

UNIVERSITI TEKNOLOGI MARA

**HAZARD ANALYSIS CRITICAL
CONTROL POINT (HACCP)
IMPLEMENTATION IN THE SMALL
AND MEDIUM-SIZED FOOD
MANUFACTURING ENTERPRISES: A
CASE STUDY OF TEN COMPANIES**

MUHAMMAD IZZAT ZULKIFLY

Thesis submitted in fulfillment of the requirements
for the degree of

Master of Science

Faculty of Hotel and Tourism Management

January 2009

ABSTRACT

Today's food supply has become more global and more food products have emerged on to the market. Thus consumer awareness of the quality and safety of the foods has increased tremendously. Realizing the current trends, many food manufacturers, including food SMEs, have acknowledged that a combination of food quality and safety approaches and processing methods are crucial in ensuring the best quality and safety of foods produced before they reach the end users. They have therefore turned their attention to a system that has been widely accepted locally and internationally called HACCP.

This study investigates the Malaysian food SMEs' main motive in implementing the system. It also assesses the effectiveness of the system's implementation by the SMEs through the managements' and employees' commitment and the benefits of the system on the companies' productivity. Sample populations for this study were among the food SMEs that had implemented HACCP in the Klang Valley area. The list of companies which participated was obtained after final confirmation had been made. The face-to-face interview approach used among the representative managers provided truly significant and in-depth information for this study. The interview transcription and analysis signified that the 'customer requirement' was the major motive of food SMEs in implementing HACCP and outnumbered the other motives, namely perception of good practice, internal efficiency and regulatory requirements. In addition, it was found that the managements' and employees' commitment after HACCP implementation was fairly satisfactory and HACCP offered numerous benefits for the companies' productivity. The managers confessed that a few obstacles were encountered during the implementation, but viewed them as a common situation in any business operation. Managers' perceptions from the interviews were validated through quantitative information obtained from production line employees in each participating company. Employees' claimed that they were satisfied with the managements' commitment and reported that they were pleased with and committed to their job even after HACCP took place in their organization. They also admitted that productivity experienced much improvement from HACCP implementation.

The overall findings from this study could be streamlined and at the end it clearly indicates that HACCP is a good food safety system and it is worthwhile for the other food SMEs to invest in its implementation in providing the best possible food products to the consumers, and also making the most of it to expand their markets and profits. Government related authorities should also improve their current efforts to assist the food SME sector to implement HACCP, and at the same time reduce the number of food borne disease cases in this country. Then only can the food SMEs be sufficiently competitive in the food industry and their food products can be well accepted not only in Malaysia, but also in the international market.

Acknowledgements

In the name of Allah SWT, thank You for giving me the strength, blessing, determination and the wellness for the completion of this master's program. This is perhaps the easiest part of the thesis to write. The successful completion of this work is the end result of a long, motivating and complicated journey and I am deeply indebted to a large number of people who offered their assistance, enduring support and unconditional availability throughout my study.

First, I express my sincere appreciation to my main supervisor, Dr. Mohd Salehuddin Mohd Zahari for giving me the freedom to explore this area of interest and for his tireless continued guidance and support throughout the course of this research which led to substantial improvements of this thesis. He is one of the most influential persons who believed in me more than I did myself, challenged me to think past my own self-imposed limitations, patiently read my manuscript and supportive in many ways. It was a great privilege to learn from such a great intellectual almost every day along the years.

I extend my gratitude to the faculty members of Hotel and Tourism Management, UiTM for their words of encouragement and kind assistance rendered throughout my study. I would also like to express my sincere gratefulness to the following intellectuals for their insightful comments and ideas: Associate Professor Mr. Aziz Abd Majid (Dean), Dr. Nor'ain Othman (Postgraduate Coordinator by Research FHTM), Dr. Saleh Radzi (Postgraduate Coordinator by Coursework FHTM), Associate Professor Dr. Rahmat Hashim, Associate Professor Dr. Artinah Zainal and En. Ahmad Nizan Zali.

Special thanks to all my friends who are like family; listened, laughed, teased and constantly supported and uplifted me: Mohd Hairi Jalis, Mohd Zamri Ahmad, Abd Razak Abu Kassim, Nor Khafizah Mohd Saleh, Sulaiha Mohd Isa, Ellie Azureen

TABLE OF CONTENTS

TITLE PAGE

CANDIDATE'S DECLARATION

ABSTRACT

ii

ACKNOWLEDGEMENTS

iii

TABLE OF CONTENTS

v

LIST OF TABLES

viii

LIST OF FIGURES

ix

CHAPTER ONE: THE PROBLEM SETTING

1

1.1 Overview

1

1.2 The background of the study

1

1.3 Problem in context

5

1.4 Research objectives

8

1.5 Research questions

9

1.6 Significance of the study

11

1.7 Definition of key terms

12

1.8 Structure of thesis

13

CHAPTER TWO: REVIEW OF LITERATURE

14

2.1 Introduction

14

2.2 Food quality concept and food quality system

14

2.2.1 Food quality control and food quality assurance

17

2.3 Food safety system

21

2.3.1 Food safety control in food manufacturing enterprises

24

2.4 Hazard Analysis Critical Control Point (HACCP)

28

2.4.1 History and the development of HACCP

28

2.4.2 HACCP implementation in food manufacturing industry

30

CHAPTER ONE

THE PROBLEM SETTING

1.1 Overview

The first section of this chapter focuses on the food quality and safety concept in both foodservice organizations and the food manufacturing industry. It also stresses that food safety is one of the most important components of achieving the highest possible quality of food products and combating the worldwide escalation of food borne diseases in the world today. Then, the emergence and the development of Hazard Analysis Critical Control Point (HACCP) as the best approach of food safety are discussed. Malaysian food safety issues, particularly food borne illness cases and HACCP implementation are further elaborated in the subsequent section. The study objectives, research questions as well as the conceptual model of the study are then listed. Following that, the significance of the study is discussed and the important terms used in the study are defined.

1.2 Background of the Study

Much is known about food quality as a critical element in the success of any food related business, either the large, medium or small food manufacturing and processing enterprises or any foodservice organization. (North, Duguid and Sheard, 1996), Many commentators in those areas have unanimously stressed that in order to achieve good quality foods, great attention to the quality of raw materials and the quality of the transformation process is required (Thorner and Manning, 1983; Surak and Simpson, 1994; Kierstan, 1995; Groover and Zimmers, 1997; Ritson and Mai, 1998; Ghani, 2001; Spears and Gregoire, 2003). In foodservice operations such as restaurants, hotels, school canteens and transportation foodservice, the quality of