

Corporate Social Responsibility toward society, legal, cultural, and health & safety. Case study from automotive industry regard to "Product Recall"

For UNITEN dated 30th April 2021

By Ir. Ts. Sukhairul Nizam bin Abdul Razak MBA, MIEM, P.Eng., P.Tech.







SPEAKER'S PROFILE

Ir Ts Sukhairul Nizam Abdul Razak received his early education at Sekolah Menengah Methodist ACS Klang Selangor. He later furthered his study at University Technology of Malaysia (UTM Skudai) in Bachelor of Mechanical Engineering (Aeronautical). He also received Master in Business Administration from Charles Sturt University Australia. He is also registered as Professional Mechanical Engineer with practicing certificate since 2001 with Board of Engineers Malaysia (BEM, C110757) and also registered as Professional Technologist with MBOT as well auditor for ETAC under EAD Board of Engineers Malaysia (BEM). His professional career started at Proton's Manufacturing since 1995 as RND's design engineer follow with other positions in various departments in Proton Edar for nearly 18 years. As a creative, dynamic body design engineer, Branch Sales Manager, Manager Sales Standard, Manager Warranty Operations, Manager Equipment Tools & Calibration, Head of Division Office and then worked with Accenture Malaysia for Daimler Group's project established Product Expert & CSTAR for both sales and after sales in all Mercedes Benz's dealership in Malaysia. He was a Senior Lecturer for City University Malaysia and currently as a Mechanical Lecturer for First City University College as well active in IEM as follows:

Council Members – Ordinary Representative for The Institution of Engineers Malaysia 2019/2020, 2020/2021 & 2021/2022 session

Standing Committee on Activities IEM session 2019/2020/2021

Secretary for Standing Committee on Welfare and Service Matters IEM session 2019/2020/2021

Secretary for Sub Committee on Membership Drive and Promotions IEM session 2019/2020/2021

Chairman for Sub Committee on Service Benefits (Insurance Scheme) session 2019/2020/2021 Sub Committee on Employment Survey session 2019/2020

Committee Member for Engineering Education Technical Division IEM 2014-2021

OVERVIEW

- i. PROBLEM STATEMENT
- ii. CONCEPT
- iii. MITIGATION
- iv. SUCCESS EXPERIENCE
- v. SURVIVABILITY
- vi. RECOMMENDATION
- vii. SOLUTION FOR THE PROBLEM

i. PROBLEM STATEMENT – Why need to do recall?

Case study on Savvy's Recall campaign from Nov 2007 – April 2008.

- Was conducted worldwide due to Savvy's Rear Wheel Hub Spindle/Bearing Failure, whereby the bearing may break leading to spindle breakage and or wheel coming off while driving.
- 1st case which saw the rear wheel came off/jammed was reported in Malaysia on 22/6/08. From there onwards, a total of more than 200 cases were reported with 23 cases worldwide involving wheel coming off/jammed while driving the vehicle (Australia 2 cases, South Africa 3 cases, United Kingdom 11 cases, Malaysia 7 cases).
- By October 2007, GQM had identified the root cause and defined the countermeasures. However the activities on Part Management and issuance of Service Bulletin were delayed to February 2008 due to:
- a) New failure detected in Sept 07 whereby the rear wheel come off despite the spindle not being broken.
- b) Technical & commercial issues relating to vendors' part production from October December 2007.
- c) To avoid any negative impact in view of the launching of Proton Saga in Malaysia in January 2008.

National's Car Product Recall

News - Proton - Savvy

Proton calls the Savvy back in for safety check



Wheel alert: Random checks by Proton itself found that water could enter into the Savvy's rear wheel bearing.



Own a Proton Perdana? Replace the Faulty Takata **Airbags**

© 1 MIN READ ☐ AUGUST 25, 2020

Wheel bearing issue forces Malaysian brand to recall every Savvy sold in Australia



8 Apr 2008 By GEORGIA OCONNELL

PROTON Cars Australia has announced a recall on every Savvy compact car sold in Australia after it was found that water could enter into the rear wheel bearing.

The recall affects approximately 1600 Savvy models sold since the model was launched in March 2006.

The problem was identified during Proton's regular random checks.

Owners are being advised to take their cars back to the dealer for a free inspection and repair.

"This recall is purely a precautionary measure because Proton's highest priority is, and always will be, the convenience and safety of our customers," said Proton



Proton Perdana owners, take note: if your model is built from 2012 to the end of August 2018, you'll need to get the (potentially faulty) passenger airbag inflator replaced. This recall is part of a global initiative for cars equipped with Takata

Wajib pakai tali pinggang belakang j

nya menyediakan tiga tali pinggang ke-garah JEJR, Datak Suret Singh.

ahajalah yang mampu dimiliki, kita me-tahap kesedaran orang ramai tentang Proton dan JKJR akan bekerjasama da-

rang anak yang tidak memakai tali ping- Tee Keat turut memuji langkah Proton an berdasarkan amalan terbuik di dunia. ang berikutan tali pinggang yang ada itu yang bersetuju memasang tali pinggan

aan tidak akan disaman jika penumpang sional Berhad (Proton) dengan Jabatan di 384 buah pusat servis Proton, Proton empat dan seterusnya tidak memakat. Keselamatan Jalan Raya (JKJR) bagi me- Edar dan wakil-wakil pengedarnya di selupinggang keledar tempat duduk ningkat dan memperluaskan keberkesa- ruh negara.

Hadir sama Pengarah Urusan Proton mujanji terlebih dabuhi bagi melicinkan Holdings Berhad, Datuk Syed Zainal Abi- lagi urusan pemasangan yang mengambil

keselamatan jalan raya untuk mengurang- 175 kematian, 350 kes cedera parah dan

iso-isu dan program keselamatan jalan ra- lam bidang penyebilikan untuk memba-



Recall for fitting of rear seat belt

Cars Australia managing director John Startari. Corporate Social Responsibility toward society, legal, cultural, and health & safety.

EXAMPLE OF STATUS ON RECALL CAMPAIGN AS of 13/JULY/2008. For Study Purpose only

Items	Affected vehicles	Branches	Dealers	Grand total	% Done	Balance
Jack assy replacement	76,000	2,330	206	2,536	3.34	73,464
Replacement of Satria Neo transmission mounting- recall only	7002	985	339	1,324	18.91	5,678
Savvy Rear Hub inspection & replacement	22,220	2435	724	3,159	14.22	19,061
Stud lock nut inspection & replacement	TBC	630	829	1,459	TBC	TBC
To add washer to LH & RH on top subframe (recall)	13,000	798	37	835	6.42	12,165

IMPACT TO COMPANY FROM PRODUCT DEFECTS

MCM and Board of Directors of Proton Holding had approved the implementation of the worldwide recall with an estimated cost of RM5.286 million.

The campaign would affect a total of 34,000 Savvys worldwide (22,220 – Domestic market / 11,780 – Export Market) since the model was introduced in Malaysia in June 2005 until December 2007.

Date of implementation of Savvy's recall campaign was from 1st April 2008.

For Malaysia, service outlet must meet 4M requirements and for Edar there were 34 service branches and 43 service dealers involved.

Questions.

What happen if car company not doing the product recall activities? Or what are the impact toward society, legal, cultural, and health & safety on product recall exercises?

Answers.

Society – Loss of life and loss of assets. Big loss to country.

Legal – end user can summon the car company and possibility company can go bankruptcy.

