IMPLEMENTATION OF THE PAPERLESS SYSTEM AT JATI BERINGIN SDN. BHD.

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IMPLEMENTATION OF THE PAPERLESS SYSTEM AT

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Report submitted in fulfilment of the requirement for the degree of Bachelor of
Technology Management (Innovation) with Hons.

Faculty of Technology Management and Technopreneurship
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JUNE 2015

DECLARATION

"I declare that this project is the result of my own research except as cited in the references. The research project has not been for any degree and is not concurrently submitted in candidature of any other degree."

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ACKNOWLEDGMENT

Alhamdulillah and thanks giving be spoken because research was conducted. Thousands researcher appreciation and gratitude say to all those involved directly or indirectly. Especially to the supervisor, Mrs. Adilah bint Mohd Din, which always gives guidance in the infinite. Parents are always encouraged and stimulus for researchers of this research work.

Do not forget also to a group friends who are always together to discuss and share opinions and ideas in generating a solid research. Classmates and comrades has always been at the back of the researcher, always encouraging and encouragement to continue this research and concluded with success.

Without all this research certainly incomplete. Our thanks and appreciation goes to all researchers for having helped in the success of this research.

ABSTRACT

The research was carried out to study some factors that were the reason for a lot of paper consumption in the company Jati Beringin Sdn. Bhd. Among those factors is the use of a comprehensive paper system, many system files and dependency on the use of paper. Researchers have been looking at this issue is a major issue in the company. Many papers have given various effects, for example, use a lot of paper in the management will increase the number of files, when files are numerous, it is difficult to manage, and even harder to find and prepared. But also a variety of other effects that must be faced when using paper with the lot. Researchers have emphasized the Cost, Document Management, Paper Sustainable and The Technology, which is an important component in the management of this paper. Cost can be saved if use less paper, but we have to use other alternatives to reduce the use of paper. Document management such as a file system is more efficient if the number of files decreases. Paper is sustainable, paper made from trees, if many trees cut down to make paper, it will have negative effects on our environment, but also can endanger the lives of residents. Technology is an important aspect of any changes occurring in the world today, all using modern technology, but JBSB still less to use, the company can save paper by using modern technology and up to date. As a conclusion, nowadays, the use of modern technology such as laptops and gadgets are very important in the management of the company. In addition, the use of cloud computing that is growing now also able to be used in each company to reduce the use of paper. In addition, the researchers also suggest some improvement methods that are taken from other researchers who have always been a good solution that is able to overcome the various problems faced by the company.

ABSTRAK

Kajian ini dijalankan untuk mengkaji faktor-faktor yang menjadi sebab dan punca penggunaan kertas yang banyak dalam syarikat Jati Beringin Sdn. Bhd. Antara faktor-faktornya ialah penggunaan sistem kertas yang komprehensif, fail sistem banyak dan pergantungan kepada penggunaan kertas. Penyelidik telah mengkaji isu ini merupakan isu utama dalam syarikat itu. Penggunaan kertas yang banyak dalam kerja telah memberikan pelbagai kesan, sebagai contoh dalam pengurusan akan menambah bilangan fail, apabila fail adalah banyak, ia adalah sukar untuk mengurus dan lebih lambat untuk mencari dan bersedia. Pelbagai kesan lain yang perlu dihadapi apabila menggunakan kertas dengan banyak. Para penyelidik telah menekankan Kos, Pengurusan Dokumen, Kertas Mampan dan Teknologi, yang merupakan komponen penting dalam pengurusan kertas ini. Kos boleh dikurangkan jika menggunakan kertas kurang, tetapi kita perlu menggunakan alternatif lain untuk mengurangkan penggunaan kertas. Pengurusan Dokumen seperti sistem fail akan lebih cekap jika bilangan fail berkurangan. Kertas lestari, kertas dibuat daripada pokok-pokok, jika banyak pokok-pokok ditebang untuk membuat kertas, ia akan mempunyai kesan negatif ke atas alam sekitar, tetapi ia juga boleh membahayakan nyawa penduduk. Teknologi merupakan satu aspek penting dalam apa-apa perubahan yang berlaku dalam dunia hari ini, semua perkara menggunakan teknologi moden, tetapi JBSB masih kurang menggunakannya, syarikat itu boleh menyimpan kertas dengan menggunakan teknologi moden dan terkini. Kesimpulannya, pada masa kini, penggunaan teknologi moden seperti komputer riba dan gadjet yang sangat penting dalam pengurusan syarikat. Di samping itu, penggunaan sistem pengkomputeran yang semakin berkembang pesat dapat digunakan dalam setiap syarikat untuk mengurangkan penggunaan kertas. Di samping itu, penyelidik juga mencadangkan beberapa kaedah pembaikan yang mampu menjadi penyelesaian yang baik dan mampu mengatasi pelbagai masalah yang dihadapi oleh syarikat.

