APPROVAL SUPERVISOR

"I acknowledge that have read this thesis and in my this thesis is sufficient in terms of scope and quality for the award of Bachelor of Technology Management (Technology Innovation)

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Date : 24 JUNE 2014

EFFECTIVENESS OF EMPLOYEE REGULATIONS TO PREVENT EMPLOYEE DISCIPLINARY MISCONDUCT AT WESTERN DIGITAL (M) SDN BHD, KUALA LUMPUR.

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DECLARATION

"I declare that all parts of this report are the results of my own work except for the quotations and references, the sources of which have been acknowledge in the bibliography"

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DEDICATION

This research project is dedicated to my supervisor, who taught me that the best kind of knowledge to have is that which is learned for its own sake. It is also dedicated to my father, mother and friends who taught me that even the largest task can be accomplished if it is done one step at a time.

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ABSTRACT

The purpose of this research to review existing effectiveness employees regulations to prevent employee's disciplinary misconduct at Western Digital (M) Sdn Bhd, Kuala Lumpur. Another goal is to find more effective ways to improve regulations system to prevent employee misconduct. The method used in this study is quantitative method in which the researcher will carry out questionnaires to selected one hundred eight employees in this company. The technique is based on a questionnaire to survey and get of relevant information. Questionnaire will distributed to selected staff and employees chosen according filter records integrated Human Resource Management System (iHRMS) by human resources department. There are significant correlation influence HR Policies, Socialization, Law Enforcement and Barriers impartially also simultaneously relationship with the Employee Disciplinary. From the analysis SPSS result, it was found that the objective research is achieve when hypothesis test of the four (4) independent variables factor which is HR Policies, Socialization, Law Enforcement and Barriers to one (1) Dependent factor which is Employee Disciplinary. Hence for this research, total four factors was achieved. At the end for this research, it will be discuss based on four factors and suggestion idea for this company to improve the effectiveness of employee regulations.

(Keywords: Effectiveness employee regulations, disciplinary, misconduct)

ABSTRAK

Tujuan penyelidikan ini untuk mengkaji semula keberkesanan peraturan-peraturan pekerja untuk mengelakkan salahlaku pekerja di Western Digital (M) Sdn Bhd, Kuala Lumpur. Matlamat lain adalah untuk mencari cara yang lebih berkesan untuk meningkatkan sistem peraturan untuk mengelakkan salahlaku pekerja. Kaedah yang digunakan dalam kajian ini adalah kaedah kuantitatif di mana penyelidik akan menjalankan soal selidik kepada seratus lapan pekerja terpilih dalam syarikat ini. Teknik ini adalah berdasarkan kepada soal selidik untuk meninjau dan mendapatkan maklumat yang berkaitan. Soal selidik akan diedarkan kepada kakitangan dan pekerja dipilih daripada rekod penapisan salahlaku disiplin pekerja berdasarkan sistem integrated Human Resource Management System (iHRMS), Jabatan sumber manusia. Terdapat korelasi mempengaruhi polisi HR, sosialisasi, penguatkuasaan undang-undang dan juga halangan juga pada masa yang sama hubungan dengan disiplin pekerja. Daripada hasil analisis SPSS, didapati bahawa kajian objektif tercapai apabila ujian hipotesis empat (4) pembolehubah bebas iaitu polisi HR, sosialisasi, penguatkuasaan undang-undang dan juga halangan kepada satu (1) pembolehubah bersandar iaitu disiplin pekerja. Di akhir kajian ini, ia akan membincangkan berdasarkan empat faktor dan cadangan idea untuk syarikat ini meningkatkan keberkesanan peraturan pekerja

(Kata kunci: Keberkesanan peraturan-peraturan pekerja, disiplin, salahlaku)

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UTeM Universiti Teknikal Malaysia Melaka

PSM Projek Sarjana Muda

FPTT Fakulti Pengurusan Teknologi dan Teknousahawan

CHAPTER 1

INTRODUCTION

1.1   Introduction

Socialization employees regulation is a legal form used to limit something, create and assign responsibilities to the organization. Regulations also can be classified as legal sanctions where a contract is created for both parties. These regulations can be distinguish by main legal rules set by legislature that was elected by bodies involved and the organization itself. Regulations is seen as a fundamental part of the defense of workers rights and the organization. When both parties have signed the contract, thus the both parties have agreed all the policies in accordance with the legal system that has been set, mentioned by Enrique (2006).

According to Hall (2006), organization regulations contained including monitoring, declarations, enforcement was established to make justice and to prevent serious misconduct among employees. The new employee was given the guideline books before they starts working. For those employee have understood all details of misconduct, when violation of the companies act occured, the company reserves impose a penalty or termination service to employee depends on the type of misconduct discipline committed.