Cultural – people not concern on safety and doing job "TIDAK APA Attitude" instead of "SAFETY IS THE TOP PRIORITY"

Health & Safety – off course loss of life or assets when using the defective products

AS PROJECT MANAGER/ ENGINEER,

HOW TO SOLVE THE PROBLEM IF NEED TO DO THE PRODUCT RECALL WHILE SATISFYING CUSTOMER NEEDS?

ii) CONCEPT

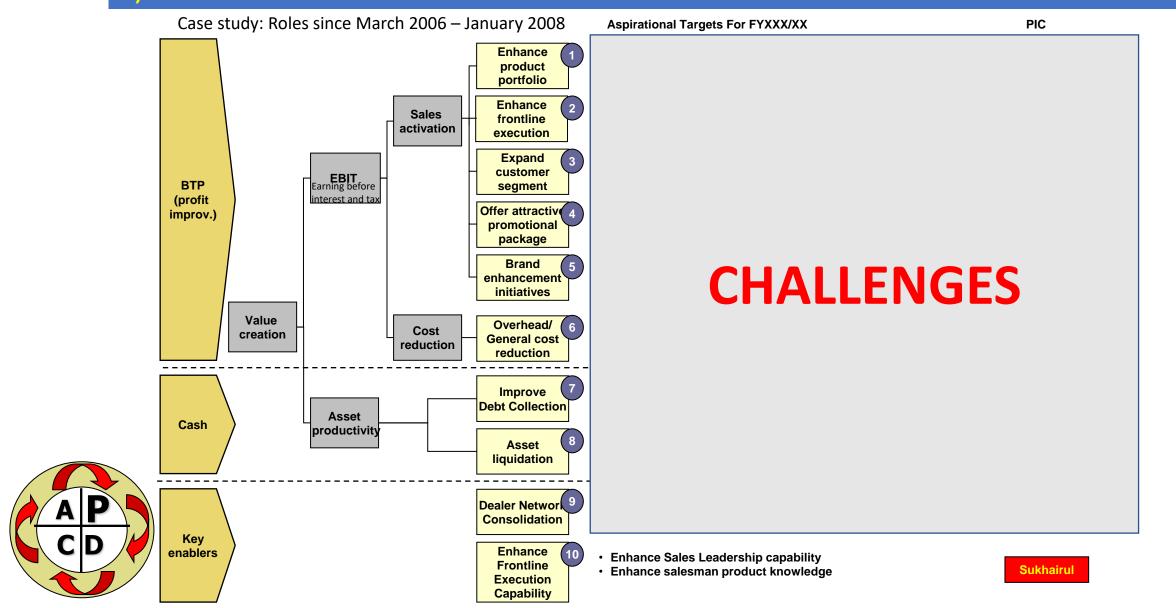




Corporate Social Responsibility toward society, legal, cultural, and health & safety.

iii) MITIGATION - PLAN

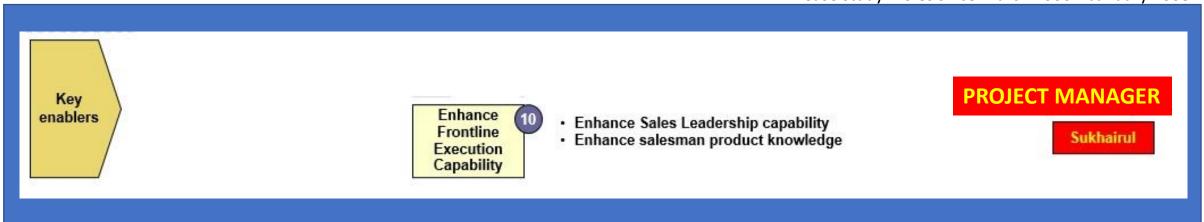
A) IDENTIFY COMPANY'S KPIs - OVERALL CHALLENGES TOWARD SURVIVABILITY



iii) MITIGATION - PLAN

B) IDENTIFY MY's KPIs - MY RESPONSIBILITIES TOWARD SUPPORTING COMPANY'S KPI

Case study: Roles since March 2006 – January 2008

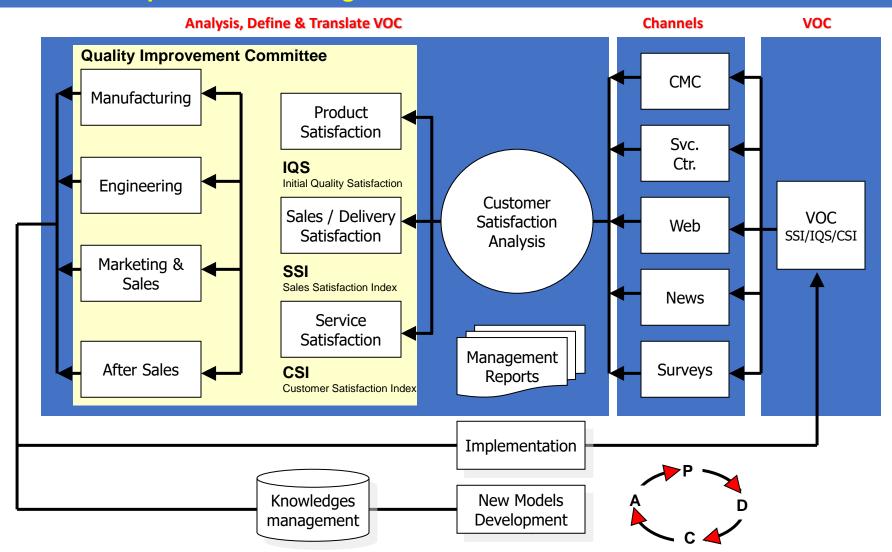


Key Responsibilities

- To increase JD Power Sales Satisfaction Index (SSI) by developing establishing and enforcing new car delivery standard across Edar's sales branches and dealers supporting Proton Group's KPI, by increase product knowledge to all sales forces, and by established technical skill chart development for sales advisor including branches and dealers' sales manager.
- To represent Service Division as Project Manager in Product Quality Confirmation Meeting (PQCM) with Proton MCM and Managing Director Proton on developing sales and service training program for new Persona and new Saga to be used by Technical Training Department and Learning & Development Department (L&D) Human Resource to train Edar and EON sales and after sales team.
- To establish Proton Edar service dealer technical training and certification program for all Proton Edar service dealers including EON service dealers endorsed by Proton Managing Director.
- To set annual training budget for all user departments in Service Division, monitor and review monthly training expenditure, submit monthly reports to user departments for effective budget controls.
- To develop new proposals to improve the overall training function, infrastructure, etc. in order to directly or indirectly contribute to the company's success and finally ensure the training outcome of the individual program is taken action by department involved.
- To update on the staffs skill chart and training record by Technical Training Department.

iii) MITIGATION - DO

C) METHODOLOGY - Understanding The Voice of Customers (VOC) and implement it to improve business process achieving KPIs



iii) MITIGATION - DO

D) DATA ANALYSIS - Understanding the Process of Customers Buying & Ownership Experience

The Processes to manage:





Customer Buy-In Experience

KPI: Sales Satisfaction Index

New vehicle owners and leasers are **surveyed at 2 to 6 months of ownersh**ip to determine and measure what criteria is important to customers when making their decision on which model to buy. The SSI study identifies customer's shopping behaviour prior to the sale and measures the dealers' ability to handle the purchase and delivery process. The analysis identified six factors that are aggregated into one overall SSI score.

Customer Ownership Experience

KPI: Customer Satisfaction Index

The CSI study asks consumers who have owned their vehicle between 12 and 18 months questions to evaluate their last service or repair experience at an authorized dealership. Customers are asked to rate the dealer service department, dealership personnel, and the dealership facility. Responses from the study are analysed to determine which aspects of the vehicle performance and service/repair experience are most important to overall customer satisfaction.

