MASTER IN BUSINESS ADMINISTRATION FACULTY OF BUSINESS MANAGEMENT UNIVERSITI TEKNOLOGI MARA TERENGGANU

AUTHOR'S DECLARATION

We declare that work in this dissertation was carried out in accordance with the regulation of Universiti Teknologi MARA. It is original and is the results of our own work, unless otherwise indicated or acknowledgement as referenced work. This thesis has not been submitted to other academic institution or non-academic institution for degree or qualification.

We hereby, acknowledge that we have been supplied with the Academic Rules and Regulation for Post Graduate, Universiti Teknologi MARA, regulating the conduct of our study and research.

n Bhd"

ACKNOWLEDGEMENT

We begin in the name of Allah SWT the most beneficent and the most merciful. Many thanks to Allah SWT for granting us with the knowledge, patience, strength and perseverance throughout our study. We owe our deepest gratitude to those who have helped us through the process of completing this research proposal. It is a pleasure to thank those who made this study possible.

Our most profound thankfulness goes to our supervisor Professor Madya Dr Haji Azemi Che Hamid for all of his patience, encouragement, guidance, and ideas that made this study to what it is. Without his understanding, consideration and advice, this study would not have been completed successfully. Not forgotten, many thanks to our industrial advisors, their valuable experiences, advice and knowledge were very tremendous.

Lastly, many thanks to our family members for their continuous moral support, and all our friends who helped in giving ideas, advices and support in completing this study. Thank you.

Mohd Shaharuddin bin Abdul Ghani and Latiff bin Muhamad December 27, 2015 Faculty of Business Management Universiti Teknologi MARA

ABSTRACT

The aim of this study is to examine the relationship between competitive priorities and the competitive advantage of local specialty chemical business in Malaysia. A Case study of Clariant (Malaysia) Sdn. Bhd.(CMSB) has been carried out to determine the element of competitive priorities that affect its competitive advantages which contribute in achieving its company objective to become a market leader in delivery of specialty chemical supply with associated service. Situational analysis such as PESTEL analysis and Porter's five forces were utilized to support the surveyed data analysis. This study will be utilizing the SWOT analysis by identifying external and internal factors that direct to the formulation of the Clariant's strategies. These tools will assist CMSB to identify its strategy to achieved competitive advantage in the turbulent environment of specialty chemicals industry. CMSB's competitive priorities elements have been analyzed on its current business and the importance of quality, cost, flexibility and delivery that affect competitive advantage were then identified. The competitive priorities were analyzed for its roles of important to the effect of competitive advantage which will help CMSB to develop its own competencies and strategies. The study found that the element of quality was the most important competitive priorities that effect CMSB's competitive advantage. Based on the findings of this study, it is strongly recommended that CMSB's management to focus on maintaining the element of quality in order to be resilient in terms of its competitive advantage. The outcomes of the study were used to formulate CMSB strategies in order to achieve it competitive advantage.

Keywords: competitive priorities, competitive advantage, specialty chemicals, PESTEL analysis, Porter's five forces analysis and SWOT analysis.

TABLE OF CONTENTS

	Page
LETTER OF SUBMISSION	i
AUTHOR'S DECLARATION	ii
ACKNOWLEDGEMENT	iii
ABSTRACT	iv
TABLE OF CONTENTS	v-vi
LIST OF TABLES	vii
LIST OF FIGURES	viii
LIST OF ABREVIATION	ix
$\sum_{i=1}^{n} \left(\sum_{i=1}^{n} \left(\sum_{i$	e e 📝

CHAPTER 1

INTRODUCTION	1
Overview of Specialty Chemical Business	1
Specialty Chemical Business Market	2
Company Background	3
Problem Statement	5
Research Objectives	6
Research Questions	7
Significant of Study	7
Scope of Study	8
Limitation of Study	

CHAPTER 2

CHAFTER 2	
LITERATURE REVIEW	
Competitive Advantage	9
Competitive priorities	
PESTEL	
Porter's five forces	16
SWOT	
Theoritical Framework	
Hypotheses	

CHAPTER 3

RESEARCH DESIGN AND METHODOLOGY	
Research Design	
Measurement	
Data Collection Method	
Data Analysis Techniques	22
v	

Situational Analysis	4
----------------------	---

CHAPTER 4

FINDINGS, ANALYSIS AND DISCUSSION	
Profile of Respondents	
Goodness of measure	
Hypotheses Testing	
PESTEL Analysis	
PORTER'S FIVE FORCES Analysis	
SWOTAnalysis	
Spider quadrant radar diagram of all analysis	

CHAPTER 5

CONCLUSIONS AND RECOMMENDATIONS	
Conclusion	
Recommendations	
REFERENCES	
APPENDIXES	
A Survey Questionnaires	
B Structured Interview Questionnaires	57
C Research Consent Letter	