

**SUSTAINABLE UPSTREAM SUPPLY CHAIN MANAGEMENT IN HALAL  
FOOD MANUFACTURER IN MELAKA**

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## APPROVAL

I have declared hereby that I / we have read this thesis and that this thesis is appropriate in scope and quality to satisfy the requirement for the Bachelor's Technology Management (Technology Innovation)



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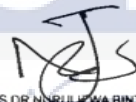
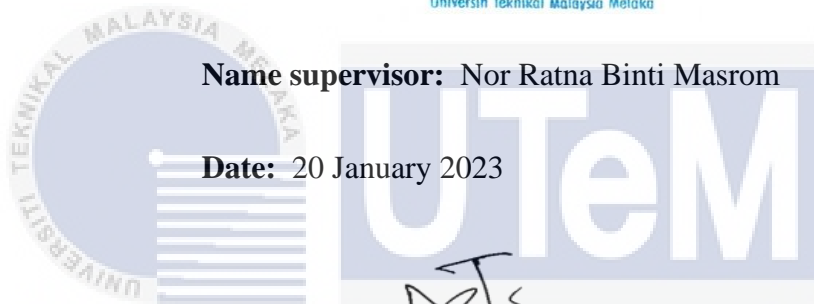
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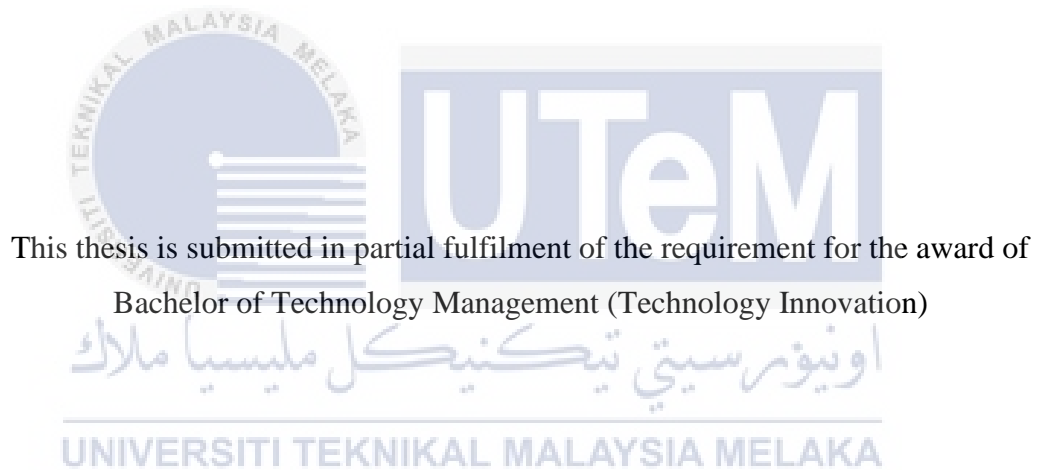
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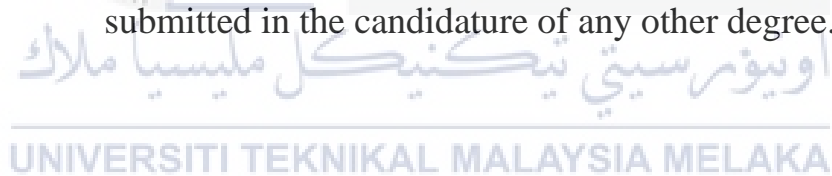
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## DECLARATION

I hereby declared that this thesis entitled

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Is the result of my own research except as cited in the references. The thesis has not been accepted for any degree and is not concurrently submitted in the candidature of any other degree.



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NAME: Abdul Mutalif Bin Hussin

DATE: 21 June 2022

## DEDICATION

This research paper is wholeheartedly dedicated to dear parents which is my main source of motivation.

They always give us strength when we think of giving up, which continues to provide their moral, spiritual, emotional, and financial support.

