

**UNIVERSITI TEKNOLOGI MARA**

**THE INFLUENCE OF  
SUSTAINABLE  
STRATEGIC ORIENTATIONS  
TOWARD SUSTAINABLE SERVICES  
BY THIRD PARTY LOGISTICS  
(3PLS)**

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## ABSTRACT

In the year 2009, the government has put a serious effort in introducing the National Green Technology Policy and National Climate Change with the emphasis on the energy and natural resources conservation also to promote the use of renewable resources. In conjunction to this, the Prime Minister of Malaysia, Dato' Seri Najib Tun Abdul Razak speech during the introductory motion to table the Tenth Malaysia Plan on 10 June 2010 denoted the government's significant efforts towards the green technology applications and sustainability initiatives in Malaysia. Firms see sustainability initiatives as a differentiation strategy towards competitive advantage in the market. Through the recent development and the green innovation, many firms have started to put more emphasis and commitment towards improving environment sustainability by putting a pressure on their suppliers. The aim of this study is to develop an empirical framework on the reputation-based strategy, efficiency-based strategy and innovation-based strategy (sustainable strategic orientations) influenced the sustainable services by third party logistics (3PLs) to meet the customers' demand. There were 140 respondents gave feedback in this study from the logistics' firms. All of the respondents came from the Penang Freight Forwarders Association (PFFA) Members. The findings showed that there were three dimensions of independent variables. The independent variables are reputation-based strategy, efficiency-based strategy and innovation-based strategy. Among the three independent variables, only efficiency-based strategy showed significant relationship to the sustainable services. However, the reputation-based strategy and innovation-based strategy were no significant relationship to the sustainable services.

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# CHAPTER ONE

## INTRODUCTION

### 1.0 INTRODUCTION

One of the national agendas in Malaysia’s Tenth Malaysian Plan (2011-2015) has put forward the emphasis towards the three sustainability objectives; environmental quality of life (social), caring for the planet (environment) and harnessing economic value from the process (economic). These agendas can be achieved through sustainable business models that are not just within the scope of environmental protection but also in a more holistic ways to address the world’s most profound social, economical and environmental challenges (Saibani, 2011). Hence, the past notions to separate the economic growth and environmental practisess are no more applicable in view of the growing concern of global warming and depletion in natural resources. In relation to this, the government has gradually came out with policy to support the agenda through the National Policy on the Environment in the year 2002, followed by the National Climate Change Policy in the year 2009. As the outcome, the Tenth Malaysian Plan period from 2011 to 2015 became the target for the execution of the plans and policies. Table 1.0.1 showed the policies that the government has put in the pipeline for the progressive sustainability implementations.

Table 1.0.1:  
*Progressive National Policies on Environmental Protection and Conservation*

National Policy on the Environment (2002)	National Climate Change Policy (2009)
<ul style="list-style-type: none"> <li>• Ensure progress in economic, social responsibility and cultural via environmentally sustainable development</li> <li>• Strategies concerned on effective management in natural resources and environment</li> <li>• Preventing and controlling of pollution</li> <li>• Tightening capacity institutionally, efforts and awareness in education</li> <li>• Formulating action and implementing plans</li> </ul>	<ul style="list-style-type: none"> <li>• Restructure and coordinate existing policies and the legislation</li> <li>• Establish committee inter-ministerial and cross-sectoral in order to drive and help implementation in adapting and mitigating measures</li> <li>• Recognise options and strategies in achieving a low-carbon economy</li> </ul>

Note: Tenth Malaysia Plan (2011-2015)