

**UNIVERSITI TEKNOLOGI MARA**

**LEAN MANAGEMENT PRACTICES IN  
MALAYSIAN LOCAL GOVERNMENT**

**NUR AIN BINTI ABU BAKAR**

Dissertation submitted in partial fulfilment  
of the requirements for the degree of  
**Master of Accountancy**

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## **AUTHOR'S DECLARATION**

I declare that the work in this the dissertation was carried out in accordance with the regulations of Universiti Teknologi MARA. It is original and is the results of my own work, unless otherwise indicated or acknowledged as referenced work. This thesis has not been submitted to any other academic institution or non-academic institution for any degree or qualification.

I, hereby, acknowledge that I have been supplied with the Academic Rules and Regulations for Post Graduate, Universiti Teknologi MARA, regulating the conduct of my study and research.

Name of Student	:	Nur Ain Binti Abu Bakar
Student I.D. No.	:	2014867774
Programme	:	Master of Accountancy
Faculty	:	Accountancy
Dissertation	:	Lean Management Practices in Malaysian Local Government
Signature of Student	:	.....
Date	:	December 2015

## ABSTRACT

The reformation of public sector roles under New Public Management (NPM) reform had encouraged public sector bodies to innovate and improve their organisational performance. Lean management practices are one of the quality innovation, which recently, have been gaining more attention from public sector bodies. Lean management practices comprise various tools and approach pertaining to quality improvement in the organisation. Thus, it is important to examine how lean management practices contribute to the organisational performance in the public sector. The purpose of this study is to examine the extent of lean management practices in local government in Malaysia, particularly city council effect on organisational performance in the area of organisational productivity and service delivery. In addition, this study will determine the effect of lean management practices on organisational performance in the area of organisational productivity and service delivery. This study is a quantitative study and it employs survey research as the method of research conducted. This study was conducted in city council located in Peninsular Malaysia as population. The data obtained from the questionnaire distributed to local government employee were analysed using Statistical Package for Social Science (SPSS) version 21.0. From descriptive analysis, it was found that 5-s is the approach that being practiced most in local government followed by value stream mapping and kaizen. Through simple regression analysis, it was found that, lean management practices in local government do affect organisational performance in term of organisational productivity and service delivery. This indicates that the quality improvement application in the public sector, such as lean management practices do affect to their organisational performance in organisational productivity and service delivery.

**Keywords:** Lean Management Practices, Organisational Performance, Organisational Productivity, Service Delivery, Local Government.

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