

SUPERVISOR DECLARATION

“I/We hereby declared that I/we had read through this research study and in my/our opinion that this report is adequate in term of scope and quality which fulfill the requirements for the award of Bachelor Degree in Technology Management
(High Technology Marketing)”

Signature :

Name of Supervisor : Dr Amiruddin Bin Ahamat

Date :

Signature :

Name of Panel : Profesor Madya Dr Haslinda Binti Musa

Date :

THE CHALLENGES OF SUPPLY CHAIN MANAGEMENT:
CASE STUDY OF TAKEXCO

AFIFA HANINA BINTI CHE MUD

The research is submitted in partial fulfillment of the requirements for the award of
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Universiti Teknikal Malaysia Melaka

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DECLARATION

“I declared that this report is the results by my own work except certain explanations
And passage where every part of it is cited with sources clearly stated in References”

Signature :.....
Name : Afifa Hanina Binti Che Mud
Date :.....

DEDICATION

I would like to dedicate this research to my beloved parents and siblings. Big appreciation to my family who always give me supports in term of moral, motivation, advice and financial. It will not be easy for me to go through the completion of my PSM without their concern and support. Their unconditional love and encouragement have allowed me to strive and push myself beyond limits that never thought would be possible. With their support, I was to complete this research paper smoothly. Thank you for always supporting me.

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ABSTRACT

For this research, it is about a study on determining the challenge of supply chain management, case study of Takexco. This research covered at Takexco Company only. This will takes place here because of Takexco is a manufacturing that has become one of the attraction among the others manufacturers. The product that had been produce by Takexco has their own attractiveness. The way SMEs of Manufacturing industry determine the challenges in supply chain and also how they handle the challenges. The business can be very successful if supply chain manage their challenges smoothly. Challenges of supply chain management is actually good to the manufacturing industry to stay alert about the obstacle that they maybe had to solve. Furthermore, the supply chain management also give some of the benefit to the manufacturing industry because they will always can to satisfy their customers by doing some of the improvement in the product that they had been produce. This research use qualitative method that use interview to gain information. This study will beneficial to the industry practitioners and academicians to be served as future.

Reference.

Keywords: Small and Medium-sized Enterprise (SMEs), Takexco, Challenges of Supply Chain Management, Benefit of Supply Chain Management.

ABSTRAK

Untuk kajian ini, ia adalah mengenai satu kajian mengenai menentukan cabaran pengurusan rantaian bekalan, kajian kes terhadap Takexco. Penyelidikan ini diliputi di Syarikat Takexco sahaja. Ini akan berlaku di sini kerana Takexco adalah pembuatan yang telah menjadi salah satu tarikan di antara pengeluar lain. Produk yang dihasilkan oleh Takexco mempunyai daya tarikan mereka sendiri. Cara PKS industri Pembuatan menentukan cabaran dalam rantaian bekalan dan juga bagaimana mereka menangani cabaran. Perniagaan ini boleh menjadi sangat berjaya jika rantaian bekalan menguruskan cabaran mereka dengan lancar. Cabaran pengurusan rantaian bekalan sebenarnya adalah baik untuk industri perkilangan untuk terus berjaga-jaga tentang halangan yang mereka mungkin perlu selesaikan. Selain itu, pengurusan rantaian bekalan juga memberikan beberapa manfaat kepada industri perkilangan kerana mereka akan sentiasa dapat memuaskan pelanggan mereka dengan melakukan beberapa peningkatan dalam produk yang mereka hasilkan. Kajian ini menggunakan kaedah kualitatif yang menggunakan temuduga untuk mendapatkan maklumat. Kajian ini memberi manfaat kepada pengamal industri dan ahli akademik untuk dihidangkan sebagai masa depan.

Rujukan.

Kata kunci: Perusahaan Kecil dan Sederhana (PKS), Takexco, Cabaran Pengurusan Rantaian Pembekalan, Manfaat Pengurusan Rantaian Pembekalan

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LIST OF ABBREVIATIONS

ABBREVIATIONS	MEANING
SMEs	Small and Medium Sized Enterprise
SCM	Supply Chain Management
KM	Knowledge Management
SME CORP	Small and Medium Sized Enterprise Corporation
NSDC	National SME Development Council
MED	Ministry of Entrepreneur Development Malaysia
CCA	Central Coordinating Agency
SMIDEC	Small and Medium Industries Development Corporation
MITI	Ministry of International Trade and Industry
OSC-MED	Ministry of Entrepreneur Development Malaysia's Entrepreneurship One-Stop Centre
INSKEN	National Institute of Entrepreneurship
CCM	Cooperation College of Malaysia
R&D	Research and Development

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CHAPTER 1

INTRODUCTION

This chapter will briefly discuss about the supply chain management and the challenges of supply chain management of Takexco, this study to identify the challenges and how they come out the solution. Beside that, problem statement of the study, research question of the study along with the research objective and the scope of the and also the limitation of the study will be discussed in this chapter. These would help to layout the purpose of this research and how this research contribute to the problem.

