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Antecedents of profitability in the context of supply chain agility: A case of pharmaceutical industry in Islamabad and Rawalpindi



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## **Abstract**

The purpose of this study is to find the elements or factors that affect the agile supply chain and the effect of these factors on the profitability and how agility are important for organizations to increase the sales and growth of business. To study the relationship of agility and its effect on business profit and growth the detail discussions about the dimensions of agility is provided. There are five dimensions of agility which are discussed in this study which include alertness, accessibility, decisiveness, swiftness and flexibility. The data was collected from the pharmaceutical Industry. Regression analysis was conducted to see the relationship between the variables of the study. The results show that the profitability is depend on these factors so the profitability is dependent on these five dimensions. In the regression analysis the ANOVA table shows the overall model is significant and the reliability test is check the data is reliable are not all the variable reliability is above (.7) which shows that the data is reliable also check the correlation between variable the result shows that all the variables excluding flexibility is strongly correlated with each other and there is significant relationship between variables. A practical implication of the study is that managers should not look at the four components of SC Agility in isolation, but treat them as a complementary group. If the interviewed company is separately involved in each of the constructs of the proposed model, so that SC Agility cannot achieve sub additive synergies. Based on the beneficial effects of SC Agility constructs on profitability, this study also demonstrated the importance and relationships between SC factors and profitability that could be used as guidelines for managers of pharmaceutical companies towards enhancing their agility ability in order to increase the market share and profitability. The future research for this study is to exploring the possibility of promoting a culture of efficient use of agile supply chain factors and also studying the effect of supply chain agility factors on customer satisfaction and retention.

## Table of contents

1.Chapter 1- introduction .....	7
Background .....	7
Problem statement. ....	12
Research question.....	12
Research objective .....	12
Significance of the study. ....	13
Organization of study.....	13
2.Chapter 2 Review of literature.....	14
Alertness: .....	17
Accessibility:.....	19
Decisiveness: .....	20
Swiftness: .....	20
Flexibility .....	21
Relationship between variables:.....	22
Alertness and profitability. ....	22
Accessibility and profitability:.....	23
Decisiveness and profitability: .....	23
Swiftness and profitability: .....	24
Flexibility and profitability: .....	24
Research model .....	25
3.Chapter 3 - Research Methodology.....	27
Research design .....	27
Philosophy and quantitative research .....	27
Industry .....	27
Sample size.....	28
Sampling and sampling technique .....	28
Instrument .....	28
Data analysis technique .....	29

Unit of analysis.....	29
4_Chapter 4 .....	30
Data analysis and discussion.....	30
Reliability.....	30
Descriptive statistics: .....	31
Correlation analysis.....	32
Regression analysis. ....	36
5_Chapter 5 .....	41
Conclusion and recommendations .....	41
References .....	44
Appendix. ....	47