THE EFFECT OF GOAL-SETTING ON EMPLOYEE'S MOTIVATION: A CASE STUDY OF 5S IMPLEMENTATION AMONG THE MANUFACTURING ORGANIZATION IN MALAYSIA

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The Effect of Goal-Setting on Employee's Motivation: A case Study of 5S Implementation among the Manufacturing Organization in Malaysia

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DECLARATION OF ORIGINAL WORK

I, NADIAH BINTI ANUAR

"I hereby declare that the work of this project is mine except for the quotations and summaries that have been duly acknowledge".

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DEDICATION

This research paper is sincerely dedicated to my supportive father, En Anuar bin Jaamat and my lovely mother, Pn.Zaiton binti Emam Abd Majid, who has been constantly support me and give me the inspiration in doing this research. Besides, towards my supervisor that is dedicated in in instructing and teaching me to do this research.

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ABSTRACT

A study is conducted to the effect of goal-setting in 5S implementation towards employee's motivation, which this study is focusing at the manufacturing organization in Melaka. There are three objectives in this study (i) To identify the highest factors of the goal-setting in 5S implementation among the employees (ii) To identify the relationship of the goal-setting in 5S implementation and employee motivation (iii) To identify the impact of the goal-setting in 5S implementation towards employee motivation. This research used quantitative research method which imply the questionnaire survey item. The data is analyse using SPSS v25 software The population of the targeted respondents is 123 which is targeted towards the employees and employers of the manufacturing company in Melaka, the sample size collected in this research consists of 100 respondents. This research result shows that the independent variable of clarity, commitment, feedback, and task complexity has significant relationship with employee motivation except challenge. This study result can contribute towards the theory of goal-setting relationship with employee motivation for future researcher. Besides, it can also help the managers and manufacturing industry to apply goal-setting theory in enhancing the employee's motivation in the organization.

Keywords: Goal-Setting, 5S implementation, Employee Motivation, Manufacturing company in Melaka

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ABSTRAK

Kajian dijalankan ke atas kesan penentuan sasaran dalam pelaksanaan 5S ke arah motivasi pekerja, yang kajian ini memberi tumpuan kepada organisasi pembuatan di Melaka. Terdapat tiga objektif dalam kajian ini (i) Mengenal pasti faktor-faktor tertinggi dalam penentuan sasaran dalam pelaksanaan 5S di kalangan pekerja. (Ii) Mengenalpasti hubungan penentuan sasaran dalam pelaksanaan 5S dan motivasi pekerja. Iii. Mengenalpasti kesan penetapan matlamat dalam pelaksanaan 5S ke arah motivasi pekerja. Kajian ini menggunakan kaedah penyelidikan kuantitatif yang membayangkan item soal selidik kuesioner. Data menganalisis menggunakan perisian SPSS v25 Populasi responden yang disasarkan adalah 123 yang disasarkan kepada pekerja dan majikan syarikat pembuatan di Melaka, saiz sampel yang dikumpul dalam kajian ini terdiri daripada 100 responden. Hasil kajian menunjukkan bahawa pembolehubah bebas, komitmen, maklum balas, dan kompleksiti tugas mempunyai hubungan yang signifikan dengan motivasi pekerja kecuali cabaran. Hasil kajian ini dapat menyumbang kepada teori hubungan penetapan matlamat dengan motivasi pekerja untuk penyelidik masa depan. Di samping itu, ia juga dapat membantu pengurus dan industri pembuatan untuk menerapkan teori penetapan matlamat dalam meningkatkan motivasi pekerja dalam organisasi.

Kata kunci: Penentuan Matlamat, Pelaksanaan 5S, Motivasi Pekerja, Syarikat Perkilangan di Melaka

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TABLE OF CONTENT

CHAPTER	TITTLE	PAGE
	DECLARATION	**iii**
	DEDICATION	**iv**
	ACKNOWLDGEMENT	**v**
	ABSTRACT	**vi**
	ABSTRAK	**vii**
	TABLE OF CONTENT	**viii**
	LIST OF TABLE	**xiii**
	LIST OF FIGURES	**xv**
	LIST OF ABBREVIATION	**xvi**
	LIST OF ATTACHMENT	**xvii**
CHAPTER 1	**INTRODUCTION**	
	1.0 Introduction	1
	1.1 Background of study	1
	1.2 Problem Statement	3
	1.3 Research Objectives	4
	1.4 Research Question	4
	1.5 Scope	5
	1.6 Limitation of Study	5
	1.7 Significance of Study	6
CHAPTER 2	**LITERATURE REVIEW**	
	2.0 Introduction	7

