

LITERATURE REVIEW THE MEDIATING ROLE OF STRATEGIC ALLIANCE ON THE RELATIONSHIP BETWEEN UNCERTAINTY, INTEGRATION, SUPPLY CHAIN FLEXIBILITY AND SUPPLY CHAIN PERFORMANCE

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ABSTRACT

A supply chain management (SCM) practise is a grouping of at least three different things (people, organisations, or developments) or a multi-dimensional development that includes both the upstream and downstream parts of the supply chain. The objective of this study is to identify the key factors influencing supply chain management practices in Logistics Company. A total of 148 respondents' responses were gathered by the researcher for this study. Quantitative method was used and questionnaires were distributed to all respondents. Based on the results, we can conclude that Uncertainty, Flexibility and Integration in Supply Chain Management and Supply Chain Management Performance has a statistically significant linear relationship. In addition, it can be concluded that the indirect effect between Uncertainty, Flexibility and Integration in Supply Chain Management (X) and Supply Chain Management Performance (Y) through the mediating variable Strategic Alliance in Supply Chain Management (M) is statistically significant. The findings of this study are significant because they shed light on the various SCM antecedents that influence business success in Malaysia's logistics sector.

INTRODUCTION

1.0 INTRODUCTION

A supply chain management (SCM) practise is a grouping of at least three different things (people, organisations, or developments) or a multi-dimensional development that includes both the upstream and downstream parts of the supply chain. From the supplier to the buyer, it involves the movement of goods, administrations, accounts, and data (Jr, Whitten, and Inman, 2008). Considering that every component of a supply chain is both a client and a provider, client inclusion at the downstream end of the supply chain and provider mix at the upstream end (Sukati, Abu, Abdul, Prof, and Baharun, 2011; Shukor et al., 2020). It is now a well-established idea, and its use has significantly boosted the competitiveness of innumerable organisations (Christopher and Holweg, 2011; Shukor et al., 2020). Additionally, it consists of a series of activities that provide value by bringing together the project's suppliers and clients (Sukati, Hamid, Baharun, and Yusoff, 2012; Shukor et al., 2020). The supply chain includes producers, suppliers, carriers, distribution centres, retailers, and even actual customers. The capacity used by each organisation, including a manufacturer, to acquire and meet a consumer demand is included in the supply chain. These talents include creating new products, marketing, action, appropriation, money management, customer service, and other techniques for satisfying client demand. Executives must put together and support a competitive edge in the products and operations of the company in order to create and sustain a profitable supply chain (Sukati et al., 2012; Newaz et al., 2021).

1.1 BACKGROUND OF THE STUDY

Natural vulnerability refers to distant changes in the business environment and the degree of unpredictability in the business environment that can happen at any time within a global supply chain organisation, potentially leaving an organisation powerless to understand, gauge, and determine how a climate may change, the potential impact of the changes, and whether an organization's reaction to such changes will be successful or not (Library, 2012; Oke, Walumbwa, and Myers, 2012; Srinivasan, Mukherjee, and Gaur, 2011; Wang, Yeung, and Zhang, 2011; Yi, 2011; Lee et al., 2022). Examples of dynamic conditions include changes in invention, variations in client preferences, changes in item interest and material availability. Organizations need to learn how to understand and adapt to natural changes as a result of such unpredictable occurrences. This is so because these forces greatly influence an organization's

seriousness and shape its organisational structures and working methods. Liu, Yen, and Huang (Huang, Yen, and Liu, 2014). Businesses must adjust their methods and apply a variety of notions of commitment because the progressions in uncertain scenarios are typically unrelenting and quick (Xu et al., 2010; Lee et al., 2022). Natural sensitivity cannot be disregarded in the context of business collaboration, and the high tension of ecological fragility may change how a supply chain is presented. Businesses usually face many environmental vulnerabilities at once because ecological vulnerability is multidimensional in nature (Huang et al., 2014). The nature of the commodities, supplier reliability, competition behaviour, or other factors can all lead to supply chain vulnerabilities (Stevenson and Spring, 2007). Simangunsong, Strategic alliances, the mediating variable, play an essential role in reducing the impact of these difficulties. Small and medium-sized enterprises (SMEs) can advantage from technology developments, network with other businesses, and share risks through partnerships and innovation. Strategic alliances are not given much importance in Malaysia's SME ecosystem, as shown by the fact that less than 30% of companies say they are actively working together (Krishnan, et al., 2024). This makes it harder to build strong supply chains that can handle uncertainty and change with the market.

