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SUPPLY CHAIN MANAGEMENT IN MANUFACTURING INDUSTRY:

A STUDY OF THE IMPLEMENTATION STRATEGY OF XYZ TECHNOLOGY (M)
SDN. BHD.

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Executive Summary

Advancement of technology and globalization pressure cause a lot of companies seek for a better manufacturing technology and operation management. One of the latest management tools that become hot topics to overcome this issue is Supply Chain Management. About 50 years ago, Forrester (1958) introduced a new theory of cross function management, but it was not been given much attention until last 10 years. Supply chain is not something new to the operation management. The differences of Forrester theory is the synergy of all operation management to get a dynamics and better result that is why the word of "management" came into picture.

In this research, the writer has chose one of the 7 Japanese EMC (electronics manufacture company) as the research. As we know, the Malaysia economy backbone is the manufacturing industry. The writer would like to know how the EMC has implemented the Supply Chain Management to over come the 21st century business landscape.

The research was divided into 2 major parts that are case study and strategic analysis. From the case study, it has shown that XYZ Technology (M) Sdn. Bhd. has able to carry out effective activities to compress the total supply chain cycle time such as "Weekly Seihan", "AMEX System", "Cargo Direct Shipment" and etc. By the end of March 2002, this company was able to compress 50% of the total cycle time; this is something that can be proud by this company. On the second part of research, the strategic analysis has shown that this company was successful balance up the negative and positive forces by implementing effective supply chain management activities such as strategic alliance to overcome arm-length relationship, shorter delivery time to increase customer's satisfaction. Beside that, the value chain analysis also has shown a positive value added margin due to the supply chain management activities in this company.

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