1.1 BACKGROUND OF THE STUDY

Meaning of supply chain administration (SCM) is the wide extend of exercises required to arrange, control and execute a product's stream, from obtaining crude materials and generation through dissemination to the ultimate client, within the most streamlined and cost-effective way conceivable by (Magerat Rouse,2018). SCM empowered the industry to track back the development of the crude materials required to make items, optimize stock levels to decrease costs, and synchronize supply with customer request. In any case, supply chain administration is full with challenges. One of the foremost viewpoint that has been frequently dismissed and neglected is the fund streams along the scm which shape an basics portion of the continuum of the commerce operation (Chen and Paulraj, 2004; Pfohl and Gomm, 2009; Randall and Farris II, 2009; More and Basu, 2011; Basu and Nair, 2012). The potential benefits of SCM incorporate item and conveyance handle quality such as shorter conveyance times, more solid conveyance guarantees, less plan disturbances, fetched investment funds (for illustration, critical decreases in inventories) and chance diminishments (Christopher, 1998; Luxuriate and Juga, 2001). Others, challenges of supply chain administration are need of the execution, need of usage, the capacity to create and keep up the connections over industry boundaries and back.

1.2 PROBLEM STATEMENT

The essential reason of supply chain administration is to attain maintainable competitive points of interest and the long-term benefit for the person industry inside the supply chain administration (Ballou ,2004). One of perfect way the most perfect way to reach this objective is by keep in track all the arranging and chance administration. In other words, the little industry SMEs ought to enchance and maximize the arranging and administration to remain as productive and successful as conceivable, occasional appraisals and updates are required. These alterations are in reaction to changes within the advertise - changes such as new product dispatches, worldwide sourcing, credit accessibility and the ought to ensure mental property. These dangers must be recognized and evaluated in arrange to control and relieve. There are the prove that the industry must look for out the arrangement of this issue, Bennet and O’Kane (2006), Humphreys, Haung, Cadden and McIvor (2007) and Lockström, Schadel, Harrison and Moser (2009) see SCM as a collaborative approach, crossing over firm boundaries, counting different parties within the supply chain administration, which altogether contribute to made strides item quality, shorter lead times and the next responsiveness of the supply chain, at lower fetched and expanded customer-satisfaction levels.

1.3 RESEARCH QUESTION

- A. What are the main challenges that effecting the supply chain management process in Takexco?
- B. How supply chain management process benefits the operation to Takexco?

1.4 RESEARCH OBJECTIVES

According to saunders et al. (2012), research question allows you to say what the issues or problem is that you wish to study. The research objectives allows you to operationalise your question - that is, to state the steps that you intend to take to answer it.

The research objectives of this study are as following:

- A. To define the main challenges in supply chain management process in Takexco
- B. To identify the benefits of supply chain management in operation to Takexco.

1.5 SCOPE AND LIMITATION

Scope

The scope for the challenges in supply chain management that involves in the finances, lack of performances in processing system, lack of implementation, and Faced with the risk of losing competitive strength in relation to larger companies combined with awareness of the new opportunities for growth, e-commerce was likely to be a central part of SMEs business strategies in the coming years (Drew, 2003). The challenges of supply chain management has been well-know in the small industry (SME). Thus, this study shall involving some of SME Industry for all the common challenges in supply chain management for processing the product.

Limitation

To compete this study, in-depth interview methods need to be done to the related SMEs industry. It takes a long period to collect the primary data from the SME industry. Besides that, it is also possible to get lesser responses than the expectation regarding the data collection.

1.6 IMPORTANCE OF THE STUDY

This research is to determine the challenges of supply chain management in process, where this study can be used as the references for the related SME industry especially in food industry. This study is to contribute to the local and small food industry to understand more about the importance and the benefits of the challenges for supply chain management in process.

CHAPTER 2

LITERATURE REVIEW

2.0 INTRODUCTION

This chapter will discuss overall about the review and the keywords of secondary data over the supply chain management as well as the relevant challenges that influence the process of supply chain management. This chapter begins with a brief introduction on supply chain management including the definition, challenges and the benefits of supply chain management. In this chapter, researcher need to understand and identify any previous research base on journal or any article that related to this research through literature review. In literature review it come out with explanation in term of summary, evolution and clarification for the selected study which is the challenges of supply chain management. Other than that, researcher also has to provide the model of theoretical framework based on the objectives that want to achieve.

