CHAPTER 1

INTRODUCTION

Chapter 1 explains about the background, problem statement, objectives and project scope of this research.

1.1 Background

Manufacturing industry is the backbone of industrialised nation. The level of manufacturing activities of a country directly concerned the economic health. The standard living of people will be higher if the country practices more on manufacturing activities. In Malaysia, manufacturing industries are the second contributor which contributes about 40.6% compare to 48% of services and 11% of agriculture for Malaysia’s GDP in 2015 (Index Mundi, 2015).

Over the years, quality management of an organisation has been spotted as the most important key ingredient to success and competes in this global market (Fening, 2012). Many researchers, professionals and organisations have focused on customer satisfaction. The main objective of a company is to increase the profits and to lower down the cost and the factor that can help the company to enhance the sales is by customer satisfaction as this factor can lead to customer loyalty to the company, recommendation and repeat purchase. Customers always have the right to get the maximum satisfaction either in products or in services from a company. The competition of every company nowadays not only building the products but also needs to create a great relationship with the customer.
For a garment industry, many sewn product firms are finding some ways to increase the customer satisfaction in terms of services. Quality in terms of presales and post sales service, delivery, and pricing are necessary for garment manufacturer. In order to improve the quality, the factors causing customer dissatisfaction have to indicate. Six Sigma methodology is used in manufacturing industry for the quality improvement as it has been widely recognised over the past few years.

Therefore, in the research of Dataran Setar Sdn Bhd, a garment industry, Six Sigma is used to improve the quality of the company.

1.2 Problem statement

Although garment industry contributes a lot to the nation, there are still a lot of problems occur like low quality in products, too much product defects, customer dissatisfaction and many others. Quality services of the company are very important to survive in the global market as it may affect the sales of the company. This is because a good customer service will definitely help to sell even a low quality product and bad service may even produce difficulty to sell a good quality product. Therefore, in this research, Six Sigma approach is used to improve the quality of services in Dataran Setar Sdn Bhd in order to achieve customer satisfaction.

1.3 Objectives

The objectives of this research are:

1. To understand the manufacturing process and the problems in Dataran Setar Sdn Bhd.
3. To improve the quality of services of Dataran Setar Sdn Bhd using Six Sigma approach.
1.4 **Project Scope**

This research uses Six Sigma methodology to improve the performance or efficiency of the organisation by identifying the root cause of the poor performance of the industry and also eliminating the wastes. Waste and causes of the poor performance of the industry will be identified.

1. The case study is conducted at Dataran Setar Sdn Bhd, located at Pekan, Pahang.
2. The wastes and root causes will be identified using DMAIC: Define, Measure, Analyse, Improve and Control.
3. In DMAIC, Failure Mode and Effect Analysis (FMEA), Cause and effect diagram, Process map, Pareto chart and control charts will be using.
4. Minitab® 15 will be used to analyse the data.