

PROGRAM OF QUANTITY SURVEYING
DEPARTMENT OF BUILT ENVIRONMENT STUDIES
AND TECHNOLOGY
FACULTY OF ARCHITECTURE, PLANNING AND
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UNIVERSITI TEKNOLOGI MARA PERAK BRANCH

THE IMPLEMENTATION OF MATERIAL SUPPLY
CHAIN PROCESS IN MALAYSIAN
CONSTRUCTION WORKS

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of the requirement for the award of
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PREPARED BY: AINA AQILAH BT MUHAMMAD FAIZAL
(2019495838)

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ABSTRACT

The future of construction industry depends on the supply chain management. In a construction project, the presence of the supply chain management is essential. Supply chain involves relationship with many organizations and processes that work together to make sure the project run smoothly. However, the construction industry may not realize the full potential of supply chain if the problem in the execution of supply chain management is not identified. This study aims to improve the material supply chain management in Malaysian construction works. The objectives of this study is to identify the criterias of the current practice concept in material supply chain management, to determine the problems in the implementation of material supply chain in construction works and to suggest the strategies in order to improve material supply chain in these construction works. The questionnaire survey has been distributed to the G7 contractors in Negeri Sembilan and the responses given are satisfying. According to the findings, majority of these contractors understand the value of supply chain management in the construction industry and the main problem in implementing this management is the lack of information for this management. By improving the internal communication within the company, it can definitely improve the implementation of supply chain management to create better results.

Keywords: material, supply chain management, Malaysia

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CHAPTER 1: INTRODUCTION

1.1 BACKGROUND OF STUDY

1.1.1 Construction Industry in Malaysia

Construction industry is different from another industry as it needs to be constantly improved and needs to be efficient because this industry keeps on changing and will move hand in hand with the nation's economic industry. To enhance the economic sector and to develop the country construction industries is important to the nation. According to Ibrahim et al. (2010), the construction industry must be developed first in order for the economy to advance one step further. Even in Malaysia, the construction industry has been one of the first sectors of the national economy. To develop a country and improve the society's living standards, the construction sector can provide the infrastructure that is needed such as residential, commercial space, highways, airports, hospital and even dams (Khan et al., 2014).

1.1.2 Management in construction Industry

Because of these changes, a management is important to this industry to achieve the goals improve the efficiency. There are many managements that exist in the construction. Project management, risk management, waste management, design management, time management and supply chain management are the examples for the management for construction. In this research, the supply chain management will be studied thoroughly.

1.1.3 Supply Chain Management

Segerstedt & Olofsson (2010) stated that since 1990s, supply chain management theories have drawn interests as a way to understand the problem and in construction supply chain, as well as to provide the solution to enhance the coordination between