

UNIVERSITI TEKNOLOGI MARA

**INTEGRATION OF THE INTERNAL
SUPPLY CHAIN MANAGEMENT
(SCM) TOWARDS LONG RUN
COMPETITIVENESS**

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Thesis submitted in fulfillment
of the requirements for the degree of
Master of Science

Malaysia Institute of Transport

June 2014

ABSTRACT

Malaysia manufacturing sector has become the major production of import and export activities where E&E sector has been identified as the largest contributor on GDP performance. In today's environment, technology is changing at a faster pace where competition among the industry players have become more intense in becoming competitive. With the new implementation of strategies and agenda by the Malaysian government, manufacturing which focus on electrical and electronics (E&E) and logistics have been one of the targeted industries which have high potential in driving Malaysia towards becoming a high income nation by 2020. As logistics has become the new targeted area, by looking through SCM there was limited studies focused on the SCM components where this area has been seen important nowadays. There are two major components of SCM which are the internal and external component. However, the internal component of SCM has been given less attention. Four objectives highlighted in this study which are providing an overview of Malaysia's manufacturing industry of E&E sector, identifying the internal SCM factors which contribute towards long run competitiveness, identifying the relationship among the internal SCM factors, and determine the influence of the internal factors towards long run competitiveness. The respondents have been selected from FMM directory 2011 where 192 population of E&E companies involves and about 63 sample size has been used. These selected companies had gone through several stages of the data collection. They had been interviewed face to face and answered the questionnaire which had been constructed by referring to the previous studies directly, emailed and through phone calls. Throughout this study, knowledge has been identified to be significant and has direct relationship towards long run competitiveness. As for the others which are technology, communication, leadership, time, and commitment have insignificant results and does not have direct relationship with long run competitiveness. However, these internal factors of SCM do have relationships among them where good integration apply plays a crucial role in strengthen and creates a good relationships especially for the organization in becoming more effective and efficient. Furthermore, results of this study may help in giving a holistic view of the current situations which need to be seen by applying new strategies and approach to achive long run competitiveness.

ACKNOWLEDGEMENTS

“In the name of Allah, the Most Gracious and the Most Merciful”

Alhamdulillah, all praises to Allah for the strengths and His blessing in completing this thesis. First and foremost, I would like to express my grateful appreciation to my supervisor, Associate Professor Dr. Jaafar Pyeman for his guidance, advices, and support towards this research fulfillment. His invaluable help of constructive comments and suggestions throughout this thesis works have contributed to the success of this research.

Not forgotten, I would like to express my appreciation to the Director, Malaysia Institute of Transport (MITRANS), Prof. Dr. Saadiah Yahya and also to the Head of Postgraduate Studies, Dr. Sariwati Mohd Shariff for their support and help towards my postgraduate affairs. An opportunity to pursue my master’s degree by Universiti Teknologi MARA is very much appreciated and also for the financial support given these two years of research.

Sincere thanks to all my friends for their kindness and moral support during my study especially Nur Farizan and Nur Zulaikha. Thanks for the friendship and memories.

Lastly, my deepest gratitude goes to my beloved mother Mrs. Ramlah Mohd Tajuddin for her encouragement and full support. Special thanks to my beloved husband, Mr. Azfar Azmi and other family members for their love, prayers and care. To those who indirectly contributed in this research, your kindness means a lot to me. Thank you very much.

TABLE OF CONTENTS

	Page
AUTHOR'S DECLARATION	ii
ABSTRACT	iii
ACKNOWLEDGEMENT	iv
TABLE OF CONTENTS	v
LIST OF TABLES	ix
LIST OF FIGURES	xi
LIST OF ABBREVIATIONS	xii
CHAPTER ONE: INTRODUCTION	
1.0 Introduction	1
1.1 Background of Study	1
1.2 Problem Statement	4
1.3 Research Questions	5
1.4 Objectives	5
1.5 Scope of Study	5
1.5 Significance of Study	6
CHAPTER TWO: LITERATURE REVIEW	
2.0 Introduction	7
2.1 Economic Overview	7
2.2 Introduction to The Electric and Electronic (E&E) Industry As Contributor Towards GDP Performance In Malaysia	12
2.2.1 Electronics Components	15
2.2.2 Consumer Electronics	15
2.2.3 Industrial Electronics	16
2.2.4 Electrical	16

2.3	Malaysia Transformation Towards Economic Development	17
2.4	The Importance of Supply Chain Management (SCM)	19
2.5	Long Run and Short Run Competitiveness of Market Performance	22
2.6	Factors Contribute Towards Logistics and SCM Performance	25
2.7	The Internal Factors of SCM Component	28
2.7.1	The Importance of Communication in SCM	29
2.7.2	Technology Performance In SCM Towards Long Run Competitiveness	31
2.7.3	Knowledge Transfer In SCM Towards Long Run Competitiveness	33
2.7.4	Leadership Behavior In SCM Towards Long Run Competitiveness	35
2.7.5	Time Management Towards Long Run Competitiveness	36
2.7.6	Commitment Among Organizations Members Towards Long Run Competitiveness	37
2.8	The Importance of Internal Component in SCM	39
2.9	The Importance of Integration in SCM	45
2.10	Conclusions	50

CHAPTER THREE: METHODOLOGY

3.0	Introduction	51
3.1	Development of Profiling Issues	52
3.2	Development of Questionnaire for Face-To-Face Interview	53
3.2.1	Selection of Variables and Measures	53
3.2.1.1	Dependent Variables	53
3.2.1.2	Independent Variables	55
3.3	Face-To-Face Interview	55
3.4	Development of Conceptual Framework	56
3.5	Designing and Development of Survey Form	58
3.6	Conducting Research Survey	60
3.6.1	Research Survey for Population and Sampling	60