

ICLT 2014

THE 6th INTERNATIONAL CONFERENCE ON
LOGISTICS AND TRANSPORT 2014 (ICLT 2014)

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“INNOVATION IN GLOBAL SUPPLY CHAIN MANAGEMENT”

**AUGUST 26-29, 2014
KUALA LUMPUR, MALAYSIA**



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INTRODUCTION

This is the 6th international conference organised by the Thai researchers' consortium of Value Chain Management and Logistics (ThaiVCML), the Centre for Logistics Research at Thammasat Business School, Thammasat University and the Faculty of Engineering, Chiang Mai University. This is major event for researchers in transport, logistics, supply chain and value chain management. This year's event in Kuala Lumpur, Malaysia continues with successful conferences held in ChiangMai (Thailand), 2009; Queenstown (New Zealand), 2010; Male (Maldives), 2011; ChiangMai (Thailand), 2012 and Kyoto (Japan), 2013. This year's event is held during 26th – 29th August 2014 which is hosted by Malaysia Institute of Transport (MITRANS), Universiti Teknologi MARA (UiTM).

Under the theme of "Innovation in Global Supply Chain Management", the following topics were welcomed at the conference:

- Procurement & Supply Management
- Planning & Forecasting
- Relationship & Collaboration
- Production Planning & Operations
- Inventory Fulfilment
- International Logistics
- Humanitarian Logistics
- Maritime Logistics
- Logistics Services Providers
- Logistics Development Policies
- Supply Chain Design/Configuration
- Supply Chain Risk
- Sustainable Supply Chain
- Production & Inventory
- Supply Chain Performance
- Global Supply Chain
- Multimodal Transport
- Freight Logistics
- E-Logistics
- Logistics Facilitation

The conference best paper of this year will be specially selected and considered for publication in the International Journal of Physical Distribution and Logistics Management [ABS: 2*, Impact Factor of 2.617] and there will be a special ICLT2014 issue in the International Journal of Logistics Research and Applications [ABS: 2*, Impact Factor of .0357]. The selected papers will undergo future blind review from our scientific committee panel.

WELCOME ADDRESS FROM THE CONFERENCE CHAIRS

On behalf of the organising committee, we would like to welcome all participants to the 6th international conference on Logistics and Transport (ICLT 2014). It has been 6 years since the first conference was hosted in ChiangMai (Thailand). This ICLT conference is expected to continue on an annual basis in order to facilitate the sharing of ideas, research findings, and teaching directions related logistics and supply chain from an academic perspective.

The theme for this year's event is "Innovation in Global Supply Chain Management". This theme is a reflection and an extension of ICLT2013's theme, "Sustainable Supply Chain Management in Asia Pacific" and tries to further explore the growing importance of the topic in today's business world.

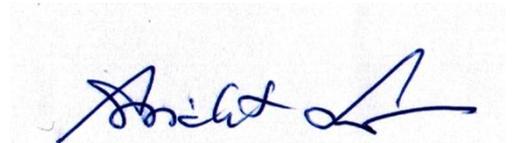
"Innovation in Global Supply Chain Management" is an important concept for industries in all scales. It can be seen as a guidance to help in improving companies' resources, capabilities and operational efficiencies through innovations across the entire supply chain continuum. The challenge to harmonise these subtle changes in between each members of the supply chain remains an elusive challenge.

Nonetheless this concept does lead to greater opportunities in reviewing and revising processes, operations, and production activities that can comply with this given paradigm. Other potential advantages of innovation in supply chain management can cost reduction, waste reduction, cycle time reduction, risk mitigation, and asset utilisation.

We would like to sincerely thank all presenters, reviewers, our scientific committees, and keynote speakers for their appreciated contribution. We also apologise in advance if there are any difficulties you may encounter while participating the conference. Finally, we hope that you will enjoy this conference and we hope that the deliberations will be fruitful and successful.