I wish to share gratitude for the encouragement and support of my beloved family, lecturers, supervisor, and friends.



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## ABSTRACT

Sustainable supply chain management (SSCM) has emerged as an essential tool for mitigating the negative effects of a company's day-to-day operations on the environment and society. Research on sustainable supply chain management has mostly looked at the issue from the perspective of major businesses, despite the fact that Halal Food Manufacturer make up a considerable amount of the world's employment and turnover. This is worrisome since all firms, regardless of size, need to be actively involved in combating serious challenges like climate change. Just two recent empirical studies use a small business as their primary purchaser and assess their SSCM procedures. This research sought to fill a significant knowledge gap by illuminating the specific procedures and policies implemented by the Halal food industry, as well as the enabling and constraining factors that shaped these procedures and policies. A qualitative multiple case study was conducted at a Melaka-based halal food factory to investigate the research question. There are a total of five responders, and the majority of them are managers and other professionals with significant professional experience. Similarly, unlike in bigger corporations, a focus on sustainability does not always manifest itself in clear management practises. When it comes to their most important partnerships, small firms place a greater value on developing long-term, trustworthy bonds with their strategic partners. This familiarity and trust not only gives the companies more leverage in negotiations but also can replace sophisticated SSCM methods. Finally, the data demonstrated significant variations across small firms of varying sizes; bigger small enterprises were less constrained by resource limitations and more likely to employ various techniques than smaller ones.

## ABSTRAK

Pengurusan rantai bekalan mampan (SSCM) telah muncul sebagai alat penting untuk mengurangkan kesan negatif operasi harian syarikat terhadap alam sekitar dan masyarakat. Penyelidikan mengenai pengurusan rantai bekalan yang mampan kebanyakannya melihat isu ini dari perspektif perniagaan utama, walaupun pada hakikatnya Pengeluar Makanan Halal membentuk sejumlah besar pekerjaan dan perolehan dunia. Ini membimbangkan kerana semua firma, tanpa mengira saiz, perlu terlibat secara aktif dalam memerangi cabaran serius seperti perubahan iklim. Hanya dua kajian empirikal baru-baru ini menggunakan perniagaan kecil sebagai pembeli utama mereka dan menilai prosedur SSCM mereka. Penyelidikan ini berusaha untuk mengisi jurang pengetahuan yang ketara dengan menerangkan prosedur dan dasar khusus yang dilaksanakan oleh industri makanan Halal, serta faktor pemboleh dan pengeang yang membentuk prosedur dan dasar ini. Kajian kes berbilang kualitatif telah dijalankan di sebuah kilang makanan halal yang berpangkalan di Melaka untuk menyiasat persoalan kajian. Terdapat sejumlah lima responden, dan majoriti daripada mereka adalah pengurus dan profesional lain yang mempunyai pengalaman profesional yang ketara. Begitu juga, tidak seperti dalam syarikat yang lebih besar, tumpuan terhadap kemampan tidak selalunya nyata dalam amalan pengurusan yang jelas. Apabila bercakap tentang perkongsian mereka yang paling penting, firma kecil meletakkan nilai yang lebih besar untuk membangunkan bon jangka panjang yang boleh dipercayai dengan rakan kongsi strategik mereka. Kebiasaan dan kepercayaan ini bukan sahaja memberikan syarikat lebih memanfaatkan dalam rundingan tetapi juga boleh menggantikan kaedah SSCM yang canggih. Akhir sekali, data menunjukkan variasi ketara merentas firma kecil dengan saiz yang berbeza-beza; perusahaan kecil yang lebih besar kurang dikeang oleh keterbatasan sumber dan lebih cenderung menggunakan pelbagai teknik daripada yang lebih kecil.



