

UNIVERSITI PUTRA MALAYSIA

PRODUCT COMPLIANCE PERFORMANCE OF MALAYSIAN ELECTRICAL AND ELECTRONICS MANUFACTURING SECTOR

MUHAMAD KAMAL BIN SABRAN

FK 2012 27

PRODUCT COMPLIANCE PERFORMANCE OF MALAYSIAN ELECTRICAL AND ELECTRONICS MANUFACTURING SECTOR

MUHAMAD KAMAL BIN SABRAN

MASTER OF SCIENCE UNIVERSITI PUTRA MALAYSIA

PRODUCT COMPLIANCE PERFORMANCE OF MALAYSIAN ELECTRICAL AND ELECTRONICS MANUFACTURING SECTOR



Thesis Submitted to the School of Graduate Studies, Universiti Putra Malaysia, In Fulfillment of the Requirements for the degree of Master of Science Abstract of thesis presented to the Senate of Universiti Putra Malaysia in fulfillment of the requirement for the degree of Master of Science

PRODUCT COMPLIANCE PERFORMANCE OF MALAYSIAN ELECTRICAL AND ELECTRONICS MANUFACTURING SECTOR

By

MUHAMAD KAMAL BIN SABRAN

July 2012

Chairman: Norzima Zulkifli, PhD

Faculty: Engineering

The study aims to investigate the quality improvement practices of Malaysian Electrical and Electronics manufacturers and differences may exist between them. Based on the

findings, a proposed set of guidelines for Product Certification Scheme was established.

Based on SIRIM QAS's findings on compliance to product standard, the sampled

manufacturers showed an increment in their failure rate. The gradual increment in the

failure rate seems to indicate the alarming issue which concerns the manufacturers'

quality practices. The objectives of this study is to investigate the influence of the quality

improvement practices among Malaysian Electrical and Electronics manufacturers on

their compliance performance. The differences between manufacturers were used as a

guide to develop certification guidelines. A quantitative research method which involved

the distribution of a set of questionnaire was used in the study.

ii

The findings have revealed that there tend to be a similar trend in the current quality improvement practice of the selected Electrical and Electronics manufacturers. 'Process Management' was selected to be the 'most preferred' quality improvement practice. 'Process Control' was the least preferred quality improvement practice. The relevant findings which furnished the details to complete the existing requirements were obtained by investigating the significant difference between the groups of manufacturers. From the findings, three aspects of quality improvement practice were found to be significantly different and they are Process Control (significant at alpha value 0.044), Customer Involvement (significant at alpha value 0.045) and Interfunctional Design Process (significant at alpha value 0.034). The present study's findings were used to develop the Product Certification Guidelines for Product Certification Scheme.

This guidelines will benefit local manufacturers to develop their procedure to comply with Product Certification Scheme especially to companies without ISO 9001 certified. This guidelines has pointed out all the three areas that manufacturer should pay attention to; quality system, product design, process control and quality control. Briefly, this guidelines is very useful for the manufacturer in order to satisfy regulatory requirements and customers expectation in terms of product quality and safety.

Abstrak tesis yang dikemukakan kepada Senat Universiti Putra Malaysia sebagai memenuhi keperluan untuk ijazah Master Sains

PENCAPAIAN PEMATUHAN PRODUK OLEH SEKTOR PEMBUATAN ELEKTRIK DAN ELEKTRONIK DI MALAYSIA

Oleh

MUHAMAD KAMAL BIN SABRAN

Julai 2012

Pengerusi: Norzima Zulkifli, PhD

Fakulti: Kejuruteraan

Kajian ini dijalankan bertujuan untuk menyelidik amalan peningkatan kualiti pengeluar

Elektrik dan Elektronik di Malaysia dan perbezaan yang mungkin wujud di antara

mereka. Berdasarkan hasil kajian, garis panduan cadangan untuk Skim Pensijilan Produk

telah dicadangkan.