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Stel (2006) mentioned, regulations contained in the company premises divided into two, minor and major misconduct. For example, regulations involved when an employee signs a contract in an organization as rules cover all conditions of work, behavior and discipline policies, guidelines, performance appraisals, use the company equipment, company confidential information and resignation procedure. Employees must follow all the rules contained in the contract. If an employees violates one of rules in the company, the company will take action accordance with existing legislation.

This is a study of the effectiveness regulation to prevent disciplinary misconduct between staff and employees to enhance the effectiveness of regulations in addition to reducing the number of employee misconduct. Based on the regulations in an organization, the question of the study is focused on the most effective way to improve regulation that is proposed to be used, the concept, characteristic, function, purposes and major barries that can lead to a failure in an company. This research questions is answer based on staff and employees perpective at Western Digital, Kuala Lumpur.

1.2   Research Questions

These are the research questions for this study:

1) What are the elements of effectiveness employee regulations that can be used to prevent disciplinary misconduct in organizations?

2) What are the major problems of effectiveness employee regulations in the organization?

1.3   Research Objectives

The objectives of this research study are stated as:

1) To identify the elements of effectiveness employee regulations to be used by company in the organization.

2) To identify the major problems of effectiveness regulations to enhance organization performance.

1.4   Scope and limitation of study

The scope of this study is to focus constrain factors included in production line department and Industrial Relations, Human Resource Management which is improving effectiveness employee regulations in the company to prevent disciplinary misconduct. This research is only covering improvement socialization company regulations to prevent misconduct cases among staff and employees at Western Digital (M) company, Kuala Lumpur.

The study is limited to staff and employees of one hundred eight respondents at Western Digital (M) Sdn Bhd, Kuala Lumpur company that involved in organizational. After doing some short research, employees are doing to do big offense disciplinary misconduct. This is due to the social regulations improvement in accordance with the companies act.

1.5   Importance of study

The importance of this study is to improve employee regulations to reduce the number of employees involved in the minor and major disciplinary misconduct. The

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company will gain the benefit in order to improving their especially in Human Resource, Industrial Relations Department and company's performance.

The researcher will gain the knowledge and experience about the topic that is related to the research and contributes to knowledge in industrial relations and ways to handle cases of employee misconduct. Furthermore, the researcher can apply the best way and make preparations to improve morale and regulations are appropriate.

In addition, it will benefit everyone who can apply this concept in their organization or any situations. Effectiveness in employee regulations is important to protect company and employees right. Thus, it can also enhance employees morale, reducing misconduct cases and an organization's performances.

CHAPTER 2

LITERATURE REVIEW

2.1   Employee Regulations

Pitt (2006) stated, to improve regulation among employees, first employment contract should be drafted and repair company procedures comply with all regulations issued by the company. Management is responsible for formulating procedures to ensure proper procedurs are consistantly everytime. For example, the employee is not going to work if they not monitered by their supervisors, this is weakness of the organization itself. Before the prospective employee was taken working, the interview can help employers to looking the problems from an early stage before become more serious. Second, employers can terminated the employees if they really in have validity problems. Before action taken will be made, the employers should follow the existing regulations and company act. Employees absent from working without a valid reason must be given a warning first to warn to them. Employer cannot terminate service an employee who is take leave because this is unfair dismissal.

2.1.1   HR Policies

The policy is very improtant in the business especially to create a policy to focus on market. Therefore, the public policy is to create good economic and political environment to entrepreneurs and employees. Consistent policy is individual freedom and also succesful policy for companies and entrepreneurs. An equilibrium point of the policy is needed to encourage employers or enterpreneurs by providing the right level or protection to protect employers and employees through legislation in this policy explained by Kreft and Sobel (2005).

According to Tiemstra (2004), policy is entended to speed up the change process, reduce cost and redistribution of load to one another so as to be balanced and have an impact on the surrounding communities and impact on the company. Process changes are needed to improve the policy for more better. When the change is made it will an impact on the economy of a company as well as being cost effective. Load is also not focused on the individual or the party, but also the burden felt by a group and not an exception.

2.1.2   Socialization

(Antonacopoulou, 2007; 2008; Gherardi, 2006) states, socialization is central to the operation of society and organizations concerned depends on the interaction between the two parties to get things wether it be good or bad. Socializations and institutionalization attend to two fundamental process that shape human interaction daily. From this, socialization is of interest to the community and it is up to the employee on institution how to fix a give insight into the process of autonomy, stability and changes.

Required order in which the organization is called the stability order of interaction between the organization and employees. According to Gherardi and Perotta (2007), that an organization order given to the employees is a form of socialization order to be followed by employees. Organizational efficiency is important to ensure that all

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employees follow the order set by the organization. This order also connected with all forms of written instructions or not. Organization written instructions posted at the company's premisses spaces themselves. This is part of socialization efficiency.

Good organization is an switching to dynamic and focused on the structural changes in the handling of employee socialization. When a new changes is made by an organization or institution to the entire, it is led a dynamic change to a better and organized mentioned by Antonacopoulou (2008).