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# CHAPTER 1

## INTRODUCTION

### 1.1 Background of Study

There seems to be a new sense of urgency in drawing attention to the environmental impacts of our existing production and consumption patterns in the wake of the worrisome and extensively distributed IPCC (Intergovernmental Panel on Climate Change) Report in October 2018. Companies are under greater pressure from above, in the form of regulators and investors, and below, in the form of customers, to lessen their influence on the environment at a time when individuals throughout the world are scrutinising their own personal habits (Scott, 2019). In fact, leading market researcher Nielsen has named 2018 the year of the "Influential Sustainable Consumer," and they predict this trend will continue into the 2020s (Nielsen, 2018).

In order to address the unsustainable practises that are embedded in the operations of many businesses, there has to be a shift toward more deliberate supply chain management. The necessity of assessing the ecological and social impacts of supply chains has developed in tandem with the complexity of these networks because of megatrends like globalisation and outsourcing. Sustainable supply chain management is a frequent term used in scholarly writings to describe this approach. The field of sustainable supply chain management (SSCM) has come a long way in the last two decades, from the margins to the centre of academic discourse (Pagell and Shevchenko, 2014). (Touboulic and Walker, 2015). The motivations and challenges to SSCM, as well as the concrete strategies being utilised, have been the subject of much study. Nonetheless, most studies have concentrated on large, multinational firms. This

is representative of a broader trend where halal food producers are sidelined from public discussions on sustainability, policymaking, and media coverage (Block, 2019).

Food and drink aren't the only things available as halal in this country nowadays. Through the Malaysia External Trade Development Corporation (MATRADE), Malaysia is working to become a global leader in high-value industries like healthcare and pharmaceuticals by offering a halal incentive to businesses in these sectors. Malaysia's halal business needs to look at innovative options if it wants to compete on all fronts. Some companies in the halal supply chain may continue to use halal practises. Raw materials, packaging, and distribution are the business's ground floor. Those who choose to follow the halal lifestyle should do it in accordance with the unwavering precepts outlined in Halalan Toyyiban (Malaysia External Trade Development Corporation, 2017).

Since the concept of halal is associated with excellent, health, safety, and high-quality evaluation, halal food items have become more popular among customers worldwide. That is to say, the halal food sector should be able to ensure and absolutely guarantee that the food they sell is halal (Fathi et al., 2016). Despite MATRADE's encouragement of halal enterprises to use technology to boost productivity and quality, few business owners take halal's significance or its ability to attract consumers with any degree of seriousness (Bernama,2017). In addition, many businesses still are hesitant to pursue halal certification (Jari, 2014) because of the time and money involved. This may discourage businesses from adopting a halal supply chain (Ngah et al. 2017). Critical success criteria in the halal supply chain were also found by Talib et al. (2015), however the study did not assess the effectiveness of the companies involved. In addition, Talib et al. (2015) assessed the essential success aspects of quality management in the Malaysian food sector and recommended assessing the effectiveness of organisations in this area. To our knowledge, this research is the first systematic attempt to analyse the effects of a halal manufacturer's adoption of a halal food supply chain (HFSC).

## **1.2 Problem Statement**

The diversified makeup of modern Malaysian society is reflected in the country's gastronomical offerings, which cater to a wide range of Asian tastes. The

majority of the companies in the halal food manufacturing business are owned by Malaysians. Malaysia is home to several food production facilities, including halal food manufacturers as well as foreign enterprises and well-known multinational giants. In 2015, Malaysia exported RM18.0 billion worth of food processing goods, while importing RM17.8 billion (Malaysian Investment Development Authority, 2018). In addition, the halal food manufacturing industry is a major component of the Malaysian economy, playing a crucial role in the country's pursuit of developed-nation status by the year 2020. (Bhuiyan et al., 2017).

In terms of both employment and output, businesses that specialise in producing halal food have a significant impact on the international economy. When you consider that they are under the same demands as major corporations to manage their supply chains sustainably, it is puzzling that they are so often ignored in both academic and public discourse (World Trade report 2016). When academics examine halal food businesses, they tend to look at two topics: the companies' overall sustainability and their role as upstream suppliers to other, bigger businesses (Touboulic and Walker, 2015). Halal food is rarely seen as the central corporation that controls its own supply chain. Actually, only two empirical studies stand out as examining businesses from a purchaser's vantage point (Touboulic and Walker, 2015).

