

**"Impact of supply chain management and practices in
achieving cost effectiveness in construction industry
of Pakistan"**



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Abstract

This research was based on Procurement and logistics function of supply chain management in construction industry, it will provide the organizations and the academics to understand how supply chain elements and functions can help in elevating the performance of the company. It further explores that logistics function can help in pacing up the supply chain responsiveness. It helps in decreasing the risk factor in supply chain process and also helps in the efficiency of supply chain department. Companies who concentrate on logistics function are known to more efficient and also their lead time is less as compared to other companies. Both function like procurement and logistics functions help in efficiency of other operations of the company as they do not have to focus on some of the functions so it also helps in increasing the efficiency and effectiveness of the company. Logistic function helps in decreasing the risk factor of the company and hence helps to increase the overall performance of the company. The methodology used for this research is quantitative which is relied on the research questionnaires. The industry that was chosen for this research was Construction Industry and the companies selected were Bahria town , Housing directorate , Zaraj housing society and Mid jac. Geographical region was limited to Islamabad for this study. These companies outsource some of the parts of their logistics function. It was proved that their efficiency has increased after they outsourced their logistics function. Moreover, these companies tend to be more proactive towards Procurement process to manage and control them. The importance of this study is to find out whether Procurement and logistics are directly or inversely proportional to supply chain performance and how does they effect the business performance. These proactive approaches help supply chain department to perform well and business tends to be more profitable.

Keywords: *Procurement (P), logistics (L), supply chain performance (SCP), business performance (BP).*

Table of Contents

1. <u>Introduction</u>	8
1.1. <u>Research Problem Statement</u>	11
1.2. <u>Research Objectives</u>	12
1.3. <u>Research Questions</u>	12
1.4. <u>Significance of Study</u>	13
1.5. <u>Thesis Contribution</u>	14
1.6. <u>Thesis Structure</u>	14
2. <u>Literature Review</u>	16
2.1. <u>Supply chain Risk Management</u>	16
2.2. <u>Outsourcing Logistics</u>	20
2.3. <u>Supply chain performance</u>	23
2.4. <u>Business Performance</u>	25
2.5. <u>Theoretical Framework & Hypothesis</u>	27
3. <u>Research Methodology</u>	32
3.1. <u>Research Philosophy & Strategy</u>	32
3.2. <u>Population & Sampling</u>	33
3.3. <u>Sampling Technique</u>	33
3.4. <u>Data Collection</u>	34
3.4.1. <u>Instruments</u>	34
3.4.1.a. <u>Source & Validity</u>	34
3.4.2. <u>Procedure</u>	Error! Bookmark not defined.
3.4.2.a. <u>Data Analysis</u>	Error! Bookmark not defined.
3.4.2.b. <u>Reliability of Research Instruments</u>	Error! Bookmark not defined.
3.4.2.c. <u>Correlation & Regression</u>	Error! Bookmark not defined.
3.5. <u>Pilot Study</u>	37
3.5.1 <u>Pilot Study Result</u>	38

<u>4. Data Analysis, Results & Interpretation</u>	39
4.1. Demographics.....	39
4.2. <u>Descriptive Analysis</u>	45
4.3. <u>Correlation Analysis</u>	50
4.4. <u>Regression Analysis</u>	51
4.4.1 <u>Testing of H1 & H2</u>	51
4.4.2 Testing of H3	53
<u>5. Discussion & Conclusion</u>	55
5.1. Discussion	55
5.2. <u>Implications</u>	56
5.2.1. <u>Practical Implications</u>	56
5.2.2 <u>Theoretical Implications</u>	56
5.3. <u>Future Directions</u>	57
5.4. Recommendations	57
5.5. Contributions	58
5.6. Limitations.....	58
5.7. Closure.....	58
<u>6. References</u>	60
<u>7. Annexure</u>	65