# Impact Of Threats On The Prosperity Of Automotive Industry: An Exploratory Study Based On Malaysia

DR. Amiya Bhaumik<sup>a</sup>, He Chu Chu<sup>b</sup>, Bu Ze Ling<sup>c</sup>, Wei Shu Ming<sup>d</sup>, Md Aminul Islam<sup>e</sup>, Aslin Hafiza Ali<sup>f</sup> <sup>a</sup>President lincoln university college, malaysia

<sup>b,c,d,e,f</sup>Research scholar lincoln university college, malaysia

# Article History: Received: 11 January 2021; Revised: 12 February 2021; Accepted: 27 March 2021; Published online: 28 April 2021

Abstract: Located in South-East Asia, the country takes into account costs and bargains competitively in the importation of non-landed process outputs that are vital to the process of vehicle manufacturing in both regional and global markets. The business-friendly Malaysian economy is reinforced by a free-market approach Germany is Malaysia's second largest trade partner among the ASEAN nations. The vehicles produced in Germany and sold in Malaysia form the majority of the country's total sales, while automobile component exports amount to a significant amounts in Malaysia. Many German automakers have historically entered the Malaysian market, but few of them do so today. Affiliated corporations, such as BMW and Mercedes-Benz, implement program amenities such as a delivery service like that Trade-only depictions will not come from conventional partners but will be re-destined to traditional partners. There was an impressive delivery of varieties, such as BMWs and Mercedes, for instance. The upcoming liberalization of Malaysian manufacturing is predictable, and indigenous firms have no choice but to take action to change everything they can to reduce costs. To cater for rising demand, minding any topic problems necessitates wide-ranging competencies. Furthermore, considerable investment in spotless serviceable vigor has been invested in by the automakers, and non-automotive divisions have achieved prominence. rapid and relevant conversations are made With respect to Malaysia, a formal research has been carried out to understand the issues and opportunities faced by the automotive industry The investigation is based on primary and/supported by secondary facts. Stakeholders of the automotive industry were the primary sources of the information. Foreign evidence is used in various publications such as the publications of the car industry, the internet, and online magazines, and business journals as well as well as general trade publications. Found out that the study has shown that, Malaysia is a big producer and exporter of transportation fragments, as well as of additional car buyers. Conclusions and recommendations have been made for this investigation.

Keywords: International Automotive Conference, Threats, Prospect

#### 1. Introduction

In the context of the South East Asian Association of Regional Integration, located centrally among other members of the Association of South-East Asian Nations (ASEAN) (ASEAN). The Malaysian Peninsula and three centralized regions on the island of Borneo—Sabah and Sarawak in the northern part of the country—area as well as the federation of thirteen states which is linked to the Federal Borneo territory by the South China Sea separates the country into three regions. The well-regarded a dog is, the less demanding it is on a home's resources and care.

After the 1970s, Malaysia has done a great deal of political re-creation in becoming a nation where designing and investment is a lucrative enterprise because of its new research abilities and know-how, even though it now it remains a lower-cost manufacturing market. Meaning to be located in South-East Asia, Malaysia is proposing new manufacturing companies in coastal regions at a location where rivals are seeing as not having to lose in value and relying on small-start domestic and foreign platforms to set off to tap offshore advantages.

More precisely, in its approach to economic growth, Malaysia has a market-based bargain that is maintained through pro-business policies. Malaysia is the biggest agency for ASEAN equalization route mercantile in the EU. In 2010, the aforementioned summit country served as the agency most integral fellow participant in the framework of the EU after Singapore, which contributed over the Euro 22 billion to ASEAN area activities. Malaysia is also the 2nd top buyer of German motor vehicles in the region which makes it one of the top customers of the ASEAN countries. The automotive industry is the key driver of German export value, which makes its goods in the world, is Germany's Malaysia exports of car and corresponding part about 45% of that country's overall exports. Several German car producers have previously done business in Malaysia, but none have extended into the middle-class market.

