

**Impact of supply chain management practices on performance of SMEs related to
chemical industry**

Submitted to
School of Business and Economics
in Partial Fulfillment of the Requirements
for the Degree of
MASTERS OF SCIENCE

by

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UNIVERSITY OF MANAGEMENT AND TECHNOLOGY

Research Completion Certificate

It is certified that the research work contained in the

Thesis "Impact of Supply Chain Management practices on performance of SMEs related to chemical industry" has been

conducted under my supervision to my satisfaction by Mr/Ms. M Adnan Irshad

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Examination Sheet

The Thesis titled

**Impact of Supply Chain Management practices on performance of SMEs
related to chemical industry**

by

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Has been examined by the under signed panel of examiners and has received full
approval for acceptance in partial fulfillment for the degree of

MSSCM

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Declaration

I M Adnan Irshad ID #. 100287003 Session 2010-2012, hereby

certify that this thesis is being submitted in partial fulfillment of the requirements for the MS degree in Supply Chain Management

This thesis is my original work, and the data/material presented here in has not been used for the acquisition of any other degree from any institution.

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ABSTRACT

Purpose:

The purpose of this study is to measure the relationship between SCM practices and the performance of SME related to chemical industry. This study is done to empirically test a framework identifying the relationships among SCM practices, Supply Chain Performances, Strategic Collaboration and Lean Practices (SCLP), Outsourcing & Multi Supplier (OMS), Operational Performance (OPER) & SCM Related Organizational Performance (ORG) with special importance on small and medium size enterprises (SMEs) related to chemical industry.

Methodology:

Data was collected through survey from the supply chain experts of different chemical companies all over Pakistan, a total of 781 questionnaires were sent out of which 115 responses were collected. The research framework was tested using the regression & co relational analysis.

Findings:

Based on the descriptive research, the result indicates that strategic collaboration and lean practices have positive impact on operational & organizational performance of SME's related to chemical industry. Also the direct & significant relationship found between the variables of study. No insignificant and negative impact were found.

Limitations & Implications:

Perhaps the major limitation is that supply chain management is considered to be a new area of study in Pakistan therefore exact knowledge of supply chain management practices in a single respondent is rare. The sample size is also limited so for further research larger sample size should be required to confirm the relationship. The current study just confirms the relationship and impact; future research should consider the more organizational performance practices to show the broader picture.

Originality/Value:

This thesis report enhances the body of knowledge by adding new data and empirical insights into the relationship Supply Chain Management practices on performance of SMEs related to chemical industry in Pakistan.

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1. INTRODUCTION

1.1 Background

This is the era of globalization and cut throat competition in the market, supply chain management (SCM) practices have a vital role in improving the performance of the organizations (Lenny et al., 2007).

Companies are increasingly showing their Interest in supply chain management from few passed decades, when companies realized the advantages that supply chain management practices can deliver and many studies have acknowledged that SCM practices can improve the performance of an organization (Gimenez and Ventura, 2005).