

Malaysian Construction Firms:
Motivation for ISO 9000 Certification,
Implementation Effort and Firm Performance

Wang Hang Min

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ABSTRACT

The mandatory requirement of ISO 9000 certification by the Construction Industry Development Board (CIDB) Malaysia has forced Malaysian Grade G7 contractors to adopt the ISO 9000 Quality Management System (ISO 9000 QMS). CIDB Malaysia contended that ISO 9000 certification can enhance the quality initiative in the construction industry and the organizational performance of construction firms. For a better understanding on the impact of ISO 9000 certification, this study examines the relationship between motivation for certification (internal and external motivation), implementation effort of ISO 9000 QMS and organizational performance (operational and business performance).

This study used a questionnaire survey to collect quantitative data from the Malaysian ISO 9000 certified construction firms. A total of 125 valid questionnaires were received. A causal analysis was used to examine the proposed theoretical framework.

Both internal and external motivations for certification were found to have a positive driving effect on the implementation effort of ISO 9000 QMS. The implementation effort of ISO 9000 QMS was also found to have a positive effect on the improvement of both operational and business performance. Implementation effort of ISO 9000 QMS was also found to have a partial mediating effect on the relationship between motivation for certification and organizational performance.

In conclusion, due to having a high level of internal and external motivations for certification, Malaysian ISO 9000 certified construction firms generally put in high effort to implement the ISO 9000 QMS which in turn improves both operational and business performance of the firms.

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TABLE OF CONTENTS

CONTENTS	PAGE
ABSTRACT	i
ACKNOWLEDGEMENT	iii
TABLE OF CONTENTS	iv
LIST OF TABLES	vii
LIST OF FIGURES	vii
CHAPTER 1: INTRODUCTION	
1.1 Introduction	1
1.2 Problem background and research objectives	4
CHAPTER 2: LITERATURE REVIEW	
2.1 Introduction	11
2.2 Quality management system	11
2.3 ISO 9000 QMS and its principles	12
2.4 Implementation of ISO 9000 QMS	14
2.5 Relationship between motivation for ISO 9000 certification and implementation effort of ISO 9000 QMS	20
2.6 Relationship between implementation effort of ISO 9000 QMS and organizational performance	30
2.7 Effects of organization size and length of ISO 9000 implementation	41
2.7.1 Organization size	41
2.7.2 Length of ISO 9000 implementation	42

CHAPTER 3: RESEARCH METHODOLOGY

3.1 Theoretical framework	44
3.2 Development of hypotheses	44
3.2.1 Motivation for certification and implementation effort of ISO 9000 QMS	45
3.2.2 Implementation effort of ISO 9000 QMS and organizational performance	46
3.2.3 Mediating effect of implementation effort of ISO 9000 QMS	47
3.2.4 Moderating effect of organization size and length of ISO 9000 implementation	48
3.3 Research instrument	49
3.4 Selection and operationalized measures of variables	51
3.4.1 Motivation for certification - internal motivation and external motivation	52
3.4.2 Implementation effort of ISO 9000 QMS	53
3.4.3 Organizational performance - operational performance and business performance	54
3.5 Sampling design	55
3.6 Data collection procedure	57
3.7 Data analysis techniques	58
3.7.1 Scale reliability and validity	59
3.7.2 Descriptive Statistics	60
3.7.3 Regression analysis	61

CHAPTER 4: RESEARCH RESULTS

4.1 Descriptive statistics of respondents' information	65
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4.2 Descriptive statistics of measure items	67
4.3 Construct validity and reliability	69
4.4 Descriptive statistics of variables	73
4.5 Testing of hypotheses H1a, H1b, H2a and H2b – regression analysis	77
4.6 Testing of hypothesis H3 - mediating effect	79
4.7 Testing of hypotheses H4 and H5 - moderating effect	81
4.8 Summary of research results	84
CHAPTER 5: CONCLUSION AND RECOMMENDATIONS	
5.1 Summary and conclusion	88
5.2 Limitations of the study	98
5.3 Suggestions for future study	98
5.4 Implications for practitioners	99
APPENDIX: RESEARCH QUESTIONNAIRE	101
REFERENCES	110

LIST OF TABLES	PAGE
Table 1.1: CIDB Malaysia registration grades	5
Table 3.1: Number of ISO 9000 certified construction firms, by Grade	56
Table 4.1: Mean values of measure items	67
Table 4.2: Bartlett test of sphericity and Kaiser-Meyer-Olkin	70
Table 4.3: Construct validity (component loading) and reliability test	71
Table 4.4: Descriptive statistics of variables	74
Table 4.5: Results of t-tests	75
Table 4.6: Correlations	76
Table 4.7: Results of regression model 1-3	78
Table 4.8: Results of three mediating effect testing steps and z score calculation	80
Table 4.9: Results of regression model 4 (hierarchical regression)	82
Table 4.10: Results of regression model 5 (hierarchical regression)	83

LIST OF FIGURES

Figure 3.1: Theoretical framework	44
Figure 3.2: Testing of mediating effect and requirements	62
Figure 4.1: Percentage of scope of business involved by respondents	66