



UNIVERSITI TEKNOLOGI MARA

**EXPLORING BARRIERS OF INTERNAL COMMUNICATION
IN PREPARING ORDER THROUGH SAP SYSTEM: A CASE
AT STMICROELECTRONICS**

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“In the Name of Allah, the Most Gracious, the Most Merciful.”

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ABSTRACT

In the modern era, organization has not only become far more complex and varied but has become an important factor for overall organizational functioning and success. It is not possible to have good human relations without communications. On the other hand, effective communication is required not only for human relations but for a good and successful business. The way the organizations communicates with its employees is reflected in morale, motivation and performance of the employees. Basically, communication is passing or sharing information from one person to another person. It is important because communication such a lifeblood of an organization.

This study focuses more on the barrier of internal communication that occur in the company in preparing order. As conclusions, the aim of this study is to identify internal barriers communications between the planning department and production department and the other related company in prepare ordering. The method that is used to gather information is by conducting interview and doing observations. The information was outlined into interview transcript for data analysis. The finding shows that the company have communication problem intercompany when preparing order. It was proves that the organization have to build their communication intercompany when preparing order to ensure smooth workflow in the process.

CHAPTER 1

INTRODUCTION

1.1 Background of Study

System Application and Product (SAP) is a software company from Germany, developed as the dominant leader in client or server enterprise resource planning (ERP) systems and is now one of the most used standards to change business process (Bancroft et al., 1998). Originally, the demand of ERP systems was triggered by the beginning of client or server computing. It also combined with the growing demand for business process reengineering (BPR) to address changing business imperative (Earl, 1997). SAP R/3 including of core business functions such as accounting, inventory, and sales and distribution into one integrated data model to provide for one time data entry and the faster, seamless access to one single of information (Rick, 1997).

SAP R/3 was developed from the perspective of a corporation as a whole. Its design has distinguishably demonstrated several key concepts (Bancroft et al., 1998) including online system with no batch interfaces, one single database for all corporate data, without any redundancy, clear definition of a data model documented in a data dictionary, software functionality configurable to different user's need, client or server architecture and best practice, standardized business processes (Majed al-Mashari and Mohamed Zairi, 2000)

It is consists of three main layers of software. These are SAP graphical user interface (GUI) representing the presentation layer, SAP application layer and SAP database layer (Bancroft et al., 1998). These can be distributed according to specified structures and connected through a network to make them operate as a whole. The SAP GUI which runs on the end user's PCs in the business department. It has three main responsibilities which are presenting all data to the end users, creating all GUI component such as windows and buttons taking on all user inputs, and also communicating all user request and inputs to SAP application across the network.