

**THE IMPACTS OF SUPPLY CHAIN MANAGEMENT ON
EMPLOYEE'S HYPERMARKET PERFORMANCE CASE STUDY
AT MYDIN USJ 1 SUBANG JAYA SELANGOR**

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**BACHELOR DEGREE OF TECHNOLOGY MANAGEMENT
(TECHNOPRENUERSHIP)
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2019

DECLARATION

"I acknowledge this is the result of my own work except the summaries and accepts
that I have described each of the sources"

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SUPERVISOR AND PANEL APPROVAL

I/ We hereby declare that I/ we have read this dissertation/report and in my opinion, this dissertation/report is sufficient in terms of scope and quality as a partial fulfillment of the requirements for the award of Bachelor Degree of Technology Management (Technopreneuership) with Honour

Signature :.....

Name of Supervisor :.....

Date :.....

Signature :

Name of Panel :

Date :

DEDICATION

This humble work is dedicated to:

My supportive family, for the limitless love and sacrifices;

My dearest supervisor, for the never ending words of encouragement;

My greatest friends, for being who they are;

And above all

To Allah SWT, the Almighty and;

Muhammad SAW, the best teacher and messenger

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ACKNOWLEDGEMENT

Alhamdulillah all praises to Allah, the Lord of the Universe for His wills and graces for me to complete this research. Peace and blessings be upon our precious Muhammad SAW who shows us the brightest path, so that we will always be under the mercy of the Merciful, Allah SWT.

I would like to express my honest appreciation to my supervisor, Mr Kamaruddin bin Abu Bakar, who has been the biggest help for me from the beginning until the completion of this research. He has always been extremely generous with his time, knowledge and effort during all phases of the research. My gratitude is also to the positive criticisms and suggestion granted by my panel Dr. Muhammad Imran Qureshi that was assists me in improving my work.

My appreciation is also extended to my beloved and brilliant friends for always being there when I needed them to be. This journey would not be completed without the time spent and words of inspiration by them for me to successfully complete this research.

Last but not least, my unconditional love and gratefulness to my dearest family for their boundless love, generous support and continuous prayers that they provided throughout the process of completing my degree and particularly through the completion of this research.

Thank you.

ABSTRACT

Supply chain management in business project often suffer from poor performance such as project delayed, cost overruns, and quality defects. The major reason for the occurrence of poor performance comes from the deterioration of supply chain management. Delays, cost over budget, failure of a building, poor quality and others was caused by the poor performance of operating staffs and labours. The objective of this research is to determine significantly the relationship between impact supply chain on employee's performance in Hypermarket Mydin at Subang Jaya Selangor. The literature reviews have emphasis in detail about the literature review on supply chain management practice aspects that employee's hypermarket performance. This research was conducted by collecting data through respondent from employee's in hypermarket Mydin. Both questionnaires were used for data collection. After that, the data and information was analyzed by using SPSS version 23. Descriptive statistical analysis which Pie Chart were conducted to describe the respondents besides multiple linear regression, t-test analysis was used to determine the relationship among variables. Lastly, conclusions and recommendations have been done. In addition, further study is needed so the effect of SCM on employee's performance by emerging the key indicator of optimum performance by implementing the SCM in Malaysia business industry can be achieved.

Keywords: supply chain management, employee's performance, impact supply chain, impact employee's

ABSTRAK

Pengurusan rantaian bekalan dalam projek perniagaan sering mengalami prestasi yang lemah seperti projek yang ditangguhkan, kos operasi, dan kecacatan kualiti. Kelewatan, kos ke atas belanjawan, kegagalan bangunan, kualiti yang kurang baik dan lain-lain disebabkan oleh prestasi pekerja dan perburuhan yang lemah. Terdapat beberapa kajian yang telah membincangkan pengaruh pengurusan rantaian bekalan ke atas prestasi organisasi hypermarket pekerja dalam perniagaan.. Objektif kajian ini adalah untuk mengenal pasti hubungan antara rantaian bekalan kesan terhadap prestasi pekerja di Pasaraya Mydin di Subang Jaya Selangor. Tinjauan literatur memberi penekanan secara terperinci tentang kajian literatur tentang aspek praktik pengelolaan rantai bekalan yang prestasi pasaraya karyawan. Kajian ini dijalankan dengan mengumpul data melalui responden daripada pekerja di pasaraya Mydin. Kedua-dua soal selidik digunakan untuk pengumpulan data. Selepas itu, data dan maklumat dianalisis dengan menggunakan versi SPSS 23. Analisis statistik deskriptif yang dijalankan oleh carta bulat untuk menggambarkan responden selain analisis regresi berganda digunakan untuk menentukan hubungan antara pembolehubah. Akhirnya, kesimpulan dan cadangan telah dilakukan. Di samping itu, kajian selanjutnya diperlukan supaya kesan SCM ke atas prestasi pekerja dengan muncul penunjuk utama prestasi optimum dengan melaksanakan SCM di industri perniagaan Malaysia boleh dicapai.

