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BUSINESS EXCELLENCE MODEL AND ITS IMPACT ON ORGANIZATIONAL PERFORMANCE

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JUNE 2016
Business Excellence Model and Its Impact on Organizational Performance

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A Project Paper submitted to the School of Business Management
In partial fulfilment of the requirements for the degree
Master of Human Resource Management
Universiti Utara Malaysia
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ABSTRACT

Business Excellence Model (BEM) was first introduced in Malaysia in the 90s by the Malaysia Productivity Corporation (MPC) through the Quality Management Excellence Award (QMEA) and Prime Minister Quality Award (PMQA) whereby the model is used as a criterion for the assessment of organization's excellence. Criteria contained in the model are referred to as the principles of Total Quality Management practices and also the criteria for the Malcolm Baldrige Excellence Award. The objective of this study is to examine the impact of Business Excellence program implementation with the practices of Business Excellence Model (BEM) on the organizational performance. Specifically, the study aims to analyze the relationship between the six dimensions of the BEM namely leadership, planning, information, customer, people and process with organizational performance. The samples in this study comprised of organizations that have been involved in the Business Excellence program and has been recognized as "Malaysia Productivity Innovation Class (MPIC)" by the Malaysia Productivity Corporation (MPC). Through statistical analysis conducted in this study, it was found that five dimensions in the Business Excellence Model have a positive and significant influence on the organizational performance. Discussions elaborated on the importance of Business Excellence Model in predicting organizational performance. Theoretical and practical implications, limitations, recommendations and conclusion are also brought to fore.

Keywords: Business Excellence Model, Organizational Performance, Total Quality Management, MPIC Organizations
ABSTRAK


Kata kunci: Model Kecemerlangan Perniagaan, Prestasi Organisasi, Pengurusan Kualiti Menyeluruh, Organisasi MPIC
ACKNOWLEDGEMENT

In the name of Allah SWT, the Most Gracious and Most Merciful, all praised be to Allah for His mercy in giving me the health, patience, strength and courage to complete this study and overcome every challenge in my learning pathway. I am humbled to thank many people that helped to make this study possible. Firstly, I would like to express my special appreciation, respect, and thanks to my project paper supervisor, Dr. Johanim Johari who is always there to give her advice, guidance, encouragement and sharing generous amount of time throughout the process of completing this study.

Thanks also go to Dr. Zurina Adnan for her valuable input during my project paper and also guided. I deeply appreciate my beloved parents, Hj. Mohamad Dali Haji Noor and Hjh. Satini Daim, my wife Noor Anariza Hassan, my daughters Auni Dalilah Mohamad Azrol, Auni Damia Mohamad Azrol, Auni Dzahra Mohamad Azrol, Auni Dahleeya Mohamad Azrol and my siblings for their endless love, support and believe in me. Without the dedication and support from these people, the completion of this dissertation would not have been possible.

I also would like to offer my regards and blessings to all of those who supported me in any respect during the completion of the project paper.

Finally, may Allah bless and reward all of you who had made this work a success and may it be accepted as our Act of Obedience to Him.
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<th>Abbreviation</th>
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<tbody>
<tr>
<td>BEM</td>
<td>Business Excellence Model</td>
</tr>
<tr>
<td>TQM</td>
<td>Total Quality Management</td>
</tr>
<tr>
<td>MPC</td>
<td>Malaysia Productivity Corporation</td>
</tr>
<tr>
<td>MPIC</td>
<td>Malaysia Productivity Innovation Class</td>
</tr>
<tr>
<td>SPSS</td>
<td>Statistical Package of Social Science</td>
</tr>
<tr>
<td>KMO</td>
<td>Kaiser-Mayer Olkin</td>
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CHAPTER 1
INTRODUCTION

1.1 Introduction

This chapter provides a brief description of background of the study, an overview of the Business Excellence, problem statement, research questions, research objectives, the framework of this study, the significant of the study, scope of the study and the definitions of key terms used in this study.

1.2 Background of the Study

Nowadays, in the world of business globalization, the business environment scenario is becoming increasingly competitive, innovative and dynamic. This situation directly creates various challenges that must be faced and overcome by the business organizations in order to remain competitive. In a competitive market, quality is a major demand and critical factor for companies to survive in the growing global market place. Therefore the concept of quality management has been developed due to the extension of intense global competition (Zakuan, Yusof, & Shamsudin, 2007). Due to this situation, organizations need to find and practice any improvement program that can assure and provide them with any aspect of innovation and quality improvement, increase productivity levels of resource utilization, improve customer satisfaction, and enhance profitability. Thus, organizations will be able to remain competitive in terms of their organizational performance. Reed, Lemak and Mero (2000), stated that it is a growing number of companies have applied quality management practices for their strategic foundation in order to generate a competitive advantage and improving performance.
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REFERENCES


Other references:


