and historical town and has various cultural influences from previous role of Penang as port and economy hub from traders around the world.

One of the ways to protect the state in terms of environmental and societal factor, is by reducing the number of private vehicles on the roads. However, the increased of private vehicles mainly on the roads in Penang is mainly due to the way public is preferring to drive to work or destinations. (K. Jayaraman, 2011). There are also still lack of awareness and confidence for people to utilize public transportation unless if the public transportation is reliable in terms of its efficiency, affordable, cleanliness, comfortable and convenient. Apart from this, other factors such as the high needs for private vehicles in Malaysia are resulting from the economic growth where the societies have higher income in their household, the promotions to use Malaysia national car project and so on so forth.

The current problem of public transportation mainly about the high rate of vehicle ownership and dependency. The problems and issues mainly resulting from the excessive private vehicles on major road are traffic congestion, air and noise pollution, and also accidents. (Mohamad and Kiggundu, 2007). Therefore, the public transportation provider plays a crucial role to increase the usage of public transportation and directly will solve the problem on the excessive private vehicles on Penang roads. Furthermore, the announcement of the 6th NKRA (National Key Results Areas) to get more people to use Public Transport is part of the initiatives by the Malaysian Government (The Star, 2009) on promoting the public transport usage among the society in Malaysia. (K. Jayaraman, 2011). Even though there are several researchers done on aiming to increase the utilization of public transportation, this study is pretty much different from other research where this is focusing on investigating and identifying the roles of the only public transportation provider which is Rapid Penang Sdn. Bhd. on the issue of sustainable transportation in Penang.

1.2 Background of the study

No doubt that Penangites are facing the never-ending traffic issues, inefficient public transport services, no meter system implemented by the taxi drivers, and other public transport issues. It is undeniable that the traffic conditions on the roads in Penang need to be improved immediately as in Penang, the citizens favor private vehicle usage rather than to use public transport due to the advantages such as privacy, comfort, unrestricted usage from door to door and the ability to reach any destination as desired (Jaclylin Choong Shiau Suan, 2010). Therefore, the public transportation system needs to play a major role in order to solve the problem. There was a quote from member of the prominent economic consultants that, "an integrated public transportation system is crucial to the state's future growth" (Socio-economic & Environmental Research Institute, 2007). And according to Ali (2002), Malaysian government suppose spread the awareness for encouraging people to use the public transportation such as buses and trains to ensure the sustainability through explanation on the effect of the emission of transport to the human and the environment (Ali Hussein, et. al. 2012).

Penang is aimed to be transformed into an integrated logistics hub by The Northern Corridor Economic Region (NCER) by including projects such as the monorail, the second bridge which now had been completed, the Penang Sentral, and including Rapid Penang bus services. The reason of all the projects initiated by the NCER's, is to bring an improved quality of life to the society in Penang. (Socio-economic & Environmental Research Institute, 2007).

Figure 1 The State of Penang



Source: Malaysia Vacation Guide

Penang, has famous landmarks such as Penang bridge one and two, which connects Seberang Prai on the mainland of Malaysia and Gelugor on the island of Penang for the first bridge and Batu Maung for the second bridge. With the two bridges in Penang, there are more opportunities and changes mainly for the growth in economy development in the Penang state and more vehicles in and out of Penang island. This evidence showing that there is necessities for the public bus transportation to upgrade their services and coverage with this development so that Penang citizens will have better opportunities to utilize public transportation rather than relying on their private vehicles.

The growing number of vehicles in Penang are mainly due to the increasing of Penang population as shown in Table 1.1. There are 527.3 thousand in the Timur Laut district in 2011 and had increased to 529.4 thousand in 2012. Where in Barat Daya, the population numbering 206.3 thousand had increased to 209.1 thousand in 2012. In Seberang Perai Utara, Tengah and Selatan, each had increased from 300.4 thousand to 303 thousand, 380.3

thousand increased to 384 thousand and 179.4 thousand to 185.6 thousand. In Penang Island, the population had increased from 1.59 million to 1.61 million in 2012.