Companies such as BMW and Mercedes Benz recognize that affiliates of the organization deliver both tangible and intangible properties for the company. Instead of using an individual disposable models, sites to store data locally, a network of network models with licensed access permits (APs) is used. Just as the producer supplies an item, various traders and distributors market the merchandise through the trademark holders (for example, BMW or Mercedes). Component and spare component makers are free to get together to form an industrial collaboration like M.A.T. Light (Malaysian Auto Lighting), R.B. Bosch and Sesora, or they can form their own essentials like Vogel size and Steiner; both options are available. When the Malaysian government developed a plan to increase industry diversification and reduce its reliance on the agricultural trade in the 1970s, the Malaysian car industry responded by forming some of its factories and works councils to enhance the country's manufacturing industry. A significant factor was the imposition of tariffs on imported cars and an attempt to limit spending on foreign purchases, on an aim to seek global moderation in the growth of the market, and development in manufacturing came as a result. Even at present, the car manufacturing is doing this for the country by helping it extend its practices and to a significant degree motivate it to position itself by 2020. One of the most important facets of the Malaysian automotive industry is that it not only exhibits a good local role, but also strengthens the national identity.

When you consider details and passenger vehicle holdings, the industry is ranked in the top 20 in the world and plays a dominant role in ASEAN as a passenger vehicle sector. In the 1960s and 1970s, the market was made up of relatively small and unproductive assembly plants. The sector's growth is currently still made with relation to the motor cars, but it can also be seen in their progression to an advanced automotive sector because of various government subsidies that were implemented in the mid '80s and remain until today. Two national car projects—Perodua and Proton, which started service in 1994, had a dominant 26% and 30% of the market. With the arrival of the Japanese car parts manufacturer, Proton, the structure of the local automotive industry changed drastically. Since its major focus changed from car manufacturing to production of automobile components, the industry moved. Malaysians purchased their own national vehicle, which had historically retained a 70% market share of the market, and thus also eroded the Japanese sales and market place prior to the launch of Proton. Government policies on vehicle manufacturers Proton and Perodua experienced greatly benefitted from the introduction of high tariffs produced significant increases in success. The security policies that the Malaysian government imposed on the ASEAN member states faced condemnation for imposing were believed to be the most influential of the party. Production-based vehicle markets such as China, Brazil, Malaysia, and Mexico have made their economies important in the industry as a whole.

This is noteworthy because nine more machine tool assemblers set up shop in Malaysia, both Naza Automotive Sdn. and Hinda Sdn. Bhd (or tool) Ltd. These well-known brands, such as BMW, Peugeot, Renault, Mitsubishi, and Mazda from Europe and Japan are all contracting through their respective local plants in Malaysia in order to satisfy the country's local content requirements.

#### The National Automotive Policy (NAP):

Malaysian government feels that with regards to the serious problems they are facing in terms of foreign competitiveness and liberalization as well as rising competition believed they had to revise the course and framework of action in the domestic industry. It important to pursue a less-regulated policy to preserve the productivity in the world, and this is a necessary component in regards to international viability because of the automotive production.

In light of this, the new administration's plan to boost the liberalization of the domestic auto industry, the government unveiled the National Automotive Policy (NAP) in March of June 2006. In September 2009, the NAP added policies promoting new investments and protecting the long-term competitiveness of the domestic sector was as well as ensuring quality and security of both goods and the environment were introduced to foster a prosperous future were included. Some highlights on the revised NAP:

#### Manufacturing license

Provisions for production of vehicles with a minimum displacement of 800cc or valued at more than RM150, 000 have been lifted for the local market. Companies in other countries can retain full control over their own companies, so 100% of their equity is allowed to be acquired by international firms. While this retains the present technique of cancelling industrial certification for restoration and compilation, builds on it by allowing allowances for simpler obtaining of old licenses. Federal amendments to the AP System (Approval Permit). The development of APs will be terminated by the end of 2015.

#### Incentives

Pioneer-and Status/Investment Allowance and Better programming both lead to car-protection, production's but a number of other essential additional advantages, including better braking and programming, are unlocked by manufacturing these modules.

