

THE RELATIONSHIP BETWEEN MANUFACTURING OUTPUT, FOREIGN DIRECT INVESTMENT, TRADE OPENNESS AND LABOR PRODUCTIVITY

NURUL ASYIKIN IDRIS 2005765446

Submitted in Partial Fulfillment
Of the Requirement for the
Bachelor of Business Administration
(Hons) Finance

FACULTY OF BUSINESS MANAGEMENT UITM, JOHOR

(NOVEMBER 2007)



"DECLARATION OF ORIGINAL WORK"

BACHELOR OF BUSINESS ADMINISTRATION (HONS) FINANCE FACULTY OF BUSINESS MANAGEMENT

UNIVERSITI TEKNOLOGI MARA JOHOR

I, Nurul Asyikin binti Idris, (I/C Number :840819-10-6076)

Hereby, declare that,

- This work has not previously been accepted in substance for any degree, locally or overseas and is not being concurrently submitted for this degree or any other degrees
- This project paper is the result of my independent work and investigation, except where otherwise stated
- All verbatim extracts have been distinguished by quotation marks and sources of my information have been specifically acknowledged.

Signature: Such	Date: 6/11/67
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LETTER OF SUBMISSION

24 NOVEMBER 2007

The Programme Coordinator
Bachelor of Business Administration (Hons) Finance
Faculty of Business Management
Universiti Teknologi MARA
85009 Segamat
Johor.

Dear Sir,

SUBMISSION OF PROJECT PAPER

Attached is the project paper titled "THE RELATIONSHIP BETWEEN MANUFACTURING OUTPUT, FDI, TRADE OPENNESS AND LABOR PRODUCTIVITY" to fulfill the requirement as needed by the Faculty of Business Management, Universiti Teknologi MARA

Thank you

Yours sincerely

NURUL ASYIKIN BINTI IDRIS

2005765446

Bachelor of Business Administration (Hons) Finance

LETTER OF TRANSMITTAL

Faculty of Business and Management MARA University of Technology Segamat Campus 85009 Segamat Johor Darul Takzim

Puan Juliana Noor Kamaruddin Advisor FIN 660 MARA University of Technology 85009 Segamat Johor Darul Takzim

Dear Madam,

THE RELATIONSHIP BETWEEN MANUFACTURING OUTPUT, FOREIGN DIRECT INVESTMENT (FDI), TRADE OPENNESS AND LABOR PRODUCTIVITY

In July 2007, I was required to do a project paper "The relationship between manufacturing output, FDI, trade openness and labor productivity".

2. I was informed to submit this report on date submission, as a part of the course requirement for Bachelor in Business Administration (Honors) Finance 06. I hereby submit this project paper and hope that you will find everything satisfactory.

Thank you.

Yours truly,

NURUL ASYIKIN BINTI IDRIS

2005765446

BBA (HONS) FINANCE

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FACULTY BUSINESS AND MANAGEMENT

MARA UNIVERSITY OF TECHNOLOGY

JOHOR

ABSTRACT

This study is to examine the relationship between manufacturing with labor productivity, trade openness and foreign direct investment in Malaysia. This study use data on manufacturing output, value-added per worker, trade balance and GDP from the period 1990 - 2006. The dependent variable for this study is manufacturing while independent variable are labor productivity, trade openness and foreign direct investment. The multiple linear regression will be use to test the relationship.

This study is conducted by using SPSS to find the Coefficient of Determination or Adjusted R-Square, F-statistic or ANOVA and Multiple Linear Regression. This software important to find the relationship between variables whether it give negative or positive relationship.

Based on the analysis, only trade openness and labor productivity give positive relationship on manufacturing output. Meanwhile, FDI give negative relationship on manufacturing output. Even though it give negative relationship, it still had relationship on manufacturing output but little effect maybe due to economy condition.