In light of this, there is a significant knowledge vacuum about the methods in which halal food producers incorporate sustainable practises into their supply chains, the motives or pressures pushing them, and the potential obstacles they may encounter. Many academics and government officials have recognised the need for more study into SSCM in the halal food manufacturing sector (Kot, 2018; European Commission, 2015) to fill this void (Sajjad et al., 2015). Perhaps this is why some studies state explicitly that their results cannot be applied to any other company (Walker and Jones, 2015). The purpose of this thesis is to address this sizeable research gap, and empirically examine SSCM from the perspective of halal food manufacturers in Melaka especially looking for upstream SCM segment. Halal food industry, and processed food products more specifically, is chosen as the focal industry for the research since it is the Malaysia biggest manufacturing sector in terms of jobs and value-added and frequently appears in research on both SCM and SSCM. Additionally, all firms in the industry regardless of size must deal with health, safety, and quality

standards, which indicates a predisposition to managing the supply chain (Beske et al., 2015).

### **1.3 Research Objectives**

This thesis seeks to further understand sustainable supply chain management in halal food manufacturers in the food industry.

1. To discover about the upstream's profile of halal food manufacturer in Melaka
2. To analyze problem at the upstream activity at halal food manufacturer in Melaka.
3. To develop upstream performance in halal food Manufacturers in Melaka

### **1.4 Research Questions**

To achieve this objective, the following research questions will need to be answered.

**RQ 1:** What are the profile of upstream in halal food manufacturer in melaka?

**RQ 2:** What are the problem between upstream halal food manufacturer in Melaka?

**RQ3:** What are their way to solve the problem they faced with their upstream.

### **1.5 Scope of Research**

This study focuses on sustainable supply chain management in halal food producers. this study was conducted in Melaka. hence the scope of this study targets to interviews the staff at Melaka halal food manufacturer.

## 1.6 Limitation

this research has highlighted one limitation which provides opportunities for future studies. It is restricted geographical scope. The scope of research is only focus on staff at halal food manufacturer in Melaka but not at another place. These limitations will be the barriers of research progress.

## 1.7 Key Assumption

The assumption of this research is the honesty and truthful responses from the interviewer. It is assumed that the interviewer that managed to answer the questionnaires are potential interviewer. The interviewer will answer the questions based on their own experience and without interference from another interviewer.

## 1.8 Summary

An overarching goal of this first chapter was to investigate the practises of sustainable supply chain management at a Melaka-based halal food producer. Globalization of the economy, the proliferation of information networks, and the intensifying competitiveness among enterprises are all factors. The supply chain feels the heat of this rivalry. The phrase "Sustainable Supply Chain Management," or SSCM, has its roots in the manufacturing industry, where it evolved out of a series of incremental improvements. The SSCM's suggested integration of core business functions is designed to make the company's operations in the commercial marketplace more methodical and cost-effective. Furthermore, research indicates that manufacturers and customers alike may reap substantial benefits from SSCM integration. Businesses catering to Muslim consumers need to verify that they are following Islamic law and are certified as halal in order to operate. These facets of competence need to be geared toward the company's competitive advantage in strategic endeavours. By coordinating suppliers, operations, and logistics, as well as certifying organisations, Halal food supply chain management systems may optimise the whole halal food supply chain.



## CHAPTER 2

### LITERATURE REVIEW

This chapter provides a comprehensive overview of the scholarly literature on sustainable supply chain management, broken down into six categories. The first two chapters introduce the reader to SSCM and trace the development of the field. In the third section, we lay out the conceptual framework that will be employed in the analysis of the primary SSCM practises in the fifth section. The role of small and medium-sized enterprises (SMEs) in supply chain management (SSCM) is discussed in Section 4, and the new conceptual model is developed through a synthesis of the relevant literature in Section 5.