Kata kunci: Bekalan rantian, pengurusan bekalan rantian, kesan pengurusan bekalan rantian.

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LIST OF SYMBOLS

SCM	Supply Chain Management
β	Beta
α	Alpha
et. al.,	and other

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CHAPTER 1

INTRODUCTION

1.1 Background of Study

In 1982, Keith Oliver, a consultant at Booz Allen Hamilton introduced the term "supply chain management" to the public domain in an interview for the Financial Times. In the mid-1990s, more than a decade later, the term "supply chain management" acquired a currency when there were many articles and books on the subject. The supply chain was originally defined as encompassing all activities related to the flow and transformation of raw materials to end-users, as well as the flow of relevant information. Supply chain management is then defined as the integration of supply chain activities through better supply chain linkages to achieve a competitive advantage. For example, in July 2009, Wal-Mart announced its intention to create a global sustainability index that would assess products according to their environmental and social impacts and their distribution. This index aims to create environmental accountability in the Wal-Mart supply chain and to provide motivation and infrastructure for other retail companies to do the same

Supply chain management is the management of products or services from the start and to the finished. The supply chain management in an industry that became the backbone of moving the industry so it went smoothly and efficiently. The purpose of the supply chain is to ensure that a product is at the right place and time to meet the consumer of demand without causing excessive stocks or shortages. The collaborative effort of multiple channel members to design, implement, and manage seamless value-added processes to meet the real needs of the end customer” (Fawcett and Magnan, 2001). An efficient operation relies on the complete and precise flow of data relating to product demanded from retailers to buyers, manufacturing systems and also returns to the factory. The purpose of this paper is to investigate how buying firms facing low supply chain visibility utilize their stakeholder network to identify salient sustainability risks (SCSR) (Christian Busse, 2016). A study carried out stakeholder knowledge external to supply chain regarded as a valuable resource and generic understanding of a buying firm supply suffices to identify SCSR hotspots without creating complexity for the SCSR management.

Nowadays, a lot day of the business organization has started to implement the “Go Green Program” in their day-to-day operations as a concern to environmental sustainability. For example, the implementation of GMP and GSC in business operation will be resulted in greater benefits not only to the organization itself but to the rest of the supply chain steams which cover upstreams (supplier, manufactures) and down-stream (retailers, consumers). Recently, economic growth has increased the level of energy and material consumption which contributes to the environmental issue.

Supply chain management is an integral part of the business sustainability program. Understanding the degree of environmental, social and economic impact and viability of vendors and customers is becoming increasingly common as all industries move towards a more sustainable future. Social supply chain management aims to integrate social networks, social interactions, and social data to improve relationship management with all stakeholders, to maximize market value at a lower cost to the entire supply chain. However, the increasing environmental costs of these networks and

growing consumer pressure for eco-friendly products has led many organizations to look at supply chain sustainability as a new measure of profitable logistics management.

A study was carried out about decision theory in sustainable supply chain management at Cardiff University, the UK was carried out. Around 60 percent of the papers on decision-making in SSCM come from operational research (OR), which makes explicit use of DT. These are almost all normative and rationalist and focused on structured decision contexts. Some exceptions seek to address unstructured decision contexts via Complex Adaptive Systems or Soft Systems Methodology. (Anthony, 2014)

1.2 Problem Statement

An integration activity for address material and services to transform into a finished product or product that can be marketed to customers. In order to define the supply chain management and formulate the activities involved, explains that supply chain management basically gives rise to speed to get some product from production to market. Besides that, enhance customer service. Customers expect products to be delivered as quickly and timely as possible. The importance of the supply chain strategy is that this process increases customer satisfaction.