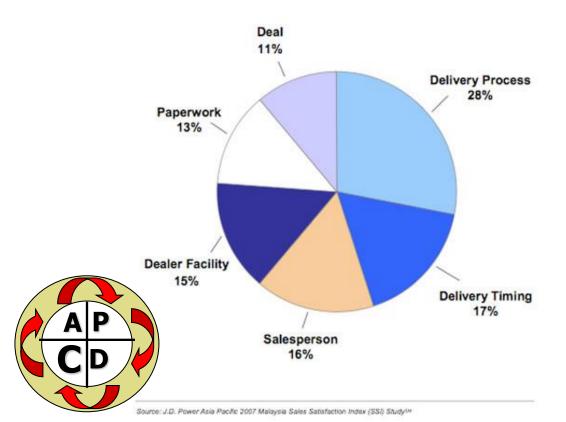


iii) MITIGATION - CHECK

E) DATA ANALYSIS – WHERE WE ARE NOW IN INDUSTRY AND UNDERSTANDING THE FACTORS CONTRIBUTING TO OVERALL SALES SATISFACTION CONDUCTED INTERNALLY VERSUS JD POWER MALAYSIAN'S INDEX

J.D. Power Asia Pacific 2007 Malaysia Sales Satisfaction Index (SSI) StudySM

Factors Contributing to Overall Satisfaction



J.D. Power Asia Pacific 2007 Malaysia Sales Satisfaction Index (SSI) StudySM



included in the study but not ranked due to small sample size are: BMW, Ford, Kia, Mercedes-Benz and Mitsubishi

Source: J.D. Power Asia Pacific 2007 Malaysia Sales Satisfaction Index (SSI) Study™

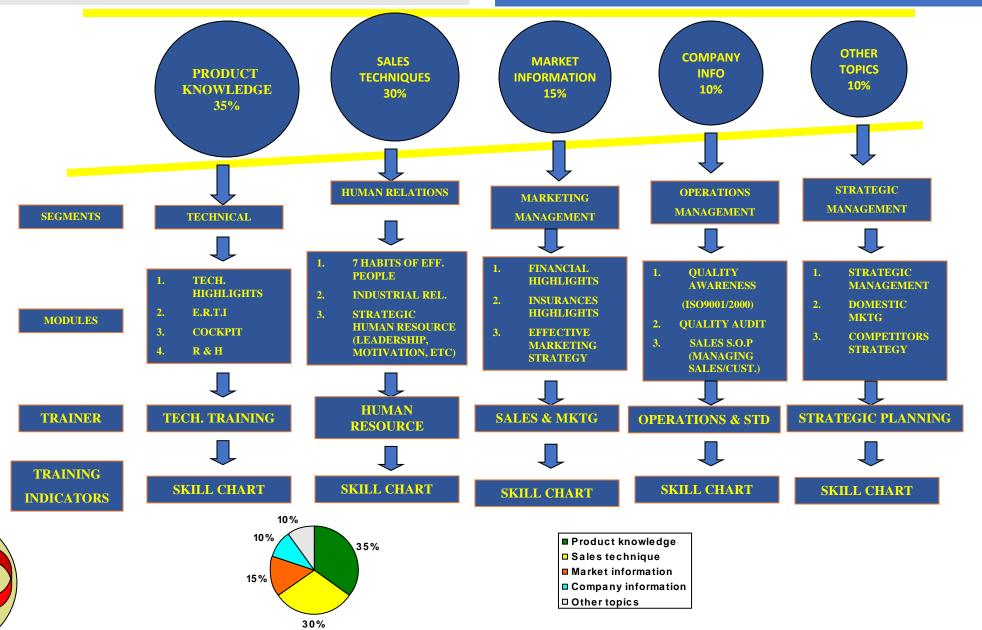
E) DATA ANALYSIS - CHECKING PREVIOUS SALES TRAINING CONDUCTED TO SALES PERSONNEL

	PROGRAM	COURSE CONDUCTED	% ATTENDED
	SALES SELLING	BASIC SELLING SKILLS & INDUCTION FOR S/CLERKS & S/REPS	42% NOT ATTENDED ATTENDED: 441 PAX
	SKILLS	CUSTOMER SERVICE FOR SA, S/REPS, AA, AE, CLERKS	84% NOT ATTENDED: 1764 PAX
	SALES	CERTIFICATE ON SALES MANAGEMENT FOR S/REPS & S/ASSOCIATES	NOT CONDUCT YET
	MANAGEMENT	BASIC MANAGEMENT PROGRAM (SALES OPERATION) FOR AA, AE	89% ATTENDED ATTENDED: 400 PAX
	SALES MARKETING	SALES & MARKETING EXECUTIVE DEVELOPMENT PROGRAM FOR BR HEADS & REG. EXEC	100% ATTENDED ATTENDED: 100 PAX
	OPERATION	MARKETING OPER. MGT FOR RH,AH,BH	100% ATTENDED ATTENDED: 100 PAX



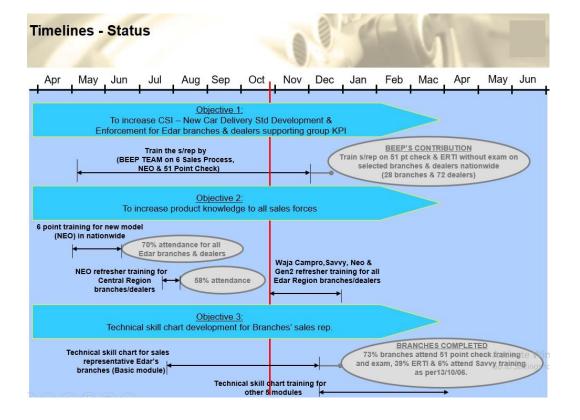
iii) MITIGATION - ACTION

F) TRAINING EXECUTION – ENHANCE SALES LEADERSHIP CAPABILITY & SALESMAN PRODUCT KNOWLEDGE

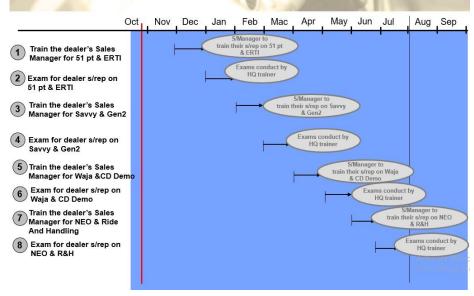


(Reference: Honeycutt, E.D., Ford, J.B. and Simintiras, A.C., (2003), *Sales Management: A Global Perspective*, Routledge, London)

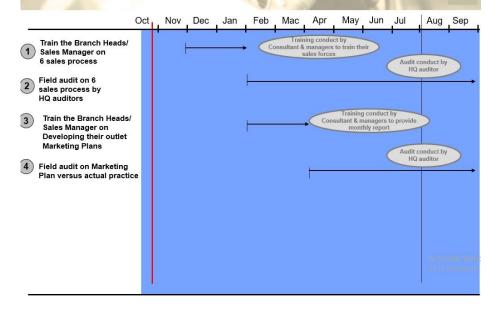
F) TRAINING EXECUTION, AUDIT & MONITORING



Timelines – Moving Forward – Sales Dealer Technical Skill Chart Development for Sales Manager & Sales Representative