#### 2.1 Defining Sustainable Supply Chain Management

While the integration of sustainability into conventional supply chain management is certainly progress, Pagell and Shevchenko believe that there should ideally be no need for a distinct field known as sustainable supply chain management (2014). The authors argue that all SCM research should be seen as SSCM research rather than the novelty or nice-to-have that it is now viewed, in order to establish supply chains that are genuinely sustainable, and not simply a bit more sustainable. While Pagell and Shevchenko will certainly be vindicated by time, and the two fields will ultimately merge, it is nevertheless important to define sustainable supply chain management in its own right in light of the literature's current divisions.

Scholars tend to agree on this definition, and for good cause (found in among others: Koberg and Longoni, 2018; Dubey et al., 2017). The triple bottom line approach (environmental, social, and economic) is spelled out explicitly, making it evident how SSCM differs from more conventional forms of supply chain management (Beske and Seuring, 2014). Furthermore, it is expected that successful performance in all three dimensions will result in long-term economic rewards, competitive advantage, and a positive impact on people and the environment. Using this approach, Carter and

Rogers (2008) conceived of SSCM as lying in the intersection of the three circles in the Venn diagram below.

Second, supply chain collaboration among enterprises is emphasised. Traditional supply chain management relies heavily on cooperation due to the complexity of coordinating flows in a more interconnected and worldwide environment, as well as rising demands for speed, reliability, and adaptability from customers. But with SSCM, businesses frequently need to consider an even more extensive section of the supply chain than they would if acting just on economic rationale (Beske and Seuring, 2014;). Corporate scandals like Nike's sweatshop scandal in the late 1990s, which forced the company to reorganise because of poor working conditions at its suppliers' facilities, have shown the importance of looking further up the supply chain (beyond the first and second tiers) to assess environmental and social/ethical impacts. A further incentive comes from the public, media, and other stakeholders who are ready to hold firms accountable for infractions that occur distant from the focal company in the supply chain (Hoffman et al., 2014). The usefulness of incorporating it in the definition comes from the fact that other writers (Touboulic and Walker, 2015) also emphasise the significance of cooperation and the strength of relationships within the supply chain as fundamental to SSCM.

In addition, the definition notes that "consumer and stakeholder needs" are the driving force behind a company's sustainability initiatives. Authorities, non-profits, stockholders, locals, reporters, and workers are all examples of groups that might be considered stakeholders. Though not all SSCM definitions include mention of stakeholders (Ahi & Searcy, 2015), stakeholders should be acknowledged as having legitimate requirements to the supply chain's activities (Beske et al, 2014), and scholars generally accept that pressure from stakeholders is an integral driver of adopting SSCM policies and practises (Harms et al, 2014). Stakeholders, as posited by Meixell and Luoma (2014), play a crucial role in both increasing firms' general knowledge of sustainability and swaying their support of particular goals. Stakeholders, especially in the current political and cultural atmosphere and with the growth of social media, seem to have the power to make or break businesses and frequently have channels through which to convey their demands for corporate sustainability.

The definition concludes by expanding upon the fundamentals of classic SCM. Ahi and Searcy (2015), in their analysis of SCM definitions, emphasise the top three features of SCM as (1) a focus on flow, (2) a focus on coordination, and (3) a focus on stakeholders. The concept also includes an emphasis on performance, another trait highlighted by Ahi and Searcy.

When considering what SSCM is not, Seuring and Muller's definition is also helpful. By emphasising the Triple Bottom Line, the authors distinguish SSCM from green supply chain management (which emphasises environmental sustainability at the expense of social sustainability). Even though the TBL method adds an extra layer of complexity (level 7) to the research process, it is increasingly being used. Historically, there has been an inclination to focus on environmental concerns (Ahi and Searcy, 2013). It's possible that companies are more open about discussing environmental successes like CO<sub>2</sub> cuts than discussing pay or working conditions, which might be seen as more difficult and sensitive. This thesis will not include green or socially sustainable supply chain management (even though they have many similarities with SSCM) since they do not adhere to the triple bottom line perspective.

