

UNIVERSITI TEKNOLOGI MARA

**THE INTEGRATED ISLAMIC
QUALITY MANAGEMENT SYSTEM
FOR FOOD INDUSTRY**

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ABSTRACT

Halal food was listed as current industry's key growth altogether with functional food, health food, convenience food and food ingredient. The small and medium scale firms dominated the Malaysian's food industry in term of business development by representing more than 80% of the total number of establishments in the processed food segment in Malaysia. The organization needs to use distinctive instruments and frameworks, especially integrated management systems, to ensure specific quality standard. This research aims to study the current scenario of Total Quality Management (TQM), Lean Manufacturing (LM), Environmental Management System (EMS), and Islamic Manufacturing Practice (IMP) in the Malaysian food industry. This research is based on the data obtained from the questionnaire distributed to the SMEs list provided by SME Corp Malaysia, companies listed under Makanan Selamat Tanggungjawab Industri (MeSTI), or the "Food Safety is the Responsibility of the Industry", and the companies who participated in the Selangor International Expo 2016. The data was analysed to evaluate the percentage of the implementation and to determine the level of the practices which contributed to the establishment of the Green Lean TQM Islamic Information (GLTQMI) which developed based on the new framework model of integrated quality management system. The research had suggested a new integrated quality management system that consisted of 7 different management practices in a framework. The results of the study also had suggested that the food organization to implement to improve their quality of the product. It is hoped that the study can contribute to the improvement of the quality, waste and environment management system in the Halal food system which was designed to encourage the industry to practice activities that could benefit the industry.

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CHAPTER ONE

INTRODUCTION

1.1 Research Background

Islam is the fastest growing religion in the world. The number of the Muslim worldwide has been increasing through birth and conversion rate. As for now, there are about 1.84 billion Muslims in the world and the religion is expected to become the largest in the world by 2070 [1][2]. If the current demographic remains, the number of Muslim population in the world is expected to grow to 1.6 trillion in 2050 which represents 29.7% of world population [3]. As the Muslim population expanded, the demand for halal foods by consumers also has increased over the years. Halal food was listed as current industry's key growth altogether with functional food, health food, convenience food, food ingredient and ingredient food. The estimated potential value of the annual worldwide halal food industry was expected to be US\$6.4 trillion by 2018 and is likely to grow between US\$3 trillion and US\$4 trillion in the next five years [1].

Malaysian food industry is constantly developing. The sales recorded in Food & beverages manufacturing sector in 2017 was RM43.87 billion compared with RM39.60 billion in 2016, which translating to a 10.77% growth [4]. Malaysian Investment Development Authority (MIDA) stated that the processed food industry is predominantly Malaysian-owned. The food industry in Malaysia is dominated by small and medium scale companies (SMEs) and firms had dominated the Malaysian's food industry in term of business development by representing more than 80% of the total number of establishments in the processed food segment in Malaysia.

The value of Malaysia's Halal export in 2015 was MYR 39.5 billion and almost half the value which is RM 18 billion of Malaysian processed food are exported to more than 200 countries and the export products are involving food sectors such as cocoa and chocolate products, fishery products, cereals and cereal products, processed fruits and vegetables, confectionery, food ingredients, herbs and spices, beverages, animal feed, and others [5]. The value of the Halal export kept increasing over the years. The value had increased to MYR 42.3 billion in 2016 where the food and beverage accounted for almost half of the total exported value with MYR18.6 billion. However, Malaysia Halal