

**The Change Process From
Private Company To Public Listed Company Of Hai-O Bhd**

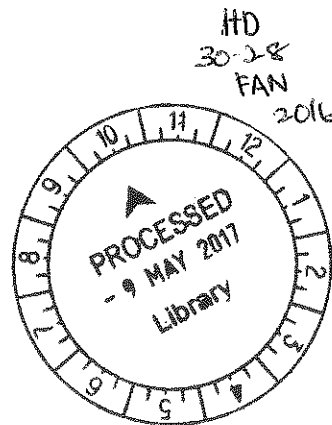
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STUDENT'S DECLARATION

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ABSTRACT

Purpose

The purpose of this research is to concentrate on the business transformation of traditional Goldsmiths business and investigate particular subtle elements on how transform in the connection of Goldsmiths business measured by Balanced Scorecard

Design, Methodology and Approach

A qualitative method has adopted for the conduct of this research.

Findings

The results of this research found that the effectiveness of traditional Goldsmiths business transformation can measured by the Balanced Scorecard using a before and after data comparison for all the five elements within the Balanced Scorecard. The traditional Goldsmiths business transformation is effective and the effectiveness of traditional Goldsmiths business transformation can affect by resources constraints and business owner readiness.

Research Limitations and Implications

The time limitation is the fundamental issue affecting this research, which limits time of data collection and scope of this research has confined in one Goldsmiths business.

Keywords

Balanced Scorecard (BSC); Transformation; Case Study

Table of Contents

Acknowledgements	3
Abstract.....	4
1.0 Introduction.....	7
1.1 Study Background.....	7
1.2 Problem Statement.....	7
1.3 Research Objective.....	8
1.4 Research Questions.....	9
1.5 Significance of the Research.....	10
1.5.1 Significance of Industry.....	10
1.5.2 Significance of Academe.....	10
1.6 Scope of the Research.....	10
1.7 Limitation of the Research.....	11
1.7.1 Limitation of Data.....	11
1.7.2 Limitation of Time.....	11
1.8 Operational Definitions.....	11
1.8.1 Business Transformation.....	11
1.8.2 Business Growth.....	12
1.8.3 Resources And Resources Constrain.....	11
1.8.4 Balanced Scorecard.....	12
1.9 Organisation of Chapters.....	14
2.0 Chapter Introduction.....	15
2.1 Business Transformation.....	15
2.2 The process for listing a company.....	错误! 未定义书签。
2.3 Company Growth and Transformation.....	错误! 未定义书签。
2.4 Challenges of Growth.....	18
2.4.1 Resources.....	19
2.4.2 Business Owner Readiness.....	19
2.5 Transformation for listing.....	19
2.5.1 Transformation for Public Listing—Global Perspective.....	20
2.5.2 Transformation for Public Listing—Malaysia Perspective.....	错误! 未定义书签。
2.6 Grounded Theory.....	错误! 未定义书签。
2.7 Conceptual Framework.....	22
2.8 Propositions.....	23
2.9 Conclusion.....	24
3.0 Research Methodology	25
3.1 Overview.....	25
3.2 Research Design.....	25
3.3 Unit of analysis.....	25
3.4 Research Focus.....	26
3.5 Company Background.....	26

3.6 Research Object.....	26
3.6.1 Proposed Broad Initial Interview Questions.....	27
3.7 Data Collection Strategy.....	34
3.7.1 Overview of Data Collection.....	34
3.7.2 Balances Scorecard.....	35
3.8 Statistical Treatment.....	37
3.9 Conclusion.....	37
4.0 Research Findings.....	38
4.1 Overview.....	38
4.2 Profile.....	39
4.2.1 Profile of Organisation.....	39
4.2.2 Profile of Interviewees.....	39
4.3 Interview process.....	40
4.4 Appropriate Proposition Testing.....	41
4.5 Preliminary Analysis.....	43
4.6 Categorisation of Data.....	47
4.7 Appropriate Proposition Testing.....	46
4.8 Conclusion.....	47
5.0 Conclusions and Recommendation.....	48
5.1 Overview.....	48
5.2 Discussion of Results.....	48
5.3 Contribution to the Literature.....	52
5.4 Contribution to the Industry.....	52
5.5 Recommendations and Future Research Directives.....	53
5.6 Limitation of the Research.....	54
5.7 Personal Reflection.....	54
5.8 Conclusion.....	54
6.0 Reference.....	55
List of table.....	56
List of figure.....	56
Appendix A. Initial research proposal.....	57
Appendix B. Transcribe for interviewees.....	57
Appendix C. Turnitin results.....	58
Appendix D. MBA Project Log.....	错误! 未定义书签。

