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**THE OCCURRENCE OF CORRUPTION IN MALAYSIA'S
CONSTRUCTION INDUSTRY**

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ABSTRACT

Corruption is a threat for all countries around the world. As for construction industry, corruption is likely to occur in procurement of works by governments, public authorities and other public entities due to large amount of money involved and the difficulty in monitoring the processes of money spending. Globally, the construction industry has been criticize for many years neither for its inability to innovate or to adapt to modern management methods. The number of corruption in Malaysia is still higher compare to other ASEAN countries. Therefore, the aim of this research is to determine the impact of corruption toward the Malaysia's construction industry in consultant point of view and its factors. The research objectives are i) to identify the factors that contribute in corruption occurrence; ii) to determine the impact of corruption occurrence toward Malaysia's construction industry and iii) to find the ways for minimize corruption in Malaysia' construction industry. In order to achieve all the objectives, the questionnaire distributed to the selected consultant firm in Kuala Lumpur by using stratified sampling method. The expected result will be in form of descriptive statistics where the mean of each variable will be identified by analysing the data with the latest version of SPSS. The responsibility of preventing the corruption should not be solely in one individual, all the construction players should keep in mind that corruption not only damaging person, but also can destroy construction project. The conclusion was made based on overall of the study and the data analysis for this research.

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TABLE OF CONTENTS

ABSTRACT	i
ACKNOWLEDGEMENT	ii
TABLE OF CONTENTS.....	iii
LIST OF FIGURES	vi
LIST OF TABLES	vii
LIST OF ABBREVIATION.....	viii
INTRODUCTION	1
1.1 OVERVIEW.....	1
1.2 PROBLEM STATEMENT	3
1.3 AIM OF RESEARCH.....	5
1.4 RESEARCH OBJECTIVES	5
1.5 RESEARCH QUESTIONS.....	5
1.6 SCOPE OF RESEARCH	6
1.7 RESEARCH METHODOLOGY.....	7
1.8 SUMMARY OF CHAPTERS.....	9
LITERATURE REVIEW	11
2.1 CORRUPTION A WORLD DISEASE	11
2.2 CORRUPTION IN THE EYE OF WORLD	16
2.3 CORRUPTION IN MALAYSIA.....	22
2.4 CONSTRUCTION INDUSTRY AND CORRUPTION	28

CHAPTER 1

INTRODUCTION

1.1 OVERVIEW

Malaysia has the responsibilities to taking place wealth nowadays for the future. In the middle of global opportunities, the increasing of technological challenge should be a trigger for developing of construction industry strategy in Malaysia (Robby, 2016). Construction industry and private sector has assumes the important role in generating wealth and improving the quality of life through the government's socio-economic policies into social and economic infrastructures and buildings. And further, creates a multiplier effect to other industries, in manufacturing, financial services, and professional services.

However, due to the rapid development in construction industry, many problems arose as a barrier to all parties involved in the sector. The problem that occur is including poor productivity and profitability, project performance, skilled labour shortages and sustainability concerns. This problem will cause economic growth to slow down and the target of the country will not be achieved. Despite, the major problem that arise because of the rapid growth in construction industry is corruption.