



**UNIVERSITI TEKNIKAL MALAYSIA MELAKA**

**DEFECT IMPROVEMENT TOWARDS PRODUCTIVITY FOR  
SME COMPANY**

This report is submitted in accordance with the requirement of the Universiti  
Teknikal Malaysia Melaka (UTeM) for the Bachelor of Manufacturing  
Engineering Technology (Process) with Honours.

by

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**Faculty of Mechanical and Manufacturing Engineering Technology**

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**Bachelor of Manufacturing Engineering Technology (Process and Technology)**

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**A thesis is submitted**

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**BORANG PENGESAHAN STATUS LAPORAN PROJEK SARJANA MUDA**

Tajuk: DEFECT IMPROVEMENT TOWARDS PRODUCTIVITY FOR SME COMPANY

Sesi Pengajian: 2018

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## APPROVAL

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## ABSTRAK

*Kajian ini membincangkan penggunaan tujuh alat kawalan mutu asas untuk mengurangkan kecacatan produk dalam industri IKS, Mi Kuning Juwita Sdn. Bhd. Objektif kajian ini adalah untuk menyelesaikan sisa semasa bagi barisan pengeluaran peratus yang ditolak dan menentukan keperluan alat statistik dan membangunkan alat dengan menggunakan perisian Microsoft Excel 2016 dan Minitab. Dalam kajian ini, teknik ini digunakan untuk menganalisis pengumpulan data dari bahagian rolling. Data yang diperoleh dianalisis dengan menggunakan Carta Aliran, rajah Pareto, Rebab dan Kesan rajah dan Carta Kawalan yang merupakan carta  $\bar{X}$  bar dan R. Dengan menggunakan gambarajah Pareto, bahagian bergulung menyumbang jumlah cacat tertinggi. Diagram Pareto menunjukkan bahawa berat yang cacat adalah masalah kritikal dalam bahagian rolling. Oleh kerana pengurangan keuntungan untuk Mi Kuning Juwita Sdn Bhd, analisis Rancangan-Do-Study-Act (PDSA) adalah disyorkan untuk mengurangkan kelemahan berat kritikal panjang tepung. Walau bagaimanapun, data itu dikumpulkan dari talian pengeluaran di Mi Kuning Juwita Sdn Bhd yang terletak di kawasan Melaka. Dengan menggunakan alat kawalan kualiti yang sesuai, analisis telah dijalankan untuk menentukan masalah utama kecacatan Kuning Mi dengan sumber variasi semasa pembuatannya dalam barisan pengeluaran. Kemudian, data yang dikumpulkan akan digunakan untuk mengesahkan Minitab yang telah dibangunkan. Sebagai kesimpulan, Mi Kuning Juwita Sdn Bhd dapat meminimumkan kelemahan produk dan meningkatkan produk berkualiti untuk mencapai kelebihan daya saing.*

## ABSTRACT

This study discusses an application of seven basic quality control tools to reduce product defects in SME industry, Mi Kuning Juwita Sdn. Bhd. The objective of this study is to resolve current waste for rejected percentage production line and determine the requirement of statistical tools and develop the tools by using Microsoft Excel 2016 and Mini-tab software. In this study, this technique is applied to analysis the data collection from rolling section. The data obtained were analysed using Flow Chart, Pare-to diagram, Cause and Effect diagram and Control Chart which are capability chart. By using Pareto diagram, rolling section contributed the highest total defects. Pare-to diagram showed that weight of defective was the critical problem in rolling section. Due to profit reduction for Mi Kuning Juwita Sdn Bhd, Plan-Do-Study-Act (PDSA) analysis is recommended to reduce the critical weight defective of length of flour. However, the data were collected from the production line at Mi Kuning Juwita Sdn Bhd which located in Malacca area. By using the appropriate quality control tools, the analysis was carried out to determine the major problem of Yellow Mi defect with the source of variation during their manufacturing in production line. Then, the data collected will being used to validate the Mini-tab that had been developed. As a conclusion, Mi Kuning Juwita Sdn Bhd can minimize the product defective and increase the quality product to achieve competitive advantage.



## **DEDICATION**

Dedicated to my parents Hj Ab Maulod Bin Yasim and Hjh Norsidah Binti Abd Ghani.

