

**SUPPLY CHAIN MANAGEMENT: PRACTICES, PERFORMANCE AND ITS
IMPACT ON BUSINESS PERFORMANCE**

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**SUPPLY CHAIN MANAGEMENT: PRACTICES, PERFORMANCE AND ITS
IMPACT ON BUSINESS PERFORMANCE**

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ABSTRACT

Objektif utama kajian ini adalah untuk mengkaji tahap pelaksanaan dan tahap prestasi Pengurusan Rangkaian Bekalan (PRB), dan kesannya terhadap prestasi syarikat-syarikat dari sektor perkilangan. Kajian ini menggunakan instrumen yang diadaptasikan daripada Li et al. (2002a, 2002b). Tiga pembolehubah telah digunakan di dalam kajian ini iaitu pelaksanaan PRB, prestasi PRB dan prestasi perniagaan. Tahap pelaksanaan dan prestasi PRB telah dikaji secara mendalam. Untuk tujuan mendapatkan maklumat borang selidik telah dihantar kepada 162 syarikat perkilangan di Negeri Kedah, Pulau Pinang dan Perlis yang dipilih secara rawak sebagai responden dan hanya 33 responden memulangkan borang soal-selidik yang lengkap. Kaedah yang digunakan untuk menganalisa maklumat adalah kaedah deskriptif, korelasi, regresi dan ujian U. Dapatan kajian ini menunjukkan pelaksanaan dan prestasi PRB adalah pada tahap yang sederhana. Kesan pelaksanaan PRB adalah secara positif memberi kesan kepada prestasi PRB. Walaupun begitu, kesan prestasi PRB tidak dapat meningkatkan prestasi syarikat. Kajian juga mendapati tiada perbezaan terhadap tahap pelaksanaan dan prestasi PRB bagi syarikat yang mempunyai program khusus pelaksanaan PRB dan yang tidak mempunyai program khusus.

ABSTRACT

The main objective of this research to determine the level of SCM practices adoption, performance and the impacts it has on manufacturing firms business performance. The instrument used in this study is adopted form Li et al. (2002a, 2002b). In this study, three variables that being used are: SCM Practices, SCM Performance and Business Performance. Previous literatures related to SCM are reviewed. Set of questionnaires have been sent to 162 firms located in Kedah, Penang and Perlis, and yielded 33 responses. Rigorous statistical methods were used to analyse the data. The methods used are descriptive analysis, crosstab analysis, correlation analysis, regression analysis and U-test. The research found that implementation and performance of SCM among manufacturing firms are still at the moderate level. The research findings support the notion that higher levels SCM practice will lead to improved SCM performance. However, the finding reveals that higher level of SCM performance will not lead to better business performance. The research also found that there is no difference in SCM practices and performance between manufacturing firms with special program to embark SCM and without it. Directions and recommendations are discussed on how manufacturing firm to realize the benefits of SCM and to implement it effectively.

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CHAPTER 1

INTRODUCTION

1.1 Introduction

Supply Chain Management (SCM) provides us a very broad area of discussion and receives a lot of academicians and practitioners' attention since early 1990. According to New (1997), SCM is "far too important to be considered either a temporary fad or parochial arena for a guild of specialist researchers". He also added "it is simply the most practically and intellectually significant theme with the current managerial and economic research".

So much promises and allures that SCM can contribute to lowering cost, improving productivity and asset efficiency, increasing quality, customer satisfaction and product availability, enhancing flexibility and choice (Magnan & Fawcett, 2002). Another purpose of SCM is to improve long-term performance of the individual companies and the supply chain as a whole. Realizing these allures and promise, remarkable number of companies practicing or implementing SCM especially in United States and Europe. However, they consider SCM is still in "black box" and researchers and practitioners are still looking for "holy grail" for applicable or effective practices that can directly benefit organization.

Furthermore, coverage of discussion between researchers is differed in the context or scope of their study between operation management, marketing management, or logistic management. SCM is not created through a standalone process, but involves and evolved through many fields like inventory management, logistic management, supplier partnerships, distribution management and procurement management.

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