The culmination of these issues adversely impacts the dependent variable: supply chain performance. Poor performance is reflected in metrics such as delivery accuracy, cost efficiency, and customer satisfaction, which show a decline of up to 15% in underperforming SMEs (HALEN, 2024). This highlights the dire need for targeted interventions by the Malaysian government to enhance flexibility, integration, and strategic alliances within SME supply chains, ensuring sustainable growth and global competitiveness.

1.2 BACKGROUND SUPPLY CHAIN IN MALAYSIA

Global economies have had a challenging year in 2019 due to the US-led trade war and its military battle with China, which seems to have no end in sight. This has been particularly true for the ASEAN area. Malaysia is one of just a handful of countries in the area that have profited from these advances, even though many businesses have moved their production from China and Singapore to more moderate nations like Malaysia to manage their supply chains and acquirement groups. Like this, a lot of significant multinational firms are combining their supply chain and acquisition skills in Malaysia to harmonise business KPIs, boost competence, and save hiring expenses. These elements have led to an anticipated rise in demand for supply

chain experts in the field, which has been boosted by government backing and the shift of

several organisations trying to update their assets and cycles. The demand for more integrated arranging and business knowledge skills that may assist organisations more effectively smooth out their procurement, planning, coordinating, and distribution centre capabilities has increased because of the emergence of innovation and robotization. These factors have changed the emphasis on front-line abilities such alter the board, local categorization of executives, and request planning, away from traditional expert occupations (Shukor et al., 2020).

1.3 PROBLEM STATEMENT

Small and medium-sized businesses (SMEs) in the logistics industry are an important part of a nation's economic development and are perhaps the foundation of monetary development worldwide (Khalique et al., 2011; Ghazilla et al., 2018). SMEs made up 32.5% of the nation's Gross Domestic Product (GDP) in 2017, and by 2025, it is anticipated that small companies would make up 41% of the GDP. The Malaysian government has created plans that mandate that SMEs in the logistics sector boost labour force from 59 to 61 percent, trades from 19 to 25 percent, and the number of enrolled firms from 69 to 85 percent by 2025.

Customer expectation management is a difficult skill that is necessary for efficient supply chain management. The service that supply chain managers offer is. They might also assist with projects, manufacturing requirements, and demands from outside clients. Supply Chain Managers must thus put in place efficient systems to guarantee that orders are fulfilled on schedule each and every time. When efficiency is the company's main priority, supply chain managers may start to satisfy customer expectations (Khalique et al., 2011; Ghazilla et al., 2018). It is possible to follow the development of the various stages of the project's planning and sourcing as well as quickly and correctly obtain information about the demands of your project. To handle these expectations effectively, you need the right tools, though (Lee et al., 2022). It must use expense management software, and you must always be transparent and truthful with your customers. With the appropriate expenditure management software, requests and orders can be filed and authorised from a single spot, negating the need for further contact with the requester (which will delay orders). As a consequence, you can track orders all the way through to payment and obtain visibility into your supply chain (Eltayeb et al., 2011; Newaz et al., 2021).

The management of customer expectations and the management of suppliers go hand in hand. A successful supply chain requires strong relationships with your suppliers. In a perfect world,

your suppliers would actively participate in supplier relationship management. You must

determine the number of providers you'll require, how to handle delays, and how to locate orders you've previously made (Eltayeb et al., 2011; Hanaysha & Alzoubi, 2022). Each phase also calls for clear thinking and a customised process that adheres to your company's overall spending culture. Finding providers who deliver reliable and consistent service at a cost that doesn't break the bank is one of your additional tasks. There will, however, always be a supplier with issues. If you want to solve these issues quickly, you'll need immediate access to reliable data. As a consequence, by proactive engagement and communication, scheduling, quality, and delivery challenges may be identified early and suppliers' expectations may be synchronised (Khalique et al., 2011; Ghazilla et al., 2018).