Table 1 Penang: Estimated Population by District

| District | 2011 | | 2012 | |
|------------------------|-----------------|---------------|-----------------|---------------|
| | '000 | % share | '000 | % share |
| Timur Laut | 527.3 | 33.09 | 529.4 | 32.86 |
| Barat Daya | 206.3 | 12.95 | 209.1 | 12.98 |
| Seberang Perai Utara | 300.4 | 18.85 | 303 | 18.81 |
| Seberang Perai Tengah | 380.3 | 23.86 | 384 | 23.83 |
| Seberang Perai Selatan | 179.4 | 11.26 | 185.6 | 11.52 |
| Penang | 1,593.60 | 100.00 | 1,611.10 | 100.00 |

Source: Department of Statistics, Malaysia

If we look at the Penang population by gender, there are increasing occurs uniformly throughout the years beginning from 2010 until 2013. As for male citizens, the numbers had increased from 790.7 thousand to 824 thousand. For female citizens, the number had increased from 785.2 to 823.7 thousand in 2013. Therefore, total number of Penang population had increased from 1.575 million to 1.647 million. To relate with the numbers of public buses provided by Rapid Penang, which are 320 buses at the moment, and with 581 bus captains, investigations are made to answer the question of can it cater the growing population of Penangites.

Table 2 Estimated Population by Gender in Penang

| Gender | 2010 | 2011 | 2012 | 2013 |
|---------------|-------------|-------------|-------------|-------------|
| Male | 790.7 | 802.5 | 814.0 | 824.0 |
| Female | 785.2 | 798.4 | 811.9 | 823.7 |
| Total | 1,575.9 | 1,601.0 | 1,625.8 | 1,647.7 |

Source: Population Quick Info, Department of Statistics, Malaysia

When viewing the populations in Penang in terms of ethnic group, the Malay population was 636.2 thousand in 2010 and keeps on increasing until 674.4 thousand in 2013. However, the highest population in Penang is the Chinese where in 2010; the number is 671.3 and has increased to 683.4 in 2013. The Indian population is 156.8 thousand and has increased to 163.1 thousand where others Bumiputera increased to 6.6 thousand from 6.3 thousand in 2010. There are also a number of Non-Malaysians staying in Penang which has the number of 101 thousand in 2010 and had increased to 115.4 thousand in 2013.

Table 3 Penang: Estimated Population by Ethnic Group

| Ethnic Group | 2010* | 2011 | 2012 | 2013 |
|-------------------------------|--------------|-------------|-------------|-------------|
| Malaysian: | 1,474.9 | 1,493.7 | 1,514.2 | 1,532.3 |
| Malay | 636.2 | 648.7 | 662.1 | 674.4 |
| Others Bumiputera | 6.3 | 6.4 | 6.5 | 6.6 |
| Chinese | 671.3 | 674.9 | 679.8 | 683.4 |
| Indian | 156.8 | 159.0 | 161.1 | 163.1 |
| Others | 4.4 | 4.6 | 4.7 | 4.8 |
| Non-Malaysian Citizens | 101.0 | 107.3 | 111.6 | 115.4 |
| Total | 1,575.9 | 1,601.0 | 1,625.8 | 1,647.7 |

*Note: * population based on the adjusted data in the year of 2010*

Source: Population Quick Info, Department of Statistics, Malaysia

In terms of ethnic diversity in Penang population, the highest group is Chinese which is 671.3 thousand, followed by Malays, Indians and other Bumiputera. The non-Malaysian citizen also carries quite a high number of people which is 101 thousand altogether. This numbers had increased in the year of 2013 which is the most recent year.

Table 4 Penang: Estimated Population by Marital Status, Age Group, Sex 2010

| State/ Country | Total population (age 0 and above) | Total population (age 15- 19) | Never married | Married | Widowed | Divorced/ Permanently separated | Sex |
|-------------------|--|--|--------------------|-----------------|---------------|---------------------------------------|------------------------------|
| Malaysia | 28,334,135 | 2,835,694 100.00 | 2,677,362 94.42 | 155,810 5.49 | 1,450 0.05 | 1,071 0.04 | Total Distribution (%) |
| | 14,562,638 | 1,451,974 100.00 | 1,377,903 94.90 | 73,428 5.06 | 414 0.03 | 229 0.02 | Total Distribution (%) |
| | 13,771,497 | 1,383,720 100.00 | 1,299,459 93.91 | 82,382 5.95 | 1,037 0.07 | 842 0.06 | Total Distribution (%) |
| Penang | 1,561,383 | 137,354 100.00 | 133,437 97.15 | 3,823 2.78 | 68 0.05 | 26 0.02 | Total Distribution (%) |
| | 782,061 | 69,663 100.00 | 67,703 97.19 | 1,930 2.77 | 22 0.03 | 8 0.01 | Total Distribution (%) |
| | 779,322 | 67,691 100.00 | 65,734 97.11 | 1,893 2.80 | 46 0.07 | 18 0.03 | Total Distribution (%) |