Chapter 1: Introduction

1.0 Introduction

This chapter describes the background, problem statement, research questions and goals, meaning, contributions, and organization of this research area. The study focuses on the transition of the Hai-O Group from 1975 to 1996. This chapter will start with four research objectives. Then, it will describe the content of the study by studying the problem. Through the transition process of the Hai-O Group to provide appropriate research recommendations. The limitations of research and operational definitions are also described at the end of this chapter.

1.1 Study Background

In order to sustain business, it is significantly important for traditional business to change and transform. As mentioned by Anna-Luisa and Pflieger (2014), sustainability is turning out to be progressively vital in today's corporate world and can add to the present and future accomplishment of organisation, while it is a key achievement variable for business transform towards sustainability. Besides that, an effective transformation also being important for a traditional business, however it is not easy to have an effective transformation especially privatised firms.

As supported by Uhlenbruck et.al., (2003), there are few reasons to deficient transformation of privatised firms experiencing significant change economies, which are numerous previous state-owned enterprises (SOEs) on the move economies are load with average resources and supervisors who do not have the expertise, resources, and experience to oversee firms in aggressive business' sector situations, lost conventional markets as a result of new rivalry, and the extent of the require change may surpass supervisors and workers psychological capacities. Just as transformation

of companies within a Malaysian context.

1.2 Problem Statement

The transition is not a switch. This is for a number of domestic listed companies simply think that from the traditional industry or recession industry suddenly cut into the emerging strategic industries and some of the proposed (Kotler et al., 2015). Of course, the transition can be a way of transformation, but more need for lean management, or Lean or re-start, need too many management concepts, personnel, operations and many other key factors and links continue to adapt (Shi, 2009).

Listing does not mean making money as Listing usually makes full use of the local capital market financing to bring the company to another level of growth times to increase the value of the original shareholders and entrepreneurs have also been the greatest expression (Terrel, 2010). As is true in Malaysia, local companies in order to achieve maximum benefits, they also need to market to promote the market (Kotler et al., 2015), Hai-o is a good example. In sum, this study focus on the transformation of Hai-O from 1975-1996.

1.3 Research Objective

Research objectives are steps of searching points from different researches, after deciding the purpose of the research, the objectives of the research can decided by figuring out the research range (Scott and White, 2016).

Starting a project with clear objectives can go straight to the direction, likewise, can get a plan with clarity and forethought (Kotler et al., 2015). While certainly may not be able to predict the final outcome of the project, research objective can define the scope of the technical and organizational components of the project, how many resources willing to allocate to the entire project, establish clear deadlines and the expected results (Casjens et.al., 2015). The proposed research objectives for the purpose of this study are:

To ascertain the growth process of Hai-O business from a private limited company to

a public listed company.

To ascertain whether resources (financial, human, fixed assets) affected the growth of Hai-O to a public listed company.

To ascertain whether business owner readiness played an important role in bringing Hai-O to a public listed company.

To determine whether political relationship affected Hai-O when becoming a public listed company.

1.4 Research Questions

The research questions are the fundamental core of a research project, study, or review of literature and It focuses the study, determines the methodology, and guides all stages of inquiry, analysis, and reporting (Mayo et.al., 2016). The research question guides and centres your research. It should be clear and focused, as well as synthesize multiple sources to present your unique argument. assignment, the research question should ideally be something that you are interested in or care about (Connelly, 2015) .