#### Safety Standards

VEEP has been put in place to progressively, one vehicle at a time, one vehicle at a time. If a car is more than 15 years old, it will be audited by statute during the road tax restoration period.

## Euro 4m Requirement

From 2011, implementing the Euro 4 million specification for petrol and diesel in the domestic market.

#### Tax/Duty

However, import duties on chemical cleaning and assembly services remain at 0 percent for CBU and 5 percent for AFTA. According to state regulations, there are no changes to the rules for Excise Tax.

#### Imports

It would no longer be allowed to import components that have been manufactured previously.

#### Formation of planned partnership for Proton.

Proton's goal is to place itself in the large industrial isotope market by developing a globally recognised manufacturer. Young people were more likely to have scientific, technical and business-related skills, so this seemed like the most natural choice to them, which is why they chose to follow the industrialization model for job creation. To begin with, the Industrialization in Malaysia began in 1980 and led to the establishment of "Heavy Industry Corp of Malaysia" (HIM) in an effort to promote iron and steel production. Later on, the country went on to carry out privatization. there was an effort to reduce the use of resources used iron and steel, with the subsequent establishments of Perodua, HICam and Modena, which assembled other products in the downstream, and Proton Holdings, which also attempted to import iron and steel, which originated from mineral processing, to Malaysia. Small to medium-sized factories began to proliferate and a prerequisite to the accumulation of raw materials into component parts and parts prerequisite to the accumulating raw materials. These types of initiatives promoted the industrialization and were also under the "Malaysia Incorporation" guidelines, including power generation and supply, water supply, public building and facilities management, seaports activities, airport, and roads, and highways management, and routes management, and nationalization, and a corollary, and domestic growth. Enterprises were formed with decreasing government regulations, or bureaucratic complexity, and snowballing competence, with the result being that there would be more work vacancies and prospects for increased private sector investment in the longer they operate.

As long as the government was the largest shareholder, they were also in danger of being included in the HIC, the industry began to expand and the industry was under constant government watch. The pace of growth that Malaysia had achieved between the middle of the 1980s and the current decade proved how significant a part of the Malaysian economic development was the accomplishment. "Auto" market local car production was about 80,000 units in 1985, but increased to more than the country's commercial and passenger capacity combined around the same year. And in this sense, "sector" in 1997, the automobile industry developed over previous years, and the following year, it boasted a higher annual total of 440,000 vehicles" may be more significant," or "over previous years, the industry has seen growth in the total of "440 vehicles as well as local".

Competition is on the verge of winning both the majority of the passenger vehicle market, with Proton and Perodua being on the cusp of mainstream acceptance as major automotive industry participants in the local market. Of great importance was the industry to that field in supporting the country's young labor force. Indulge the automobile managers who look for skilled workers capable of enhancing the nation's employment opportunities As 1997's financial crisis took place, the growth of the automobile industry in ASEAN (an organization consisting of Brunei, Cambodia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand, Indonesia, Vietnam, and Singapore) came to a halt. While the ringgit depreciated rapidly in the eyes of the entire economic sector, and particularly in the motor vehicle industry, the results were especially disconcerting for the entire commercial community because of how early it was, which is why it is still in the early to adjust to a price change.

Thus, though the system's progress in the degree of installation was insufficient, the risky and composite components such as the engine and transmission structure were still on the original collection of parts list. Companies slowed down the focus on these basic industry components in favor of the more capital-intensive components like computer hardware and software markets, as the necessary investment quantities remained unknown at the time. the worst financial crisis in the history has dealt an entirely different and continuous set of problems to the manufacturing sector, slowing down the process of technical innovation and further clouding the vehicle market dynamics Though the crisis is now over, the government has effectively managed to bring the industry and economy in order, it was during this period that they were pressured to open the auto market to the public, claiming that the sector was essential to national growth and industrialization. This indicates that due to its strategic geographical location, economic, and political links, the automotive industry in Malaysia is destined to keep business communities in the area and even the global community involved. it presents an extremely hazardous task because of the on one hand, and fast growth in understanding, technological advances, but would

come at the drawback on the opposite hand because the realm needs to handle more open doorways for the addition of more dynamic firms and new entrants while keeping them at bay for less productive competitors who will want to welcome.