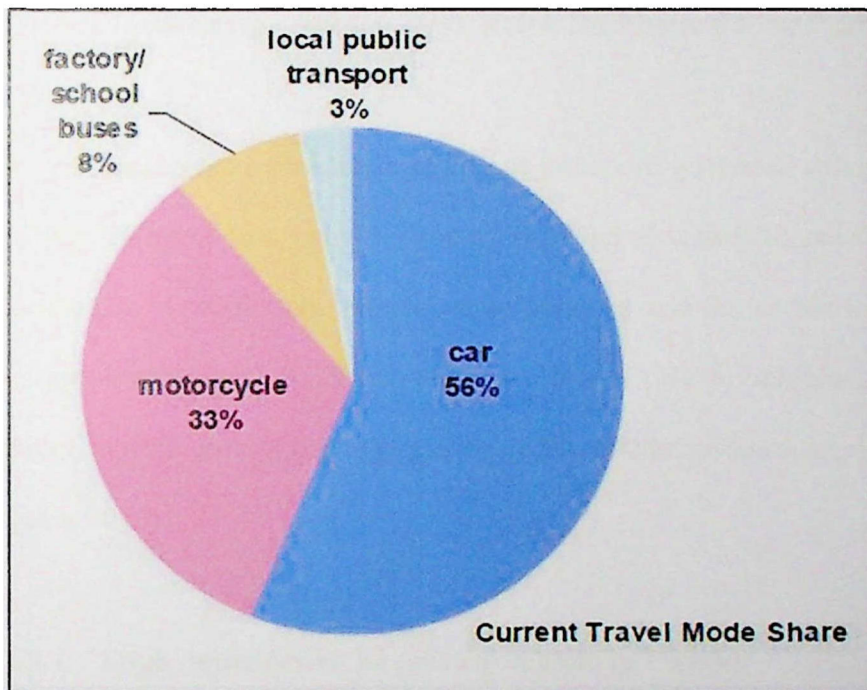
Source: Population Distribution and Basic Demographic Character 2010, Population and Housing Census, Department of Statistics, Malaysia.

To indicate the number of potential commuters for Rapid Penang public buses, the above table is showing the total population in Penang under the age of 15-19 amounting 69,663 males and 67,691 females. These can be the individuals who are mostly still studying, do not own any private vehicles except motorcycles and perhaps needed public transportation so badly. The percentage of this group is only 8.34 % of the total Penang population. Therefore, it is quite logic to indicate that the 320 buses provided by Rapid Penang are sufficient to the society in Penang at the moment, however, if there will be more awareness in the society about utilization of public bus transport, most probably, these number of buses that ploughing the roads need to be increased.

1.3 Travel Patterns in Penang

In Penang, it is the current trend in the society where most of the people prefer to drive their own vehicles reaching until 56 per cent of the total current travel mode. Motorcycle occupied about 33 per cent of the travel mode where factory and school buses are at 8 % and other local public transport which is only at 3 per cent. This has proven that there are very high private vehicle dependencies in Penang.

Figure 2 Travel Patterns in Penang



Penang Travel Patterns: Source. Halcrow Fox

When looking at above pie chart, the utilization for local public transport is only 3 per cent from the overall travelling patterns showed in the current travel mode diagram above. This local public transport is not only referring to Rapid Penang as there are other ways of public transportation such as taxis and rickshaws included in this percentage. Therefore, it is only a small portion of Rapid Penang's services are preferable by the society in Penang. The high

percentage which is 56 per cent of the travel mode is under private vehicles or personal cars, it is proven that in the state, most of the people in the Penang society is very depending on their private cars.

