

**EXAMINING OSHA PERFORMANCE AND PRACTICES IN ELECTRONIC
INDUSTRY: A CASE STUDY AT RHOM WAKO ELECTRONIC SDN BHD**

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INDUSTRY: A CASE STUDY AT RHOM WAKO ELECTRONIC SDN BHD**

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This report submitted in partial fulfilment for Bachelor of Technology Management

(High Technology Marketing) With Honours

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JUNE 2015

DECLARATION

This report is products of my own expect the citation for each of which I have mentioned the sources.

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ACKNOWLEDGEMENT

All praise to Allah S.W.T for the blessing bestowed upon me.

First, I would like to express my gratitude to Allah S.W.T, forgive me strength and opportunity to finish this research project. Without His consent, I would never complete this research.

Secondly, I would like to take this opportunity to offer my sincerest gratitude to my supervisor, Pn Edna Binti Buyong, who has supported me throughout my project paper with his supervision, patience and motivation. Without his advice and guidance, this project paper would not have been completed. His has exceptionally inspires and enrich my growth as a student and a researcher. One simply could not wish for a better or friendlier teacher or supervisor. Think you also to all lectures in FPTT for their support and helps towards my post-graduate affairs.

Finally, I would like to express my heartiest thanks to every person that involved directly and indirectly to complete my final project. Without your contribution, guidance and help I won't to be able to complete this paper final project. Thanks also to my parents, lecture, and friend for their help complete my paper final project. **Thank you very much!**

ABSTRACT

Workplace accidents in Malaysia are on the rise with 59,897 cases reported to Social Security Organisation (Socso) in 2011, 3.77 per cent higher than the 57,639 cases in 2010. Of the 59,897 cases, 58 per cent were industrial accidents while the rest while commuting. Research on the connection between occupational safety and health (OSH) and increasing employee productivity and performance has become topical as a result of increased interest in identity ways to improve 'performance' in the workplace. Occupational health and safety academics have also recognised the social benefits of introducing improved health and safety standards. This paper aims at identifying the best Occupational Safety & Health Administration (OSHA) practices that are adopted by Rhom Wako Sdn. Bhd. to reinforce the firm's performance and increase production. It attempts to address issues impacting the workforce at Rhom Wako Sdn. Bhd with its OSH program, integrating occupational health and safety protection with health promotion. The study will be conducted using structured self-administered questionnaires conducted for a period four months from January until April 2014. Data collected will be analyzed using SPSS version 20.0. The findings from this research will provide for guidelines and action plans in enhancing the firm's operational strategy implementation, and strategic resource allocation mechanisms in reinforcing its performance and increase production by incorporating the best OSH practices into a more comprehensive safety and health managements system.

ABSTRAK

Kemalangan di tempat kerja di Malaysia semakin meningkat dengan 59.897 kes yang dilaporkan kepada Pertubuhan Keselamatan Sosial (Perkeso) pada tahun 2011, 3.77 peratus lebih tinggi daripada 57.639 kes pada tahun 2010. Daripada 59.897 kes, 58 peratus adalah kemalangan industri dan selebihnya semasa pergi dan balik. Kemalangan berulang-alik meningkat pada tahun 2011 kepada 24.089 kes, meningkat 11.16 peratus berbanding 2010. Pampasan kepada pekerja yang cedera dalam kemalangan di tempat kerja meningkat daripada RM1.6 bilion pada tahun 2010 kepada .RM1.73 bilion pada tahun 2011. Penyelidikan hubungan antara keselamatan dan kesihatan pekerjaan (OSH) dan meningkatkan produktiviti pekerja dan prestasi telah menjadi topikal akibat daripada peningkatan minat dalam cara pengenalan untuk meningkatkan prestasi di tempat kerja. Kesihatan dan keselamatan pekerjaan ahli akademik juga telah mengiktiraf manfaat sosial memperkenalkan standard kesihatan dan keselamatan yang lebih baik. Kertas kerja ini bertujuan untuk mengenal pasti yang terbaik Keselamatan & Kesihatan Pekerjaan Pentadbiran (OSHA) amalan yang diterima pakai oleh Rhom Wako Sdn. Bhd. Untuk mengukuhkan prestasi firma itu dan meningkatkan pengeluaran. Ia cuba untuk menangani isu-isu yang memberi kesan kepada tenaga kerja di Rhom Wako Sdn. Bhd dengan program keselamatan dan kesihatan pekerjaan yang, mengintegrasikan pekerjaan perlindungan kesihatan dan keselamatan dengan promosi kesihatan.