2.1.3   Law Enforcement

Increased law enforcement is essential amongst organizations to prevent misconduct. Law enforcement is one of the organization or employer who operates a law under the companies act. According to Mayo (2006), many research have been done and have shown that law enforcement is up a lot benefits to the organization, employees in a community organization. It is the act of professionalism that legal action is the best to prevent any unwanted items. Legal action is necessary if they involved in the misconduct and be lesson to others not to emulate to each other.

From this complexity and challenge, law enforcement is to prevent the potential for unintended consequences to the organization be more professional. Organizations law enforcement need to implement the standard daily operations. More challenging if more employees in an institution. This is because the institution needs strengthen of law to protect each individual right if they are involved in serious misconduct mentioned by Ven (2007).

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2.1.4   Regulations Barriers

Feketekuty (2010) stated, the main reason being a barrier to change the regulations is difficult to separate the protection of existing regulations and the company's existing objectives. Other purposes is difficulty in the formulation of regulation is the main objective of company and control measures for existing objective is to achieve a certain goal. The main focus for the existing rules are more prone to regulatory objectives and the result will do not change according to the negotiation to achive better regulations.

2.2   Disciplinary

Williams (2002) mentioned, there are several ways to disciplining an employee, one of the method is progressive discipline. It it the most context commonly used employers against employees. Progressive dicipline system is used ensures that your managers and supervisors have the flexibility to administer verbal warnings, suspensions, or terminations based upon the seriousness of the particular incident in question, regardless of the employee's prior disciplinary history. The purpose of discipline is to assist employees in changing their performance, attendance or behavior. This requires that the employees have adequate information about their current performance, attendance or behavior versus the desired performance and attendance. Figure 2.1 show the Robert Disciplinary Process Flow.

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┌─────────────────────────┐
│     Verbal Warning      │
│        (Step 1)         │
└─────────────────────────┘
            ▼
┌─────────────────────────┐
│     Written Warning     │
│        (Step 2)         │
└─────────────────────────┘
            ▼
┌─────────────────────────┐
│       Suspension        │
│        (Step 3)         │
└─────────────────────────┘
            ▼
┌─────────────────────────┐
│      Termination        │
│        (Step 4)         │
└─────────────────────────┘
```
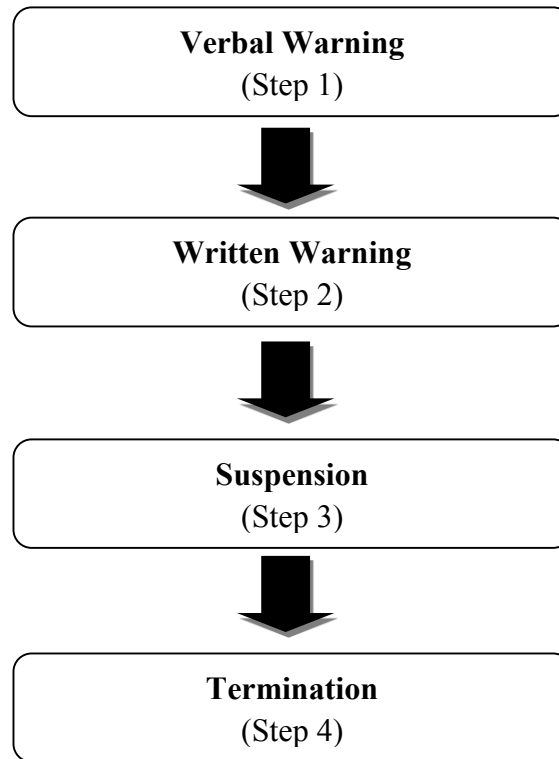
Figure 2.1: Robert Disciplinary Process Flow

2.2.1 Verbal counseling

This is generally the first step. An employee might receive several verbal warnings before progressing to the next step. However, for a serious problem, skip this step. Verbal warnings should always be done calmly, objectively, and privately.

2.2.2 Written warning

This is generally preceded by a verbal warning. The manager or supervisor should meet with the employee and his representative as in a verbal counseling session, but the employee should be given and allowed to review a formal written warning.

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2.2.3 Suspension

This may range from one day to two weeks or more, depending upon the circumstances, and is almost always unpaid. In unusual circumstances, some employers will place employees on one day of paid "decision-making" leave, as a way of encouraging the employee to think about the future of his employment.

2.2.4 Termination

Before terminating an employee, employers should review the personnel file and all relevant documents in order to determine if the termination is appropriate.

2.3 Previous Research

From the factors on employee regulations to prevent employee disciplinary misconduct, the researcher indentify similarities and differences factors influence to improving employee disciplinary at Western digital, Kuala Lumpur. According Gustafson (2012), when world change from years by years, regulations on company will change. Based on these factors, the researcher indentify similarities and differences to show what the new in this factors infuence in Western Digital, Kuala Lumpur.

Table 2.1 : Similarities and Differences of Regulations

Similarities	Differences
Law Enforcement	Socialization
Policies	Barries