1.4 Problem statement

The challenge for public transport provider is the environmental sustainability and customer expectations. Transport is known to be responsible for the Carbon Dioxide (CO₂) emissions and contributing about one fifth of worldwide Greenhouse Gas (GHG) emissions. (International Energy Agency 2006; Ralph Buehler and John Pucher, 2011)

It is crucial to have the sustainability of transport system to solve all problems faced by the public transportation provider today, this includes the financial losses in the sector, low utilization of public bus transportation services and the escalation of traffic congestion, air pollution and accidents due to excessive use of private vehicles. This is directly will effect the economic growth and the quality of life of Malaysian citizens. (Jacyclin, Choong Shiau Suan, 2010)

1.4.1 High dependency on private vehicle in Penang

In 1986, there are only 20 per cent of the people in Penang are not using private vehicle while the balance 80 per cent were private vehicle trips, consisting of 44 per cent car trips and 38 per cent motorcycle trips, an investigation done by the Japan International Cooperation Agency (JICA 1986).

1.4.2 Increased in private vehicle ownership and use by Penang society

With the statistics showing the total number of vehicles registered in the Penang state in 1995 was 752,438 where 64 per cent were motorcycles and 31 per cent cars. There are 9.5 per cent of the car and motorcycle ownership in Penang per year. This number increased again in 1985 and 1995.

1.4.3 High traffic congestion in Penang

It can be considered as serious matter in Penang when involving traffic congestion due to the increase number of cars and high motorization rate on the main urban roads. There are statistics showing that the traffic volumes are more than doubled on most of the roads in Penang and for certain roads in Seberang Perai, there are up to five times increment. The increasing in traffic at about 7 per cent a year (Highway Planning Unit 1995).

Because of this factor of the congestion, there will be inconvenience and will lead to economic loss, more pollutions when high emissions came from these vehicles, frequent acceleration and deceleration when in bumper-to-bumper situation on the road.

1.4.4 Impact on the Environment

In 1990 study, an investigation on the levels of traffic noise is done in Penang. Surprisingly, Penang Island level which is of 55 dB (A) are most contributed by the road traffic (Department of Environment, DOE, 1992). In the study, there was 75 to 80 per cent of the total air pollution are mainly from road traffic and there are surveys and data determining precisely and confirmed the correlation with the road traffic.

Penang, can be considered as among the most car-dependent nations in Malaysia and this factor will definitely lead to air pollution that comes from traffic. However, there are several

plans to encourage public to use the public transport. As an example, governments are involve in combating the climate change. (Banister 2005; European Commission 2009; USDOT 2009b; World Bank 1996). However, the public need to also plays a role in this matter. Therefore, the subsequence purpose of this research is also to increase self-awareness among communities in Penang towards the environmental sustainability and will be done through public transportation utilization. By doing this, hopefully it will reduce the private vehicles and at the same time, to reduce pollutions that will effect the health.

In Malaysia, it was mentioned that due to the growth in economic, more people are affordable to buy cars especially when there are Malaysia national car, subsidies given by the government and so on has created problems in traffic congestion (Mohamad & Kiggundu, 2007). Public transport provider is blamed to be incapable to compete with private vehicles in most of the cities in Malaysia specifically in Penang and Kuala Lumpur. Some of the complains pertaining the quality of services or perhaps due to the level of understanding from the local authorities on what their real needs and expectations. Even if there are sufficient public bus transport services and facilities rendered by the government especially after the establishment of Rapid KL and Rapid Penang, the utilization rate remains low (Jacylin Choong Shiau Suan, 2010).

Local authority and Non-Government Organizations (NGO's) view also important to bring them in this project to make sure continuous growth on environmental friendly transportation in Penang. In order to increase passengers of public bus transport gradually or radically, the image of from service provider and the quality of operation activity continuously is one of the ways to success.

1.5 Case Issues

The increasing of the utilization of the private vehicle will decrease the utilization of the public bus transportation. Apart of this factor, there are also several more factors resulting of the low utilization of public transport. From the earlier research, the implementation and consistency is the first priorities for the public transportation. The needs to build good image in environmental sustainability, social sustainability and finally economy sustainability is the most important to increase passenger in the future. This research will focus on the role of public transportation provider, which is Rapid Penang in environmental sustainable implementation and practices.

In order to solve the issues, it is crucial to study what is the root cause of the low utilization of public bus transport. How does Rapid Penang plays its role on increasing the utilization of public bus transport towards achieving a sustainable transportation. Finally, the problems, issues and constraints that are faced in Rapid Penang are to be solved in order to enhance the quality of service, increasing the public satisfaction, lowering the pollution level in Penang and other important elements listed in targeting the sustainable transportation.