## 2.2 Development of the Discipline

SSCM is a relatively new area of study in the fields of management and economics (Brandenburg and Rebs, 2015), and it has only been studied intensively over the past two decades. Although seminal studies in related fields such as sustainability and corporate social responsibility date back to the 1970s and 1980s, the number of papers in this area has increased dramatically since 2008. (Touboulic and Walker, 2015a). When researchers realised how crucial supply chain activities were to a company's long-term economic performance and sustainability results, SSCM was formed (Touboulic and Walker, 2015a). Waste reduction was an early focus of supply chain management (SCM), which eventually evolved into green SCM by connecting environmental management with economic performance improvement (Beske and Seuring, 2015). Strong ties exist between SSCM and the concept of business sustainability, which may even encompass SSCM. Sustainable development is defined as "development which meets the needs of the present without compromising the

ability of future generations to meet their own needs," and it gained popularity after the 1987 Brundtland Report presented the findings of the World Commission on the Environment and Development.

Approximately half of SSCM publications do not use any theoretical framework, which has led to criticism (Touboulic and Walker, 2015). (Quarshie et al., 2016). Research is often non-theoretical or relies heavily on a small number of ideas, but Carter and Easton (2014) argue that a broader use of theory would yield more original findings. Some researchers and scholars have even gone so far as to say that the area is immature and conceptually undeveloped because of the prevalence of descriptive studies (Hoejmose and Adrien-Kirby, 2012). So-called macro theories currently dominate the area, emphasising strategy and structure rather than the individual or behavioural level. Since SCM, which also tends to take such a macro perspective, was a major influence on the area, Touboulic and Walker (2015) suggest that this is why.

Given its roots and role in the management sciences, it seems logical that SSCM is often seen via an economic perspective. The shared focus on competitive advantage and risk management, both of which may increase or protect profits, is indicative of this outlook. Brockhaus et al. (2014) state that the resource-based and dynamic capabilities perspectives provide the most convincing evidence that SSCM scholars agree that corporations may gain a competitive advantage by engaging in sustainability-focused SC activities. While some argue that economic performance should be explicitly included into accountability frameworks, others, like Pagell and Shevchenko (2014), think the area is skewed in favour of profit maximisation and economically advantageous behaviours. Since the collection of practises that have good economic and noneconomic benefits on chain performance will always be smaller than the set of practises that may enhance some but not all of the triple bottom line, they explain that "concentration on profitability may force researchers to miss vital new practises." Much of the literature seems to rehash the idea of profit as the ultimate, albeit implicit, predictor of SSCM performance.

The obvious emphasis on larger businesses or corporations is another defining feature of the field from its inception. Indeed, the phrase corporate social responsibility, sometimes used interchangeably with sustainability in SSCM literature,

reflects a focus on bigger firms. The major buying business has traditionally been the favourite unit of study (Touboulic and Walker, 2015) and even when corporations are not addressed directly, phrases like “shareholders” and “top management” communicate to the reader the scale of the companies in issue. This concentration on large firms has also led to rather a top-down approach to SSCM, where 10 practises like as codes of conduct, not normally utilised by SMEs, are stressed (Touboulic and Walker, 2015;). (Touboulic and Walker, 2015;). Since indicated, there have been strong requests for greater study on SMEs as currently there appears to be a scarcity of studies in the subject (Kot, 2018; European Commission, 2015). (Kot, 2018; European Commission, 2015).