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	2.1 Origin Concept of 5S	7
	2.1.1 Benefits of 5S	10
	2.2 Goal-setting	11
	2.2.1 Clarity	11
	2.2.2 Challenges	12
	2.2.3 Commitment	13
	2.2.4 Feedback	14
	2.2.5 Task Complexity	15
	2.3 Employees Motivation	16
	2.4 The Relationship between Independent variable and dependent variable	18
	2.5 Theoretical Framework	19
	2.6 Conceptual Framework	20
	2.7 Hypothesis	21
	2.8 Conclusion	22
CHAPTER 3	3.0 Introduction	23
	3.1 Research Design	23
	3.1.1 Exploratory Research	24
	3.1.2 Explanatory Research	24
	3.1.3 Descriptive Research	25
	3.2 Research method	25
	3.2.1 Quantitative Method	26
	3.3 Data Resources	26
	3.4 Research Location	27
	3.5 Time Horizon	27
	3.6 Questionnaire Design	27
	3.7 Sampling Technique	28
	3.7.1 Probability Sampling Technique	29
	3.7.2 Sample Size	29
	3.8 Research Strategy	31
	3.9 Pilot Study	31
	3.10 Data Analysis Method	32

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	3.10.1 Descriptive Analysis	32
	3.10.2 Kruskal Wallis	32
	3.10.3 Spearman Correlation Analysis	33
	3.10.4 Factor Analysis	33
	3.11 Validity of Data	33
	3.11.1 Internal Validity	34
	3.11.2 External Validity	34
	3.11.3 Construct Validity	35
	3.12 Reliability	35
CHAPTER 4	4.0 Introduction	36
	4.1 Pilot Test	37
	4.1.1 Reliability Analysis	37
	4.1.2 Reliability Analysis on Clarity	38
	4.1.3 Reliability Analysis for Challenge	39
	4.1.4 Reliability Analysis for Commitment	39
	4.1.5 Reliability Analysis for Feedback	40
	4.1.6 Reliability Analysis for Feedback	40
	4.1.7Reliability Analysis for Employee Motivation	41
	4.2 Descriptive Statistic Analysis	
	4.2.1 Respondent Demographic Profile	41
	4.2.1.1 Position	42
	4.2.1.2 Working Experience	44
	4.2.1.3 Type of Company	45
	4.2.1.4 Operation Period	46
	4.3 Central Tendencies Measurement	47
	4.3.1 Goal-setting in 5S Implementation	48
	4.3.1.1 Clarity	48
	4.3.1.2 Challenge	49
	4.3.1.3 Commitment	50
	4.3.1.10 Feedback	51
	4.3.1.11 Task Complexity	52

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	4.3.1.12 Employees Motivation	52
	4.4 Spearman Correlation Coefficient	53
	4.4.1 Non-Parametric Correlation Analysis	54
	4.4.1.1 Descriptive Statistic	54
	4.4.2 The Relationships between Independent Variables and Dependent Variables	55
	4.4.3 Kruskal-Wallis Analysis	57
	4.5 Hypothesis Testing	60
	4.5.1 Kruskal-Wallis Analysis of Clarity of 5S implementation Towards Employees Motivation	61
	4.5.2 Kruskal-Wallis analysis Analysis of Challenges of 5S implementation Towards Employees Motivation	62
	4.5.3 Kruskal-wallis Analysis of Commitment of 5S implementation Towards Employees Motivation	63
	4.5.5 Kruskal-wallis Analysis of feedback on 5S implementation Towards Employees Motivation	65
	4.5.6 Kruskal-Wallis Analysis of Task Complexity of 5S implementation Towards Employees Motivation	67
	4.6 Conclusion	67
CHAPTER 5	5.0 Introduction	68
	5.1 Discussion	68
	5.1.1 Descriptive Analysis	68
	5.1.2 Scale Measurement	70
	5.1.2.1 Reliability	70
	5.1.3 Objective and Hypothesis Test	70
	5.1.3.1 Objective 1	70
	5.1.3.2 Objective 2	71
	5.1.3.3 Objective 3	74

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5.2 Limitation 75

5.3 Recommendation for The Future Researcher 76

5.4 Conclusion 77

REFERENCES 78

ATTACHMENT 83

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LIST OF TABLES

TABLE	TITLE	PAGE
3.1	Determining Minimum Returned Sample Size for a Given Population Size for Continuous and categorical data	30
3.2	The Cronbach's Alpha and internal consistency	35
4.1	Cronbach Alpha Coefficient Range and it's Strength Association	37
4.2	Cronbach's Alpha value for pilot test	37
4.3	Cronbach's Alpha value for pilot test (Clarity)	38
4.4	Cronbach's Alpha value for pilot test (Challenge)	39
4.5	Cronbach's Alpha value for pilot test (Commitment)	39
4.6	Cronbach's Alpha value for pilot test (Feedback)	40
4.7	Cronbach's Alpha value for pilot test (Task Complexity)	40
4.8	Cronbach's Alpha value for pilot test (Employee Motivation)	41
4.9	Statistics Analysis of Respondents by Organizational Position	42
4.10	Statistics Analysis of Respondents by Organizational Working Experience	44
4.11	Statistics Analysis of Respondents by The Type of The Company	45
4.12	Statistics Analysis of Respondents by The Operation Period	46
4.13	Descriptive Statistics of Clarity	48
4.14	Descriptive Statistic of Challenge	49
4.15	Descriptive Statistic of Commitment	50
4.16	Descriptive Statistic for Feedback	51

