

Major: *Supply Chain Management*

No. (SCM / 23)

**IMPACT OF SUPPLY CHAIN MANAGEMENT PRACTICES
ON SMALL AND MEDIUM ENTERPRISES (SMEs)**



Research By:

Danyal Khalid

01-121191-004

Degree Program: MBA (1.5)

Supervisor:

Mr. Raja Khalid Hafeez

Department of Business Studies

Bahria University Islamabad

Spring-2020

FINAL THESIS APPROVAL SHEET

Viva-Voce Examination

Viva Date: 21/07/2020

Topic of Research:

Impact of Supply Chain Management Practices
on Small and Medium Enterprises (SMEs)

Student Name: Danyal Khalid

Enrollment No: 01-121191-004

Class / Degree Program: MBA (1.5)

Approved by:

Mr. Raja Khalid Hafeez

Supervisor

Ms. Lubna Maroof

Examiner-I

Ms. Saman Javed

Examiner-II

Dr. Syed Haider Ali Shah

Research Coordinator

Dr. Muhammad Ali Saeed

Head of Department

Business Studies

ABSTRACT

This research aimed to identify the impact of supply chain management (SCM) practices on small and medium enterprises (SMEs) of Pakistan. During the past few researches, just the benefits of SCM practices on large scale organizations were discussed, but the impact of SCM practices on the SMEs was neglected due to certain reasons. The primary cause behind this negligence was the difference in infrastructure and operational level between large scale organizations and SMEs. This study has considered strategic supplier partnership, information sharing and information quality as independent variables. Whereas, supply chain management performance has been considered as the dependent variable in this study. However, this study has finalized SMEs of Pakistan to testify the impact on variables mentioned above. The major emphasis in this study has been on assessing the impact of strategic supplier partnership, information sharing and information quality (independent variables) on supply chain management performance (dependent variable) in SMEs of Pakistan. To find the impact, a survey has been conducted through an adopted structured questionnaire regarding this literature, in which supply chain members associated with SMEs of Pakistan, have been requested to share their experiences by filling the questionnaires. Then, to identify the results on data gathered from the respondents, statistical instruments have been used. Some of the statistical instruments used in this study includes descriptive frequencies, reliability, correlation, regression, etc. Results derived through statistical instruments have shown that there exists a significant positive impact of strategic supplier partnership, information sharing and information quality (independent variables) on supply chain management performance (dependent variable) in SMEs of Pakistan. Conclusively, it can be said that supply chain management practices positively impact supply chain management performance in SMEs of Pakistan.

KEYWORDS: Supply Chain Management Practices, Strategic Supplier Partnership, Information Sharing, Information Quality, Supply Chain Management Performance, etc.

ACKNOWLEDGEMENT

First of all, the thankfulness is for Allah Almighty, the Most Merciful and Most Beneficent, whose countless genius empowered has enabled me to live and see this research work completed.

I will be forever indebted to my research supervisor “Mr. Raja Khalid Hafez” for all kind support, suggestions, inspirations, and patience throughout the process of this research work. I can’t ever return him back for all the assistance related to the thesis that he has provided me, and the valuable time he spent to make sure that my research keeps on the right track.

I would like to express my deep appreciation to all the respondents from the bottom of my heart who shared their valuable experiences with me as working in any small and medium enterprise or somehow connected with any small and medium enterprise (SMEs) sector as their supplier. Their responses supported me a lot to expand my research work. Without their input, it was not possible for me to complete this research report.

Furthermore, I am very grateful to my family members for their never ending support, and belief in me that I can achieve anything in my life. Besides this, I would like to acknowledge my parents and other family members for giving me motivation at all times whenever I lose my hope due to uncertain situations throughout the whole world, especially in Pakistan during COVID 19 pandemic. Their countless prayers offered for me were very helpful to complete my research work.