1.4 RESEARCH OBJECTIVES

The objective of this study is to identify the key factors influencing supply chain management practices in Logistics Company. The main objectives of the study are as below:

- i. To determine the level of supply chain management (SCM) practices in Logistics Company in Malaysia with nine dimensions of strategic supplier partnership, customer relations practices, information quality, information technology, information sharing, internal lean practices, postponement, training and internal operation.
- ii. To determine the barrier(s) to implement these supply chain management (SCM) practices in Logistics Company in Malaysia.
- iii. Evaluate how Logistics Company in Malaysia can enhance their operation by implementing internal quality control.
- iv. To identify the challenges and integration of technologies in supply chain to develop proper framework for logistic industry.
- v. To identify and test the factors contributing to uncertainties in the implementation of supply chain management within the logistics industry and evaluate their impact on supply chain performance.
- vi. To investigate uncertainty, flexibility, and integration with help of strategic alliance in supply chain management performance.
- vii. To analyse the role of strategic alliances, focusing on networking and innovation, as a mediating factor in enhancing supply chain performance in Malaysian logistics companies.

1.5 RESEARCH QUESTIONS

The research questions of the study are as below:

- i. What is the level of supply chain management practices in Logistics Company in Malaysia?
- ii. What is the priority among supply chain management practices in Logistics Company in Malaysia?
- iii. What is the barrier(s) to implement supply chain management practices in Logistics Company in Malaysia?
- iv. How can Logistics Company in Malaysia enhance their operation by implementing internal quality control?
- v. What are the challenges and integration of technologies in supply chain to develop proper framework for logistic industry?
- vi. What are the variables that cause uncertainties in logistic industry in implementation of supply chain?
- vii. To understand uncertainty, flexibility, and integration with help of strategic alliance in supply chain management performance.
- viii. How do strategic alliances, through networking and innovation, mediate the relationship between uncertainty, flexibility, integration, and supply chain performance in Malaysian logistics companies?

1.6 RESEARCH HYPOTHESES

Inquiry hypotheses are unproven assertions that are intended to define connections or events that are relevant to the research question (Hinton et al., 2014). It is a well-formulated hypothesis that crystallises the research problem and has an impact on the statistical tests that are used to analyse the data in the research study. It is the purpose of this study to investigate the relationship between the independent factors mentioned above and investor risk management and uncertainty in the logistics products business in Malaysia.

Hypothesis 1

H1: There is a significant relationship between uncertainty in supply chain management (SCM) and supply chain performance (SCP).

Hypothesis 2

H2: There is a significant relationship between flexibility in supply chain management (SCM) and supply chain performance (SCP).

Hypothesis 3

H3: There is a significant relationship between integration in supply chain management (SCM) and supply chain performance (SCP).

Hypothesis 4

H4: Strategic alliance mediates a relationship between uncertainty and supply chain performance (SCP).

Hypothesis 5

H5: Strategic alliance mediates a relationship between flexibility and supply chain performance (SCP).

Hypothesis 6

H6: Strategic alliance mediates a relationship between integration and supply chain performance (SCP).

1.7 SIGNIFICANCE OF STUDY

According to a detailed analysis of the literature, SCM has drawn the interest of many academics since it was created as a method for enhancing organisational performance. This study's findings are important because they provide insight on how different SCM antecedents affect business success in Malaysia's logistics sector (Lee et al., 2022). By addressing the following concerns, this study, which was based on RBV and RDT theory and concentrated on the integration of physical and intangible resources, attempted to close a knowledge gap about the impact of SCM on the performance of SMEs. The first issue is a lack of understanding of the importance of trust, an intangible organisational resource (Hanaysha & Alzoubi, 2022). The literature claims that SCM is now widely employed by enterprises all over the world. On how SCM could assist businesses in achieving their goals, however, studies continue to disagree. The organization's intangible assets, such as trust, and its effect on business success are at least partially at the centre of the argument. Lack of confidence in Malaysia's logistics industry's

ability to use IT is the underlying problem that has led to a number of problems. Using the

RBV theory as a guide, this study aimed to conceptualise and comprehensively provide a better understanding of the impact of trust on company performance in the SCM context.

