Faculty of Accountancy

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Title: Six Sigma For Value Creation: An Interventionist Approach
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The literature of Six Sigma mainly concerns with its underlying concepts and success stories written by consultants or people with vested interests, which raises questions about their validity. Hence, there is a genuine need to conduct a study to investigate the extent to which Six Sigma influences organizational performance and to document the details of Six Sigma implementation empirically. As with other innovations that diffuse through time, this study of Six Sigma implementation in a Malaysian automotive company was carried out using a longitudinal case study method in order to investigate the reasons for adopting it, how it was implemented and what the consequences were for the company. This interventionist research, in which the researcher was an active participant in finding solutions to the case organization’s problems, used the theory of diffusion to provide the necessary theoretical framework to conduct the study. The objective of this paper was to examine the extent of Six Sigma implementation and value creation for the organization and for customers. The study also identified the key factors that influenced or impeded the implementation of Six Sigma in the case organization. An in-depth mixed research method was adopted: the research began with a qualitative

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Studies examining the extent of disclosure of NPOs remain sparse, yet it is essential to ensure accountability to stakeholders. This study was initiated to elicit stakeholders’ information needs from charity organisations. The research objectives include: to measure the extent of disclosure of information by charity organisation in Malaysia; to understand the motivating factors that drives the donors to donate; to determine reasons charity organisations disclose information about their organisation and to examine the organisational-specific attributes affecting the extent of information disclosed. A Charity Organisations Reporting Index (ChORI) instrument was developed to reliably measure the extent of information disclosure. Stakeholder theory and resource dependence theory were used in the development of the index. A complete set of ChORI items were compiled and used in a survey involving 117 institutional donors. The objective of the survey was to obtain the weight of importance of the items. The extent of disclosure was then measured by using both the unweighted and weighted index of the information items. A content analysis of each organisation’s annual returns resulted in a disclosure score for each organisation. The annual returns for the financial year 2009 of 101 charity organisations were examined in order to identify the extent of disclosures

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Title: Forecasting Crude Palm Oil Prices: Statistical Versus Artificial Intelligence Approaches
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An accurate prediction of crude palm oil (CPO) prices is important especially when investors deal with ever-increasing risks and uncertainties of the businesses in future. Observation on the movement of CPO prices suggests an inconsistent trend as the CPO prices fluctuate from time to time. With regard to this, there is need for a development of an accurate model CPO prices prediction to facilitate efficient decision making from investors, businesses and policy makers. This prediction will at least provide a time lag between the decision making and the time at which the situation reaches the market place. Therefore, the main objective of this study is to determine the most appropriate model for the prediction of CPO prices in Malaysia. Empirical evidence from the literature suggests that the statistical forecasting approach is the most widely used model to forecast CPO prices. In contrast, there is limited number of literatures on CPO prices prediction using artificial intelligence (AI) forecasting approach. Therefore, there is no clear indications on which of the
Using an interventionist approach involving a detailed description drawn from participant observations, interviews with selected informants, and review of documents and archival records. This was followed by a quantitative method through an industry survey to confirm and further extend the findings from the qualitative study. The findings have provided insights into how Six Sigma was diffused through the case company and later was used together with other best practices to transform the case company from the worst performing vendor to the best performing one. This study also provided a detailed account of how the case company deployed Six Sigma principles to achieve a breakthrough and sustainable performance improvements. Most importantly, this study has shown how Six Sigma was implemented in a simple, practical and yet economical way with a relatively small amount of investment. The implementation and practice of Six Sigma has created considerable value to the stakeholders of the case company and to the company itself extending beyond the tangible benefits that were derived from its implementation. The findings of the case company will provide important insights for organizations which are contemplating how to introduce new ideas or initiatives like Six Sigma into their social system in order to enhance cost and quality competitiveness. The findings from the industry study, however, revealed low level of Six Sigma adoption within the automotive industry at the time the study was carried out. The findings also showed that Six Sigma practice is very much at the infancy stage in the Malaysian automotive industry. Perhaps, other companies within the industry require more time and motivations such as demand from customers to implement Six Sigma or other innovations.

The dependent variable of the study, extent of disclosure, was the ratio of an organisation's total disclosure score to the organisation's total possible disclosure score. Through semi-structure interviews, it was found that motivating factors that drive the donors to donate are the altruism and strategic profit maximisation motivating factors. On the other hand, accountability, transparency and legitimacy appeared to be the upmost reasons for disclosure of information from the perspective of the charity. Hierarchical regression analysis was used to determine the effect of organisation-specific attributes which include internal and external governance mechanism, financial and non-financial performance, and organisational type, i.e. funded or non-funded charity organisations. The empirical results of the study revealed that external governance mechanism and financial performance have significant positive effect on the extent of disclosure. Moreover, external governance mechanism variable was found to be a more important determinant of information disclosure. Results also revealed that public-funded charity organisations were more likely to disclose more information. This is most probably due to more stringent disclosure requirements imposed by the resource providers to public-funded charity organisations. A major contribution for future research in the field is the disclosure index instrument, ChORI which was developed in this study to measure the extent of disclosure. This study also provides a guide for best practice in charity reporting. Recommendations are made in terms of ways to improve charity disclosure for better accountability and transparency. Both managerial and policy implications are also discussed.

As a result, the following questions are raised in this study: (1) what are the best estimation models to predict CPO prices? (2) Is statistical forecasting approach applicable in predicting CPO prices? (3) Does the CPO prices model prediction degrade the level of accuracy if the time series display a strong persistence level towards the nonstationarity? In this study, the uses of two different types of forecasting approaches were proposed in the prediction of CPO prices. The models from the statistical forecasting approach which were used in this study include the autoregressive integrated moving average (ARIMA), autoregressive fractionally integrated moving average (ARFIMA) and exponential smoothing (ES). In addition, the AI models which were utilized in this study include the artificial neural network (ANN) and adaptive neuro fuzzy inference system (ANFIS). This study employed in-sample forecasting on daily free-on-board CPO prices in Malaysia and the series data stretching from a period of January first, 2004 to the end of December 2011. In an effort to demonstrate the predictability power of the applied models, a comparison was made with regard to three-day and five-day basis CPO prices. The general findings demonstrated that the ANN model is superior in predicting daily, three-day and five-day basis CPO prices compared to the ARIMA, ARFIMA, ES and ANFIS models.