1.6 Research Objectives

Firstly, this study is to determine the activities or the planning of Rapid Penang in order to reduce the emissions of Carbon Dioxide and Nitrogen Dioxide for the sake of ozone levels. To achieve this aims, the justification and the operational factor is taken into consideration to investigate whether the element of reducing the harmful gas emission is reduced. The public bus transport provider's problems, issues and constraints towards achieving and implementing sustainable transportation are then investigated. There are four main objectives as follows:

- To determine what has been done or in the planning of Rapid Penang to reduce the nitrogen dioxide for the sake of ozone levels.
- To determine the public expectations about sustainability transportation and what had been done to gain or achieve the knowledge.
- To investigate what are the problems or constraints that Rapid Penang is facing to implement sustainable transportation.
- To investigate whether Rapid Penang is involving in the ecosystem protection as well as minimizing the usage of land surface.

1.7 Research Questions

To achieve the abovementioned objectives, this research will address the following questions:

- What is the current level of environmental sustainability of public transport in the implementation and practices?
- What are the roles of Rapid Penang as a leader in public transport towards sustainability transportation?
- Where will environmental public transport activity heading to and sustainability planning to in the near future?
- How “green” communities can be increased and the best ways to educate people towards environmental sustainability?

1.8 Organization of the Remaining Chapters

Chapter 2 provides an overview of the industry profile of the public bus transportation history and analysis, the similarities and the management of the public bus transportation.

Chapter 3 provides an overview of the company studied which is Rapid Penang Sdn. Bhd., the major players, the achievements, constraints, issues and problems faced for transportation solutions and towards efficient and sustainable transportation.

Chapter 4 provides literature review on public transportation and how to achieve the goals towards sustainability transportation introducing the level of public bus transportation utilization level in Penang. Also listing the public transport service available and best practices for enhancing the quality of the public bus transport service and to achieve sustainable transportation.

Chapter 5 provides the total methodology used in conducting the data collection of this case study and as well as the introduction of the tools for analysis used in the study.

Chapter 6 which consists of case write up about Rapid Penang Sdn. Bhd., the public bus transport utilization, trends of public transport in Penang as well as the strategic approach in the management level of the company investigated on their roles of public bus transport provider towards sustainable transportation.

Chapter 7 provides the analysis of the case study from several attempts and tools of analysis consisting of Fishbone, Pareto and AUDIO analysis in order to achieve the solution for achieving sustainable transportation.

Chapter 8 finally concludes necessary recommendations and conclusion for this study.

CHAPTER 2

INDUSTRY PROFILE

2.1 Introduction

The only public bus transportation provider in Penang is Rapid Penang. It was under the Ministry of Finance and Syarikat Rangkaian Pengangkutan Integrasi Deras Sdn. Bhd. which is known as RapidKL.

2.2 RapidKL and Rapid Penang

Based on Rapid KL website www.myrapid.com.my, the company has a total of 790 buses. 350 buses owned by Rapid Penang and used to accommodate user to travel around Penang. Scania K series was known to be the type of bus used by the Rapid KL and Rapid Penang. Two model types which are K270UB euroIII and K250UB euroIII are the models use by the Rapid Penang. Both of this models run using 9 litre diesel combustion system or DC9 engines. Rapid Penang started to order another 80 units of Scania K250UB buses which expect to be deliver to them by the early of 2013. It has the dimension of 10.7m in length.

Nevertheless, Rapid Penang busses currently are using Eco Range ® technology to reduce fuel consumption and lower CO² emission. According to Kosmo's article entitled "*Rapid Penang tambah 80 bas hujung tahun ini*" dated 19th January 2012, Rapid Penang Chief Operating Officer, said that the addition number of buses was made following the sudden increase of passengers due to the shutdown of some stage bus companies in the Penang. Rapid Penang can now be seen as rapidly expanding with the increasing number of buses. Demand from the user themselves has cause such improvement and development to occur.

RapidKL is a government owned Public Bus Transportation provider. It is incorporated since July 26, 2004 to cover the bus operations in the Klang Valley. With the widest route coverage, making up to 65% of the Public Transport services in the Klang Valley servicing 4.8 million commuters every week. It serves six key areas in the Klang Valley and covers up to 980 residential areas by providing few types of services operating from 6am in the morning until 12 midnight.

