

**PURCHASING PRACTICE AND THE PERFORMANCE
OF SMALL MEDIUM ENTERPRISE IN SERVICES
SECTOR IN SELANGOR**

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OF SMALL MEDIUM ENTERPRISE IN SERVICES
SECTOR IN SELANGOR**

By

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KOLEJ PERNIAGAAN
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ABSTRAK

Kajian ini bertujuan untuk melihat hubungan diantara pelaksanaan pembelian dan pencapaian syarikat oleh perniagaan kecil dan sederhana di Selangor. Untuk mencapai tujuan tersebut, soal selidik telah diedarkan ke 86 syarikat yang terlibat didalam sektor perkhidmatan makanan, fotografi, perusahaan dobi, peruncitan dan perkhidmatan pengangkutan. Soal selidik dijalankan didalam bulan November 2009 hingga Disember 2009. Daripada 86 soal selidik, hanya 68 dikembalikan untuk di analisa. Kesemua soal selidik yang diterima dijawab dengan lengkap. Sebanyak dua puluh lapan soalan dimana lima dimensi seperti ciri pembelian organisasi , ciri pembelian, strategi sumber pemilihan, hubungan pembeli dan pembekal dan pemilihan pembekal telah disoal. Dapatan kajian telah menunjukkan bahawa secara umumnya, pekerja-pekerja mempunyai pendapat bahawa pelaksanaan pembelian mempunyai kaitan dengan pencapaian syarikat. Berdasarkan kepada kajian, pelaksanaan pembelian memberi peranan penting dalam pencapaian syarikat.

ABSTRACT

This study was to examine the relationship between purchasing practices and Small Medium Enterprise's performance in services sector in Selangor. To achieve the research objective, a survey involving distribution of questionnaires to 86 SMEs companies those involved in food services, photography, laundry, retail and transportation services in Selangor area. The survey was carried out from the month of November 2009 to December 2009. Out of 86 questionnaires sent, only 68 were returned for data analysis. All questionnaires received were complete and answered accordingly without missing data. Twenty eight questions inclusive five dimensions of purchasing (i.e. characteristic of organization's purchase, purchasing characteristic, sourcing strategy, buyer-supplier relationship and supplier selection) were asked. The study found that in general, staffs had favorable opinion with regard to purchasing practiced in their organization. The result from the survey shows that most of the respondents gave full support towards purchasing practice in their organization. Based on the findings, it is believed that purchasing practice in SMEs was played the important role to the performance of the company.

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CHAPTER ONE

INTRODUCTION

1.1 Introduction

Small and medium enterprises (SMEs) play an important role in country's economic development. SMEs have been the backbone of economic growth of an economy in driving industrial development (Noriah, 2007; Ndubisi, 2006). SMEs are major economic contributor for OECD (Organisation for Economic Co-operation and Development) accounting for up to 97 percent of firms, constituting between 40 percent and 60 percent of GDP and up to 70 percent of the employment (SME Annual Report 2008). Since the importance of SMEs contribution to the growth of the economy, the target is to raise the contribution of SMEs to GDP from 32 percent in 2005 to 37 percent in 2010, exports from 19 percent to 22 percent and employment to 57 percent in 2010 (SME Annual Report 2008). The director-general of Malaysia Productivity Corporation (MPC) Datuk Nik Zainiah Nik Abd Rahman said that at present 99.2 percent of the businesses registered in the country comprised SMEs and the sector contributed 56 percent to total jobs (Bernama, 2009).

SMEs in Malaysia account for 99.2 percent or 518,996 of total establishments in the three key economic sectors namely manufacturing, services and agriculture (Noriah, 2007). Most of the SMEs predominate 86.5 percent in sector service, 7.3 percent in manufacturing and 6.2 percent in the agriculture sector (Noriah, 2007). Malaysia's Chief Executive Officer for

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