Due to the huge gains that the nation has made in the last 30 years, competition for automotive industries is imperative, even as such is recommended by such initiatives would be a must take into consideration the industrial parameters in Malaysia. The aims of greater liberalization in the economy are to attract more international investment, expand the availability of technology licenses, and to promote the expansion of global trade, both of which are essential for the automobile manufacturers. Given the number of factors that could intervene, it is critical to include overseas countries in the execution of the economic liberalization program's objectives, such as extra engineering and technology requirements, in countries where the population has yet to establish itself, and misguided expansion of the new semi-skilled labor force in order to have a positive effect. We may confidently forecast that the progress of the liberalization of the Malaysian economy, which indigenous firms must more swiftly complete in order to meet those challenges. The automotive sector has hit a crisis stage with critical mass.

To start, there are global marketplaces where people are having financial growth (primarily developing nations) and where carbon emissions can be significantly cut. A major global marketplace is then developing, which uses markets as well as adjustment to lower carbon emissions. As in developed nations, the surge in competition for lower-cost vehicles and an influx of technologies and high expectations for better quality have a combined to turn the market on its head. The effectiveness of a global expansion strategy requires that attention be paid to the possibility of increasing a market in the world. Significant outlays for the advancement of renewable energy vehicles have often include, or have been completed, such projects as buses and other various non-automotive organizations, including sports facilities, music schools, for instance. The long term problems that manufacturers face are facing (for instance, increasing fuel efficiency and reducing tailpipe emissions) have not yet been resolved, even as short-term remedies have been adopted. In such a research has been done to know the daily and project scope of the different working conditions and opportunities and challenges faced by the automotive industry.

#### 2. Need and Significance of the Study

This automotive industry trend has changed the target from fulfilling the short-term requirements of customers to fulfilling long-term demands, providing a sustainable multiplier impact on production and expansion in the long term.

The Department of Economic Development focuses heavily on the trucking and logistics industries because they are essential to an up-up-and-coming economy. The job creation strategy, particularly, will have greater effect on the quicker and faster development of the transport industry. a Rapid rise in land interaction with the foreign market due to advent of independent associations in the Malaysian country would be meaningfully boosted by the global market penetration of Malaysian car exporters and importers [as well as the] In a world of more and more interconnectedness in the way that we find ourselves in, there is a corresponding increase in the degree of competitiveness for autos and in their manufacturing, as the primary automobile companies transfer their industries to less developed regions to take advantage of lower production costs, their world dominance has shifted. While on the opportunities and challenges of the industry in Malaysia, we should continue to conduct indepth studies to obtain the maximum knowledge to be able to take advantage of these opportunities and avoid falling behind.

## **Objectives of the Study**

- 1. To examine the current motorization rate in the auto market of Malaysia (as a percent of population).
- 2. To look at the structure of the market of Malaysian car buyers in the context of their various demands.

## Scope of the Study

Its research goal is to support the entire Malaysia with regard to its auto industries, though its primary focus is on that of study is the Malaysian auto industry.

## Limitations of the Study

Analysis is focused on data in other areas: We do not have enough research on barriers and opportunities to talk to provide a complete overview of what the industry is like in Malaysia.

## 3. Literature Review

Abdullah et al. (2008) posited that additional participation as well as permanence could benefit in part to accomplish the whole program of company growth; they think that being constantly involved or not being a responsibility are both involved entirely helpful in expanding a business.

Tehran University professor Zainyad Aryaman says that of Malaysian companies that further for their life, their juvenile worker welfare, they have a good chance of learning simple details and understanding two basic manufacturing technology. Incremental procedures development is important when performing stepwise (incremental) optimization.

Zu et al (2008), recently, companies are under pressure to show existing dominance, to the market to meet market needs, which often forces them to have risk. Finally, they must additionally meet the present to the people's expectations of safety and performance.

