

**QUALITY INITIATIVE PRACTICES AND IMPACT:
A SURVEY ON FINANCIAL INSTITUTIONS IN THE KLANG VALLEY**

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ABSTRACT

This study reports the results of a survey that had been undertaken to explore the variety of nature of quality initiatives implemented and the extent of usage of these initiatives within the banking institutions situated in the Klang Valley.

The study is conducted by using questionnaire survey method. The responses of 30 financial institutions are used for this research study. The variables in this research are processed using three types of statistical techniques; frequency tabulation, rank mean and cross tabulation.

The research findings have identified the aspects of business objectives that lead to the development of quality initiatives. The implications or impact of implementing quality initiatives are also presented in terms of improvements that have resulted from the implementation of quality initiatives and the barriers that could result in the failure of the quality efforts.

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CHAPTER 1

INTRODUCTION

1.1 Introduction

Economic transformation is not new to Malaysia. Over the decades, Malaysia has achieved economic transformation on several fronts (Zeti Akhtar Aziz, March 2000). Malaysia has moved from a commodity-based economy to one in which the manufacturing sector dominates and more recently to one in which the service sector has gained greater significance.

During the financial crisis, which started in July 1997 (Tan Sri Dato Seri Ali Abul Hassan Sulaiman, August 1999), the Malaysian economy has been undergoing a profound readjustment from a period of boom to one of deep recession. One of the sectors that have been highly affected with the economic turmoil is the financial services sector. According to Longo and Cox (1997), financial service organizations are in a highly turbulent environment, where products and technologies are constantly changing and often have a very short life span.