Based on the research objectives provided above, below are the research questions, which will be asked for the purpose of this research. The findings of the research will help to ascertain whether the research questions will effectively answered.

Below are the key research questions in this research:

(1) What was the growth process of the Hai-O business from a traditional company to a public listed company?

(2) Has resources (financial, human, fixed assets) affected the growth to a public listed company?

(3) Has business owner readiness played an important role in growing Hai-O to a

public listed company?

(4) Has political relationship affected Hai-O growth to a public listed company?

1.5 Significance of the Research

1.5.1 Significance of Academe

There are some research done on business transformation that decides the better of business of business transformation practice such as Bhatnagar, Budhwar, Saini and Srivastava (2010) and Rotta and Herrera (2011) and also the constraints that influence transformation (Akram, 2015; Cao, 2014; Rafferty, and Simons, 2006). However based on my searches, these data haven't done a detailed study on specifically listed on the transformation in Malaysia context. In this way, this research will develop a transformation model for traditional Hai-O business and will serve as a base for future researchers to proceed to understand the traditional Hai-O better.

1.5.2 Significance of Industry

This research helps services manager who work in the traditional business to understand the relationship between transformation and listing, after listing it can get better regulatory and market recognition (Chang and Corbitt, 2012).

Moreover, there are others relevant transformation model and theories that relate to SMEs, however in this research the researcher will choose the most applicable basic transformation model and theories, which are 4 R's of business transformation model, Dunphy and Stace (1988) transformation model, and Balanced Scorecard relate to the traditional Hai-O business transformation. Meanwhile, relating the practicality between theories and implementation, this research will likewise audit the influences like resources constraints and business owner readiness.

1.6 Scope of the Research

This research is very confined and is simply base on the organisation of Ghee Yuen Trading with situated in Penang, Malaysia. This case study will gather data from the business owner and the employees that have employed by the organisation. The unit of analysis of this case study is one Hai-O business.

1.7 Limitation of the Research

1.7.1 Limitation of Data

In this research, depth interviews and the related information will be conduct and collected. After the process of collect information, the research has to consolidate interviews transcripts and proceed to analyse and coding process. This process is progressing under the researcher subjective but not at the objective view. Due to the process is progressing under researcher subjective view; it may difference in others researcher view. Besides that, this research has a limitation on the data; due to the research is only collect data on one organisation.

1.7.2 Limitation of Time

Due to limited time to conduct this research, the scope of this research is very confined and in order to conduct more in-depth research, the object of study in this research is limit to one Hai-O. The results may difference at multiple case and scope wider condition. However, the researcher will be more concentrate in single case.

1.8 Operational Definitions

1.8.1 Business Transformation

In today's economy, business transformation progressively includes substance and data as either a focal fundamental of transformation, or as a crucial segment of a bigger transformational process and is driven by the acknowledgment that most business procedures revolve around the lifecycle of key bits of organised and unstructured substance, which are procedures make or change substance, move it

through a work process, use it to trigger different strides in the process or commence altogether new procedures, and keep up and store content for future use (Greenbaum, 2013).

Business transformation is the procedure of constantly re-establishing the organisation's direction, structure, and capacities to serve the regularly changing needs of the marketplace, clients and employees (Moran and Brightman, 2000). It is organised within the general setting of progressive change and change, while paying little mind to brisk switch and showing up and vanishing transformative techniques the critical examples are quickly discernable (Vodicka, 2002).

1.8.2 Business growth

The transformation of many different industries and enterprises is for this reason, in the market share and the size of the company has reached a certain level, the company found its return on profits, the stock value is not satisfactory. These companies often choose to abandon low-cost products, and shift to innovative, differentiated products, or focus on some fast-growing market (Scott and White, 2016). Therefore, engaging in innovative and differentiated products, these are the performance of business growth. At the same time, business growth on the local market also has a certain impact. Similarly, Hai-O in the transition process is inevitable to join the fierce cost competition. At the same time, Hai-O growth MLM (Greenbaum, 2013).