LITERATURE REVIEW

2.0 INTRODUCTION

This chapter provides a comprehensive definition of risk assessment implementation, as well as a discussion of the perceived outcomes of risk assessment implementation. By drawing on a variety of SMEs-related literature, it sought to provide a fundamental overview of the history and philosophy that underpins the risk management concept. Previous studies conducted in other parts of the world, as well as works of art that are relevant, can provide a fundamental understanding of risk management, the benefits of implementing it, and the factors that work against implementing it.

There are a few investigations that talk about the supply chain vulnerability as it is eluded as the cycle of choice making in the supply chain in which leader isn't precisely mindful of choice which ought to be taken because of need of the straightforwardness of the supply chain just as its effect over potential activities. Another investigation portrays SC vulnerability as the difference in the equilibrium just as productivity in the activities of the supply chain which can brought about by the capricious and likely occasions wherein reaction is needed for restoring an equilibrium (Lee et al., 2022). This startling occasion in the field of supply chain may be unforeseen request, late in conveyance from the finish of the providers or breakdown in basic creation hardware. The supply chain incorporation (SCI) is known as the degree to which the firm coordinates with different accomplices of SC in request to accomplish the compelling and effective progression of data, choices, items, data and cash in terms of recurrence, worth and ease (Tse, et al. 2016). Coordinating with the accomplices of SC upgrades the nature of the help of the association. SCI is viewed as shown as it has a positive connection with the presentation of the firm though there are a few kinds of exploration that show that there is no impact of the SCI over the execution of the association though it is explored that the SC deftness has likewise a few effects over the execution of the association (Gligor, et al. 2019). It is additionally considered as there is a positive just as the direct relationship among the SCI and SC deftness. In any case, the SC readiness shows how quick the SC give reactions to the changes that are set up in the climate, inclinations of the clients, serious powers and so forth This cycle doesn't consider the arbitrary varieties which happen in the execution of everyday

chain activities. It might determine the path by which the SC cycle of the organization gives reactions to the changes, once there are outer that effects the business which may be positive or negative to accomplish the destinations (Basheer, et al. 2019). It is known as the proportion of the route by which the organizations can adjust the SC cycle for the progressions and how quick it can accomplish it.

2.1 SMALL AND MEDIUM ENTERPRISES

A small or medium-sized firm (SME) is characterised as a business with revenues, resources, or a workforce below a specified threshold. Small and medium-sized enterprises (SME) are defined differently in different countries (SME). These elements may be taken into account throughout the appraisal process depending on the industry and size of the organisation. Despite their relatively modest size, small and medium-sized companies (SMEs) play a crucial role in the economy. They are far more numerous, employ a much bigger workforce, and are often more entrepreneurial in nature than giant firms, all of which help to foster the growth of novel ideas.

Small and medium-sized businesses (SMEs), which are particularly prominent in emerging and developing nations, significantly contribute to economic growth (Ibidunni et al., 2018; Ndiaye, N. et al., 2018). Small and medium-sized businesses (SMEs) have an edge over huge companies because they are more flexible in dealing with technology improvements, better able to adjust to changes in the market and new client needs. Although their organisational structure facilitates speedy judgments, their workplace climate has the opposite effect (Perez- Gomez et al., 2018).

2.2 SMEs IN MALAYSIA

When Malaysia gained independence from the United Kingdom in 1957, large state-owned industrial enterprises benefited from advantages such as free trade zones and tariff protection. Small and medium-sized businesses were restricted to quasi-governmental organisations that provided minor loans, advice, and infrastructural assistance, while multinational corporations were allowed to expand their industries (Hashim and Wafa, 2002; Chen et al., 2017).

The Malaysian economy is heavily reliant on small and medium-sized enterprises (SMEs) because they constitute the country's largest company sector and, as a result, make a significant contribution to the national economy (Breen & Xie, 2015).

