

**IDENTIFYING THE ORGANIZATION CULTURE  
OF  
AUTOMOBILE SERVICE CENTRE**

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**A project paper submitted  
In fulfillment of the requirements for the Bachelor Degree of Technology  
Management (Technology Innovation)**

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## STUDENT DECLARATION

I declare that this project entitled “**Identifying the Organization Culture of Automobile Service Centre**” is the result of my own research except as cited in the references. The project papaer has not been accepted for any degree and is not concurrently submitted in candidature of any other degree.

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## SUPERVISOR DECLARATION

‘I hereby declare that have read this thesis and in oir research is sufficient in terms of scope and quality. This project is submitted to Universiti Teknikal Malaysia Melaka as a requirement for completion and reward Bachelor Degree of Technology Management (Technology Innovation)’

Signature : .....

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Date : .....

Signature : .....

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Date : .....

## **DEDICATION**

This research is dedicated to my awesome supportive people around me in completing my final year project especially my father and mother.

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## ABSTRAK

Industry automobile semakin hari semakin berkembang bersama-sama dengan perkembangan teknologi yang menunjukkan era baru dimana kereta dihasilkan untuk kepuasan para pelanggan dan juga untuk keuntungan organisasi. Setiap organisasi automobile mempunyai pusat servis masing-masing demi memastikan produk mereka di dalam keadaan yang bagus dimana servis mereka adalah untuk memeriksa kenderaan dan menyelesaikan masalah pelanggan mengenai produk mereka. Oleh yang demikian, untuk terus berada di dalam industry ini, pusat servis automobile perlu lebih inovatif dan mendapatkan lebih kesetiaan pelanggan untuk mewujudkan kelebihan bersaing. Objektif penyelidikan ini adalah untuk merungkai jenis-jenis budaya organisasi yang terdapat di pusat servis automobile, mengklasifikasi budaya organisasi yang terdapat di dalam pusat servis automobile di Melaka dan juga untuk menilai budaya organisasi yang sesuai untuk industry servis automobile. Di dalam penyelidikan ini, pelbagai pusat servis automobile di Melaka telah dipilih berdasarkan pencapaian jenama kereta mereka di Malaysia. Sebanyak 110 borang kaji selidik telah diagihkan untuk data kuantitatif dan analisis. Dengan perbezaan budaya organisasi di setiap pusat servis automobile, ia member impak terhadap tahap prestasi mereka terutamanya kepada pelanggan seperti pelanggan Naza Kia akan merasa budaya yang dibawa dari Negara asal kelahiran produk mereka iaitu dari Korea, Nissan dari Jepun dan Perodua dari Malaysia. Keputusan penyelidikan ini dijelaskan di dalam bentuk jadual dan gambar rajah di dalam bab 4 di mana ia menunjukkan budaya organisasi yang wujud di dalam setiap pusat servis automobil yang telah dipilih.

Kata kunci: Budaya organisasi, Pusat servis automobile, inovasi, OCAI

## **ABSTRACT**

The Automobile industry is getting better day by day with the evolution of their technology that present the new edge of era that shown the world how the advance that a car can be manufacture for the satisfaction of their customer and also for the organizations' profit. Every automobile organization has their own service centre to ensure their products are in good condition as their service for their customer to inspect their car and also solving their customers' problems with their products. The objectives of this research are to uncover type of organizational culture exist in the automobile service centre, to classify the organization culture within automobile service centre in Malacca and to analyze the prevalent culture organizational culture in automobile service industry. In this study, various automobile service centres are chosen as there are success and impressive automobile organization in Malaysia. For this study, 110 of questionnaire will be distributed to the organization for quantitative data and analysis. With different organizational culture within every the automobile service centre it give different impact especially for the customer where like Kia customer may experience the culture from their origin which is Korea and Nissan from Japan and lastly Perodua which is the national car of Malaysia after Proton. The results of this research were illustrated in the form of table and figure in chapter 4 which shows the organizational culture that exist in every automobile service centre that has been chosen.

Keyword: Organizational Culture, Automobile Service Industry, Innovation, Customer satisfaction

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## **LIST OF ABBREVIATION**

<b>SPSS</b>	STATISTICAL PACKAGE FOR SOCIAL SCIENCE
<b>OCAI</b>	ORGANIZATIONAL CULTURE ASSESSMENT INSTRUMENT



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## **CHAPTER 1**

### **INTRODUCTION**

#### **1.1 Background of Study**

Culture according to Schein, (2010) is an abstraction, yet the forces that are created in social and organizational situations deriving from culture are powerful. Hence, culture is important in organization to ensure they have their own identity and competitive advantage in order to compete with other organization.

In every organization they have their own organization culture. Organizational culture gives a big impact to organization. It can help in controls coordination and motivation of an organization as Jones, (2010) explain that organizational culture is a set of shared values and norms that controls organizational members' interactions with each other and with suppliers, customers and other people outside the organization.

