Improving The Value Chain of Cloth Supply In Batik Industry

A project paper submitted to the

MARA University of Technology

In partial fulfillment of the requirement for the BACHELOR OF SCIENCE (hons) IN BUSINESS COMPUTING

By

JAMRAH TULAWLA BINTI SABRAN

2000142868

BACHELOR OF SCIENCE (HONS) BUSINESS COMPUTING
FACULTY OF INFORMATION TECHNOLOGY AND QUANTITATIVE
SCIENCE

MAY 2003

ACKNOWLEDGEMENTS

I would like to thank to Allah S.W.T. for letting me to finish my research project about the "Improving The Value Chain Of Cloth Supply for Batik Industry".

All the work hard has paid off. This message is dedicated to everyone who had given assistance and supported me from the beginning of this research project. A special thanks to my respected supervisor, Professor Madya Yap May Lin, and my beloved lecturer Mr. Azhar Abdul Aziz lecturer for Faculty Information Technology and Quantitative Science, for giving me the opportunity, chances and trust in ensuring this research success. Considering the difficulties and determination, it is possible for me to complete this research without their advice and guidance.

I also like to thank the Malaysian Handicraft Development Corporation (MHDC) in helping me to find information about the craft industry. Also not forgotten thank you to the Mr. Ng Oy Moon, Corporate Sales Manager of 3ntity Sdn. Bhd. for his cooperation and valuable information.

I would like to take this opportunity to express my deepest gratitude to all batik producers, cloth suppliers and batik sellers for their kindness and friendliness cooperation while I am conducting the research process. Without the helped from them, I could not be able to finish the research project.

For my family and friends, thank you for your support and understanding along the way of completing this research. Thank you very much.

Jamrah Tulawla Binti Sabran 2000142868 May 2003

Abstract

This study is focusing on problem faced by batik producers, in order to manage their cloth supply. From this research, the researcher recommends the batik producers to use e-procurement to manage their cloth supply efficiently. In this study, the researcher defined the research problem that the study tries to discover. The purpose and objectives of the study is, to identify problem faced by the batik producers regarding to the cloth supply chain. Research questions have been created as an overall guidance of what this study hope to find, the problems and the way to overcome the problem. Beside that, literature review that referred by the researchers as guideline in order to perform a hustle free research project. It indicates findings from the previous related research that contribute an idea and several concepts that can be used for this study. Then to complete the whole research project some data have been collected pertinent to the study. The findings of the research are results from the data collected for this study in quantitative and qualitative manner. Statistical Program for Social Science (SPSS) is used and the results are presented in charts and graphs. The findings then, will be elaborated pertinent to the objectives of the study. Finally, the researcher recommend e-procurement system to be use in order to manage cloth supply efficiently, and hope this study will be one of the first steps for further development for batik industry in Malaysia.

TABLE OF CONTENT

		PAGE			
ACKNOWI	LEDGEMENT	iü			
TABLE OF CONTENTS		iv			
LIST OF FIGURES LIST OF TABLES LIST OF ABBREVIATION ABSTRACT		vii vii viii ix			
			CHAPTER	1: INTRODUCTION	
			1.1	Introduction	1
			1.2	Background Of The Study	2
1.3	Problem Description	3			
1.4	Objectives of The Study	4			
1.5	Problem Scope	4			
1.6	Problem Significant	5			
1.7	Potential Benefits	5			
CHAPTER	2: LITERATURE REVIEW				
2.1	Introduction	6			
2.2	Batik	7			
2.3	Malaysia Batik History	11			
2.4	Batik in Malaysia	12			
	2.4.1 Introduction	12			
	2.4.2 Malaysian Handicraft Corporation (MHDC)	13			
2.5	Batik Companies in Malaysia	16			
2.6	Batik Problems	18			

Chapter 1

Introduction

1.1 Introduction

"Batik merupakan warisan budaya Negara yang diwarisi sejak zaman berzaman" Dato' Sulaiman Othman Ketua Pengarah MHDC

Malaysia is one of the key players in the batik industry; in fact, a batik cloth has been traditional based for our Malaysian official costume. So, the government of Malaysia has placed emphasis on the batik industry in view of its potential as promising industry in the new millennium.

Indeed, the government has established of Handicraft Development Centre (1967), Batek Malaysia Berhad (1968) and Malaysia Handicraft Board (1973) changed to Malaysia Handicraft Development Corporation (Perbadanan Kemajuan Kraftangan Malaysia, 1979). It shows the government had improved the strategies to the future of handicraft in Malaysia and increase economic growth the providing equitable access to the jobs and positions in the modern and by dynamic sectors of the economics (Leight, 2000).

There are so many ways taken by the government to promote batik industry, one of it is by offered free batik shirt to visiting dignitaries and VIP's during Asia Pacific Economic Cooperation Forum (APEC) 1998 (www.cgi.cnn.com).