2.3 SUPPLY CHAIN MANAGEMENT (SCM)

Supply chain management (SCM) is considered to be a key strategic resource for organisations in the manufacturing industry because of the benefits it provides. Because of the constantly shifting dynamics of SCM, it has become imperative for organisations to both survive and prosper in the face of SCM. The long-term viability of a company is dependent on the careful planning, coordination, and management of the entire supply chain (SC) (Rasi, Abbasi & Hatami, 2019). Supply chain integration (SCI) is a term used in the context of Supply Chain Management (SC), and it refers to the close alignment and coordination of supply chain activities. It includes both the manufacturing and the support aspects of the business (Breen & Xie, 2015). When it comes to SC integration, there are three primary components to consider: the integration of a company with its suppliers, the integration of a company with its customers, and the integration of a company with its employees. Manufacturers today are less concerned with the formation of their own organisations than they are with the management of the organization's network, both upstream and downstream of the organisation. Companies must understand how to integrate with their suppliers and customers on the outside as well as the inside of their organisation to succeed.

2.4 SUPPLY CHAIN FLEXIBILITY

Flexibility can be defined as the ability to adapt to changes in the environment in order to gain and maintain a competitive advantage while incurring the least amount of penalties in terms of time, effort, cost, interruptions, or performance. It can be measured in terms of time, effort, cost, interruptions, and performance (Blome, Schoenherr, and Eckstein, 2014; Economic, 2007; Mart, 2005; Chen et al., 2017). Providers of flexible networks are defined as those who have the ability to adapt their products or services to changes in their customers' needs as a result of changes in the business environment (Stevenson & Spring, 2007; Breen & Xie, 2015). Reduced operating expenses can also be achieved by reducing inventory, expediting delivery, and lowering the capital-to-labor ratio, among other methods. Reduced operating expenses (Hua, 2013). This can also help to improve competitiveness, particularly when it comes to the implementation of innovations.

2.5 OBJECTIVES OF SUPPLY CHAIN FLEXIBILITY

However, despite the fact that achieving supply chain flexibility might be expensive, it is worth

it for organisations operating in unpredictable circumstances. According to a research by

Merschmann and Thonemann (2011), German firms with highly flexible supply networks perform better in uncertain situations than those with less flexible supply chains, whereas the inverse holds true in more stable contexts. When it comes to improving market responsiveness (Das, 2011), maintaining customer service levels (Kumar et al., 2008), and optimising resource usage (Gong, 2008), flexibility is often defined as a system's capacity to adapt and deal with internal and external variability (Gong, 2008; Chen et al., 2017). As a result, we've established the following three goals for supply chain flexibility:

Improved customer satisfaction. A company's capacity to meet client needs is gauged by its service level. Percentage of customer demand fulfilled with no backlog is commonly used as a metric. Flexibility is essential in order to sustain good service levels when demand and supply are both uncertain. It has been noted by Kumar et al. (2008) that maintaining customer service levels through the supply chain's use of flexibility is one of the strategies for doing so.

2.6 PROBLEMS AND RISKS FOR SMES IN SUPPLY CHAIN

The management of supply chains presents a unique set of challenges and risks for small- and medium-sized enterprises (SMEs). Companies in the small and medium-sized (SME) sector face a variety of challenges, including the need to lower prices while maintaining or improving product quality, as well as the addition of new features. Entrepreneurs in small and medium-sized enterprises (SMEs) face a variety of challenges, including technological advancement, human resource development, and the development of new products and services (Sonia and Francisca, 2005). SMEs find it difficult to collaborate with customers, suppliers, distributors, or other consulting businesses (Soh et al. 2006; Franco, 2017). Small and medium-sized enterprises (SMEs) also find it difficult to collaborate with suppliers. Managers of small and medium-sized enterprises (SMEs) face a number of challenges as a result of limited resources, a flat organisational structure, a lack of technical skills, and a lack of creativity. According to a study conducted by Sener et al. (2014), the impact of funding obstacles on small businesses is nearly twice as great as the impact on large businesses. Small and medium-sized enterprises (SMEs) face significant challenges in addressing the challenges of global competitiveness, with a lack of resources and inadequate technology being the most significant (Kumar and Routroy, 2014; Loader, 2015). According to Faisal et al. (2007), small and medium-sized enterprises (SMEs) experience difficulties in managing supply chain risk (SMEs). In addition to seasonality, the volatility of fads, the uptake of new products, and the short product lifespans,

Johnson claims that the supply chain is vulnerable to concerns about the marketplace.