As found in a passage in the Newspapers (2011) from Malaysia as a raw materials producer has evolved into a country with bravery focused multi-sector focus, innovative technologies and major capital expenditures, Malaya has done so since the 1970s The country's economic ranking rose to 7 places in the ranking to number 59 this year as compared to its position 12th place from 2007.

A "New Straits Times" reports the news in a World Effectiveness Year 2011 publication published by the IMD that Malaysia was ranked 6th in the 20 million category in competition, second in Asia after Taiwan and position 2 million behind India. According to the survey, Malaysia ranks Asia-Pacific GDP per capita group, is 2nd place in the 6 in the second million population class, and 1st in GDP per capita in India In addition, the nation ranks 21st in all transaction exporting to a share of worldwide trade.

In the opinion of the Performance Management & Delivery Unit, Malaysia's location in South-East Asia provides progressive product development for financial functions to end markets while its pricing makes manufacturing located onshore more favorable for most enterprises, which wants to advance in financial performance-based offerings feasible. Also, the government of Malaysia is business-friendly, maintaining the business sector in the country is part of its economic strategy. Earlier this year, the Malaysian Government developed the Economic Transformation Program (PEMU) as a program (pushed by the PMU) that is managed by the Finance Ministry and funded by the Private Sector Development Unit (FS).

According to the (to the 2012) Malaysian Budget, a growth rate of GNI 6% is expected in order to achieve the goals as set. A business market will be more active and the 58% of the nation's additional employment opportunities will be created in the private sector. About 3.3 million new jobs will be created as a result. The government is also plans to use a number of renovation techniques in 2012.

According to Malaysian Auto Parts Manufacturer (2009), a significant challenge to the Malaysian market (which has high tariffs and high regulation) is proposed tie-up and alliance plans to eliminate competition in the national automotive supply chains (which have strong regulations and high tariffs) by year 2009.

As it is confirmed by the domestic automakers (2011), the domestic market has been fully opened up to consumers under the ASEAN Free Trade Agreement (2012), making that over 60% of car buyers plan to purchase their cars locally, and therefore 70% of existing local market value will be exporting cars Also, in ASEAN in Malaysia, the third most active automobile market for auto assembly, three automotive producers eight auto-component makers, including both domestic and foreign, have a workforce of more than 800 people with an additional 300 occupations.

The Malaysian Automotive Association (2010) states that various import restrictions were put in place to shield the local automotive industry (or specifically on their automobile manufacturers) from the impacts of global competition. Malaysia for passenger cars is a significant passenger car industry in South-East Asia with annual sales of half a million vehicles.

After the establishment of the Malaysian government, non-specific national content regulations (trade barriers) in the market, Malaysia has fostered an auto-manufacturing sector with protective tariffs and by building trade barriers to shelter its industry from international competition. non-national vehicles produced by Malaysian car producers such as Proton and Proud have an increased market share in Asia such as a result of exclusive or exclusive conduct rules to sell them on the continent The latter party is made up of seven different car manufacturers, all of which are foreign-owned. Increasing taxes on outside and self-sought goods, which are generally referred to as Authorized Sales, Entry, or Exempt, Exogenous Permits (non ASEAN) with 30% and thusly Provisions (or similar terms are attached to them) is essential.

This quote suggests that good intelligence and an accurate interpretation go hand in hand as an implementation of SPC is able to gather and policies useful data and methods are applied, company and project performance and decision analysis techniques may be improved.

The Malaysian automobile association estimated that 7.5% less vehicles were sold in 2011 compared to the year before than in the one before, but went up to 5, 9,887 in 2012 because of an increase in sales the year before. Passenger cars registered five hundred and twelve thousand, while marketable vehicles had registered fifty-five thousand. In 2011, the sales took a downturn after Norma, a subsidiary of Japan-based Leonardaro and Toyota Marine Foodcraft lost its supplies in both countries because of accidents in Japan and Thailand. Vehicle revenues are expected to rise by 5 percent by the end of 2012.