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4.17	Descriptive Statistic for Task Complexity	52
4.18	Descriptive Statistic for Employees Motivation	53
4.19	Rules of Thumbs up on Correlation Coefficient	54
4.20	Data of Normality	54
4.21	Coefficient for Employees Motivation	55
4.22	ANOVA	58
4.23	Kruskal-Wallis Analysis	59
4.24	Kruskal-Wallis analysis between clarity of 5S implementation and employees motivation	61
4.25	Kruskal-Wallis analysis between challenge of 5S implementation and employees motivation	62
4.26	Kruskal-Wallis analysis between commitment of 5S implementation and employees motivation	64
4.27	Kruskal-Wallis analysis between feedback of 5S implementation and employees motivation	65
4.28	Kruskal-Wallis analysis between task complexity of 5S implementation and employees motivation	66

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LIST OF FIGURE

FIGURE	TITTLE	PAGE
2.0	Osada's perspective on 5S concept	8
2.1	Hirano's perspective of 5S concept	9
2.3	Locke's goal setting theory	19
2.4	Conceptual Framework	20
4.1	Statistics Analysis of Respondents by Organizational Position	43
4.2	Respondent's Working Experience	44
4.3	Respondent's Type of Company	46
4.4	The Respondent Organization's Operation Period	47

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LIST OF ABBREVIATION

5S: Seiri, Seiton, Seiketsu, Shitsuke, Seiso,

SPSS: Statistical Package for The Social Science

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ATTACHMENT

Gantt Chart
Survey of Questions/ Questionnaire

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Chapter 1

Introduction

1.0 Introduction

This chapter will discuss on the background of the study, problem statement, research objective, research question, the scope of the study, limitation of the study, and significance of the study regarding the effect of goal-setting in implementation of 5S on employee's motivation among manufacturing organization in Melaka.

1.1 **Background of the Study**

The rapid changes due to unstable manufacturing environment have influenced the continuous improvement to have better schedule reinforcement and better organization performance. Mostly, the organization that did not emphasis holistically on business excellence have a higher possibility to fail in getting the profit and fail to sustain in the industry (Jurag et al. 2016). The lean manufacturing method had become more popular in the manufacturing industry to be practice. It is considered as one of the corporate strategies to bring the organization to the forefront of business excellence.

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The 5S method is one of the best ways to influence the change of attitude among workers and engaging improvements in the workflow. The 5S name correlates with the first 5 letters of Japanese word consists of Seiri, Seiton, Seiso, Seiketsu, and Shitsuke which equivalent with Sort, Set in order, Shine, Standardize, and Sustain. Takashi Osada views 5S as a strategy for organizational development, learning, and change, oriented towards improves efficiency (Carmen at al. 2015). Employee motivation can be considered as a main factor in the success or failure in an organization (Barrs, 2005). Without motivated employees, the profits, product, morality, and also productivity of an organization will suffer. Therefore, organizations must invest strategic and effective ways to motivate the employee to accept the 5S program.

In Japan, the 5S methodology is practice holistically where it includes management practice training and continuous improvement. It also encourages the participation, involvement, and autonomy of workers which promotes the employees' empowerment in the organization. The process of 5S starting to get more recognition after Toyota implement this methodology. Toyota is known for its excellence in safety, efficient operation, and continuous improvement. They also have emerged as a global leader in automobiles manufacturing (Randhawa & Ahuja, 2017) There are many workplaces in Malaysia especially the automotive manufacturing sector that has started to follow their steps such as Proton and Perodua.

The fact that there are still many manufacturing organizations in Malaysia that have not yet successfully implement 5S or have no knowledge about it. Therefore, for organizations to compete globally they have to consider to practice 5S in their work to achieve business excellence. In the year of 2010, the Compensation Data Manufacturing survey revealed that 69.7% of manufacturing companies apply lean manufacturing in their company (Cristina Veres et al. 2017). The 5S practice can bring a quality environment that emphasizes three main elements on a healthy, comfortable, quality, and productive life for everyone at work (Ho & S.K, 2010).