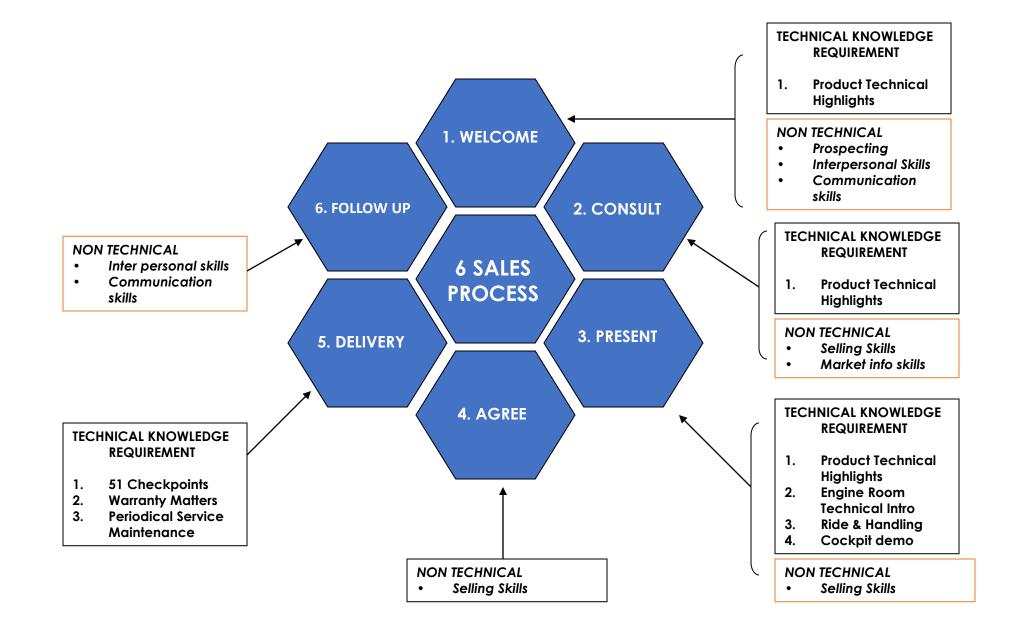
Timelines – Moving Forward – Sales Branch/Dealer Management Skill Chart Development for Branch Head & Sales Manager



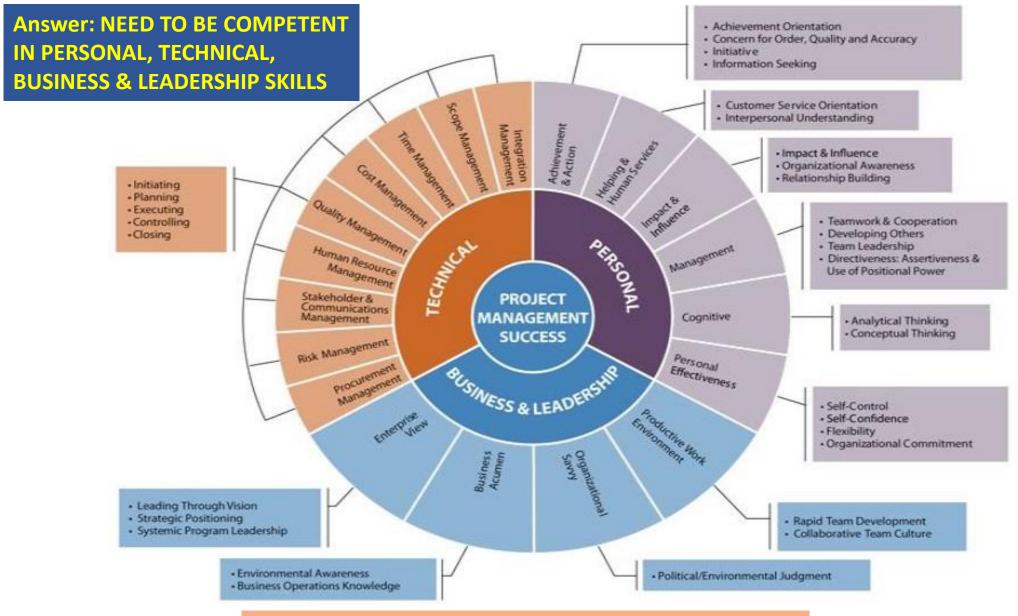
iv) SUCCESS EXPERIENCE - RESULT FROM THE INITIATIVES



v) SURVIVABILITY – ESTABLISHED 6 SALES PROCESS COMPLIED WITH ISO 9001:2008 AS S.O.P FOR SALES DIVISION TO BE DAILY USED TILL NOW



vi) RECOMMENDATION – HOW TO SURVIVE & SUCCESS IN AUTO INDUSTRY CURRENT & FUTURE?

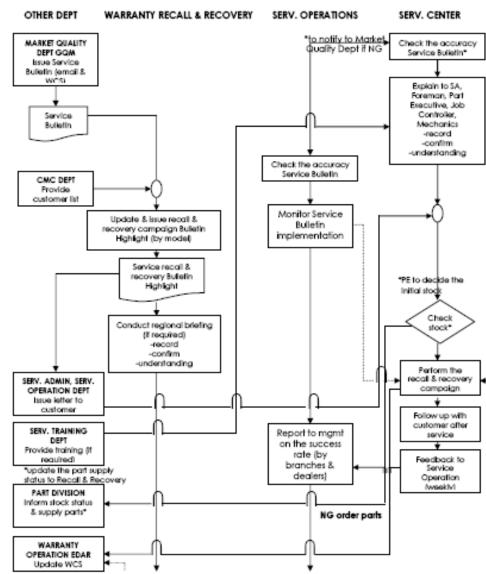


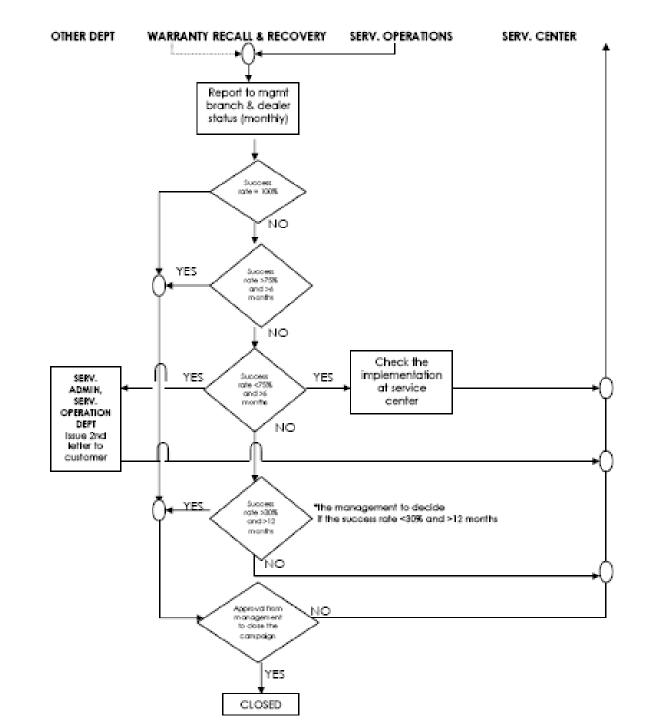
(Reference: IEM20/HQ/084/T(w), (2020), How to become a successful Project Manager, IEM, PJ)

vii) SOLUTION TO THE PROBLEM

a) RECALL & RECOVERY CAMPAIGN AT SERVICE CENTER

DEVELOPMENT OF
RECALL'S
STANDARD
OPERATION
PROCEDURE



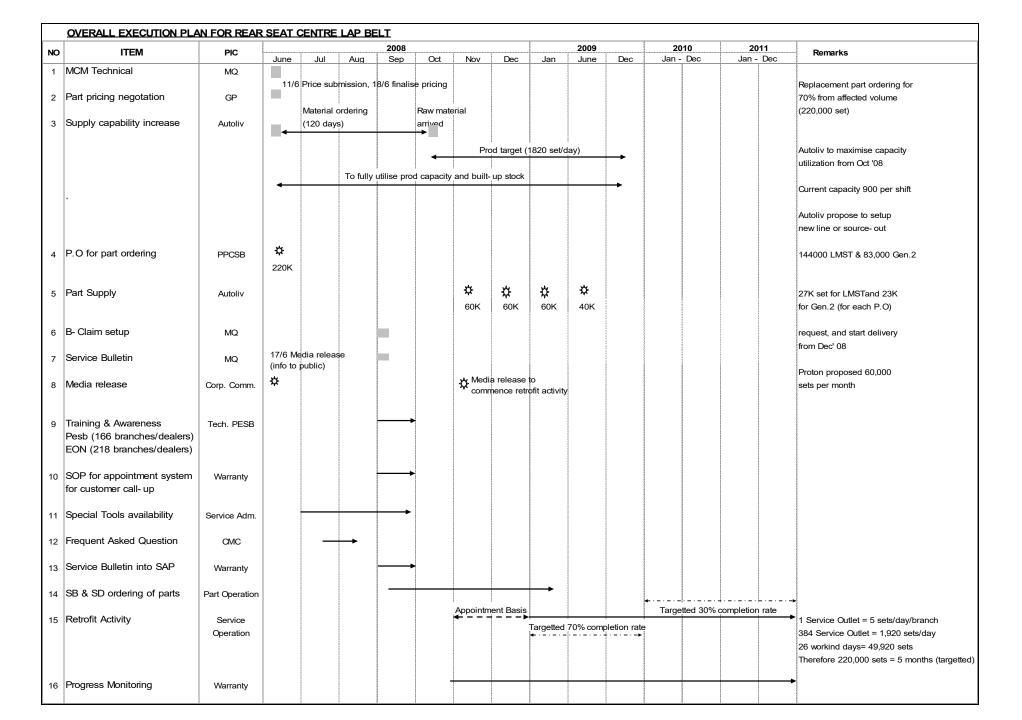


CONDUCT RECALL CAMPAIGN.