RapidKL is one of the major Public Bus Transportation operators instead of Metrobus Nationwide, SJ Bus and Selangor Bus in Kuala Lumpur. RapidKL is also having the problem on low utilization rate eventhough sufficient number of buses is provided. The same factor which is the increasing dominance and dependency on private vehicles particularly of private cars that has contributed on causing serious traffic congestions, increasing accident rate and air pollution. (Jaclyn Choong S.S., 2010).

2.3 Public Bus Transportation

Public bus transport in Penang was first introduced in 1925 however had received many negative responses from the public mainly due to poor management and insufficient fund for improvement. Penang largest Public Bus Transportation service provider, Yellow Bus had stopped its services on January 1, 2004 after operating for 58 years (Ng Su-Ann, TheStar online, 2 January, 2004).

CHAPTER 3

COMPANY PROFILE

3.1 Rapid Penang Sdn. Bhd.

Rapid Penang is owned by Syarikat Prasarana Negara Berhad (Prasarana). The company began its operations on 31 July 2007. Initially, it was Rangkaian Pengangkutan Intergrasi Deras Sdn. Bhd. in Kuala Lumpur. The Ministry of Finance funded Rapid Penang and at the moment, it is owned by Prasarana. Therefore, Rapid Penang is one of the government-owned companies of Malaysia. It was established to enhance the transportation system in Penang to ensure that user enjoy more organized facilities, mainly public buses. The company aims to enhance the service quality from time to time.

Rapid Penang vision is “To be the preferred public transportation in Penang”. Rapid Penang always prioritizes customer satisfaction as their main criteria. This is in line with the company's vision towards making Rapid Penang as preferred mode of public transportation. Companies often rely on their mission which is, encouraging the customers to use the public transport service. Comfort, low fares and the most reliable transport in Penang also among the mission that need to be stringed.

On 1st April 2006, the entire stranded bus network when the Yellow Bus Company Berhad stopped running on 1st January 2004. Under the new bus network, the government hoped that the bus service in Penang will be improved. Rapid Penang aims to provide the best public transport service for Penang with 350 units of buses and running on total 46 routes in Penang.

It has the vision to be the Preferred Public Transportation Service in Penang. Rapid Penang has now become “The Preferred Public Transportation” in the state as it is the only public bus transport provider on the island and covers over 75% of the market share on the mainland. To enhance this coverage, Rapid Penang is planning to increase the number of buses and to increase the frequency of buses in selected important routes to ensure shorter waiting time for the commuters. They are also embarking on a specific project to provide more information to the public and their commuters focusing on the bus schedule starting with some selected routes to start upon.

Rapid Penang is providing more information in the future and it will be made available to all commuters apart from the iPlanner for iPhone and iPad users, the Web ETA on their websites. Their Intelligent Commuter Information System (ICIS) call centre at 04-2381313 are also be made available to assist their existing and potential customers. They carries the policy to responsibly regard all feedbacks, comments and complaints as significant information which will allow them to further improve their services, as well as regulating the rules called “Meet the Customer Session” organized where our customers/commuters will be able to provide their feedbacks and communicate interactively with Rapid Penang senior officers.

Rapid Penang main objectives is to be a company which serves the society and to be a catalyst for socio-economic development in the state to drive Penangites to be ahead of others in Malaysia.

On the whole, Rapid Penang is always aims to achieve total customers' satisfaction. Rapid Penang ensuring its service standards by committing in delivering the best value for its

commuters. Basically, Rapid Penang aims to meet the standards.

3.2 Operational Type

Rapid Penang provides public bus services across the city in the state of Penang. Unlike the main Rapid KL Bus services provide not only public buses, but also the LRT service. This service are also not confined to the Penang area, it also connects users to Seberang Perai. According to the Rapid Penang Chief Executive Officer, Azhar Ahmad, a successful number of 70,000 commuters were done by Rapid Penang in providing the services compared to 30,000 commuters during the past.

At present, Rapid Penang provides 8 routes to Penang. Corridor City Shuttle, Corridor 1, Corridor 2, Corridor 3, Corridor 4 and 5, Corridor 6 via Penang mainland and also Corridor 7 are the routes specified by Rapid Penang to link all of destination with their services. All of these routes we specified by using color differences to ease the user. It will help them to recognize the bus routes.