However, a response to sudden changes in availability, distribution or delivery channels, import duties, currency rates, using the computers and the latest technology to schedule and manage the delivery of the inside product. The distribution channel is the path or route decided by the company to deliver goods or services to the customer. This route can be short as a direct interaction between a company and a customer or may include multiple intermediary intermediaries such as wholesalers, distributors, retailers, etc.

Furthermore, a response to sudden changes organization performance comprises the actual output or result of an organization that is measured based on the intended output. According to Richard et al, 2009 organizational performance includes three

specific areas of the firm's result such as financial performance, product market performance and shareholder return. The challenge integration of the supply chain is collaboration across supply and partner networks. Out of the latest advancements and advances in technology and the development of global supply chain management today, it is important to remember what the real essence of the supply chain logistic is to revolve. A manager can pursue hunting for the easier platform and less logistic supply is supply chain integration. Whether the sources of raw materials, the design of planned production programs, transport and warehousing or delivery and customer management.

Besides that, supplier and partner relationship management. It is important to create, understand and comply with mutually agreed standards to better understand current performance and opportunities for improvement. Have two different methods to measure and deliver performance and time-consuming results. Believe that the system has been provided for consistent results and better supplier and partner relationships.

Accordingly, there is a need to understand supply chain management and what is supply chain sustainability in business. It is very important to acquire and maintain professional competence. The quantitative research will be conducted at MYDIN Mall around Usj 1 of Subang Jaya Selangor. Hence, the result of the study is expected to be useful for Mydin workers, and also the storage of goods in stock.

1.3 Scope of Research

The scope of the study is worrisome to workers both men and women at HQ Mydin, USJ 1 in Selangor, factors, and effects affecting network supply management. The scope of research focuses on workers directly or indirectly. Library of Laman Hikmah, UTeM is a reference to find additional information such as books, journals, and others. The scope of the study also focuses on the factors and effects during the delivery of the supply chain in stock HQ Mydin. A set of questionnaires and the number of questions for the interview will be prepared for the participant. The questionnaire survey was conducted using an online system (Google Docs) and hand distribution. The

questionnaire designed based on the concept and impact of supply chain management on employees.

1.4 Research Question

In particular, the scope of research is divided into several issues as follows:

1. What is the impact of supply chain management in hypermarket Mydin?
2. What is the relationship between all the impacts of supply chain management on the social workers in the company?
3. Which influences most of the supply chain management in hypermarket Mydin?
4. Does supply chain management provide a good relationship between employees and customers?

1.5 Objective of Study

The objectives of this study are:

1. To determine significantly the relationship between impact supply chain on employee's performance in Hypermarket Mydin at Subang Jaya Selangor.
2. To analyze the significant relationship between the impact of supply chain management on employee's Hypermarket performance.

1.6 Limitation Research

This study was investigated through a survey using the questionnaire. This is to enable them to evaluate and comment on the materials used in terms of the efficacy of supply chain management, the suitability of employees in the use of SCM and impact some constructive proposals.

Lastly, researchers will make comparisons through respondents to see the effectiveness of supply chain management there are social worker changes and see the comparison of whether there is an improvement in social performance among employees. This study was only conducted for employees at one of the hypermarkets in USJ 1, Selangor.

1.7 Significant of Study

Therefore, I believe this research help to identify the challenges in impact supply chain management in hypermarket Mydin and also the common problems that occur due to poor supply chain management. Therefore, a further search can be conduct based on this research topic in order to improve the implementation of Supply chain management in the construction industry.

1.8 Summary of Chapter.

The chapter included the background of the study, problem statement, research question, research objectives, scope and limitations of the study and significance of the study. This research is well explained in chapter 2 that is the literature review.

CHAPTER 2

LITERATURE REVIEW

2.1 Introduction

Supply chain management is a system consisting of every individual involved in ensuring your products reach the customers through the distribution channels. This includes the collection of raw materials, suppliers, manufacturers, transport, companies, wholesale, warehouse, storage rooms or stocks, and clerks-in desks. It also includes the tasks and functions involved in the transfer of such products, as quality control, marketing, procurement, and resources.

