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FACULTY OF ARCHITECTURE, PLANNING AND SURVEYING  
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**MATERIAL DELIVERY ISSUES IN SUPPLY CHAIN  
MANAGEMENT**

Dissertation submitted in partial fulfilment  
of the requirement for the award of  
Bachelor of Quantity Surveying (Honours)

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**SEMESTER: MARCH 2021 – AUGUST 2021**

## **ABSTRACT**

Supply Chain Management (SCM) is one of the essential elements to be implemented in the construction industry. SCM relating to material delivering in the construction. One of the challenges in delivering material is the transportation issue in supply chain management. This will cause project delay for the project that have material delivery issues. Hence, it is necessary for managing material delivery in supply chain management. There are sufficiently other challenges in material delivery issues that will negatively impact the overall construction project process. Thus, this study aims to assist contractors in managing material delivery successfully towards supply chain management. This research objectives is to identify the challenges in delivery materials process faced by contractors; determine the impact of delivery materials issues towards the construction activities progress and propose the strategies to enhance the contractors' supply chain management implementation in relation to delivering material to the site. The scope of this research is focused on Contractor G7 located in Petaling, Selangor. Probability sampling is used as the sampling method for this study. This research uses the quantitative approach and a set of questionnaire survey as tools for primary data collection. Data analysis is carried out using the Statistical Package for the Social Science (SPSS) Version 26.0, where a descriptive analysis is done. The results showed that the biggest challenges in the delivery materials process faced by contractors chosen by the respondents were transportation issues, material flow issues and information quality. In addition, the highest impact of delivery materials issues towards the construction activities progress was project delay, decreased productivity of the project and affected customer satisfaction by meeting customer requirements. From this study, it can be concluded that there are many strategies that can be used to enhance the contractors' supply chain management implementation in relation to delivering material to the site. The results indicate that the contractor still lack strategies in handling materials to the site. Ultimately, this

## **ACKNOWLEDGEMENT**

With high gratitude to Allah S.W.T. who gave me the ideas and physical strength in preparing this dissertation. Completion of a project of this nature requires more than just the efforts of the author. I wish to express my gratitude to the persons and all parties who responded to the survey and offered invaluable contributions in carrying out this final project/dissertation.

First of all, I would like to express my appreciation and acknowledgement to my supervisor Sr Dr Kartina Alauddin, who has given me guidance and unfailing support and contribution of ideas in preparing this dissertation. Also a special thanks for her insightful supervision, encouragement, thoughtful criticisms throughout the research and her creative suggestions.

My gratitude also goes to all those who agreed to be interviewed, formally and informally, and gave me the benefit of their knowledge, views and experience. I am also indebted to all my friends for their moral support and encouragement during the preparation of this dissertation.

Finally, I would like to thank my beloved parents and family members, who never stop giving me their encouragement and full support in order for me to complete my dissertation. Thank you for being understanding when I really needed it. Thank you.

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# CHAPTER 1

## INTRODUCTION

### 1.1 RESEARCH BACKGROUND

Supply Chain Management (SCM) is one of the management used in the construction industry to increase the project's performance. It was a network of businesses and people, particularly those involved in the construction industry, who collaborated to transform raw materials into finished goods for all the materials used to construct a building. Every management level always wants to provide the best quality for a product with more value of money.

Information flows among supply chain members are one essential technique for supply chain coordination. This information flows influence individual supply chain participants' production scheduling, inventory control, and delivery plans. (Lee, Padmanabhan, & Whang, 2004). According to Li, Ragu-Nathan, Ragu-Nathan, & Subba Rao (2006), it is very important for the construction industry to get competitive advantages. Price or cost, quality, delivery dependability, product innovation, and time to market are the aspects of the competitive advantage constructions used in this study. Therefore, it is crucial for every party involved in the construction industry to get the best price or cost, best quality, accurate delivery dependability, and more product innovation.

SCM's short-term goals include increasing productivity and decreasing inventory and cycle time, while long-term goals include increasing market share and profits for all involved parties (Li et al., 2006). Li et al. (2006) also mention that supply chain management also can increase organizational performance. Any organizational activity, including supply chain management, should improve organizational performance in the long term.