One thing that Volkswagen (the nation's largest automaker) signed a CKD/CBU program in December of last year, stating that it will use its automotive manufacturing and export partner DRB Hoosongary as an independent CKD and CBU manufacturer (VOLKSWAG 2011) I resumed development of new vehicles in November of 2011, but took concerted measures to ensure I was prepared for further expansion in the first quarter of 2012. A subsidiary of DRB-Hi is set to grow at least to approximately to 10 times in its total market share of passenger car demand in Malaysia, which as of the moment consists of 1% of the total. Therefore, to adjust to meet changing demands, new versions are continually added to the mix.

A confidential analysis obtained by Malaysian Component Manufacturer (2009) claims that said, On the whole, the years, the administration has disassembled its defense strategies. A2% and 5% of total net exporting area respectively, which have been shared evenly by all member countries, rendering ASEAN 2 fully open to completely totally reduced import obligations and totally unit development from all other members Responsibilities from non-ASE countries have been split into three bands (0 to 10%, 20 to 30%, and 40 to 50%) for the time being, while CBU places have been capped at a combined 20% and expanded to include responsibilities of 0 to 40% (all-over) and 50% (all-over). Regardless of their status, responsibilities, enforcement actions are carried out on all cars that expand their tax base.

#### 4. Research Methodology

**Sources of Data**: Knowledge is an important aspect of all successful science, since a wealth of disparate sources is used to help draw an ultimate conclusion Primarily, it bases its knowledge on fact, but expands on other kinds of sources, too. Via a variety of interviews with leaders from throughout the industry, the key details have been gathered.

secondary knowledge is made up of speeches and all over the globe, business-industry publications, online publications, and e-journals for automobiles, as well as auto-related sources has been accumulated and everything seen on the internet has been further researched from these publications.

**Exploration of Data**: Obtaining an occurrence of pertinent facts alongside information comparison while adhering text banners are crucial interpretive data sources; allowing users to search among numerous varieties of substances as well as resources aids of the concentrated; exhibits noteworthy coincidences together with connective attributes—and informs the information is great volumes of commodious; delivering recognizable patterns and substances facilitates information discovery—that aid in pinpointing accurate attributes is verifiable data.

## 5. Results and Discussion





Source: ASEAN Automotive Conference report 2013

The above example provides a better picture of the relationship between imperialism and fascism than does the previous one. Research estimate: shows the market share of automotive motorization in Malaysia to be 1,000

vehicles per 1,000 vehicles per 1000 people in the market In reference to total rate of motor vehicle production, Japan comes in first, followed by second position by third and fourth, and fifth are all the nations in Malaysia, Indonesia, and then comes the European region, and the third, and fifth are the ones in Myanmar.

The proof supports the argument that Malaysia appears to be one of the prime suppliers of transportation particles, machineries, and supplies for the other member states in the Alliance of Southeast Asia at present.





Source: ASEAN Automotive Conference report 2013

Above diagram shows the market appetite for new customers, individuals who purchase cars only once, as well as first-time car buyers, and second and replacement vehicle buyers in the auto sector. Of the overall vehicle buyers, 44% purchase another car, 29% do so because they believe that their new car is still better than their old one, and 27% are first-time buyers who want to upgrade their used car rather than just replace their worn-out ones.

And thus, it can be inferred that the variety of consumers, as a family's level of income and taste, as well as desire and needs for cars make up the proportion of additional buyers in this segment.

Guidelines: Whether you like it or not, you either obey these suggestions, or you fail. It is noted that the following are the key problems and the business prospects for the Malaysian auto industry.

In a particular, uncovering research indicates that Malaysia is the leading producer and exporter of transportation bits and machine and machinery in the ASEAN, and poses a threat to the Malaysian automotive industry For businesses with established expertise, it is imperative to find a company that was formed using original know-how The expansionist direction demanded first-use authority and profundity of discovery, thus giving it a skill advantage over competitors; interact with the trade, easier to communicate application progress, and amplify market development; push or encouragement from customers to hold on to interior knowing his way through the ins and outs of the assembly lines and customer requirements for expansion Expand R&D in order to save the creative know-how, which is essential for maintaining automotive production.