Last but not the least, I would like to acknowledge as well many friends and colleagues at Bahria University Islamabad who assisted, advised, and supported me in completing this research report. Especially, I want to express my deep appreciation to Mr. Mansoor ul Haq, Mr. Waqas Ahmad, and Mr. Waseem Shahzad for sharing their knowledgeable thoughts, wisdom have supported, and they push me throughout during research report write down process. Above all their willingness to provide me timely feedback made me succeeded in the completion of this dissertation work with an enjoyable experience.

In the end, I want to give my deepest appreciation to all those people who took part in making this dissertation real. Unfortunately, I am not able to say thank you to every individual by name because it would take a lifetime but, I just want you all to know that you all have much respect in my heart.

DEDICATION

I would like to dedicate my research work to:

Allah Almighty, Creator of whole universe and master of all the creatures who live in it,

Our last Prophet Muhammad (Peace be upon him), who taught whole mankind a lesson of peace and purpose of our existence in this world,

My beautiful homeland Pakistan, the symbol of peace and love,

All the great martyrs of this nation especially who scarify their lives against war and terror to bringing back peace to Pakistan. Their scarification make Pakistan a peaceful country in the whole world,

All the front line soldiers, especially doctors, paramedic's staff, and all the law and enforcement agencies personnel, who fight against the corona virus (COVID-19) pandemic,

My great parents, who have always be my source of inspiration and gave me strength throughout every course of my life.

My beloved brothers who always stand with me whenever I need any kind of their support,

All my friends who encourage and support me to achieve my goals in my life,

All those people in my whole life who teach me, even a single piece of the word,

I dedicate this research to all of them.

TABLE OF CONTENTS

CHAPTER 1: INTRODUCTION.....	3
1.1 Background of the Study:	3
1.1.1 Supply Chain Management:	3
1.1.2 Supply Chain Practices:	4
1.1.3 Supply Chain Management Performance:	5
1.2 Industry Analysis: (SMEs of Pakistan).....	6
1.3 Problem Statement:	8
1.4 Research Gap:	9
1.5 Research Questions:	9
1.6 Research Objectives:	10
1.7 Research Significance:	10
CHAPTER 2: LITERATURE REVIEW	11
2.1 Supply Chain Practices:.....	11
2.2 Strategic Supplier Partnership:.....	12
2.3 Information Sharing:	15
2.4 Information Quality:.....	17
2.5 Supply Chain Practices & Supply Chain Management Performance:.....	18
2.6 Theoretical Framework:	23
2.7 Research Hypotheses.....	23
CHAPTER 3: RESEARCH METHODOLOGY	24
Introduction:	24
3.1 Research Design:.....	24
3.2 Research Variables:	24
3.3 Research Approach:	24
3.4 Research Strategy:.....	25
3.5 Research Instrument:	25
3.6 Unit of Analysis:	25
3.7 Population:.....	25
3.8 Sample Size:	26
3.9 Sampling Technique:.....	26
3.10 Role of Researcher:	26
3.11 Data Collection Method:.....	26
3.11.1 Data Collection:.....	27
3.11.2 Source of Data Collection:	27
3.12 Data Analysis Techniques:	27

CHAPTER 4: DATA FINDINGS AND ANALYSIS.....	28
Introduction:	28
4.1 Data Analysis:	28
4.1.1 Reliability:	28
4.1.2 Descriptive Frequencies:.....	28
4.1.3 Descriptive Statistics:	30
4.1.4 Correlation Analysis:	30
4.1.5 Regression Analysis:	31
4.2 Data Findings:	33
CHAPTER 5: CONCLUSION AND RECOMMENDATIONS	35
5.1 Discussion:.....	35
5.2 Research Implication:	35
5.2.1 Theoretical Implication:.....	35
5.2.2 Practical Implication:.....	36
5.3 Conclusion:	36
5.4 Limitations & Future Research:	36
REFERENCES:	38
APPENDIX:	40
Appendix 1: Survey Questionnaire	40
Appendix 2:1st Half Semester Progress Report.....	44
Appendix 3: 2 nd Half Semester Progress Report.....	45
Appendix 4: Approval for Examination	45
Appendix 5: Supervisor Approval for Submission	46
Appendix 6: Examiner Approval for Submission.....	47
Appendix 7: Similarity Index	48