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CHAPTER 1

INTRODUCTION

1.1. INTRODUCTION

The term "Paperless Office" goes as far back as the 1970s. The Xerox Corporation did more to promote the term than anyone else. As far back as 1974-1975 there was a mention in the organization about the "office of the future" that would include computers, electronic mail and online information. All the tools are in place these days make the paperless office a reality all over the world. The fact that technologies are now beginning to look and fell more paper like is a step in the right directions. No longer are we limited by battery power, or large screens. Battery and display technologies are now thinner and lighter than ever and wireless protocols make it necessary for devices to be secured to each other in order to communicate. There are many portable devices that allow persons to access, send, read and even mark documents as if it were in paper format.

According to the national filing survey (done by Kardex Systems, UK), over 1 million pounds are wasted on a daily basis to find lost files. Office filing staff in the UK earns roughly £8 - £9 per hour and the average cost of locating each file is approximately £10. The managing director of Kardex claims that "6 percent of the UK's 2.1 million businesses admits to losing at least one file per day. That adds up to 120,000 lost files. By the estimate, poor filing practices cost UK businesses £1.2 million every working day or more than £240 million a year". The survey goes on to state that 55 percent of the missing files are misspelled, 48 percent are on the desks of other members of staff, approximately 13 percent can be found on the boss's desk. The staggering reality, though, according to the surveyors, is that 2 percent of the lost files are never found. For businesses with very sensitive material this can be a very tragic situation indeed.

Most of the management systems and office today many use systems in stored in file systems, content management systems, e-mail servers, and so on, in tandem with the advanced technology nowadays. For example, Enterprise Content Management (ECM) systems represent a technology that addresses information management tasks, including the need for integration of unstructured information with structured information. (Anders Haug, 2012). Various other technology management system increasingly developed, using modern technology to facilitate the management and progress of works in the office, along with needs and demands of management desired that work fast, efficient, safe and economical. Implementing the paperless office not only prepared workers for today's technology driven workplace, but also helps the department's budget by reducing paper and toner costs.

According to Utusan Malaysia, Managing Director of PMB, Izham Yusoff said, undoubtedly the government encourages the reduction of paper usage in offices as well as the affairs of the day, but for the indirect use of paper is impossible, but we can minimize the use of paper, he told Utusan Malaysia. In too much paper in any organization leads to confusion and waste. Companies cannot afford to be complacent and rely on the outdated method of using filing cabinets for storing important information. Thousands of dollars are wasted in companies all over the world to store information the old fashioned way and at the same time efficiency and profitability are greatly compromised.

"Paperless systems have a certain intuitive appeal. Technology has always promised to be the vehicle which would allow organizations to operate in a paperless environment" (Institute of Internal Auditors Research Foundation, 1990). Mr. Gilhooley argues that technology has caused many organizations to have more paper than ever before. He also believes that there are areas where the paperless environment is becoming a reality and that many organizations still hope to achieve an appropriate degree of paperless operations.

1.2. BACKGROUND OF THE STUDY

Research conducted in Jati Beringin Sdn. Bhd (JBSB), where the researcher undergo industrial training, this is because, JBSB face a lot of problems with the use of paper and waste. JBSB was established in 1997 as a metal fabrication based company and has continued to grow from strength to strength until today. JBSB have evolved our own upstream capabilities and ventured into the entire spectrum of downstream activities to add value to our metal based fabrication core business. JBSB include both hot dip and dip spin galvanizing. JBSB also specialize in providing total uninterrupted power supply (UPS) solutions. The main business activities are the manufacture and supply of pole accessories to Tenaga Nasional Berhad (TNB) and Telekom Malaysia (TM), custom made steel works such as milling, grinding and welding and Hot dip and dip spin galvanizing.