According to Gill and Biger, small business owners in Canada are concerned about funding, competition, and government regulations, among other things (2012). Supply chain partners, according to Ramanathan et al. (2011), are unable to recognise all of the benefits of working together. However, quantifying the benefits of collaboration continues to be a significant challenge.

2.7 RISK MANAGEMENT PROCESS

Companies that have implemented an effective risk management strategy are better able to identify and quantify the risks that they are comfortable with or that they must avoid in order to be successful. Consequently, the corporation may employ a variety of business strategies to achieve its objectives. a. An effective risk management process, which evaluates potential solutions and identifies potential risks, aids in the decision-making and problem-solving processes of organisations (Bai et al., 2020).

An in-depth understanding of the risks and opportunities that both affect and enhance the organization's ability to provide value is required for effective risk management to be implemented. When it comes to risk management, the process outlines the tasks that must be completed in order to effectively manage risk (Bai et al., 2020).

2.8 RISK MANAGEMENT APPROACHES AND METHODS

As a business owner or manager, you are already aware of the importance of risk management. It is critical to have a clearly defined policy in place to protect the assets and income of your company. This is a comprehensive list of the numerous risk management approaches available (Naway & Rahmat, 2019).

2.8.1 Avoidance

The most effective method of limiting losses is to avoid them at all costs. You are completely avoiding the danger, as implied by the term "completely avoiding the danger." If your attempts to avoid a loss have been successful, the likelihood of suffering a loss is zero percent. As a result, risk avoidance is usually the first method of risk management to be considered in most situations. It's a method of permanently getting rid of something (Naway & Rahmat, 2019).

2.8.2 Loss Prevention

Rather than attempting to completely avoid a risk, loss prevention chooses to take a calculated risk and then works to minimize the loss that results as a result of that risk. The fact that merchandise is stored in a warehouse, for example, increases the likelihood that it will be stolen from there. Because of this, a loss prevention policy is implemented in order to mitigate the inevitable losses that will occur. Guards on the streets and at storage facilities are all possible participants in this scheme (Naway & Rahmat, 2019).

2.8.3 Loss Reduction

A risk-taking process that includes acknowledging the possibility of losing money as a result of an event is referred to as loss mitigation. In the event of a threat, this method will make every effort to minimize the damage (Naway & Rahmat, 2019). In a warehouse, for example, you might find materials that are potentially dangerous in a fire. After realizing that this is a necessary risk, the company's management decided to install water sprinklers in the warehouse to mitigate the situation. The amount of damage caused by a fire will be kept to a bare minimum.

2.8.4 Separation

Separation is a risk management strategy that involves spreading the company's most valuable assets across multiple locations. If a catastrophic event occurs at a single location, it will only have an impact on the assets located at that particular location (Naway & Rahmat, 2019). If all of the company's assets were located in that location, it would be a significantly more serious problem. As an example, consider companies that hire employees from all over the world, such as Google.

2.8.5 Duplication

Creating a backup plan is a risk management strategy that is used in the construction industry. This is frequently necessitated by technological advances. If one of the company's information systems servers fails, the entire operation should not come to a grinding halt. Instead, a failover or backup server should be available in the event that the primary server goes down or becomes unavailable.

2.8.6 Diversification

Strategies like diversification is the process of distributing corporate resources in order to generate various lines of business that offer a diverse range of products and services in a variety of industries (Naway & Rahmat, 2019). For as long as a company's revenue is well-diversified, the loss of revenue from one of its business lines will not have a significant impact on its overall profitability. Risk management is an essential component of any successful strategy. Long-term viability and profitability of the organisation are dependent on it.

