



**THE EFFECTIVENESS OF SERVICE PROCESSES  
IN THE WAREHOUSE SECTION IN DELIVERING  
MATERIALS TO THE END USERS IN 1<sup>ST</sup> SILICON**

**JUBRI ANAK ATAK  
ID 99319841**

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Faculty Of Business Management,  
Mara University Of Technology,  
Samarahan Campus.**

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## **EXECUTIVE SUMMARY**

This project paper attempts to study the Effectiveness of Service Processes in the Warehouse Section in delivering materials to the end users in 1<sup>st</sup> Silicon. Those end users had their inventoried materials located in all warehouses that were managed by the warehouse personnel under Warehousing Department. The researcher tried to find the problems and objectives of the project paper, and thereafter analyzed the significant of the study, which would benefit both the Warehouse Department and the end users of the materials.

The general activities of the warehouse were enhanced by the literature review that were collected from external sources and relate to the warehouse activities in 1<sup>st</sup> Silicon. In the research methodology and design, the researcher described the methods on how to collect data and procedures during the interview processes.

Finding and data analysis were based on the graph extracted from the questionnaires. The finding revealed that the services rendered by the warehouse personnel was good, with majority of the respondents were satisfied with it.

Finally, conclusions were derived from the data analysis and interpretations. There were few recommendations, which would benefit the warehouse and the

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# CHAPTER 1

## INTRODUCTION

### 1.1 BACKGROUND OF THE STUDY

This research project attempts to study the effectiveness of service processes in the warehouse section in delivering products or goods to the end users in 1<sup>st</sup> Silicon (M) Sdn Bhd, situated at Sama Jaya Free Industrial Zone, Kuching, Sarawak. This project will touch on the responsibilities of the warehouse personnel, the procedures, systems when requesting materials, materials handling equipment and any activity that is related to the warehouse.

By looking at the efficiency level of the warehouse personnel in delivering service to the end users, studies should also be focused on the roles and responsibilities of the warehouse personnel to achieve this level and as a result to make an improvement from the present situation to meet the challenges that may be facing from now onwards, and therefore could achieve the level in line with the company as an international company with an international standard of every activity that it is practicing or undertaking.

The responsibilities of the warehouse personnel include receiving chemicals, spare parts and raw wafers. Apart from receiving, the warehouse personnel are also delivering heavy machineries to the end users upon arrival as it is not practical to store the machines in warehouse for use at a later date. Warehouse

## CHAPTER 2

### LITERATURE REVIEW

#### 2.1 EFFICIENT MANAGEMENT IN WAREHOUSE.

**Henry Gantt (1890)** said that two thirds of all the gain possible through the most efficient management (production) could be realized by having the entire material ready when you want it, where you want it and in the condition you want it. As in 1<sup>st</sup> Silicon, the stock of raw wafer must be ready when the production begins. Even if the level of stock is low, the order has been placed in advance, and the stock of raw wafer will be received any time. In the case of spare parts, 1<sup>st</sup> Silicon has enough stock in the warehouse to cater for the machines that are used for the production purposes.

**Adam & Ebert (1986)**, the fundamental reason for carrying inventories is that it is physically impossible and economically impractical for each stock item to arrive exactly where it needed exactly when it is needed. Therefore, in 1<sup>st</sup> Silicon there should be enough stock or raw wafer to cater for production any time it is needed. Some of the stock may be low, but the lead-time is short, and there is no worry that the stock of raw wafer is running low. In the case of spare parts, some of the stocks of spare parts have been ready with the machine itself. Some suppliers are using system called Supplier Management System, whereby they