1.8.3 Resources growth

Enterprise transformation of resources in different areas has the extension and extension. Such as hai-o, in the transformation process, which extended to new areas, for the entire group, it brings new resources for hai-o. However, it also has some resource limitations (Chen, 2015).

Its main resource is the standard aspects of human resources. Internet age, HR are increasingly confused, more and more lose their sense of worth (Uhlenbruck et al.,

2003). Most of them prefer to explain human resources management as "eating tonic", is to consolidate the foundation of enterprises, solid foundation, more willing to stress that enterprises cannot do without human resources management, and do not want to emphasize what human resources management can create Strategic value. Hai-o in the transition process is also facing such a dilemma. It will be committed to the management of human resources, innovation, and promote the development of the entire group.

1.8.4 Government relationship

The background of enterprise transformation is to rely on government policies. When the government policy changes dramatically, then the transformation of enterprises must be based on government policies. These two relations are mutually reinforcing and closely related.

1.8.5 Balanced Scorecard

During a year-long research project with 12 organisations at the main edge of execution estimation, a "Balanced scorecard" conceived by Kaplan and Norton, which is an arrangement of measure that gives top administrators a quick yet far reaching perspective of the business (Kaplan and Norton, 1992). Balanced scorecard exhibits an execution assessment and administration framework past and more far reaching than money relate estimation frameworks and can associate methodology to objectives and operational and usage arrangements decide in four points of view, meanwhile it likewise communicates administration desires from diverse association territories co-ordinately and co-directional with perspective and strategy (Salarzahi, et.al., 2011).

Farooq and Hussain (2011) declared that as the years progressed, Balanced Scorecard has developed, from the performance measurement tool initially presented, to an apparatus for implementing strategies and a framework for determining the alignment of organization resources, data and organisation capital with its strategy.

1.9 Organisation of Chapters

Chapter 1

Chapter 1 provides a brief introduction about the case study objectives, scope of case study as well as brief discussion on the significant of this case study to the traditional Hai-O industry in Malaysia as well as chapter layout.

Chapter 2

Chapter 2 comprises some of the recent researches and literatures on business transformation and influences like resources constraints and business owner readiness. This chapter reviews the conceptual framework and propositions.

Chapter 3

Chapter 3 discusses the research design, research focus, case selection, research object, data collection strategy and statistical treatment.

Chapter 4

Chapter 4 is further discussing the result from the case study.

Chapter 5

Chapter 5 is last chapter that confers the summary of the case study findings with further discussion of the major findings, and limitation of the research as well as the recommendation for the future research.

Chapter 2: Literature Review

2.0 Chapter Introduction

In this chapter, a relevant literature review was present for the research and supports the development of the conceptual framework. The chapter started with the literature review and followed by the definition on business growth process which importance and uses to organizations especially listing company around the world and in Malaysia, and followed by a review of the challenges of transformation. This chapter also include the grounded theory, conceptual framework and propositions for the research.

2.1 Business Transformation

Businesses are always aligned with sustainable growth to their own environments (Aspara, 2011). Timely transformation of the core business is a wise choice when industry can no longer provide enough space for the organization to grow. Core business transformation is the discovery point that can allow an organization to exceed its growth limit and ensure sustained growth capacity. Porter (1991) pointed out that the success of an organization depends on its competitive position in the industry and on whether it is within an industry in which long-term profitability is secured. Organizations should experience industrial transformation because of global competition and the complementary changes in industrial structure, technological discontinuity etc. (Hamel and Prahalad, 1994). There is an increasing number of firms have realized the necessity and urgency of transferring to resource-saving, environmentally friendly and high-tech industries after suffering in the year 2008 financial crisis. At the same time, Bossidy and Chairman (2008) believe that it is the right time for the organizations to review their plans carefully which involved in either transformation or bankruptcy.