

**SERVICE QUALITY SURVEY
FOR
SARAWAK FORESTRY CORPORATION**

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Managing Director
Sarawak Forestry Corporation
Level 12, Office Tower
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Dear Sir,

**FINAL CONSULTANCY RESEARCH REPORT "SERVICE QUALITY
SURVEY FOR SARAWAK FORESTRY CORPORATION"**

With reference to the above, enclosed herewith are seven (7) copies of the final research report entitled "Service Quality Survey for Sarawak Forestry Corporation" by the research team from Universiti Teknologi MARA, Sarawak for your perusal.

Thank you.

Yours sincerely,

Dr. Nagarajah Lee Hun Leong
Project Leader

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EXECUTIVE SUMMARY

Service quality has attracted considerable attention within the service sectors, and it is considered as the most formidable competitive trend currently shaping business strategies. In today's highly competitive business environment, rendering consistent excellent service is a key for survival and success. Sarawak Forestry Corporation (SFC) is undoubtedly among the early pioneer organisations in Sarawak to undertake a large-scale exercise using multiple approaches to improve the quality of its services towards organisational excellence. Supported by solid management commitment and dedication through its vision of being a global and recognised leader in tropical forest conservation and products, coupled with the values '*I CARE*' (Integrity, Customer-focused, Accountable, Recognition for performance and Environment stewardship), service quality is certainly a key strategic issue on SFC's noble agenda.

Indeed, one of the most critical issues associated with service provision is the assessment of service quality, particularly due to its relationship to financial performance, customer satisfaction, customer retention and competitive advantage. The pressures driving successful organisations towards excellent service make the measurement and the subsequent management of service quality a top priority. Although various measuring instruments have been used to capture the customers' perceptions of service quality within a specific industry, in this study, the SERVQUAL was adapted to cater exclusively for the unique forest conservation setting. Three instruments, one each for corporate customers, tourists and staff, were

CHAPTER 1

INTRODUCTION

This research was conducted at the request of Sarawak Forestry Corporation (SFC) which would like to carry out a customer satisfaction survey on the services it provides. This will be part of their annual activity, in line with the organisation's values: integrity, customer-focused, accountability, recognition for performance and environmental stewardship. SFC is a relatively young organisation, just about a year and half in operation and its vision is to be globally recognized as the leader in tropical forest conservation and products.

SFC would like to evaluate the level of customer satisfaction towards the quality of services provided by its six key business units (KBUs): Sustainable Forestry and Compliance, Protected Areas and Bio-Diversity Conservation, Applied Forest Science and Industry Development, Security and Asset Protection, Corporate Services and Strategic Planning, and Special Project and Land Use. SFC would also like to identify the main attributes that influence the overall customer satisfaction.

During the initial discussion, the research team suggested that the area of focus for the survey should be service quality rather than customer satisfaction in general. The rationale is that a general survey of customer satisfaction may not provide a focused view for SFC to assess the quality of its services. Furthermore, SFC is interested in using the SERVQUAL as the main instrument in this survey. As a result of the