Berdasarkan penemuan SIRIM QAS pada pematuhan kepada standard produk, sampel

yang diuji telah menunjukkan kenaikan dalam kadar kegagalan mereka. Kenaikan secara

beransur-ansur dalam kadar kegagalan menunjukkan isu yang agak membimbangkan

berkenaan dengan amalan kualiti pengeluar. Objektif kajian ini adalah untuk mengkaji

pengaruh amalan peningkatan kualiti di kalangan pengeluar Elektrik dan Elektronik

Malaysia ke atas prestasi pematuhan mereka. Perbezaan antara pengeluar telah digunakan

sebagai panduan untuk memurnikan garis panduan pensijilan yang sediada. Satu kaedah

penyelidikan kuantitatif yang melibatkan pengedaran set soal selidik telah digunakan

iv

dalam kajian ini. Dapatan kajian menunjukkan bahawa terdapat kecenderungan tren yang sama dalam amalan peningkatan kualiti pengeluar Elektrik dan Elektronik. 'Pengurusan Proses' telah dipilih untuk menjadi 'yang paling digemari' di antara amalan peningkatan kualiti. Selain itu, 'Kawalan Proses' adalah amalan peningkatan kualiti yang paling kurang digemari. Penemuan yang relevan telah diperolehi dengan menyiasat perbezaan yang signifikan antara kumpulan pengeluar. Daripada penemuan ini, tiga aspek amalan peningkatan kualiti telah didapati berbeza dengan ketara dan mereka adalah Kawalan Proses (signifikan pada nilai alpha 0.044), Penglibatan Pelanggan (signifikan pada nilai alpha 0.045) dan Proses Rekabentuk (signifikan pada nilai alpha 0.034). Hasil dapatan kajian ini telah digunakan untuk menghasilkan Garis Panduan Pensijilan Produk untuk Skim Pensijilan Produk.

Garis panduan ini akan memberi manfaat kepada pengeluar tempatan untuk membangunkan prosedur mereka untuk mematuhi Skim Pensijilan Produk terutama kepada syarikat-syarikat tanpa persijilan ISO 9001. Garis panduan ini telah merangkumi tiga faktor yang perlu diberi perhatian; sistem kualiti, reka bentuk produk, kawalan proses dan kawalan kualiti. Secara ringkasnya, garis panduan ini sangat berguna untuk pengilang bagi memenuhi keperluan undang-undang dan jangkaan pelanggan terhadap kualiti dan keselamatan produk.

.

ACKNOWLEDGEMENTS

I am very thankful to all who have contributed to the completion of this thesis. My

appreciation goes to all the members of my supervisory committee, colleagues, and

family. Their constant motivation, understanding and willingness to give their time and

ideas I needed are really appreciated.

I am particularly grateful and thankful to the Chairman of my supervisory committee, Dr.

Norzima Zulkifli who gave her full support and freedom to me to follow my own self

discovery of knowledge throughout the research. Special thanks also goes to Prof. Dr.

Rosnah who gave insightful comments and who was available whenever needed. I am

also grateful to my colleagues in SIRIM and my respondents whose assistance had been

very helpful particularly during the data collection stage.

But above all, my unconditional love and heartfelt appreciation go to my family; sons

Danial Hakim and Danish Luqman, daughter Deanna Alisya, and wife Faizah Abd Majid.

The excitement shown in my children's face whenever I am back from work and the

silent prayers from my loving wife are my source of strength and motivation. It is to them

whom I dedicate this thesis to.

THANK YOU ALL!

Muhamad Kamal Sabran

2012

vi

I certify that an Examination Committee has met on 19 July 2012 to conduct the final examination of Muhamad Kamal Bin Sabran on his Master of Science thesis entitled "Product Compliance Performance of Malaysian Electrical and Electronics Manufacturing Sector" in accordance with Universiti Pertanian Malaysia (Higher Degree) Act 1980 and Universiti Pertanian Malaysia (Higher Degree) Regulations 1981. The committee recommends that the candidate be awarded the relevant degree. Members of the Examination Committee were as follows:

Faieza Abdul Aziz, PhD

Associate Professor Faculty of Engineering Universiti Putra Malaysia (Chairman)

Napsiah Ismail, PhD

Professor Faculty of Engineering Universiti Putra Malaysia (Internal Examiner)

B.T. Hang Tuah Baharudin, PhD

Lecturer
Faculty of Engineering
Universiti Putra Malaysia
(Internal Examiner)

Baba Md Deros, PhD

Professor
Faculty of Engineering and Built Environment
Universiti Kebangsaan Malaysia
(External Examiner)

Seow Heng Fong, PhD

Professor and Deputy Dean School of Graduate Studies Universiti Putra Malaysia

Date:

This thesis was submitted to the Senate of Universiti Putra Malaysia and has been accepted as fulfillment of the requirement for the degree of Master of Science. The members of the Supervisory Committee were as follows:

Norzima Zulkifli, PhD

Lecturer
Faculty of Engineering
Universiti Putra Malaysia
(Chairman)

Rosnah Mohd Yusuff, PhD

Professor
Faculty of Engineering
Universiti Putra Malaysia
(Member)

BUJANG BIN KIM HUAT, PhD

Professor and Dean School of Graduate Studies Universiti Putra Malaysia

Date:

DECLARATION

I declare that the thesis is my original work except for quotations and citations which have been duly acknowledged. I also declare that it has not been previously, and is not concurrently, submitted for any other degree at Universiti Putra Malaysia or at any other institution.