As for example Google which create their creative culture by creating a unique environment within their workplace and make an explosive growth due to the culture. For automobile like Toyota which implements Kaizen or continuous improvement culture has made Toyota one of the best automobile has been establish in this world.

Innovation is one of the most important economic and business phenomena of our time. A lot of organization especially that have connection with technology have great interest and practically implement innovation as their entity as for example the automobile industry organizations. With organizational culture, innovation of an organization can be enhanced by choosing the suitable organizational culture and with the help from the leaders and managers.

Creating a successful organizational culture will absolutely increase the performance of an organizational. Not excepted the satisfaction of the employee and customer will increase and create loyalty to the organization. Hence the achievement will be better than before such as increasing of profit.

## **1.2 Problem Statement**

The competitions in automobile industry are getting impressive with the evolution and innovation of technology as time goes by. Every automobile organization tries to create their competitive advantage to be on top of the competitors such as using organizational culture. Auto companies, as technologically driven ones, need to be more innovative and creative than before to survive, to compete, to grow, and to lead (Jung et al., 2003; Tierney et al., 1999).

This study is conducted because the researcher identify from his experience that there were no specific culture for automobile service centre in Malaysia. Moreover, the researches on organizational culture are more excessively in manufacturing of automobile rather than organizational culture for automobile service centre.

As stated by Peng and Wang, (2006) with the aim of sustaining long term relationships with their customers, many businesses have changed their strategic focus to emphasize customer retention. Hence the automobile service centre needs to be pay attention by the automobile organizations in order to get more demands.

In another perspective this research is conducted because the researcher identify that the impact of organizational culture towards performance and innovation in automobile service centre is still unclear and few.

The researcher will investigate the type of organizational culture in automobile service industry. Competitors within similar industries with the same types of technology, pricing strategies, etc., look increasingly to customer satisfaction to create a competitive advantage (Koch-Laabs, 2001).

### 1.3 Research Questions

There are many types of organizational culture that have been implemented in different organization. The organizational culture will help the organization in many ways as for example give out the vision and mission for the organization to use as their way of life.

According to Katarne et al. (2010), the service sector is going through revolutionary change, which dramatically affects the way in which we live and work. New services are continually being launched to satisfy our existing and potential needs. Service organizations vary widely in size. In automobile service centre, performance is important to keep their quality service is optimize for customer satisfaction

In this research, the researcher tends to think on some question that lead to this type of research. The questions are:

1. What is the type of organizational culture that exists in organizations?
2. Does Malacca have different type of organizational culture between organizations?
3. Which type of organizational culture that suits to automobile service industry?

## **1.4 Research Objectives**

A research without objectives will become a meaningless research. Automobile industry is involving day by day according to the changes of technologies that have been invented and innovation. The objectives of this research are:

1. To uncover the type of organization culture in the automobile service centers
2. To classify the organization culture within automobile service center in Melaka
3. To analyze the prevalent culture organizational culture in automobile service industry

## **1.5 Scope, Limitation and Key Assumption of the Study**

The researcher has limited the scope of area for the research that wants to be investigated. The area that the researcher wants to investigate is in Malacca where the resources of secondary data can be easily obtained and the place is strategic for customer to come from random of places within the time limitation of this research

In Malacca the researcher has to choose random of automobile service centre organization which are available for the researcher to get sufficient data for the qualitative method especially to the automobile service centre that have the most trust from the customer such as the official automobile service centre of Nissan, Kia and Perodua which all located in Malacca. The limitation that the researcher has to face is the cooperation from the automobile service centre.

With these automobile service centre organization, the researcher assume that the research will explore on new information such as their organizational culture, their uniqueness between the organization and also the secondary data that will obtain from the company itself by using quantitative method.

### **1.6 Importance of the Study**

The study of this research is important in order to be use in future planning. Organization culture can become a trigger for future success as people have to be brave and dare to take risk such as unknown effectiveness and ready to change in order to achieve the level that we have dream for it.

With this research of study, people will be more aware on how important the organizational culture within an organization. People may only know that the organization culture show the way of the organization work and who they are.

However organization culture can represent a lot of things for the organization. In case of that, by determine the type of the organizational culture in automobile service centre, it can contribute as evidence and lessons for upcoming strategy for organization future.

## **1.7 Conclusion**

The researcher tends to study the type of organizational culture for the automobile service centre in Malaysia such as Nissan, Kia and Perodua. In term of the location, the researcher find that Malacca is a strategic place that these organization can be find easily and near to the researcher's campus for the data analysis process. In order to collect secondary data, the researcher use quantitative method to gain more information about the study. All the data receive is discussed to gain clear information on the prevalent organizational culture that suit with automobile service centre industry.