

**CENTRE OF STUDIES FOR QUANTITY SURVEYING,  
DEPARTMENT OF BUILT ENVIRONMENT STUDIES &  
TECHNOLOGY, UNIVERSITI TEKNOLOGI MARA  
SERI ISKANDAR, PERAK**

**ISSUES IN MANAGING FOREIGN  
WORKERS IN MALAYSIA CONSTRUCTION  
INDUSTRY: HIGHWAY CONSTRUCTION  
PERSPECTIVE**

Dissertation submitted in partial fulfilment of the requirement for  
the award of Bachelor of Quantity Surveying (Honours)

**PREPARED BY:**

**MUHAMMAD 'ASHROF 'ARIFUDDIN BIN ZAKARIA  
(2019582269)**

**SEMESTER: MARCH 2019 – AUGUST 2021**

## **ABSTRACT**

Hiring foreign workers has its pros and cons toward construction team. Despite it can fulfil the construction sector needs; it leaves challenges toward contractors in managing foreign workers. The challenges in managing foreign workers are to project managers and managing teams. Project managers need to prepare a set of skilled with diversity management skill and knowledge to lead foreign workforce effectively. The main issues are foreign workers who willing to work do not really have sufficient knowledge in construction. The contractor's main problem in managing foreign workers is to increase the productivity and quality of foreign workers. Other barrier to contractor is communication barrier which is different in languages. Therefore, the aim of this research is to manage and reduce the challenges in hiring foreign workers in highway construction perspective. The objectives of the research are to identify the contractor challenges in managing foreign workers, to identify the impact of hiring foreign workers to contractors and to find the solution in managing foreign workers. A questionnaire survey has been distributed among the contractors and 38 valid data answered by the respondents were analysed. The result of this study is presented in the form of quantitative analysis which is frequency and percentages analysis. It can be concluded that contractor does have issues in managing foreign workers. It also leaves an impact towards contractor itself. As a whole, this research identifies the challenges in managing foreign workers, the impact of hiring foreign workers and lastly is suggesting the solution for contractor to manage and reduce the challenges in managing foreign workers.

**Keywords:** Foreign Workers, Labour Management, Highway Construction

## **ACKNOWLEDGEMENT**

First of all, thanks to Allah S.W.T. for giving me strength to make this research a success. Even though there are many obstacles, but with the guidance of Allah, all this has been effectively resolved.

I also thanked my dedicated supervisor for continuing to guide me until this research has been completed. The cooperation and quality of the time spent is very much appreciated. His guidance and commitment is truly meaningful. From the beginning of the research to completion, a lot of knowledge and ideas were shared.

I would like to express my gratitude to my beloved family especially my parents,  
and who never give up giving me moral support and encouragement in completing this dissertation. I also would like to extend my appreciation to the individuals or groups that have helped me, directly or indirectly.

Thank you.

# TABLE OF CONTENT

DECLARATION	
ABSTRACT .....	i
ACKNOWLEDGEMENT .....	iii
LIST OF FIGURES .....	viii
LIST OF TABLES .....	x
LIST OF ABBREVIATIONS .....	xi
CHAPTER 1: INTRODUCTION	
1.0 INTRODUCTION .....	1
1.1 RESEARCH BACKGROUND .....	1
1.2 PROBLEM STATEMENT.....	2
1.3 RESEARCH QUESTION .....	3
1.4 RESEARCH AIM .....	3
1.5 RESEARCH OBJECTIVE .....	3
1.6 SCOPE OF RESEARCH .....	4
1.7 SIGNIFICANT OF STUDY .....	4
1.8 RESEARCH METHODOLOGY.....	4
1.9 CHAPTER OUTLINE .....	7
1.9.1 Chapter 1: Introduction.....	7
1.9.2 Chapter 2: Issues in Managing Foreign Workers in Malaysia Construction Industry: Highway Construction Perspective .....	7
1.9.3 Chapter 3: Research Methodology .....	7
1.9.4 Chapter 4: Research Finding and Analysis.....	8
1.9.5 Chapter 5: Conclusion and Recommendation .....	8
1.10 SUMMARY .....	8
CHAPTER 2: ISSUES IN MANAGING FOREIGN WORKERS IN MALAYSIA CONSTRUCTION INDUSTRY: HIGHWAY CONSTRUCTION PERSPECTIVES	
2.0 INTRODUCTION .....	10
2.1 DEFINITION OF TOPIC .....	10
2.2 HISTORY OF LABOUR IN MALAYSIA .....	12
2.2.1 Availability .....	15
2.2.2 Working condition.....	16
2.2.3 Education level.....	16

# CHAPTER 1

## INTRODUCTION

### 1.0 INTRODUCTION

The main focus of this chapter is to introduce the subject and purpose of the research. It provides the overview of the research aim, research objectives, research questions, and problem statements. This chapter discussed the scope of the research as well as the structure guideline to the research.

### 1.1 RESEARCH BACKGROUND

National income in Malaysia was contributed by many sectors. One of them is construction industry sector. Therefore, government of Malaysia need to fulfil the construction industry needs. The main problem in Malaysia construction industry is labour shortages (Rahim *et al.*, 2013). In order to fulfil the needs, Malaysia government take a step to importing foreign workers to decreasing the labour shortages (Rahim *et al.*, 2011).

Hiring foreign workers has its pros and cons toward construction team. Despite it can fulfil the construction sector needs, it leaves challenges toward contractors in managing foreign workers (Achim, Rusdi and Mohamad Amin, 2017). The challenges in managing foreign workers are to project managers and managing teams. Project managers need to prepare a set of skilled with diversity management