EXAMPLE: REAR SEAT CENTER LAP BELT RETROFIT ACTIVITY

MODEL & NUMBERS OF VEHICLE INVOLVED IN THE RECALL ACTIVITY

No.	Model	Production Year	Affected Quantity	Chassis No. Range	Seat Belt Colour	Anchorage Point on Body
1	LM	2004~2008	144,000	4 B933165 ~ ? B244061	Black	Available
2	GEN2	2004 ~2008	75,375	G000001 ~G099631	Tempest Grey	Available
3	GEN2 Enhancement	May 2006 ~ Jun 2008	6,555	G099632~G107849	Tempest Grey	Available



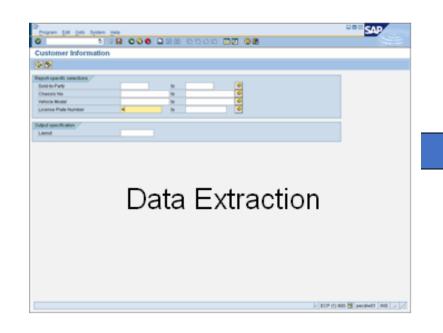
Recall Program

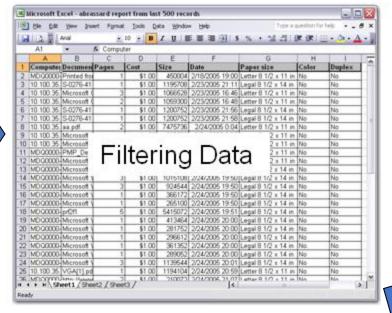
Letter Campaign

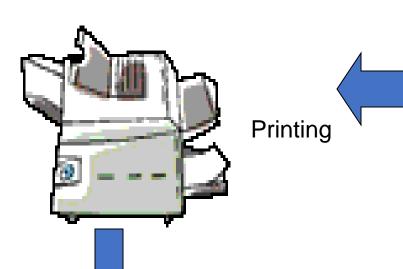
Thing To Do

- Data involved / Extraction (SAP)
- Filtering Data
- Letters Formats / Draft
- Customer Addresses
- Printing
- Processing & Franking / Mailing
- Cost Center?

Process Flow









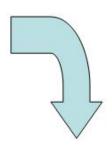
Draft Letter

Corporate Social Responsibility toward society, legal, cultural, and health & safety.

Processing & Franking



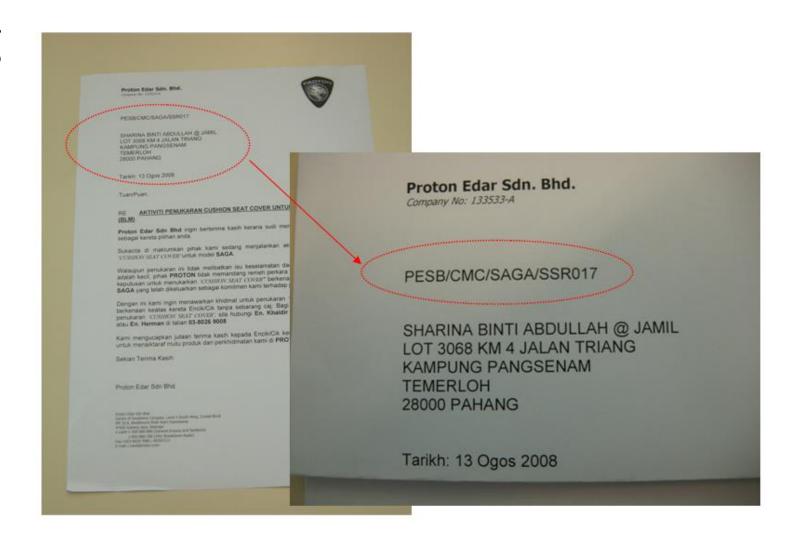






Corporate Social Responsibility toward society, legal, cultural, and health & safety.

Tracking



Proton Edar Sdn. Bhd.



Letter Draft

Tarikh: 13 Oktober 2008

Tuan/Puan/Encik/Cik,

RE : AKTIVITI PENUKARAN "JACK ASSY" UNTUK MODEL GEN 2 & SATRIA NEO.]

Proton Edar Sdn Bhd ingin mengucapkan ribuan terima kasih di atas sokongan yang anda berikan terhadap kereta **PROTON** sebagai kereta pilihan anda.

Sukacita dimaklumkan bahawa, pihak kami sedang menjalankan aktiviti penukaran penual tayar atau 'JACK ASSY' untuk model GEN 2 dan SATRIA NEO. Penukaran ini melibatkan semua penual tayar atau "JACK ASSY" yang berwarna KEEMASAN (GOLD) kepada yang berwarna BIRU (BLUE).

Sehubungan dengan itu, Tuan/Puan/Encik/Cik dikehendaki membawa surat ini sebagai bukti untuk proses penukaran ke Pusat Servis yang Tuan/Puan/Encik/Cik pernah lawati atau di mana sahaja Cawangan Servis Proton Edar yang berdaftar.

Sekiranya Tuan/Puan/Encik/Cik telah membuat penukaran tersebut atau 'JACK ASSY' yang dimiliki sudah pun berwarna BIRU, sila abaikan surat ini.

Pihak kami ingin mengucapkan jutaan terima kasih kepada Tuan/Puan/Encik/Cik di atas kerjasama yang diberikan terutama dalam meningkatkan mutu produk dan perkhidmatan kami di **PROTON EDAR.** Sekiranya mempunyai sebarang pertanyaan berkenaan penukaran "JACK ASSY", Tuan/Puan/Encik/Cik boleh menghubungi Proton *i.Cara* di talian 1-300-880-888.

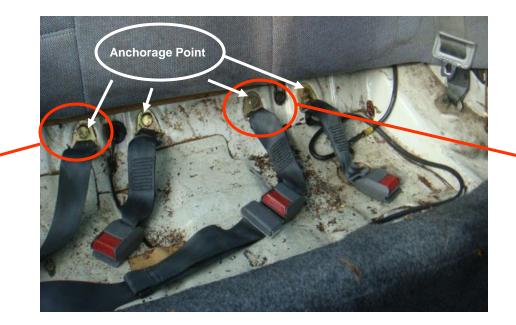
Sekian Terima Kasih

Proton Edar Sdn Bhd.