2.1 DEFINITION OF SMALL AND MEDIUM SIZED BUSINESS (SMES)

Agreeing to the numerous analyst SMEs industry had numerous meaning that had do a few inquire about on how they oversee the industry and on how the SMES industry operation. Firstly, SME is little- and medium-sized ventures are more often than not characterized by moderately straightforward organizational structures and more cohesive societies, thus constraining the planning benefits of an viable client introduction concept. (Pompe and Bilderbeek, 2005; Mselmi et al., 2017), in spite of the fact that it is contended that the consideration of corporate governance variables is especially critical within the SME section, among others due to the reality that it is troublesome to compose high-accuracy expectation models for SMEs based on money related ratios only. Alternately, these properties may improve the capacity of littler firms to completely abuse a customer-oriented culture.

There are moreover had another meaning of SMEs industry based on information administration (KM) by (e.g. Wong and Aspinwall, 2004; Egbu et al., 2005; Hutchinson and Quintas, 2008). In any case, Beesley and Cooper (2008) has the appropriately point out, approximately the uniform definitions of the building pieces of KM are missing. It is since KM investigate has tended to center on forms and structures inside organizations, such as organizational culture and learning, information exchange from inferred to express, and sharing to improve efficiency and deals, diminish fetched, or increment advancement and quality and innovations for information capacity . To investigate the extant writing, concurring to (Kluge et al., 2001; Quintas, 2002; O'Dell et al., 2003; Edvardsson, 2009; Jashapara, 2011). KM is additionally characterized as the forms and structures given in SMEs industry to back the distinctive information forms, such as exchange, capacity and creation.

The definition of SMEs industry by the another creator is selection on which stipulates that smaller scale endeavors have less than ten representatives, 23% of providers are locks in with their claim supply chain to diminish outflows and huge parcels of the worldwide supply chain arrange stay undiscovered, with less than a quarter (23%) of CDP's provider respondents locks in with their possess providers, according to (customer data collection (CDP) of supply chain report 2018). Agreeing to (High-roller, 1996), the foremost imperative vital calculate in corporate operations is information because it has gotten to be because it is related with firms' capabilities to attain a competitive advantage (Teece, 2001). Appropriately, the SMEs businesses must had discover a few of ways to enough oversee this perspective, which is postures a specific challenge for smaller firms as they as a rule need of the assets that are required to form full utilization of their information stock. The information administration has been considered broadly. But, there are moreover a propensity to center on the expansive businesses and disregard to the SMEs industry. Agreeing to (McAdam and Reid, 2001; Wong and Aspinwall, 2005) there are a few against around the foundation of SMEs' industry centrality by numerous nations, in this circumstance it can be evaluated as unsuitable. But concurring to the other inquire about moreover have appeared that in numerous SMEs there's an nonappearance of precise information administration and in case measures are actualized, SMEs industry may be respected as less modern. Be that as it may, this does not cruel that reasonable for approaches to handle all the information administration issues are less critical to SME industry victory. Instead of it may be argued that a reasonable taking care of of information could be a especially imperative figure as to whether a firm survives or not.

2.1.1 SME CORPORATION IN MALAYSIA

The analyst got to discover what is SME CORP in setting of Malaysia. SME Corp. Malaysia was gazetted as an organization beneath the Service of Business person Advancement Malaysia (MED) in November 2018. Nowadays, SME Corp. Malaysia is balanced to realizing its vision of being the nation's chief organization for the improvement of dynamic SMEs to improve riches creation and social well-being of the country. In satisfying its mission of advancing the improvement of inventive, strong and globally-competitive SMEs through compelling coordination and arrangement of trade bolster, SME Corp. Malaysia had try to the engage of basic mass of SMEs with effective forms, vigorous commerce models, get to to monetary assets, shrewd organizations, market-entry techniques and maintainable development arrangements, through different stages and software engineer for SME and business visionary advancement.

Malaysia too had been expect the part of the Secretariat to the National SME Improvement Committee (NSDC), which is chaired by the Prime Serve of Malaysia. SME Organization Malaysia (SME Corp. Malaysia) is beneath the Service of Business visionary Advancement Malaysia (MED) which is the central planning organization (CCA) had arranges the usage of advancement software engineers for little and medium ventures (SMEs) over all related Services and offices. It moreover acts as the central point of reference for inquire about and information dispersal on SMEs and business people, as well as gives commerce counseling administrations for SMEs and business people all through the nation. SME Corp.