Finally, going beyond the theory, Brockhaus et al. (2014) discover that the majority of evaluated SSCM studies indicate that in practise SSCM implementation is low. Pagell and Wu (2009) likewise contend that no supply chain that fits the requirements of “truly sustainable” exists today. This might be viewed to represent much of what is covered in the media, as the sustainability highlights of huge firms like Tesco are frequently seemingly constrained to e.g., more energy efficient lighting or renewables (Johnston, 2017). (Johnston, 2017).

### **2.3 Conceptualizing Sustainable Supply Chain Management**

The conceptual framework that will be utilised as the theoretical basis for this thesis was established by Beske and Seuring (2015). (2015). It is also the beginning point for classifying and assessing the many SSCM methods that organisations might implement in their supply chain. According to the authors the framework (see Figure 2. below) is designed as a more operational rather than theoretical framework, which serves the goal of this thesis as the intention for the empirical study is to identify the concrete practises in use in the case firms.

The framework aims to envision how sustainable performance may be accomplished through SCM, by looking at the strategic values, supply chain structure, and operations of the organisation. Within these three meta categories, one may find firm orientation, continuity, collaboration, risk management, and proactivity. Furthermore, these categories comprise separate practises, which are regarded the

practical application of the aims of each category (Beske and Seuring, 2015). (Beske and Seuring, 2015). The authors believe that many techniques, except for stakeholder management and life cycle assessment, are not unique, but rather show the fact that SSCM is a theoretical and practical widening of SSCM. Many practises may thus likewise be fundamental to SCM but highlighted more strongly in SSCM or naturally have a different ultimate objective.

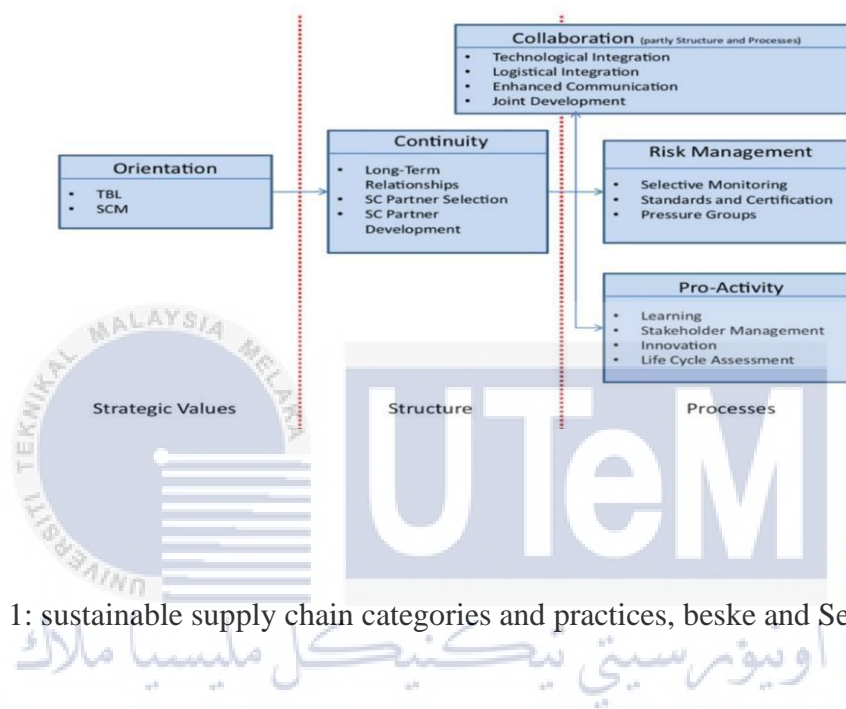


Figure 1: sustainable supply chain categories and practices, beske and Seuring (2014)

Closer examination of the framework reveals that strategic values and orientation simply relate to the firm's attitude and the way in which its viewpoint is incorporated into the strategy and strategy development of the organisation. This is crucial since many of the techniques cannot provide the desired sustainable result on their own but do require a certain direction in order to be effective. Sustainability performance may be improved by measures such as "Enhanced Communication" and "SC Partner Selection," both of which should be in line with a sustainability plan (Beske and Seuring, 2014). The framework has both a triple-bottom-line and a supply-chain management (SCM) focus as necessary conditions for the succeeding practises to be implemented. The second is likely to be there since it has been suggested that a supply chain that excels in the more conventional operational measures would help advance sustainability initiatives.

