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SAFETY COMPLIANCE AT THE WORKPLACE: EMPLOYEES AT MANUFACTURING SMALL AND MEDIUM ENTERPRISES (SMEs) IN KEDAH

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November 2017
SAFETY COMPLIANCE AT THE WORKPLACE: EMPLOYEES AT MANUFACTURING SMALL AND MEDIUM ENTERPRISES (SMES) IN KEDAH

By

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Thesis Submitted to
School of Business Management
Universiti Utara Malaysia
in Partial Fulfillment of the Requirement for the Degree of Master in Human Resource Management
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ABSTRACT

In 2016, the Malaysian government launched a total of 150 small and medium enterprise (SME) development programs with a total funding of RM 5 billion to assist more than 580,000 SMEs and their employees. With respect to long-term prospects, the SME Master Plan 2012 – 2020, apart from being intended to transform SMEs so as to achieve a high income nation status by 2020, is aimed to identify and facilitate the implementation of immediate actions to reduce the occupational death rate to 4.36/100,000 workers and accident rate to 2.53/1000 workers, as well as to increase the quality of work poisoning to 30 percent through the enhancement of safety compliance at SMEs. The purpose of this study is to examine the positive relationships between (1) safety rules and procedures, (2) safety participation, (3) communication, (4) safety training, (5) management commitment, (6) work environment, and safety compliance. A cross-sectional study was conducted. Data was gathered through a questionnaire distributed to workers of the manufacturing sector of SMEs (n = 124). Data analysis was done using SPSS version 20.0. This study applied factor analysis, descriptive statistics, reliability analysis and inferential analysis to examine the relationships among the variables. Multiple regression results showed that the significant variables related to safety compliance are communication, safety training, and work environment and accounted for 63.6% of the total variance. The theoretical and managerial implications of the findings are discussed and the results of this study can be utilized by manufacturing SMEs, government agencies, general community, stakeholders, national social partners, and the general public to increase the efficiency and productivity of SMEs as well as competitiveness between organizations and employees to adopt a better quality of life as per standard OSH practices and effective safety compliance.

Keywords: Small Medium Enterprise, safety compliance, safety rules and procedures, safety participation, communication, safety training, management commitment, work environment
ABSTRAK


Katakunci : Perusahaan Kecil dan Sederhana, pematuhan keselamatan, garis panduan dan prosedur keselamatan, penglibatan dalam keselamatan, komunikasi, latihan keselamatan, komitmen pihak pengurusan, persekitaran tempat kerja
ACKNOWLEDGEMENT

"In the name of Allah, the Most Gracious and the Most Merciful"
All praises to Allah the Almighty for granting me the opportunity and ability to successfully complete this thesis. Also, I would like to express my heartfelt gratitude to the following people who have directly or indirectly helped and supported me in my quest to make this study a reality:

My lecturers
Associate Professor Dr. Abdul Halim Abdul Majid
Associate Professor Dr. Kamal Ab. Hamid
Associate Professor Dr. Norsiah Mat
Associate Professor Dr. Mohamad Yazam Sharif
Associate Professor Dr. Tan Fee Yean
Professor Dr. Khulida Kirana Yahya
Dr. Noraini Othman
Dr. Zurina Adnan
Dr. Hasannur Raihan Joader
Dr. Johanim Johari

My family members
My beloved mother, Khatijah Binti Lebai Said, thank you for your blessings.
My beloved husband, Alaudin Bin Shahidan, thank you for your patience and encouragement for me to believe in myself.
My supportive daughters and son
Nur Irdina Syamimi Binti Alaudin
Nur Aina Nabila Binti Alaudin
Nur Ellina Huda Binti Alaudin
Muhammad Alif Amsyar Bin Alaudin
Nur Sabrina Zahra Binti Alaudin
Thank you for helping me out with the household chores.

My brother
Brigadier General Datuk Mohd Nizam Bin Hj. Jaafar, for motivating me.

My sister
Nur Hafizah Binti Ishak for your invaluable contributions to this thesis.

My friends
Annuar, Beb, Cik Ta, Din, Fidt, Nur Ain, Nur Izzati, Su and Yong Salmah.
To all of you, thank you very much for the sharing of knowledge, commitment, kindness, moral support, understanding, patience, and love. May Allah bless all of us.

Ameen.
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<tbody>
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<td>SME</td>
<td>Small and Medium Enterprise</td>
</tr>
<tr>
<td>SOCSO</td>
<td>Social Security Organization</td>
</tr>
<tr>
<td>GDP</td>
<td>Gross Domestic Product</td>
</tr>
<tr>
<td>OSH</td>
<td>Occupational Safety and Health</td>
</tr>
<tr>
<td>OSHA</td>
<td>Occupational Safety and Health Administration</td>
</tr>
<tr>
<td>DOSH</td>
<td>Department of Occupational and Safety Health</td>
</tr>
<tr>
<td>SMEWG</td>
<td>Small and Medium Enterprises Working Group</td>
</tr>
<tr>
<td>WEO</td>
<td>World Economic Outlook</td>
</tr>
<tr>
<td>DIPP</td>
<td>Department of Industrial Policy Promotion</td>
</tr>
<tr>
<td>OSH_MP15</td>
<td>Occupational Safety and Health Master Plan</td>
</tr>
<tr>
<td>EU</td>
<td>European Union</td>
</tr>
<tr>
<td>SCT</td>
<td>Social Cognitive Theory</td>
</tr>
<tr>
<td>SPSS</td>
<td>Statistical Package for Social Sciences</td>
</tr>
<tr>
<td>KMO</td>
<td>Kaiser-Mayer Olkin</td>
</tr>
<tr>
<td>VARIMAX</td>
<td>Varian Maximum</td>
</tr>
</tbody>
</table>
CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

The global economic activity is picking up in light of long-awaited recoveries in investments, manufacturing and trade (International Monetary Fund, 2017). The expected growth of the global economy is from 3.1 percent in 2016 to 3.5 percent in 2017 and 3.6 percent in 2018. According to (International Monetery Fund, 2016), as per the World Economic Organization WEO information released in January 2016, the global economic activity in 2015 remained subdued, but a growth of over 70 percent was seen in emerging markets and developing economies. Across the world, 95 percent of business companies are small and medium enterprises (SMEs), with the private sector accounting for approximately 60 percent of the total employment in such enterprises (Ayyagari, Demirguc-Kunt, & Maksimovic, 2011). Based on the 2016 European Commission report, SMEs are a backbone to the European Union EU28 economy simultaneously in 2015, circa 23 million SMEs generated €3.9 trillion in revenue and employed about 90 million people in the region. Approximately 80 percent of job opportunities in India came from SMEs. Also, the small medium business SMB Chamber of Commerce (a company in India) and Ministry of Micro, Small and Medium Enterprises reported that currently, the total number of SMEs in India is more than 48 million, which has created about 1.3 million job opportunities. In 2017, the Indian SME sector is likely to utilize both e-commerce and m-commerce to generate more revenue (Patil, 2016). In Malaysia, 362 099 businesses in the distributive sector were categorized as SMEs, which accounted...
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Occupational Safety And Health Act 1994 [Act 514].


