

Abstract

Quality Environment (5S) Practice is a concept which can be applied in the workplace by workers. It creates a more conducive, clean and tidy workplace. If all workers treat 5S Practice as a daily activity, work definitely become faster and easier. In sustaining 5S Practice as a work culture, the organisation requires practical initiative to move their employees. In addition to promotion and training, audit activity is vital in measuring 5S Practice progress. Internal audit of 5S Quality (IAQ) has been introduced to ensure the organization can assess its strength as well as the areas for improvement and where the organization stands in the 5S movement. 5S internal auditors are from the organization that will be in the best position to deal with 5S self-assessment. Organizations that have successful 5S activities can always measure their performance through weekly or monthly audit. This study try to measure the organizational factors that influence the effectiveness of internal audit of 5S Quality such as number of resources, auditor competencies and audit report, towards company operational performance. The sample (questionnaire) extended over to head of audit and internal auditor in Malaysia private companies. Out of 392 private companies that obtained 5S Certification in Malaysia, 196 were randomly taken for this survey. Statistical data was analyzed using SPSS 18.0 with four techniques namely Descriptive statistics, Reliability analysis, Correlation analysis, and Regression analysis. The result shows that the organizational factors influencing the internal audit of 5S Quality have significant relationship with company operational performance.

Keywords: 5S Practices, Internal Audit of 5S Quality, resources, competencies, audit report, effectiveness, operational performance, Malaysia private companies.

Acknowledgement

First and foremost, many thanks to The Most Merciful, Allah s.w.t. for providing physical, emotional and spiritual strength to a humble servant of His in completing this thesis, successfully.

I wish to convey a special thank to my supervisor, Dr. Nurmazilah Dato' Mahzan for her invaluable guidance and assistance in helping me to complete this research. I am very much indebted to her for helping me to overcome challenges and obstacles during the course of working on this research paper. To Mr. Norazlisham, thank you for your opinion and guidance. Also many thanks to Dr. Haslida Abu Hasan as my second examiner, for her opinions, cooperation and assistance in order to further improve my research.

I also would like to extend my gratitude to Malaysia Productivity Corporation (MPC) which allowed me to make the study on Quality Environment (5S) area. Not forgetting to all companies which have contributed their feedbacks on the survey. Valuable opinions and cooperation provided definitely eased the data collection process.

Next, sincere thanks to all MBA lecturers and seniors in University of Malaya. Your tips have perfected this report to an unimaginable extent. Thank you to my husband, Kamal Afendi Shaharin for your unconditional love, your faith and full support. To my children Luqmanul Hakim and Nur Aleeya Nisa Suhada, you are undeniably incomparable sources of love. Without you all, I might not have the motivation to complete the course.

I especially thank my families for their encouragement and prayer. Last but not least, to all my fellow MBA mates, I truly cherish the beautiful moments that we shared and I wish each and every one of you nothing but success in life.