Proton Edar Sán Bhd
Centre of Excellenas Complex, Level 2 South Wing, Grystal Block
RM 31.8, Westbound Shah Wood Endressway
17000 Sucrous Way, Selbronal English yand feedbadiş
1-800-888-388 (J.-frir Breakfown Assist)
1-800-888-388 (J.-frir Breakfown Assist)
1-800-888-388 (J.-frir Breakfown Assist)

LMST SAGA

Centre Tongue side



Buckle Centre Lap belt



Tongue side



BEFORE INSTALLATION

GEN2





Buckle Centre Lap belt



PUSAT SERVIS

(STANDARD OPERATING PROCEDURE)



(Company No. : 133 533 - A)



TAJUK	PENERIMAAN PANGGILAN UNTUK	DIVISYEN	JABATAN	KATEGORI	BAHAGIAN
	TEMUJANJI – Centre Lap Belt	Customer Service	Branch Operation	Service Branches / Dealers	Reception

- 1.0 Deringan telefon tidak boleh melebihi 3 deringan.
- 2.0 Ucapan selamat
 - "Selamat Pagi / Tengahari / Petang Encik/Puan, Proton Edar Service Center (Pusat Servis), (Nama Saya) bercakap. Boleh saya bantu?"
- 3.0 Butiran yang perlu diambil dari pelanggan:
 - 3.1 Tarikh panggilan:
 - 3.2 Masa panggilan:
 - 3.3 Nama pelanggan:
 - 3.4 No Telefon:
 - 3.5 No Kenderaaan:
 - 3.6 Model GEN2 / SAGA LMST
- 4.0 Maklumkan kepada pelanggan perkara berikut:
 - 4.1 Tarikh & Masa temu janji akan diberitahu kelak atau selepas terima alatganti panggilan akan di buat untuk temu janji dan pembaikan.

Temu janji akan berpandukan kepada senarai nama yang tercatat dalam jadual temu janji.

- "Walk-in Customer" akan dinasihatkan untuk membuat temu janji dahulu melalui Pusat Servis.
- 5.0 Setelah selesai, ucapkan terima kasih
 - " Terima kasih kerana memanggil "



Wajib pakai tali pinggang belakang 20

PUTRAJAYA 17 Jun – Pemandu kenderaan tidak akan disaman jika penumpang keempat dan seterusnya tidak memakai tali pinggang keledar tempat duduk belakang apabila peraturan pemakaiannya dikuatkuasakan pada 1 Januari 2009.

Menteri Pengangkutan, Datuk Ong Tee Keat berkata, ini kerana setiap kenderaan hanya menyediakan tiga tali pinggang keledar di bahagian belakang seperti diwajibkan oleh kerajaan.

"Kita tetap prihatin dengan kes sebegini kerana bagi keluarga besar yang mempunyai anak ramai, mungkin kenderaan itu sahajalah yang mampu dimiliki, kita memahaminya.

"Jika dalam keadaan ini terdapat seorang anak yang tidak memakai tali pinggang berikutan tali pinggang yang ada itu untuk tiga orang sahaja, kita tidak akan kenakan tindakan penguatkuasaan tetapi jangan anggap ini untuk menggalakkan lebihan muatan," katanya kepada pemberita di sini hari ini.

Terdahulu, beliau menyaksikan majlis menandatangani memorandum persefahaman antara Perusahaan Otomobil Nasional Berhad (Proton) dengan Jabatan Keselamatan Jalan Raya (JKJR) bagi meningkat dan memperluaskan keberkesanan program keselamatan jalan raya.

Hadir sama Pengarah Urusan Proton Holdings Berhad, Datuk Syed Zainal Abidin Syed Mohamed Tahir dan Ketua Pengarah JKJR, Datuk Suret Singh.

Melalui memorandum itu, Proton dan JKJR bersetuju membentuk satu kerjasama pintar bagi melaksanakan inisiatif-inisiatif keselamatan jalan raya untuk mengurangkan kadar kemalangan serta meningkatkan tahap kesedaran orang ramai tentang isu-isu dan program keselamatan jalan raya.

Tee Keat turut memuji langkah Proton yang bersetuju memasang tali pinggang keledar belakang secara percuma kepada 227,000 buah kenderaan Proton model Saga, Iswara dan Gen2 didaftarkan sebelum 1995 yang masih belum dipasang dengan alat keselamatan itu.

Sementara itu, Syed Zainal Abidin berkata, pemilik tiga model tersebut digalakkan melakukan pemasangan itu mulai sekarang di 384 buah pusat servis Proton, Proton Edar dan wakil-wakil pengedarnya di seluruh negara.

"Orang ramai digalakkan membuat temujanji terlebih dahulu bagi melicinkan lagi urusan pemasangan yang mengambil masa antara 30 hingga 40 minit," katanya.

Menurutnya, penggunaan tali pinggang belakang oleh semua penumpang kenderaan persendirian berupaya menyelamatkan 175 kematian, 350 kes cedera parah dan 1,050 kes cedera ringan.

Proton dan JKJR akan bekerjasama dalam bidang penyelidikan untuk membangunkan aspek-aspek kejuruteraan kenderaan berdasarkan amalan terbaik di dunia.

ONG Tee Keat melihat kereta Proton Gen2 yang dilengkapi tali pinggang keledar belakang sambil diperhatikan Suret Singh (kanan) dan Syed Zainal Abidin Syed Mohamed Tahir (tengah) di Putrajaya, semalam.



APPOINTMENT SHEET WHEN CUSTOMER CALL

No.	Tarikh Panggilan (Date Called)	Masa Panggilan (Time Called)	Nama Pelanggan (Customer's Name)	No Telepon (Phone Number)	No. Kenderaan (Registration No.)	Tarikh Temu Janji (Appointment Date)	Tarikh Tindakan Susulan 1 (Follow- Up 1)	Tarikh Tindakan Susulan 2 (Follow-Up 2)

Recall Activity Status Update (as of 5/2/2009)

For Study Purpose Only

Recall & Recovery Program

By Sukhairul Nizam bin Abdul Razak (13/2/2009)

Savvy Rear Wheel Hub/Spindle
Gen.2 & Neo Jack Assy
Gen.2 & LMST Rear Ctr Lap Belt
Saga Support Wheel Carrier
Saga Lower Arm
Saga brkt stabilizer bar

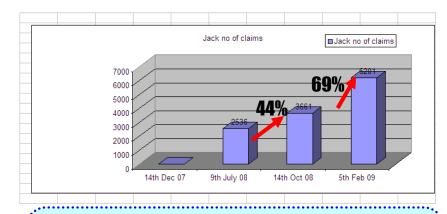
Recovery's status for domestic market (as of 2/2/2009)

INFORMATION SOURCE: EDAR/EON WARRANTY & MARKET QUALITY, GQM

					Rate %	Vehicles	
No	B- Claim No	ltem	Destination _	Start Date	Completion _	Suspected	Rectified
1	PUP3210089 - OLD	Neo tranmission bracket replacement	MHR	7/2/2007	63	3580	2158
2	PUP3525098	Savvy - Rear Wheel Hub Spindle / Bearing Failure	MHR	25/02/2008	39	23000	9032
3	PUP3210095	Engine mounting bracket stud lock nut inspection	MHR	26/11/2007	21	12045	2566
4	PS21200083	SV Clutch pedal stopper replacement	MR, SQ, UK, AN, SA, MHR	22/08/06	13	15353	1,961
5	PUP3310101	Saga -Support Wheel Carrier Rear Mount Enhancement	MHR	7/5/2008	11	16651	1873
6	PUP4299097	Neo - Jack assy replacement	MHR	14/12/2007	11	6714	834
7	PUP4299096	Gen.2 - Jack assy replacement	MHR	14/12/2007	9	69809	6625
8	PS23750066	Perdana V6 - Installation of Transmission Oil Cooler	MHR	14/03/06	7	2722	204
9	PUP5220105	GEN.2 - Rear Centre Lap Belt Retrofitting	MHR	20/06/2008	7	81930	6133
10	PUP3331102	Saga - Lower Control Arm Assy Welding Inspection	MHR	11/6/2008	7	24912	1631
11	PUP5220104	Lmst - Rear Centre Lap Belt Retrofitting	MHR	20/06/2008	6	144000	9325
12	PS13700071	SRM Fuel connector inspection	UK, MHR	13/07/06	3	1210	37
13	PUP3211103	Saga - Sub - Frame Brkt Stabilizer Bar Inspection	MHR	19/06/2008	2	8159	187
14	PS33330081	SRM Frt suspension knocking noise	MHR	13/07/2006	2	1206	26
15	PUP3210094	Engine mounting bracket stud lock nut inspection	MHR	26/11/2007	2	6754	128
16	PS21200078	SRM 1st Gear (M/T) Difficult to engage	UK, MHR	13/07/06	1	658	7
17	PS31000079	SRM Steering wheel vibrate at 100km/h	MHR	13/07/06	0	1208	6
18i	PS42530076	Fuel filler lock catch easily detach	MHR	13/07/2006	0	1296	1
18ii	PUP3210107 - NEW	Neo - Tranmission bracket replacement	MHR	7/2/2007	0	5965	1
		Average Completion : Safety Items =			34.03		