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## TABLE OF CONTENTS

	<b>PAGE</b>
<b>DECLARATION</b>	
<b>APPROVAL</b>	
<b>DEDICATION</b>	
<b>ABSTRACT</b>	
<b>ABSTRAK</b>	
<b>ACKNOWLEDGEMENTS</b>	
<b>TABLE OF CONTENT</b>	<b>i</b>
<b>LIST OF TABLE</b>	<b>vi</b>
<b>LIST OF FIGURE</b>	<b>vii</b>
<b>LIST OF APPENDICES</b>	<b>ix</b>
<b>LIST OF ABBREVIATIONS</b>	<b>x</b>
<b>CHAPTER</b>	
<b>1. INTRODUCTION</b>	<b>1</b>
1.1 Project Background	1
1.2 Problem Statement	3
1.3 Project Objectives	4
1.4 Project Methodology	4
1.5 Scopes Project	5
1.6 Thesis Structure	5

<b>2. LITERATURE REVIEW</b>	<b>7</b>
2.1 Introduction	7
2.2 Productivity	8
2.2.1 Measured Productivity	9
2.2.2 Factor that Affect Productivity	9
2.3 Definition of Quality	9
2.4 Development of quality System	10
2.4.1 Standard Based on quality	11
2.4.2 Customer Focused Quality	11
2.5 Principle Quality	12
2.6 Analysis tools and technique	14
2.7 Technical Quality Requirement	15
2.8 Statistical Process Control	16
2.9 The seven Quality Control Tools	16
2.9.1 Fish-bone Diagram	16
2.9.1.1 When to use a Fish-bone Diagram	17
2.9.1.2 Fish-bone Diagram Procedure	17
2.9.1.3 Example of Fish-bone Diagram	18
2.9.2 Check Sheet	18
2.9.2.1 When to use a Check Sheet	18
2.9.2.2 Check Sheet Procedure	19
2.9.2.3 Example of Check Sheet	19
2.9.3 Control Chart	19
2.9.3.1 When to use a Control Chart	20

2.9.3.2	Control Chart Procedure	20
2.9.3.3	Example of Control Chart	20
2.9.4	Histogram	21
2.9.4.1	When to use a Histogram	21
2.9.4.2	Histogram Procedure	21
2.9.4.3	Example of Histogram	22
2.9.5	Pare-to Chart	22
2.9.5.1	When to use a Pare-to Chart	22
2.9.5.2	Pare-to Chart Procedure	22
2.9.5.3	Example of Pare-to Chart	23
2.9.6	Scatter Diagram	24
2.9.6.1	When to use a Scatter Diagram	24
2.9.6.2	Scatter Diagram Procedure	24
2.9.6.3	Example of Scatter Diagram	25
2.9.7	Flow Chart/Stratification	25
2.9.7.1	When to use a Stratification	25
2.9.7.2	Stratification Procedure	25
2.9.7.3	Example of Stratification	26
2.10	Conclusion	26
<b>3.</b>	<b>METHODOLOGY</b>	<b>28</b>
3.1	Introduction	28
3.2	Planning of the Study	28
3.2.1	Define Problem Statement and Objective of Study	30
3.2.2	Literature Review	31

3.2.2.1	Archival Collection	31
3.2.2.2	Internet	31
3.2.2.3	Interview	31
3.2.3	Tools Development	32
3.2.4	Identify the Industries	32
3.2.5	Select Process or Product	32
3.2.6	Analysis the Current Process	33
3.2.7	Identify the Problem	35
3.2.7.1	Defect on flour	35
3.2.7.2	Defect on length flour	36
3.2.7.3	Defect on thickness flour	36
3.2.7.4	Defect from others	37
3.2.8	Data Collection	41
3.2.8.1	Interview	42
3.2.8.2	Field Observation	42
3.2.8.3	Analysis and Validation	43
3.3	Gantt Chart	44
3.4	Study Outcome	44
3.5	Discussion, Recommendation and Conclusion	45
<b>4.</b>	<b>RESULT AND DISCUSSION</b>	<b>46</b>
4.1	Introduction	46
4.2	Background of Selected Company	46
4.3	Selected Product	47
4.4	Implementation of the Improvement	47