The head office JBSB in Lot 930-1 KM 15, 75259 Krubong, Malacca, and have the employee more than 60 employees comprising of both, locals and foreigners and have earned a reputation for high quality, cost effective and timely work. JBSB maintain our high standards of systematic training and educating employees. Empowering employee with the necessary skills and knowledge to ensure that they offer our company, its partners and clients the highest possible utility. Honesty, fairness and responsibility for JBSB actions form the basis of decisions and actions. JBSB conduct all business with customers and suppliers in a fair, honest and open manner. JBSB has his own culture that emphasizes on teamwork, along with based on with Islamic law. Every day, before starting the work day, the employee and supervisor production was come together and briefings. In addition, discuss the various problems faced in the production department and quality control department. Furthermore, they are going along recite prayers, tap the spirit and reciting the pledge, known as the "Nilai Teras".

Paper consumption should be minimized and used effectively and well, in line with green technology. The management of this paper considers the use of a normal thing that does not have any effect, but in fact, if this can be improved, this can reduce the purchasing financial papers, particularly A4 and A3 paper. Furthermore, the use of paper-and extreme have caused difficulties in finding data

that were printable. Printable data stored with many, this complicates the process of finding this data, moreover, sometimes the data are thus mixed with various other data. Use a lot of paper filings was result in the system becoming more and also difficult to manage, resulting data are printable, and the data already filled in should be stored on file thus makes it more difficult to find the data and information from the many files. Many files that sometimes lost or overlooked, such as the study by filling According to the national survey (done by Kardex Systems, UK)

Based on some reading and analysis that the researcher has conducted on the related article, the use of modern technology, computer based technology provides organizations the opportunity to have almost instant access to vast amounts of critical information about customers, competitors, employee and suppliers. Obtaining data on the paperless technologies, feedback and cost savings was assist our department and ultimately our office in validating the 'Going Green' concept (Janna Arney). In addition, this concept many benefits like 24-hours accessible from anywhere there is an internet connection, electronic archival of all files, elimination of stacks of paper, and reduction of lost jobs.

1.3. PROBLEM STATEMENT

Paper is indeed a major component of any management in the office or at school. Use the paper needs to be pursued and good camping. For every tonne paper, pulp or pulp requires 4.6 cubic meters of wood. A ton of pulp produced 1.2 tons of paper. In one hectare plantation can produce approximately 160 cubic meters of timber. When you take a sample, a pulp industry with a production capacity of 2 million tons of wood pulp per year would require an area of 58 thousand hectares of forest every year. The more paper, more wood and forest was be sacrificed, this was make the earth is getting bare, the problem of landslides, mudslides damage of flora and fauna and a variety of other effects, the impact on the earth's ecosystem. This introduction describes the little impact of paper production on the environment.

In JBSB, management problems facing high paper and waste, is caused by several factors that led to this problem. Among the key factors in the JBSB waste paper is about the management of the use of paper by the encourage of distributing and gave the paper to be used. This resulted in the demand for paper by the workers to be irregular, but in charge does not list the names of employees who take and use a lot of paper. Incharge only serves, buy the paper, give to employees who require the paper, and save the new paper in the store. Furthermore, the paper aims to work photostat documents to be stored in the file.

The use of semi-modern technology affect the use of paper, because, JBSB still using the file system. This system is easier to maintain, rather than using modern technology requires continuous organizer and the relatively high cost. File system conducted has spawned a perception of some employees of 'photostat form much to facilitate work tomorrow', printed in large quantities and store them in a file, if you want to use, take the file. It has indeed been a waste. This is because the form is constantly changing and upgraded to simplify and expedite the job, new forms and latest is always generated by the management. So the old form has been stepped up was be ignored, then just thrown away. Caused by the many and varied forms, is capable of causing a company secrets easily removed and stolen by irresponsible parties because the form is stored in a place that should not be and is not safe, for example in the stationery cupboard and placed on the table only.