Instead, the APICS dictionary defines the supply chain terms either "process from raw material to final use of packaging a product that connects the entire supplier company". Also, it is seen as a set of practices aimed at to manage and coordinate the entire supply chain from raw material suppliers to the end customers (Voilman et al., 1997).

2.1.1 Supply Chain Management

Fierce competition in the global marketplace today, affecting continuous improvement in communication and transport technologies, for example, mobile communication, the internet, and overnight delivery has given us continuous motivation for the evolution of supply chains and techniques to manage them effectively. In a typical supply chain, raw materials are obtained and items are produced on one or more factories, sent to the warehouse for intermediate storage, and then sent to the retailer or customer. Therefore, to reduce costs and improve service levels an effective supply chain strategy must take into account the interactions in the range the level in the supply chain. Supply chain, also known as the logistics network, consisting of suppliers, manufacturing centers, warehouses, distribution centers, and retail outlets, as well as raw materials, work in progress in the process, and finished products flowing between the facilities.

2.1.2 Supply Chain Management on Employees Hypermarket Performance.

Social supply chain management aims to combine social networks, social interactions, and social data to enhance the relationship management with all stakeholders, to maximize value in the final market place at a lower cost to the overall supply chain. one responsible information arises from the overall claim to enhance the transparency of corporate activity, which is arrested related terms such as sustainability management, corporate social responsibility or corporate governance. This is has led to increased research and publication in this area. The developments related to this area can also be seen in how the first attempt was made to formulate the research (Kleindorfer et al. (2005). Unlike traditional SCMs, which typically focus on business performance and financial economics, sustainable SCM (SSCM) is characterized by environmental or

social objective integration that broadens economic dimensions to TBL (Seuring& Müller, 2008a).

2.2 Impact of supply chain management

The independent variable is about impact supply chain management on SCM practice, Integration of supply chain and organization performance. It is well known that supply chain management is an integral part of most business and is essential to company success and customer satisfaction. It because to easiest way to handle quality control is to process all processes from the start to finished. The strategy needs to integrate and coordinate throughout the supply chain to generate the performance of supply chain members (Green Jr. et al., 2008; Cohen and Roussel, 2005; Wisner, 2003).

2.2.1 SCM Practice

SCM practice has been defined as a set of activities carried out within the organization to promote effective management of supply supplies. Donlon, (1996) explains the latest evolution of SCM practices, including supplier sharing, outsourcing, cycle time compression, continuous flow of processes, and information technology. Tan et al. (1998) use customer purchasing, quality, and relationships to represent SCM practices, in their empirical studies. Alvarado and Kotzab (2001) are included in their list of practice SCM practices on core competencies, the use of organizational systems such as EDI, and excess inventory removal step by posting adjustment towards the end supply chain.

2.2.1.1 Strategic Partner Sharing

Strategic partner sharing defined as the long-term relationship between the organization and its suppliers. It is designed to leverage the strategic and operational capabilities of participating organizations' organizations to help them achieve significant continuing benefits (Stuart K, 1997). Strategic partnerships emphasize long-term associations, direct and promote joint planning and solving business problems (Gunasekaran,(2001) Such strategic partnerships are incorporated in promoting mutual benefits between parties and continuous participation in one or more key areas such as technology, products, and markets (Yoshino M, 1995). Strategic partnerships with suppliers allow organizations to work more effectively with multiple providers it is important to share the responsibility of product success. The supplier who took part in the product design process can offer more expensive design options, helping to select the best components and technologies and assist in design evaluation (Jones, 1998). Close collaboration and eliminate wasteful times and efforts (Bulsmeir PW 1996). Effective supplier suppliers can be a critical component of the main supply side of the supply (Noble D., 1997).

2.2.1.2 Customer Relationships

Includes the entire order practices used for managing customer complaints, building long-term relationships with customers, and improving customer satisfaction (Claycomb C, 1999, Tan Kc 1998). (Noble D 1997) and (Tan et al., 1998) consider customer management relationships as an important component of SCM practice. As demonstrated by (GS 2008), the relationship is the most sustainable advantage because of their obstacles that exist in the competition. Growth of mass customization and personal service leads to the era in which customer relationship management becomes important for corporate survival (Wines L, 1996). Good relationships with supply experts, including customers, are required to implement a successful SCM program