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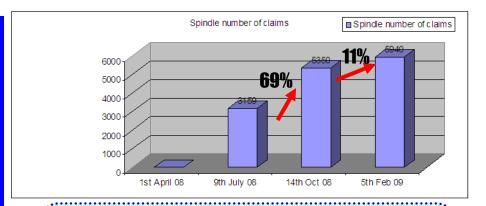


Jack assy: Gen2 + Neo Total affected: 76,523

Start campaign: 14/12/2007 till 5/2/2009 (14 months)

Average recovery: 443 unit/month

Edar's succession rate: 8.1% out of 76,523 units

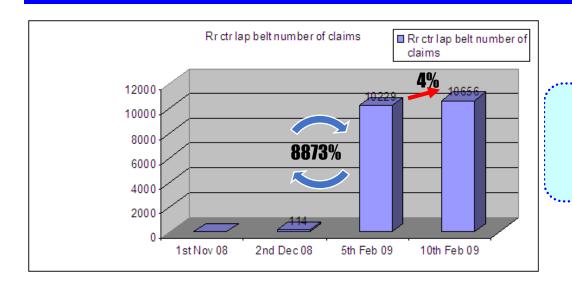


Spindle assy: Savvy Total affected: 22.220

Start campaign: 1/4/2008 till 5/2/2009 (10 months)

Average recovery: 594 unit/month

Edar's succession rate: 26.7% out of 22,220 units



Rear Ctr Lap Belt: Gen2 + LMST Total affected: 225,930

Start campaign: 1/12/2008 till 5/2/2009 (2 months)

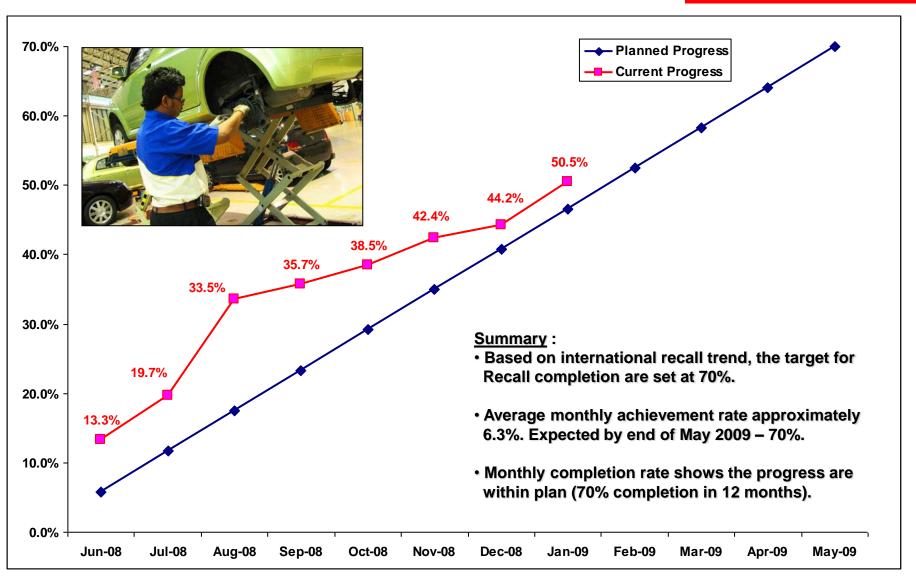
Average recovery: 5115 unit/month

Edar's succession rate: 4.5% out of 225,930 units

PROTON SAVVY: REAR SPINDLE RECALL STATUS

(EDAR + EON)

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Data Source: Warranty SAP System prepared by En Tajuddin (Warranty Services Dept Edar 12/2/2009).

BLM wheel carrier, BLM lower arm and BLM stabilizer bar campaign

as of 5/2/2009 (SILENT RECOVERY)

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INFORMATION SOURCE: EDAR WARRANTY E-CORE SYSTEM

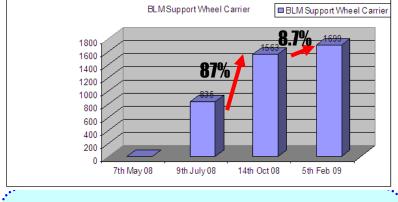
PROTON SAGA IS THE ASEAN CAR OF THE YEAR!







TO ACHIEVE ZERO DEFECT



Support Wheel Carrier Rr Mount: New Saga (BLM)

Total affected: 16.651

Start campaign: 7/5/2008 till 5/2/2009 (9 months)

Average recovery: 189 unit/month

Edar's succession rate: 10.2% out of 16,651 units



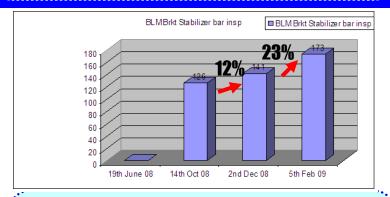
Lower arm welding inspection: New Saga (BLM)

Total affected: 24,912

Start campaign: 11/6/2008 till 5/2/2009 (8 months)

Average recovery: 108 unit/month

Edar's succession rate: 3,5% out of 24,912 units



Stabilizer bar inspection: New Saga (BLM)

Total affected: 8,159

Start campaign: 19/6/2008 till 5/2/2009 (8 months)

Average recovery: 22 unit/month

Edar's succession rate: 2.1% out of 8.159 units

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Recall Strategy Applied

FOR PROTON EDAR MALAYSIA:

Public open recall on jack assy, Savvy Spindle and Rr Ctr Lap Belt (due to severity of issue, high volume of affected and CSR)

Method – media announcement by Proton Corp Comm. & advertisement supported by JKJR

Silent recovery on BLM (Wheel carrier, lower arm welding insp. & brkt stabilizer bar), Neo (transmission mounting), stud lock nut insp. for Campro engine, etc subject to company's direction.

Method – service center to inspect & verify car according to the bulletin released by GQM

ADVERTISEMENT BY
EDAR, JKJR & PERODUA ON
SEAT BELT RETROFIT





BENCHMARK:

Global Average Completion Rate **70%**

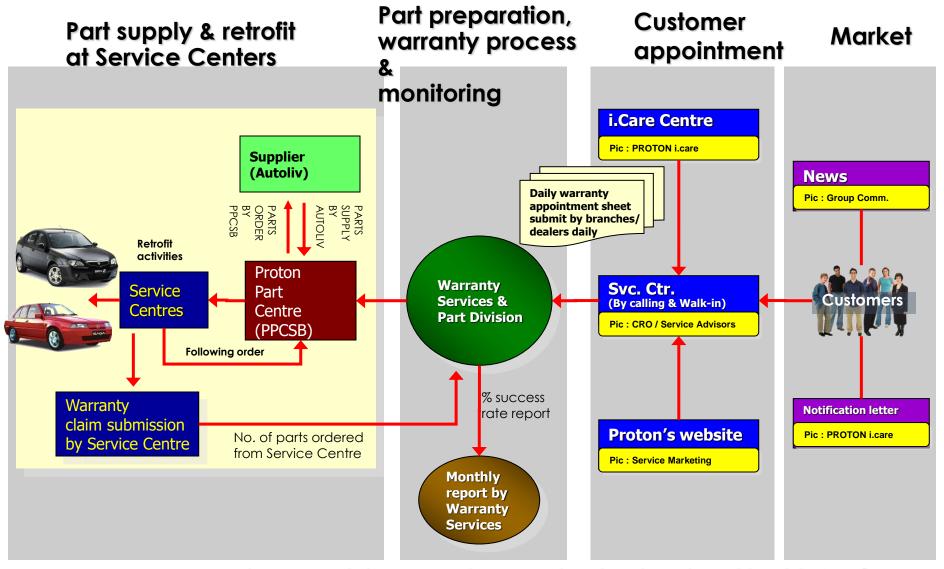
Based on automotive analysis by The National Highway Traffic Safety Administration (NHTSA), USA

-April 2008-



Monitoring flow for open recall

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Corporate Social Responsibility toward society, legal, cultural, and health & safety.