2.9 STRATEGIC ALLIANCE

When two or more companies work together to improve their performance in some way, whether it be by exchanging (private) information, making joint investments, or developing interconnected and shared procedures, this is the formation of an alliance. Businesses will frequently enter into strategic partnerships with one another in order to improve the effectiveness of their respective shared supply chains. When it comes to the Supply Chain, the single most important factor that determines the success of any strategic alliance or collaboration is the connection of trust and confidence that exists between the various concurrent phases. As a direct consequence of this, the entirety of the supply chain improves in terms of both its efficiency and its dependability. Because strategic alliances may involve more than one company, it is essential that all parties involved look out for each other's best interests at every stage of the process and refrain from making changes that are made unilaterally or taking advantage of the efforts made by others. When multiple businesses in the supply chain collaborate on projects in an official capacity, they are able to achieve their common objectives in a manner that is both more efficient and effective. In this regard as well, companies work hard to fulfil the requirements of their clientele.

2.10 UNCERTAINTY IN INDUSTRY

The COVID-19 pandemic and its effects on the supply chain, including as port closures, were unexpected and beyond the control of any business that was operating at the time. But here's what we saw going down while we were at Blue Yonder: Organizations that responded to ambiguity with a proactive strategy were more successful overall than those that took a reactive, defensive stance (Gligor et al., 2019). A significant number of customers were required to become accustomed to novel storage and shipping practises, delivery schedules, technological

instruments, and even network architectures. This adequately prepared them for

the "next normal," which would come to define the years 2020 and 2021. Is there a method by which logistics companies can implement early warning systems that, in the event that a disaster occurs, prompt and creative responses? Changes in culture have the potential to assist in resolving this issue (Hanaysha & Alzoubi, 2022).

2.11 FLEXIBILITY IN LOGISTIC INDUSTRY

Because product lifecycles are getting shorter and modern customers' expectations are constantly shifting, supply chain management (SCM) has become an essential component of nearly every company's strategic blueprint. This is because the demands of modern customers are constantly shifting (Irfan et al., 2019). When a company has supply chains that are better able to support its operations, it has a greater capacity to satisfy customer needs and achieve financial success. The ability of a supply chain to be flexible enough to meet the requirements of the market through the effective management of its available resources is critical to the achievement of commercial goals. Even though the length and complexity of the supply chain for each individual company are different, there are a few fundamental choices that need to be made at key junctures in every supply chain (Bai et al., 2020). calls for sourcing, production, shipping, and receiving services to be provided. The overall adaptability of a supply chain may be significantly improved by the supply chain's ability to be flexible in areas such as sourcing, production, logistics, and information sharing (Irfan et al., 2019).

2.12 RELATIONSHIP BETWEEN FLEXIBILITY AND SUPPLY CHAIN PERFORMANCE (SCP)

Strategic alliances play a crucial role in enhancing supply chain flexibility by enabling collaborative adaptability. Dubey, et al. (2024) emphasize that alliances provide the structural support required for dynamic resource allocation and real-time decision-making, which are critical for achieving flexibility.

He, et al. (2020) highlights that firms in strategic alliances can leverage shared resources and expertise to rapidly respond to changing market demands. This adaptability ensures that customer needs are met efficiently, even during disruptions. For instance, joint planning and shared inventory management systems allow firms to adjust production schedules and delivery routes seamlessly.

Research by Miroshnychenko, et al. (2021) indicates that strategic alliances amplify the benefits of flexibility by fostering innovation and reducing lead times. This collaborative adaptability translates into enhanced SCP metrics, such as improved service levels, reduced costs, and increased customer satisfaction. Thus, strategic alliances mediate the relationship between flexibility and SCP by providing a platform for efficient resource utilization and responsive operations.

3.0 SUMMARY

Overall, this study provides us the knowledge of the role of supply chain management practices, in the Malaysia logistics company, Logistics Company in supply chain management field. First, it proposed a theoretical supply chain management practices framework that identified strategic supplier partnership, customer relations practices, information sharing, information quality, internal lean practices, postponement, information technology, training and internal operation of the company. Second, this study provides a practical and useful tool for Logistics Company supply chain managers to audit and assess supply chain management practices. Third, this study provides conceptual and prescriptive literature regarding supply chain management practices, supply chain responsiveness and competitive advantage of the firm.

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