

Supply chain management and its impact on
performance: evidence from Pakistan rural areas



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ABSTRACT

The study was conducted for analyzing impact of supply chain management in rural areas of Pakistan and its impact on performance of the organization. For the analysis primary data was collected from the marketing officials of the different firms involved in supply chain for rural areas. Data was collected by questionnaire.

Questionnaire for independent variable i.e, supply chain performance was adopted from the study of Green, K.W. Jr and Whitten, D. (2008). While scale for market performance was adopted from Kenneth W. Green Jr, Ron McGaughey, K. Michael Casey, (2006),"Does supply chain management strategy mediate the association between market orientation and organizational performance?", *Supply Chain Management: An International Journal*, Vol. 11 Iss: 5 pp. 407 - 414 , whereas scale for the financial performance was taken from the study conducted by Claycomb, C., Droëge, D. and Germain, R. (1999).

The 5 point likert scale was used ("1" Strongly Disagree and "5" Strongly Agree for independent variable) ("1" well below industry average and "5" well above industry average for both of the dependent variables). The Cronbach Alpha reliability of the instrument in their study was above acceptance level i.e, 0.7. Data was collected and analyzed for identification of relationship between variables. To check the relation between the variables on the basis of data, correlation and regression models were executed by using SPSS (version 20). As per results of regression analysis there was positive impact of supply chain management on financial performance as well as market performance.

Hypothesis

H1: Supply Chain Performance is significantly and positively related with Market Performance.

H2: Supply Chain Performance is significantly and positively related with Financial Performance.

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