



ANALYZING KEY FACTORS THAT MOTIVATE MANUFACTURERS FOR LOGISTICS OUTSOURCING

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ABSTRACT

Purpose: The study was conducted to identify the key factors that motivate manufacturers of Pakistan to use logistics outsourcing. Purpose of this article is to describe the changing nature of usage of logistics outsourcing and factors affecting the performance of company through logistics outsourcing. It also includes dissatisfaction factors and barriers due to which company resist to outsource its logistics. ?

Methodology/Sample: Methodology that has been adopted in this research is that data is collected through relevant questionnaire. 11 questions has been asked the questionnaire, sample size is 40 out of which 30 are respondents. Data has been analyzed through statistical tool called SPSS, cross tabulation (chi-square) method has been applied.

Findings: According to analysis manufacturers of Pakistan prefer to keep warehouse in-house. While in aspect of manufacturers, freight forwarding and transportation should be outsourced these two functions to third party logistics companies. ?

Practical Implications: In this research, vital aspects have been revealed and illuminate the key factors that motivate manufacturers for logistics outsourcing. This research would surely contribute in a positive way and help manufacturers to take crucial decisions related to logistics outsourcing which could improve and enhance the related operations and efficiency of an organization. Another projection of this research is to mitigate the cause of uncertainty between manufacturers and logistics provider.

Keywords: Logistics outsourcing, Manufacturing Industries, Pakistan.

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