Use lots of paper to form empty and form completed requires a lot of storage. Files are used entirely to the storage of all forms. Then the files are many, but many files have to be provided for the storage of forms, for example 2.3 files for the incoming data sheet (blank form) and 3.3 for incoming files check sheet (form filled). Each part of the form requires the two files, the file blank forms and file the completed form. In Quality Control department in JBSB, there are about 50 types of various file types, this condition affects the other, that is dumping files that require a lot of area to store the file.

A limited area, a lot of files, it's hard can sometimes cause files organized and prepared. Next makes it more difficult to find and use the file. This problem can be solved if all the forms and files stored in softcopy stored in the system and a

computer, it is easy, fast and safe. File a lot harder to find, yet a further delay of work, time spent searching for files and form only. Sometimes, to find a file, it requires two workers to find the file, which led to other work delayed and downtime. Many circumstances the use of paper is certainly a lot of problems and the high cost that eventually affect the company and its employees.

1.4. RESEARCH QUESTIONS

In order to create a research paper, an iron triangle must be made to know the subjects of what the research is all about. Iron triangle is made up with three elements, which are the research topic, research questions and research objectives. In this section, the researcher would like to clarify more on the research questions and research objectives. The researcher has identified three research questions and three research objectives to be studied in this paper. The research question are:

1. What is the relationship of that contribute to implement paperless system?

2. What is the most factor implementation in contribute to implement paperless system?

1.5. RESEARCH OBJECTIVES

After the identification of the research questions, research objectives need to be built to help in answering the research questions and also as a guide for this research. The research objectives are:

1. To identify the relationship of that contribute to implement paperless system.

2. To identify the most factor implementation in contribute to implement paperless system.

1.6. SCOPE OF THE RESEARCH

This research was only focus on the knowledge and experience of management employees in JBSB which is a company that is expanding rapidly. To ensure that progress smoothly and successfully, Paperless study was conducted. It aims to measure the extent awareness of workers about the importance to save the paper. Paper wastage factors and the impact of waste papers are hot issue discussed in this research. Workers in JBSB certainly feel this problem, but has not found a suitable means and methods to solve this problem. In additionally, they are also very knowledgeable and experienced in all aspects of the company's advanced.

1.7. LIMITATIONS OF THE RESEARCH

The researcher would have to create the questionnaires in two language, English and Bahasa Melayu, this is because the workers in JBSB have various levels of education and different levels of understanding. In addition, the number of employees in this company had decrease when the questionnaire was distributed compare to when proposal was developed.

1.8. KEY ASSUMPTIONS OF THE RESEARCH

Various assumptions and opinions in the mind researcher, especially when conducting questionnaires to employees JBSB, the researcher believes honest and sincere in carrying out the questionnaire that was given, in addition to providing a positive feedback and good to improve the management in their company. In addition, the selected respondent is the right of workers to research and understand each questionnaire that asked. Furthermore, this research not only for JBSB, but it is expected to be used by various company is experiencing the same problems.

1.9. SIGNIFICANCE OF THE RESEARCH

The researcher hopes that this research was provide more insight on paperless and its application in management. Not only to JBSB, but to all companies experiencing similar problems. Use a lot of paper and is absolutely extreme impact on management, but also to the environment. It is because to produce one ton of paper, 17 trees had to be felled. Paperless was reduce the number of trees to be cut down. We need to preserve forests because it is the lungs that give us oxygen and clean air. In addition, the paperless hope can help the company to increase the quality of work and management, the work more quickly and safe.

1.10. SUMMARY

As a conclusion, use a lot of paper and outrageous indeed have negative repercussions on the company, but also to the environment. In this research, the objectiv is to identify the relationship of that contribute to implement paperless system and to identify the most factor implementation in contribute to implement paperless system. This is to improve the using of paper in this company. According to problems statement, company have many problem in there using of paper, so the researcher try to suggests and do the research to know the best solution. Researcher create the questionnaires to answered and filled in two language, English and Bahasa Melayu, this is because the workers in JBSB have various levels of education and different levels of understanding, so the researcher can get the information in many level of understanding. This is very important to get the good information.

CHAPTER 2

LITERATURE REVIEW

2.1. INTRODUCTION

Various assumptions and speculations related to the use of paper. Indeed the use of paper in management there are good and bad, but also provides a variety of positive and negative impacts. In this chapter, the reseacher try to explain and provide evidence and opinion conducted by other researchers, based on research that have been conducted.