Still, traffic congestion in Penang still arises and appropriate action needs to be implemented. Too many users prefer to use their own private mode of transportation and this has cause bad traffic congestion especially on the Penang Bridge routes to the Free Industrial Zone. The situation has encouraged the State Government to introduce Rapid BEST system. Bridge Express Shuttle System or BEST is a free bus services that began to operate on the 1st of March 2011. This might as well reduce the number of vehicle usage especially in that particular area. This fare free bus services operates every weekdays except on weekend and public holiday. Rapid BEST divided into morning session from 5.30 am to 8.10 am and also evening session which begin at 4.30 pm until 7.30 pm in the evening.

Users might not need to worry since it has the frequent arrival time which is 20 minutes per bus.

3.3 Target customers

Rapid Penang always focuses on group which requires the facilities frequently. As for them it is essential criteria to assure that their service will strive and survive as the preferred public transportation services. The customer is the asset to the company since they are the progenitor to generate economic source development to the company.

As for them, public was one of the target customers since they frequently travel around Penang. This has driven the company to introduce Rapid travel card system in according to specific target group which is Rapid Preferred, Rapid Youth and Rapid Emas. From the category of the cards, Rapid Penang has clearly identified the focus to target the public, students and also senior citizens. Such categories will not only facilitate the company to identify the targeted user, but it may provide returns to users who use the service itself.

Safety

All relevant and essential knowledge through consistent training sessions and the safety of their commuters is given to all bus captains. They are also given special attention to the *Orang Kurang Upaya* (OKU), elderly, pregnant women and children at all times and must possess a good attitude. The buses are checked frequently for cleanliness, maintenance done, and equipped with safety tools for example first aid kit, fire extinguisher and CCTV cameras.

Reliability

In order to consider that the service provided by Rapid Penang is reliable, a constant involvement and support from internal which is the management and the Rapid Penang family is done.

Easy Access to Information

Rapid Penang is ensuring that each main hub or terminal will display all destinations or routes and also the bus schedules for easy comprehension for the community in Penang. The user friendly Rapid Penang website www.rapidpg.com.my displays all relevant information and easy access of information by everyone.

Clean and Pleasant Journey

A daily basis cleaning is done for all Rapid buses for customers' satisfaction. There are OKU-friendly features, and fully air-conditioned buses, to ensure a comfortable and pleasant journey to all passengers.

Fare charges in Rapid Penang are listed as below. RM0.94 is charges for two kilometres (km) and RM0.094 for each km after that.

Table 5 Fare charges in Rapid Penang

| Distance | Normal | Concession |
|-----------|--------|------------|
| 0.1 – 7 | RM1.40 | RM0.70 |
| 7.1 – 14 | RM2.00 | RM1.00 |
| 14.1 – 21 | RM2.70 | RM1.40 |
| 21.1 – 28 | RM3.40 | RM1.70 |
| Over 28 | RM4.00 | RM2.00 |

3.4 Rapid's Services to Public

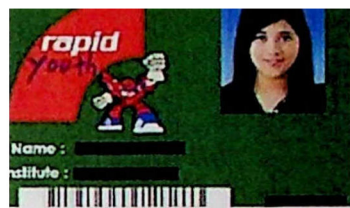
Rapid as a main public bus transportation provider in Penang at the moment has always thinks toward giving better and easy access for the commuters to enjoy their trip every time they use Rapid Penang buses. Rapid Penang has introduced three packages for this purpose, Rapid Preferred, Rapid Youth and Rapid Emas.

Rapid Preferred



Designed for daily passengers which offers unlimited travel around Penang at the most affordable price

Rapid Youth



Designed for students which offers the students to hop on Rapid Penang anytime, anywhere

Rapid Emas



Specially designed for Senior citizens and handicapped person

In order to work with the State government to plan a way to reduce the traffic congestion in the Penang FTZ (Free Trade Zone) area both in Island and mainland, Rapid Penang has come out with the brilliant idea call Bridge Express Shuttle Transit (BEST). The main purpose for this program is to help reduce the traffic congestion and also as a platform for the public to know more about the efficiency of the bus services that Rapid's providing.

Rapid ICIS

Rapid ICIS is a short form for Rapid Penang Intelligent Commuter Information System equipped with facilities which provides commuters with live information of bus arrival time anywhere via phone call. This centre is also as an integrated command centre of the bus operation and it is located in Rapid Penang Headquarters in Lorong Kulit, Pulau Pinang. There are Rapid ICIS display, which is located at KOMTAR Bus Terminal and Penang International Airport Arrival Hall for commuters to locate their bus arrival time and there is