

**THE BARRIERS AND CHALLENGES OF ISO
14001 ENVIRONMENTAL MANAGEMENT
SYSTEM IMPLEMENTATION IN MALAYSIA
INDUSTRY**

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SUPERVISOR'S DECLARATION

I hereby declare that I have checked this project and in my opinion, this project is adequate in terms of scope and quality for the award of degree of Bachelor of Industrial Technology Management with Honors.

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I hereby declare that the work in this project is my own except for the quotations and summaries which have duly acknowledge. The project has not been accepted for any degree and is not concurrently submitted for award of other degree.

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LIST OF ABBREVIATION

ACB	Accreditation of Certifications Body
BS 7750	British Standard 7750
DASN	National Policy on the Environment
DOE	Department of Environment
EIA	Environmental impact assessment reports
EMAS	European's Eco-Management and Audit Scheme
EMS	Environmental Management System
MS	Malaysia Standard
NGT	Nominal Group Technique
QMS	Quality Management System
RSAGH	Regulatory Standard for accrediting green hotel
SME	Small and medium enterprise
SPSS	IBM Statistical Package for the Social Science
VSME	very small and medium enterprises

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ABSTRACT

As the environmental issues that cause by human activities are getting concerned by the society, it is not only the responsibility of the government to support and conserve on the environment, but the organizations, entrepreneurs and people who live, occupy and involve in those activities for a better lifestyle should responsibility toward the earth. This article has fully summarized out the internal challenges and external barriers in implementing the Environmental Management System (EMS) ISO 14001 within organizations in order to raise the concern from organizations and government towards the environment. Total of 22 difficulties have been listed out through the literature review from previous researched. The data was successfully collected from 51 respondents at organizations that implement ISO 14001 that more than 3 years, those data have been analysed and successfully categorize 16 out of 22 difficulties into internal challenges and 6 difficulties as external barriers. Besides, all of those difficulties in both categorized were lay under the important factor level that should give an equal treatment and solutions to overcome those challenges and barriers with the mean that lay in between 2 to 3. These results provide a guideline for organizations and government to concern on the action should be taken in order to increase and maintain the number of organization in implementing ISO 14001. It is not that easy to implement EMS ISO 14001, however, the support and action taken in implementing EMS ISO 14000 from both the government and organizations may promote the success in achieving the ISO 14000 objectives and bringing the benefits for both parties and the earth.

ABSTRACT

Aktiviti manusia yang menyebabkan isu-isu alam sekitar yang serius semakin dibimbang dan diprihatin oleh masyarakat. Selain kerajaan yang perlu bertanggungjawab untuk menyokong dan memulihara alam sekitar, organisasi, usahawan dan manusia yang tinggal, menduduki dan melibatkan dalam aktiviti-aktiviti industri untuk mencapai gaya hidup yang lebih baik juga perlunya bertanggungjawab terhadap bumi. Artikel ini telah meringkaskan sepenuhnya cabaran dalaman dan halangan luaran dalam melaksanakan Environmental Management System (EMS) ISO 14001 dalam organisasi bagi meningkatkan keprihatinan daripada organisasi dan kerajaan terhadap alam sekitar. Sebanyak 22 kesukaran telah disenaraikan melalui kajian literatur. Data telah berjaya dikumpulkan daripada 51 pakar di organisasi yang melaksanakan ISO 14001 lebih dari 3 tahun, data tersebut telah dianalisis dan berjaya mengkategorikan 16 kesukaran ke dalam cabaran dalaman dan 6 kesulitan halangan luaran. Selain itu, semua kesukaran dalam kedua-dua kategori adalah terletak di dalam kategori faktor penting dan perlunya memberi layanan dan penyelesaian yang sama rata untuk mengatasi cabaran-cabaran dan halangan dengan mean yang terletak di antara 2 hingga 3. Keputusan ini menyediakan satu garis panduan bagi organisasi dan kerajaan prihatin tentang tindakan yang perlu diambil bagi meningkat dan mengekalkan bilangan organisasi dalam melaksanakan ISO 14001. Walaupun proses untuk melaksanakan EMS ISO 14001 penuh dengan cabaran, sokongan dan tindakan yang diambil dalam melaksanakan EMS ISO 14000 daripada kerajaan dan organisasi boleh menggalakkan kejayaan untuk mencapai ISO 14000 objektif dan membawa manfaat bagi kedua-dua pihak dan bumi.

CHAPTER 1

RESEARCH PROPOSAL

1.1 INTRODUCTION

Environmental issues such as global warming, the greenhouse effect, air and water pollution and depletion of resources that caused by human activities have got attention since last few decades and receive greater highlight by recent generations. The full impact of those human activities felted by the environment since the industrial revolution whereby this was the major turning points that turned the human world toward the era of living and production (McLamb, 2011). These industrialization processes have increased the intensive use of natural resource such as coal, oil and natural gas that function as the source of power to support the industries production pace, increase the production capability and meets up with customers' demand (Environmental History Resources, 2009).

According to Hassam (2011), there have three main types of industries which includes primary, secondary and tertiary industry. Primary industry was the industry that extract raw material from natural resources and provide the basis for the others production industries such as agricultural industry, mining industry, fishing industry and forestry industry while secondary industry was the industry that converting the raw materials become a finished goods such as food industry, textile industry, automobile industry and construction industry. Lastly, the tertiary industry was the industry involved with public service sector such as government activities, finance, transportation and hospitality industry.

Today, service industry has become the most important industry whereby not only employment structure and economy was mainly depend on it but it also acts as an engine of global economic development. In Malaysia, service industry composes the largest percentage share toward the Gross Domestic Product (GDP) which is 55.4% from total of 100%, followed up by manufacturing industry that comprises 24.2% and sectors such as agriculture, mining and construction with 20.4% (Ministry of Finance Malaysia, 2013). In the report of GDP Fourth Quarter 2014, service sector has shown a growing rate of 6.4% that contributed toward the GDP (Department of Statistics Malaysia, 2015). As service sector was fruitfully an economic contributor, the government is putting greater emphasis on it and merges it in the economic planning. Therefore, it is very important that service sector voluntary adopt environmental regulations or program before ruin up the environment as industrialization process and at the same time increase its environmental performance. Besides of services industry, industries from the range of manufacturing and chemical industry that having a big impact toward the environment to the SMEs which have less impact toward the environment should also responsible to adopt EMS and conserve the environment .

Regulations such as international environmental management system (EMS) ISO 14000 can be adopted by service industries and use the standard specification of ISO 14001 as a guideline to review on operations and analyzes how company's actions affect the environment issues. According to L. Goetsch and B. Davis (2001), the general objective of ISO 14000 is to protect and prevent environment from pollution that cause by organization's activities, products or services in balance with socioeconomic needs. ISO 14000 does stop at what is required by the law and regulations, but it requires organizations to demonstrate and commit programs that continuously improve and beyond the requirements. Besides, Goetsch and Davis also mentioned that ISO 14000 is a ticket to go through the international market beyond the interest in protecting the environment. Therefore, numerous studies have been conducted on the motives of the organization to implement EMS, understand its benefits and impacts to the environment, social and other aspects. Besides of understanding its positive perspectives, the challenges and barriers of implementing EMS should also be concerned in order to overcome and reduce those negative perspectives through various incentive schemes.

This chapter have explain the background of study, problem statement, research objective, research questions, research approach, scope of study, significant of study, expected results and operational definition.