To put it another way, study findings also state that, when buying cars in Malaysia, the percentage of customers is greater than the demand in the ASEAN and worldwide. Most importantly, the life and success of the auto supply chain are dependent on the continuous public's maintenance of highways.

## 6. Conclusion

Across the period of additional than the years, Malaysia has transitioned from being a form of light industry whose main export was vehicles (Cars) cars used mainly for commuting and people who would see some routine profits (A), to one of daily work and businesses that supply the population (Industrial in manufacturing and outsourcing) concentrating on the rising industry (Producing). That still hasn't benefited Proton in any way. It just strengthens their reputation as a shadow of its former self as an OEM in that region, as a domestic program is expanded. The Japanese auto makers have once again been the leaders in the marketplace, with their plan to dominate the industry and mass-produce cars. As well as, because the construction of industrial facilities does not currently occur where it is least expensive to do so, expanding the range of global markets is very important, particularly in regions where there are few industrial facilities and a limited number of people who are there to serve in them will benefit the least profitable operations. Despite the projections on the market supply of non-demand of such producers, it as well as the increased commitment to increased agreements, only exceptional conditions for the produce on the regional and national level have kept the emerging competitors back from being existing dealers. While Malaysia's present current automotive industry does not take into consideration, its own short-time downturn due to world market issues, this is merely assistance to facilitate production. Aside from this, its reduced, Malay manufacturing capabilities have not readily disperse because of internal weaknesses are

jeopardizing their steady presence in the future. although the implementation of a proactive process, production methods, and, is compensated for with the incentives provided by the administration and public representations, not so that they do not have nearly the effect as incitation's, but the promotion of other national firms would in regard to increase their global competitiveness are not. [The molar measurement sum is intended to keep the business makers focused while national corporations are looking for another path.] An international automotive association, such as Proton, is essential to have the capacity to supply large markets, but one that is focused on country output such that that it expands to fill specific needs, e.g., local relationships, is vital to enhancing the efficiency of individual automotive businesses. It is named important to safeguard and encourage all critical work force rights and enhance labor pool usage in accordance with engagement and increase modernization by enabling the line workforce, in factories with their application-knowledge and professional preparation and relationship to the same requirements as manufacturing staff and factory counterparts.

# References

- 1. Abdullah, R., Keshavlall, M. and Tatsuo, K. (2008), "Supplier development frame work in the Malaysia automotive industry: proton's experience", International Journal of Economics and Management, Vol.2 No.1, pp.29-58.
- 2. Rahman, M. N. A., Zain, R. M., Ghani, J.A., Nopiah, Z.M., Ismail, A. R. and Rahman, S.A. (2009),
- 3. "Barriers to implementing an online SPC system in Malaysian automotive manufacturing companies", European Journal of Scientific Research, Vol.30 No.2, pp.315-25.
- 4. Zu, X., Fredenhall, L.D. and Douglas, T. (2008), "The evolving theory of quality management: the role of Six Sigma", Journal of Operation Management, Vol.26, pp.630-50.
- 5. Malaysia's economy attains 7th position. New Straits Times, 20th May 2011. Ibid.
- 6. Performance Management & Delivery Unit.www.pemandu.gov.my
- 7. "Malaysia Budget 2012 Main Highlights", www.financesentral.comaccessed on21st November 2011. MACPA (The Malaysian Automotive Component Parts Manufacturers), March2009.
- 8. Malaysian Automotive Institute 2011 Malaysian Automotive Association 2010
- 9. Rahman, M. N. A., Zain, R.M., Ghani, J. A., Nopiah, Z. M., Ismail, A. R. and Rahman, S.A.(2009),
- 10. "Barriers to implementing an online SPC system in Malaysian automotive manufacturing companies", European Journal of Scientific Research, Vol.30 No.2, pp.315-25.
- 11. Basu, R. (2009), Implementing Six Sigma and Lean-A Practical Guide to Tools and Techniques, Butterworth Heinemann, Oxford.
- 12. Malaysian Automotive Association 2011 Volkswagen Malaysia (2011).
- 13. MACPA (The Malaysian Automotive Component Parts Manufacturers), March 2009.