MUHAMAD KAMAL BIN SABRAN Date:

TABLE OF CONTENTS

ABS	TRACT	Page ii	
ABS	TRAK	iv	
ACK	NOWLEDGEMENTS	vi	
APPI	ROVAL	vii	
DECLARATION			
LIST	OF TABLES	xiv	
LIST	OF FIGURES	xv	
LIST	OF ABBREVIATIONS	xvi	
СНА	PTER UP 1		
1	INTRODUCTION		
1.1	Overview	1	
1.2	Link between Quality Improvement Practices and Performance	4	
1.3	Statement of the Problem	4	
1.4	Research Objectives	7	
1.5	Research Questions	7	
1.6	Research Scope	8	
1.7	Significance of the Research	9	
1.8	Limitations of the Research	9	
1.9	Operational Definitions	10	
2	LITERATURE REVIEW		
2.1	Definition of Quality	13	
2.2	Total Quality Management	14	
2.3	Quality Improvement Practices	16	
	2.3.1 Information Feedback	21	
	2.3.2 New Product Quality	22	
	2.3.3 Process Control	22	
	2.3.4 Process Management	22	
	2.3.5 Customer Involvement	22	
	2.3.6 Interfunctional Design Process	23	

	2.3.7	Quality Improvement Rewards	24	
	2.3.8	Quality Leadership	24	
	2.3.9	Supplier Involvement	25	
	2.3.10	Selection for Teamwork Potential	25	
	2.3.11	Teamwork	26	
	2.3.12	Training and Education	26	
2.4	Measures of Performance			
	2.4.1	Organizational Performance Measurements	27	
	2.4.2	Product Certification Scheme (PCS	28	
2.5	Review	of Other Countries Certification	31	
	2.5.1	Singapore Consumer Protection Registration Scheme	31	
	2.5.2	Product Certification of Thailand	33	
2.6	Review	of Past Research	34	
	2.6.1	Soft and Hard Factors of Quality Improvement	35	
	2.6.2	Quality Improvement Practices and Performance	36	
	2.6.3	A Survey on Malaysian Electrical and Electronics Industry	36	
	2.6.4	Comparing Local and Multi-National Companies in Malaysia	38	
	2.6.5	Quality Practices in Malaysia	38	
2.7	The Pro	esent Study and Its Conceptual Framework	39	
3	RESE	ARCH METHODOLOGY		
3.1	Researc	ch Design	41	
3.2	Researc	ch Procedures	42	
3.3	Researc	ch Survey	43	
	3.3.1	Survey	43	
	3.3.2	Research Instrument	46	
3.4	Popula	tion and Sample	48	
3.5	Data C	ollection	49	
	3.5.1	Pilot study	49	
	3.5.2	Data Collection Procedures	50	
3.6	Data A	nalysis	51	
3.7	Produc	t Certification Guidelines	52	
	3.7.1	Development of Product Certification Guidelines	52	
	3.7.2	Validation of Product Certification Guidelines	52	

4	RESULTS AND DISCUSSION		
4.1	Introduction	54	
4.2	Respondents' Demographic Profile	55	
4.3	Quality Improvement Practices Preference	56	
4.4	Perception on Quality Improvement Practice	64	
4.5	The Most Preferred Quality Improvement Practice	76	
4.6	Difference of QIP between Complied and Non-Complied Manufacturers	78	
4.7	Development of Product Certification Guidelines	81	
4.8	Validation of Product Certification Guidelines	87	
5	SUMMARY, CONCLUSION AND RECOMMENDATIONS FOR FUTURE RESEARCH		
5.1	Introduction	88	
5.2	Summary and Conclusion	88	
5.3	Recommendations for Future Research	91	
REFER	REFERENCES		
APPEN	DICES	99	
BIODA	TA OF STUDENT	150	