Issues and propose recovery's strategies

Issues – what we in Wty Edar observed

- Warranty's appointment system not fully implemented by service center.
 Only few regions submit their daily appointment's sheet.
- 2) Edar & EON number of car sold far below than Proton's target.

(VIN chassis number out of range occurred).

- 3) No monitoring and optimization on appointment through website & I-Care.
- 4) Notification letter and telephone cost issues claim by service operation team.
- 5) Part supply PPCSB claimed the part being supplied but service network not yet receive.
- 6) Participation by dealers on warranty work far below than branches' commitments.
- 7) Customer data for EON & dealers not available.
 - 8) Pop up implementation not working well due to IT's system performance.
- 9) Lack of awareness on service bulletin & news letter released by Proton GQM (many recall make them confused)

OPERATION ISSUES

Propose countermeasures

Follow Recall & Recovery Campaign SOP established by Proton Edar Some of the things to do attracted from the SOP:

1)SA to check car model, chassis no. during registration.

2)If YES, check for any identification or marking.

3)If YES, update in REMARK column inside the Repair Order & Job Card.

4)If NO, open an RO for warranty recall campaign under warranty.

5)Technician performs the warranty recall campaign.

6) Foreman conducts the quality control check.

7)SA verifies the job during delivery check.

8)Service Heads doing daily checking or monitoring.

TOYOTA WAY

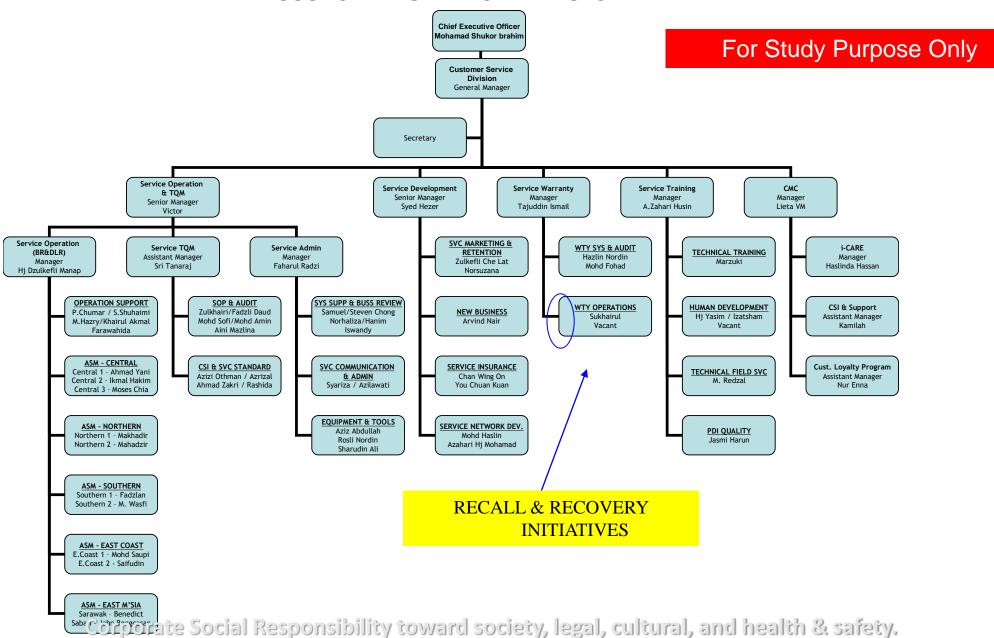
Fujio Cho, Chairman of Toyota Motor Corp.



- Go See
 - "Senior Management must spend time on the front lines"
- Ask Why
 - "Use the "Why?" technique daily"
- Show Respect
 - "Respect your people."

Corporate Social Responsibility toward society, legal, cultural, and health & safety.

CUSTOMER SERVICE DIVISION



Warranty Services Organization Chart Jun08/Dec08 Tajuddin bin Ismail For Study Purpose Only **Warranty Services RECALL & RECOVERY BRANCH & DEALER OPERATION SUPPORT Warranty Operation Warranty Recall & Recovery** Assistant Mgr.- Hazlin Nordin Mgr. - Ir. Sukhairul **Warranty Admin Assistant Executive** Executive Zuraiha Halam Shah Mohd, Fohad Vacant

Warranty Support - Branches

- Fazlin Samion
- Azmi bin Arbi
- Azura
- Sammir Ahmad

Warranty Support - Dealers

- Nooraini Baweh
- Amir Kunot
- Zaidi
- Norhafiza

Warranty System Support

- Faizal Abd. Malek
- Vacant

JD – Warranty Operation

- Ensure that the daily Warranty Claims are submitted within 3 days after completion of repairs.
- Monitoring of warranty claims submission to PROTON Kerriege System.
- Ensure that all defective parts requested from PROTON & Suppliers are returned 100% when requested.
- To train all the Service Advisor in all PESB Service Branches are train 2 times a year (passing mark more than 90%).
- Training to newly appointed PESB Dealers on Warranty Service Claims procedures and processing
- Periodical Warranty Audit at Service Branches & Dealers
- Processing of Extended Warranty Program
- Co-ordination with IT on warranty system support
- Analyze and plot monitoring graph
- Top 10 Highest Service Dealers
- Monthly Submission (Frequency & Amount)
- Top 10 Highest defects.
- Graph of Defect Rate per Car and Ringgit per Car.
- Prepare annual yearly budget (CAPEX / OPEX) and monitor it's utilization. Open and Social Responsion to the second social responsibility.

JD - Recall & Recovery

- Co-ordinate the Recall Meeting & Activity
- Joint investigation with PROTON & Suppliers
- \bullet Ensure that Recovery of claims are within the target of 80%

Warranty

Assistant

Vacant

- Support Service Branches on punching of engine & chassis number Warranty Claim & Insurance Claim
- Ensure that all Technical request from Service Branches & Dealers are reply and assisted – target 90%
- Process PCRS submit from Service Branches & Dealers
- Review and standardise the Standard Operation Procedures for workshop usage.
- Prepare annual yearly budget (CAPEX / OPEX) and monitor it's utilization.

JD - Admin. Assistant Warranty Services

- Filing of Incoming & outgoing letter & memo
- Updating of Warranty Services Staff Annual leaves
- Requisition of Departmental consumables
- Monthly compilation of warranty's staff overtime including graphs
- Preparation of monthly warranty staffs punch cards
- Preparation of warranty services consumables & staffs overtime yearly budget
- Issuing of credit notes to Service Dealers on rejected claims
- it's utilization por a te Social Responsibility toward sociately utagay, requiriting the sternealth & safety.

THIS was a PROTON's CULTURE

Continuously create innovative processes, products & services that win people's hearts & minds...

Question & Answers

Email: irsukhai@yahoo.com Telephone: 0122515093

THANK YOU

