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THE INFLUENCE OF ORGANIZATIONAL STRUCTURE, RESOURCES AND CULTURE ON PROJECT PERFORMANCE: A STUDY AMONG CONSTRUCTION FIRMS IN PENANG

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MASTER OF SCIENCE (MANAGEMENT)
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January 2017
THE INFLUENCE OF ORGANIZATIONAL STRUCTURE, RESOURCES AND CULTURE ON PROJECT PERFORMANCE:
A study among construction firms in Penang

By

SHAH NIZAM BIN OSMAN

Research Paper Submitted to
Othman Yeop Abdullah Graduate School of Business,
Universiti Utara Malaysia,
In Partial Fulfillment of the Requirement for the Master of Science (Management)
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ABSTRACT

The purpose of this study is to investigate on the influence of organizational structures, resources and cultures on project performance among construction firms in Penang. A survey of a representative sample of 142 respondents was used in this study. This study is a quantitative method and the data from questionnaires were analyzed using Statistical Package for Social Science (SPSS) 22.0. Multiple regression analyses were performed to tests the hypotheses of the study. The findings confirmed that there were two hypotheses, organizational structures and cultures have a positive significant association with project performance. The primary contribution in this study is to enhance the understanding on the significant factors that influence on project performance among managers/contractors in construction firms in Penang.
ABSTRAK

ACKNOWLEDGEMENTS

Alhamdulillah, grateful thanks to Allah S.W.T for blessing me with an extraordinary strength, passion and patience throughout the journey of completing this research project.

My deepest gratitude to my supervisor, Dr Darwina Binti Ahmad Arshad of UUM for her openness, accessibility, inspirational supervision, constructive suggestions, guidance and advice throughout the study. She has enabled me to develop a better understanding of the subject. Working with her has certainly been a pleasant and rewarding experience. My acknowledgement also goes to all lecturers of College of Business, UUM for their thoughts, knowledge and contribution during the course. My heartfelt appreciation also goes to all my fellow classmates during the whole process of achieving our Master's degree, particularly those in my group. Their help, dedication, commitment, advice, and presence have made learning much more meaningful and exciting. The beautiful moments and memories of the time spent together will always be cherished and remembered for the rest of my life. I also would like to express my gratitude to all respondents for their involvement in this study. Without their sincere participations, this study will not be successful as today.

Finally, I dedicated this work to my family. There is no word to express my gratitude for the support that my wife, Siti Nazira Binti Shaik Harunal Rashid has given me. I could not complete this program without her endless love, patience, understanding and encouragement and also to my son Shah Luqmanul Haqeeem, thank you for always being on my side. My heartfelt appreciation also goes to all my family members especially to my parents. I pray to the Al-Mighty to grant every individual who has contributed to this research, bountiful of His everlasting guidance.
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CHAPTER 1

INTRODUCTION

1.1 Background of the Study

In a current business scenario, the construction firms have revolved a great significant challenge due to rapid development and execution of new products and services (Gan, 2000). In Malaysia, the major activities that contribute to the development of the economy growth are came from the residential, industrial, commercial and services sectors. Essentially, according to Jatarona, MdYusof, Ismail and Saar (2015), the Malaysian government is the major client for the construction industry in Malaysia. The projects mostly concentrate on the development of the basic infrastructure likes roads, dams, irrigation works, schools, houses, and other physical foundations. These projects are very useful to boost and sustain the standard of living of the nations. However, there are non-performing projects reported due to poor management. Jatarona et al. (2015) claimed that in Malaysia, sick projects are reported at 235 in 2013 and 191 in 2014. Though there is the decrement of 20 percent in sick projects, but there is a need for company to systematically monitor the project performance of the firm.

In 2015, the Malaysian National Budget 2015 has allocated RM770 billion in public projects, however the outcomes are yet unrevealed; thus it stimulates the negative perception from the investors on the public construction project in Malaysia as a whole. Besides, this sector is also reported low profitability and lack management on training of staff as well as the research and development (Yong and Mustaffa, 2012). Limited trust, minimal cooperation and commitment,
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