4.4.1 Process Parameter	48
4.4.2 Data collection after improvement	49
4.5 Conclusion	52
<b>5. CONCLUSION</b>	<b>53</b>
5.1 Introduction	53
5.2 Summary	53
5.3 Control Chart Analysis	54
5.4 Apply PDSA Cycle	54
5.5 Concern for Customer Satisfaction	55
5.6 Maintain the Quality Spirit	56
5.7 Conclusion	57
<b>REFERENCES</b>	<b>58</b>
<b>APPENDICES</b>	<b>60</b>

## LIST OF TABLES

<b>TABLE</b>	<b>TITLE</b>	<b>PAGE</b>
Table 3.1	Flow Chart of The Project.....	25
Table 3.2	Data Collection for Defect at Rolling Process.....	34
Table 3.3	Data Collection for Control Chart.....	37
Table 4.1	Nominal for Standard Process Parameter.....	43
Table 4.2	Trial 1 and Trial 2 for Process Parameter.....	43
Table 4.3	Data for Design Experiment.....	44
Table 5.1	Plan-Do-Study-Act-Cycle (PDSA).....	48



## LIST OF FIGURES

FIGURE	TITLE	PAGE
Figure 1.1	: Seven Basic Quality Tools.....	4
Figure 2.1	: Fish-bone Diagram Example.....	15
Figure 2.2	: Cheeck Sheet Diagram Example.....	16
Figure 2.3	: Control Chart Diagram Example.....	<b>Error! Bookmark not defined.</b> 7
Figure 2.4	: Histrogram Chart Diagram Example.....	<b>Error! Bookmark not defined.</b> 8
Figure 2.5	: Pareto Chart Diagram Example.....	<b>Error! Bookmark not defined.</b> 9
Figure 2.6	: Scatter Diagram Example.....	21
Figure 2.7	: Flowchart/Strafication Diagram Example.....	<b>Error! Bookmark not defined.</b> 22
Figure 3.1	: Rollin Machine at Juwita Yellow Mi Company.....	29
Figure 3.2	: Flowchart at Production Line.....	30
Figure 3.3	: Defect on Flour.....	31
Figure 3.4	: Defect on Lenght of Flour.....	32
Figure 3.5	: Defect on Thickness of Flour.....	33
Figure 3.6	: Defect from Others.....	33
Figure 3.7	: Pareto Diagram for Defect at Rolling section.....	36
Figure 3.8	: Control Chart before Process Improvement.....	38

Figure 3.9 : Cause and Effect Diagram.....	40
Figure 4.1 : Control Chart after Implementation.....	45
Figure 4.2 : Comparison between before and after Implementation.....	46

## LIST OF APPENDICES

APPENDIX	TITLE	PAGE
Appendix 1	Gantt Chart.....	60
Appendix 2	Data Collection for Defect at SME Company.....	61

## **LIST OF ABBREVIATIONS**

<b>SPC</b>	Statistical Process Control
<b>SMED</b>	Single Minute Exchange of Dies
<b>TPM</b>	Total Productive Maintenance
<b>UCL</b>	Upper Control Limit
<b>LCL</b>	Lower Control Limit
<b>FYP</b>	Final Year Project
<b>SME</b>	Small and Medium Sized Enterprise
<b>IKS</b>	“Industri Kecil dan Sederhana”

# CHAPTER 1

## INTRODUCTION

This chapter will discuss briefly about the overview of the study and the main purpose of this study. This chapter also covers the problem statement of the study, the objectives that will be achieved by the scope of the study to be conducted.

### 1.1 Project Background

Every manufacturing industry needs a plan to improve and achieve its business goals and successfully compete for customer. Customer is expecting for a higher quality at lower price and with better services. With great operation, planned production and good quality product will improve productivity yet, enhance management development. That is how the process underlying with production management will produce the valuable product.

Productivity is the value of outputs (service and products) produced divided by the values of input resources (wages and cost of equipment). Furthermore, productivity at the same time is seen as one of the most vital factors that affecting the manufacturing industry competitiveness, efficiency and frequently among others. It is strongly affected the price a company pays for their inputs and receive for its inputs. Many people sometimes misunderstood about the term of productivity because they keep discussing the general issues of performance. However, increasing productivity is important in operation because it can performed the high quality operation means it flawed services.

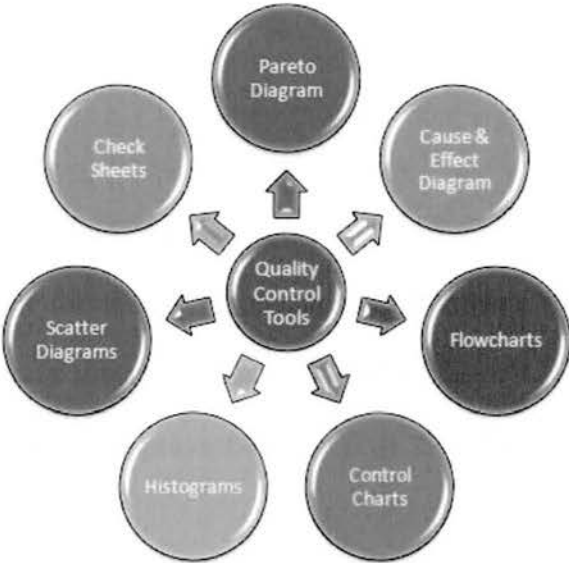
Today, too many quality problems found in manufacturing company. This occurs because there is a mistake in the way of quality control. As we know, all parts or product must to follow the specifications and pass the Quality department. However, the department

Always has faced a lot of defection problems. In this way quality to determine the cause of the quality problem, so that it can be prevented in the future. The effect based on the higher reject of parts, it's have increased the cost for re-work. Other than that, the operators maybe have taken more time on re-work than actual work. Furthermore, the production activity will slow because of writing the parts and can't achieve the output. As competition increases and global economics crisis occur throughout the world, quality becomes dominant issue for organizations and high priority to understanding what quality is. Quality must be a fundamental business strategy for a company to survive and this new strategy is seen as the driver of an immense culture change in companies (Winchell, 1991).

These cause of problem normally occur by the variation in manufacturing process. Besides that, Statistical Process Control can also help manufacturing organization to predict future performance with reference collected data by analyzing the control charts and prediction that can be made through process is performance.

In order to survive during this competitive market, up the standard and productivity of a product or method should be for any company. It's encouraged the company to build up their quality improvement program not only focused on external customer but also its internal customer. Internal customer may be a division, individual or is the receiver of products, materials, services or data from other units within the same company according to (Clarisse, 2011).

The aim of this study is to develop the statistical tools for analyzing the product quality. These statistical tools relies on seven basic quality tools. The seven basic quality tools is that the key implement of Statistical Process Control in production line that the most effective way to apply for decrease number of defectives. During this study, the statistical tools are develop and the data are collected from Juwita Yellow Mi Sdn Bhd. Then, the analysis will be held for the identify problem occur that are related with quality issue of product.



**Figure 1.1: Seven Basic Quality Tools**

**1.2 Problem Statement**

Juwita Yellow Mi Sdn Bhd Company is Muslim Food production which produces Yellow Mi, Tofu, Roti Canai, Curry puff, Doughnuts, Chicken/Beef Samosa, Grass Jelly and many more. The major output of products in the Production Department, especially Yellow Mi has faced many defect problems. These quality defect have contributed increase rate rejected for outgoing inspection every month. All manufactures are trying to satisfy their customer by producing a good product with high

quality. Poor product quality will not meet the customer requirement and may cause the user to choose competitors product. These quality issues makes the manufacturer to consider applying the Statistical Process Control (SPC) to solve and control quality of their product. The application of Statistical Process Control (SPC) to the production line has been a challenging issues for industries. The idea of this study is to develop a statistical tool which will make the statistical analysis more accurate and flexible. This tool is expected to eliminate the unnecessary steps to improve the manufacturing process.

### **1.3 Project Objective**

The objectives of this study are followed:

1. To resolve current waste for rejected percentage production line.
2. To perform analysis data collection at SME Company.
3. To propose improvement and improve quality at SME Company.

### **1.4 Project Methodology**

The purpose of this project is to identify defect at the production line. In addition, to reduce the existing defect rate at the machine in production line. Project methodology is function as guider to achieve the project by following the flowchart.

The step is:

i. Make a research on other journal and other thesis that has same pattern of defect in the production line and will be put in literature review.

ii. Follow by identifying defective features, taking the highest defect data, and providing project development steps.