Kajian ini akan dijalankan dengan menggunakan soal selidik yang ditadbir sendiri berstruktur dijalankan untuk tempoh empat bulan dari Januari hingga April 2014. Data yang dikumpul akan dianalisis dengan menggunakan perisian SPSS versi 20.0. Penemuan daripada kajian ini akan menyediakan garis panduan dan pelan tindakan dalam meningkatkan pelaksanaan strategi operasi firma itu, dan mekanisme pengagihan sumber strategik dalam memperkukuh prestasi dan meningkatkan pengeluaran dengan menggabungkan amalan OSH terbaik dalam pengurusan keselamatan dan kesihatan sistem yang lebih menyeluruh.

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CHAPTER 1

INTRODUCTION

1.1 Introduction

The first chapter describes the background of the study of the research, the research questions and the research objectives. This chapter also discusses the scope, the limitations and the importance of the study. The focus is on examining the best OSH practices adopted by Rhom Wako Sdn. Bhd. linking the firm policies, programs, systems, and actions with the firm's performance and increased productivity. It provides for investigation on the importance of OSHA in providing safer and healthier workplaces which can translate into increased productivity, more job satisfaction, and stronger bottom-line results (Brandt-Rauf, 2001; Occupational & Environmental Health Foundation (OEHF), 2004; Boles, et al., 2004; De Greef & Van den Broek, 2004)

1.2 Background Study

The Occupational Safety and Health Administration (OSHA) is a federal organization that ensures safe and healthy working conditions for by enforcing standards and providing workplace safety training through the enforcement of Occupational Safety and Health Act (OSHA) 1994. The Act was enacted with the purpose of promoting and encouraging occupational, safety and health (OSH) awareness among employees to create organizations with effective measures accident prevention. Based on the concept of accident prevention, self-regulatory, consultation tri-partite and cooperation, the Act aims to secure the safety, health and welfare of employees against risks and promote an occupational environment for safety that is adapted to their psychological and physiological needs. OSHA's main goal is to protect the rights and safety of workers by preventing workplace injuries and deaths and holding employers accountable for safe workplaces. Additionally the Act provides employees and employers with information about hazardous working conditions and they offer free assessment for workplace dangers.

There is a strict set of Department of Occupational, Safety and Health (DOSH), Malaysia's safety standards to which all businesses must adhere. These regulations cover things like disposal of hazardous materials, required personal safety equipment such as safety goggles, permitted noise levels and fall protection. DOSH inspects workplaces to ensure they are following all regulations to reduce chances of accident or injury.

The purpose of this study includes:

- (a) To identify OSHA best practices and OSHA performances measures for Rohm Wako Electronic Sdn Bhd, and;
- (b) To develop a research model of OSHA practices to ensure the success of the production.

In this research, there are three (3) dimensions of OSHA practices that are examined:

- (a) Safety Culture [SC],
- (b) Employee Involvement [EI] and
- (c) Safety and Health Training [TR].

1.3 Problem Statement

The Occupational Safety and Health Administration's January 2012 white paper, "Injury and Illness Prevention Programs," cites some interesting statistics.

"Every day, more than 12 workers die on the job that's more than 4,500 per year. Every year, more than 4.1 million suffer serious job-related injury or illness".

