

**ASSESSMENT ON FACTORS  
AFFECTING LOGISTICS PERFORMANCE  
IN BATTERY INDUSTRY IN GUANGXI, CHINA**

**TANG YING**

**OTHMAN YEOP ABDULLAH  
GRADUATE SCHOOL OF BUSINESS**

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**BY  
TANG YING  
808911**

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**Othman Yeop Abdullah**

**Graduate School of Business**

**UUM COB**

**Universiti Utara Malaysia**

**06010 UUM Sintok**

**Dedah Darul Aman**

## **ABSTRACT**

The main objective of this research is to examine the factors influencing logistics performance on battery industry in Guangxi China. The research investigates on six factors that affect the logistics performance such as inventory, facilities & warehouses, transportation, purchasing & sourcing, information & communication technology management. It also involves the factors affecting the general organizational performance. Data were collected from 10 selected battery companies in logistics department through questionnaire among the managers. Correlation analysis is used to examine the relationship between the six factors and logistics performance. The results on the mentioned factors indicated they were positively correlated with logistics performance in battery industries. The result suggests that transportation is the most important factors influencing logistics performance for the industry.

## **ABSTRAK**

Objektif utama kajian ini adalah untuk mengkaji faktor-faktor yang mempengaruhi prestasi logistik didalam industri bateri di Guangxi China. Kajian ini cuba mengkaji enam faktor-faktor yang mempengaruhi prestasi logistik seperti inventori, kemudahan, gudang, pengangkutan, pembelian, maklumat dan pengurusan teknologi komunikasi. Ia juga melibatkan faktor-faktor yang mempengaruhi prestasi pengurusan organisasi umum. Data telah dikumpulkan daripada 10 syarikat bateri terpilih dari jabatan logistik melalui soal selidik di kalangan pengurus. Analisis korelasi digunakan untuk melihat hubungan di antara enam faktor dan prestasi logistik. Keputusan tentang faktor-faktor yang disebutkan telah mencadangkan ada kaitan positif dengan prestasi logistik dalam industri bateri. Hasilnya menunjukkan bahawa pengangkutan adalah faktor yang paling penting didalam mempengaruhi prestasi logistik untuk industri.

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# **Chapter 1**

## **Introduction**

### **1.1 Background of the Study**

Global competition is increasing tremendously and the business entities cannot be survived, if they have no the ability to adapt the environmental constant changes. More options were being provided to the consumers in buyers' market; any of organizations must have the strategies to manage well the cost, quality, quantity and timeliness to fulfill customers' requirement through excellent logistics management.

Logistics management has a broad, far-reaching effect on our society to improve our living standard. Logistics is significant to economy in the two perspectives: first logistics is one of the major costs for company, which means that logistics activities would be affected by or would affect other economic activities; secondly logistics provides the activities of the movement and flow in economic transaction, with the objective of facilitating the sales of substantial cargo and sales of some services (Lamber, Stock, & Ellram, 1998). According to Xi T. Z. & Zhang Z. Y (2012), Chinese Economic Report in 2011 showed that logistics activities contributed nearly 18% of GDP in China. Considers that without the support of logistics management, the cargo cannot arrive punctually or cannot arrive in the proper place or in the proper condition; there will be no any

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