The next part is the framework, which includes things like consistency and teamwork. In the second phase, the supply chain's framework is established, or more specifically, the working relationships between various participants are defined. To be included in the continuity category, it is assumed that the sustainability performance of the central firm depends on maintaining long-term, trustworthy relationships that are mutually advantageous to all parties involved. Behaviors like carefully choosing a lifelong companion and investing in that person's growth are examples of this social expectation. 12 Since organisational, logistical, and technological structures are required to enable collaboration in the first place, but collaboration is ultimately achieved at the operational level, it is placed in both the structural and operational (process) categories, which is why it is closely related to continuity. Going beyond mere cooperation, collaboration necessitates the kind of trust and commitment to the project's long-term success that are discussed in the section on continuity. Many of the sustainable results of the supply chain are reached through collaborative practises, such as improved communication and cooperative development, which promote knowledge exchange and product development (Gimenez and Tachizawa, 2014).

Risk assessment and prevention are two further examples of processes. The addition of risk management stems from the realisation that organisations committed to sustainability and applying SSCM techniques are at risk for distinct and, in some cases, more severe dangers than those that focus just on SCM (Beske and Seuring, 2014). An additional motivation for SSCM is the desire to lessen the impact on the environment and society. Individual suppliers can be monitored through audits and site inspections, while wider stakeholder groups can be reached through the use of standards and certifications. One of the most significant differences between SSCM and SCM is the extensive effort required to keep tabs on environmental and social concerns at the supplier, and even the customer, level. And last, proactive measures are included since it is assumed that organisations who practise sustainability are proactive. This is related to the concept that these businesses are "walking a new route," and as such, require novel approaches to problem solving (Beske and Seuring, 2014). Companies may learn and innovate by coordinating with their many constituencies and, ideally, accounting for the entire product's lifespan throughout the design/development phase.

Authors like Paulraj (2014) see "innovation capability" and "entrepreneurship" (both entail proactivity) as orientations in their conceptualizations of SSCM, suggesting that proactivity may be viewed as a strategic value/orientation rather than a category of actions. The proactivity category becomes unnecessary when one considers that stakeholder management is already a part of collaboration, and that learning, and innovation are "practises" that occur across all spheres of the model (interorganizational learning is in fact referred to as the key value of collaboration). Additionally, there is not always a clear border between the continuity and cooperation categories since both help to build trust and longevity within the supply chain. Since this is a paradigm that is solely concerned with tangible practises, there are no motivators, pressures, or incentives in place to control the spread of these methods. Although the conceptual model isn't flawless and many academics could have a different take on things, it will serve as a foundation for this thesis's exploration of SSCM's varied activities.

## **2.4 Halal Food Supply Chain**

Halal supply chain is concerned with the integration of the enterprise several functional areas such as manufacturing operation, procurement and logistics and value-adding initiatives within the halal framework. It is a circular relationship that stems from the supplier to the manufacturers subsequently customers of halal products. Chain control aspect is important because the mixing between the clean and unclean is not allowed by Islam to avoid contamination. Halal chain can ensure the integrity and security of food products during handling of the product either during the flow of materials, production, packaging, storage, transportation, and warehousing (Tieman M, Ghazali MC, Van Der Vorst JG,2014). As for halal supply shortage is a major problem in some countries (Abdul M, Ismail H, Hashim H, Johar J,2013), the halal chain must go through good communication to consumers through halal label or the like to give more confidence and trust to halal products. It does also create a good image in respect of a business to increase the market share.

Supply chains, ironically, help achieve the most important goals by relying on value creation activities. Therefore, business stability and long-term success will be