2.2. FACTOR

Various factors cause companies to paperless, especially in management. The main factors is the cost, document management paper is sustainable, and technology.

2.2.1. COST

The first factor to implementation the paperless is cost, according to Nuance Communications, Inc. To increased competition and rising costs have made time (minutes and hours) the most valuable asset for insurance agencies. This is easy to understand because the amount of time spent servicing a firm's existing clients cuts directly into the time spent winning new accounts. The successful management of resources is what separates growing agencies from the rest of the pack. From handling T-files (transaction files) to faxing and mailing submissions to carriers, relying on paper steals both time and money away from the agency – day-by-day, month-by-month, and year-by year. If a CSR (client service representative) or agent is spending 40 percent or more of their workday moving paper, it stands to reason 40

percent or more of their time is not being used to service existing customers or more importantly, increasing the size of the agency's client base. Often, small tools can make a big difference in an agency's productivity, and one such tool is PaperPort Professional. PaperPort helps to manage and organize the daily deluge of paper and digital documents every agency faces (NUANCE, The experience speaks for itself). According to Steve Anderson of The Agency Automation Report, "By installing PaperPort on every desktop, your agency was be able to reduce administrative overhead costs, improve customer satisfaction and communicate more effectively with your clients and carriers."

In another opinion, according to Nuance Communications, Inc, return-on-investment, in order to survive and prosper in today's fast paced and highly competitive business environment companies must do more with less. Traditional IT budgets allocating vast sums of money for yearly hardware and software upgrades have become a thing of the past. Today's reality is a return on investment in a matter of months, not years. The key to automation success is simultaneously saving money and increasing productivity without breaking the bank. According to Herman, "In the first year alone, we know there was a tremendous savings in postage that covered the cost to implement PaperPort at our agency. Add that to other obvious things; the reduction in the cost of paper, envelopes, toner, staples, file storage, file archiving, not to mention the added increase in employee productivity – we just can't live without PaperPort." (NUANCE, The experience speaks for itself)

2.2.2. DOCUMENT MANAGEMENT

The second factor to implementation the paperless is Document management, software allows the user to store electronic documents in a database for subsequent retrieval and sharing, and it can assign viewing and editing privileges to users. It helps manage the creation, distribution maintenance, organizing and storage of documents. It often includes scanning (converting paper documents to electronic format) and high performance storage. Keary (2000:2) points out that 'the weakest links in electronic document management are indexing, searching and retrieving'. This underpins that, although the selection of software is important in this regard, the

application of appropriate expertise during the indexing phase is critical for finding electronic documents at a later stage. Several document management packages now provide full-text indexing and searching (Falk 1999). The addition of metadata (data about data) to documents is becoming important to enable the user to verify the general quality of the document, for example the reliability, accuracy and currency. (Hattingh M. (2001). The features and impact of the paperless office, with specific reference to the City of Johannesburg. South African Journal of Information Management, Vol 3 (3/4))

According to Action Learning Project Go Paperless, The organizations have experienced greater speed and efficiency in the paperless processes over the old paper processes. Access to documents is available from remote locations, and documents can be accessed and worked on simultaneously. Outcome of going paperless has resulted in speeding up reviews, evaluations, and instant feedback. Departments have increased production without increasing staff and many have been able to reduce administrative burden. Employees who spent most of their time printing, copying, and filing have been assigned to other tasks within their organizations that utilize their skills. Eliminating the need to store and file documents has also resulted in better space utilization. (Artley Tracy., Blankenship Carolynn., Milagros Dougan., (2011). Action Learning Project Go Paperless!. Business & Finance Leadership Academy).

According to A planning wizard for more effective document management, 2011, Santaguida V, document management policy planning benefits once an electronic document management policy has been properly planned and documented, a common set of guidelines was be available that everyone could follow to ensure proper storage and naming of documents. Some of the key benefits are easier and faster accessibility and sharing of documents by team members, operational continuity in the event that any staff member leaves the organization or is absent. Next is increased productivity because documents can be retrieved quickly and precisely, restored confidence and lesser need for maintaining personal copies of the same electronic file, reduced need for attaching documents to emails as a mechanism for internal file-sharing and more reliable and manageable backups because of designated storage repositories.