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There is various reason on how 5S can be implemented successfully in the organization, according to Sidhu et al, (2013) there are 4 key factors to successfully implement 5S which includes consistent commitment and support by the top management, education and training, participation of the entire personnel, and standardization to sustain implementation of 5S in long haul basis. There is plenty of literature on how to implement 5S successfully in manufacturing company but there is a very small amount that discusses employees' motivation in implementing it.

1.1 Problem Statement

In today's world, there has been rapid improvement happens in the manufacturing industry to keep pace with the continuous changing in the business environment. For the business to success and sustain in the industry, they have to keep up and adapt to the changes. There is a lot of manufacturing organization that has failed to earn profit and sustain in the industry due to unsystematic workflow and failed to motivate the employees.

Japanese is the example of a country that is known as a very successful in the manufacturing industry due to continuous improvement is done. The concept of 5S that is is being implemented by the Japanese manufacturing sector is still not being properly understood and implemented by the majority of the manufacturing organizations in Melaka. The factories in Melaka are still unaware of the importance of the employee's role can bring towards the organization's success.

The manufacturing organization in Malaysia specifically in Melaka state is still lagging compared to Japan and other advanced countries that practicing 5S in their organization. The top management commitment, employee's active involvement, training, promotional campaign, and guidance regarding the 5S are the crucial factors for the 5S implementation to be successful (Jurag et al. 2016). Moreover, the employees think that 5S activity only involves the committee member in the company, and they even see it as a burden and abstain from implement it (Hartika et al., 2011)

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Lack of familiarity with lean concepts often leads to a misunderstanding of the purpose to implement the 5S program. Moreover, manufacturing organizations in Melaka often face the issue of lack in employee's motivation and employee's resistance towards the implementation of 5S. Resistance happens when the workers driven by the beliefs that through the implementation of 5S it can affect the way they already organize their daily working routine which can lead to the subsequent reduction in staff in the pursuit of productivity (Achanga et al. 2006). Therefore, this study is to find out the role of goal-setting on employee's motivation doing the 5S implementation.

1.3 Research Objective

1. To identify the highest factors of the goal-setting in 5S implementation among the employees of manufacturing organizations in Melaka.
2. To identify the relationship of the goal-setting in 5S implementation and employee motivation among manufacturing organizations in Melaka.
3. To identify the impact of the goal-setting in 5S implementation towards employee motivation among the manufacturing organization in Melaka.

1.4 Research Question

1. What are the the highest factors of the goal-setting in 5S implementation among the employees of manufacturing organizations in Melaka?
2. What is the relationship of the goal-setting in 5S implementation and employee motivation among manufacturing organizations in Melaka?
3. What will be the impact of the goal-setting in 5S implementation towards employee motivation among the manufacturing organization in Melaka?

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1.5 Scope of the Study

The scope of the study is the goal-setting of 5S implementation in the manufacturing industry that affecting employee motivation. This study is focuses on the manufacturing organization in Melaka, Malaysia. The target respondent will consist of the managers and the employees in the organizations. This study use survey questionnaire method

1.6 Limitation of the study

This research needs a lot of time for the researcher to be able to perform the analysis and collect the data but the time framework is limited to one year to do this research. Thus, the time available to investigate the research problem, and to measure change over time is pretty much constrained. Besides, this study requires cooperation from various parties to respond to this research. It can get hard to receive cooperation from the organization as a student. Moreover, this research will require a lot of money to prepare especially when it is needed the hard copy for the questionnaire. Lack of previous empirical research in lean manufacturing is relatively less in Melaka make this research have an insufficient amount of information. According to (Wong et al., 2009) the studies of lean have been done in Malaysia on how manufacturers are adopting and practice is hard to be found

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1.7 Significance of the study

Firstly, this research can help another researcher to increase their knowledge about locke's goal setting theory and what it can bring towards the organization employee's level of motivation. The data obtained from multiple manufacturing organizations, help to provide a stronger base for theory construction. Secondly, the significance of this study is the understanding regarding the goal-setting in 5S implementation on employee's motivation will assist the manufacturing organization in Malaysia to identify the effect of how they can successfully motivate the employee to accept and adapt to 5S. Besides that, the managers in the organization will know how to successfully implement the 5S practice by reducing wastage and improve productivity to compete with the other manufacturing organization across the world.

The results of this study can help the manufacturing organization in Melaka to realize the importance of 5S and help them to be more effective in investing appropriate time, effort and money for continuous improvement and development of the organization. From this research, managers can pursue some basic strategies to enhance the motivation level among the employee in the office and get their them to be more committed towards the company goals. To make employees feel capable and appreciated, managers should give employees clear and specific goals to achieve and recognize their talent and their hard work in achieving the organization's objectives and goals (Ashley Donohoe, 2018). Furthermore, from this study, the top management will be more aware of the effect of goal-setting that can help in contributing a successful implementation of 5S and as well as informed of the effect that can influence the employees' active involvement in the 5S program.

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