Many accidents can occur through negligence not wearing safety equipment, for instance. It is important, therefore, not only to have safety and health regulations and procedures in place and for employees to be educated on these procedures and their importance but for managers and supervisors to insist on adherence to the company's laid down safety and health regulations. Conversely, health care costs more than 13 percent of firms' payroll, and employers spend a lot of resources implementing strategies to reduce this number. The total costs of all major absence categories including direct and indirect costs average 35 percent of base payroll. This was the startling finding of a 2010 study. The importance of safety and health at workplaces is recognised by Malaysian industries which pride themselves on their safety and health records. High accident rates at workplaces adversely affect a company's profitability and reputation.

The central tenet that runs through almost all of the occupational medicine/health promotion literature is that: human performance is higher when people are physically and emotionally able to work and have a desire to work. Higher levels of human performance lead to higher levels of productivity, which in turn can lead to higher profits, (O'Donnell, 2000: 215).

1.4 Research Questions

- a) What OSHA practices should the employees articulate to reinforce the firm performance and increase production?
- b) How do OSHA best practices contribute to increased employee's performance?
- c) Why are OSHA practices important in improving the firm's performance, hence increasing market demand for its product?

1.5 Research Objectives

- a) To identify the best OSHA practices that should be adopted by employees to reinforce the firm's performance and increase productivity.
- b) To examine the roles of OSHA's best practices in reinforcing the firm's performance and increase employee's productivity.
- c) To investigate the importance of OSHA in reinforcing the firm's performance and increasing production, thus, increasing the market demand for the firm's products.

1.6 Scope of Study

The scope of this study encompasses the process of identifying the best practices, including the roles of OSHA and the significances of OSHA's best practices in driving the firm's performance through increased production of its products by the employees at Rohm Wako Electronics Sdn. Bhd.

1.7 Limitations of Study

There are two (2) limitations in this study. Firstly, the respondents in this study are the production employees, the supporting staff from quality control, maintenance, material planners and the technical department in Rhom Wako Sdn Bhd. Secondly, to collect the data the researcher may have some difficulties in term of time constraints and satisfaction as the respondents are dispersed in terms of their multiple disciplines and locations within the supply chain of the firm's products.

1.8 Importance of Study

The benefits that the research hopes to find from this study is to reveal the importance of best OSHA practices through using safety culture, employee involvement and safety and training as dimensions in driving the performance of the firm and increase its production. The results of the study will provide relevant information for Rohm to identify the most relevant material on the links between workplace health and safety and firm performance and productivity as well as in formulating OSH practical measures with significant impacts and the economic benefits derived from it.

1.9 Summary

Overall, in this chapter, the researcher needs to identify the best OSHA practices that should be adopted by employees to reinforce firm's performance. Besides that, the researcher also needs to examine the best practices that constitute to the increase in employee's productivity.

CHAPTER 2

LITERATURE REVIEW

2.1 Introduction

It was acknowledged in Chapter 1 that the research would focus on the effective implementation of OSHA in increasing firm's performance. In this chapter, the researchers introduce to cross-examine the literature review of the OSHA best practices and increased firm's performance. The topic explores similar research to comply the theoretical framework developed for Rohm Wako Sdn Bhd. Correspondingly, the variables are discussed. The prediction of the research which is the hypothesis is also presented accordingly.

2.2 OSHA Practices

This section will introduce the relationship between OSHA practice and the firm's performance. There are several elements that contribute to a better OSHA performance in an electronic industry. They are Safety Culture (SC), Employee Involvement (EI) and Safety & Health Training (TR). Occupational Safety is a key element of responsibility. Definition of safety is freedom from injury and danger, quality or insuring against hurt, and danger of risk. The definition from new English dictionary shows the same negative ideals, 'exemption from harm or injury mean freedom from harm and others. Hence, the importance or target of safety is to reduce accidents among employees at the workplace, (Hussain, 2009).

According to Terry E. McSween (2003), insecure work behaviour refers to the results of (1) physical environmental, (2) the social environment and (3) workers experience within these. Meanwhile, the safety triangle shows relationship between the unsecure work situation and injuries that influence safety condition in electronic industry. Safeties not only focus on the bottom line workers but it also influences the top management, manager and staff to become more responsible and accountability in their efforts to provide a safe environment.