Assoc.Prof. Dr. Ruth Banomyong



Assoc.Prof. Dr. Apichat Sopadang

ICLT General Chairs

CONTENTS

A REFERENCE MODEL OF THE DISTRIBUTION CENTRE IN HOSPITAL SUPPLY CHAIN <i>Angkana Leelakulkietchai and Vithaya Suharitdamrong</i>	1
A REVIEW OF SUPPLY CHAIN INNOVATION: PAST, PRESENT AND FUTURE <i>Chee Yew Wong</i>	2
A SIMULATION MODEL APPLICATION FOR CHIANG MAI UNIVERSITY MASS TRANSPORTATION SERVICE IMPROVEMENTS <i>Jirapat Wanitwattanakosol, Wapee Manopiniwes and Tisinee Surapunt</i>	3
A STUDY OF LOGISTICS PERFORMANCE OF MANUFACTURING AND IMPORT-EXPORT FIRMS IN VIETNAM <i>Ruth Banomyong, Trinh Thi Thu Huong and Pham Thanh Ha</i>	4
A STUDY ON RELIABILITY OF LOGISTICS NETWORK FOR THAI ORGANIC FOOD TO INDIA <i>Suthep Nimsai</i>	5
ACTION PLAN DEVELOPMENT FOR THAI ELECTRONICS INDUSTRY: IN PARTICIPATING IN THE ASEAN ECONOMIC COMMUNITY <i>Pittawat Ueasangkomsate, Korrakot Yaibuethet Tippayawong, Apichat Sopadang, and Sakgasem Ramingwong</i>	6
AN ISSUES AND CHALLENGES OF SUPPLY CHAIN EFFICIENCY PERFORMANCE TOWARDS TRADE LIBERALIZATION: A CONCEPTUAL MODEL <i>Siti Norhadibah Azman, Harlina Suzana Jaafar, Azlina Muhamad, and Nasruddin Faisal</i>	7
AWARENESS AND ATTITUDES FACTORS INFLUENCING THE ADOPTION OF ENVIRONMENTAL MANAGEMENT PRACTICES FOR LOGISTICS COMPANIES <i>Irwan Bin Ibrahim and Harlina Suzana Bt Jaafar</i>	8
CONSIDERATION ON THE SUPPLY CHAIN APPROACH FOR RESTRICTED SHOPPERS IN A HYPER-AGED SOCIETY-A CASE OF ONLINE HOLESALING SYSTEM <i>Jimyoung Lee</i>	9
COURIER SERVICE QUALITY FOR BUSINESS SUSTAINABILITY <i>Sitynoryasmin Ahmad Khairuddin and Sariwati Mohd Shariff</i>	10
DEVELOPING PUBLIC PRIVATE PARTNERSHIPS IN CHANGING BUSINESS ENVIRONMENT: EVIDENCE FROM THE DANISH AND FINNISH ENERGY SECTORS <i>Jyri Vilko and Mika Immonen</i>	11
EVALUATION OF AIR CONNECTIVITY OF CHIANG MAI AIRPORT <i>Supaporn Kamtaeja, Apichat Sopadang and Poti Chao</i>	12
FACTORS AFFECTING INVESTMENT IN AVIATION INDUSTRY <i>Sakgasem Ramingwong, Apichat Sopadang and Korrakot Yaibuethet Tippayawong</i>	13
FOOD VALUE CHAIN PRODUCTION IMPROVEMENT USING QUALITY FUNCTION DEPLOYMENT TECHNIQUE <i>Nuttawut Tepanyporn and Poti Chao</i>	14

FORECASTING TRADE NETWORK OF THAILAND AND ASEAN THROUGH GRAVITY MODEL APPROACH <i>Natjira Jinafoei, Poon Thiengburanathum and Poti Chao</i>	15
GREEN LOGISTICS SERVICE QUALITY AND LSP PERFORMANCE <i>Siriwan Chaisurayakarn, David B Grant and Risto Talas</i>	16
HALAL LOGISTICS IMPLEMENTATION IN THE CONTEXT OF ASEAN LIBERALISATION: A LITERATURE REVIEW <i>Azlina Muhammad and Harlina Suzana Jaafar</i>	17
IMPROVEMENT OF USED SHOES SUPPLY CHAIN BY REVERSE LOGISTICS AND LEAN CONCEPTS <i>Jureerut Somboon and Korrakot Yaibuathet Tippayawong</i>	18
INNOVATION BARRIERS IN THE WAREHOUSING INDUSTRY <i>Kit Meng Lum and Yan Weng Tan</i>	19
LOGISTICS COST ANALYSIS OF HOTEL BUSINESS <i>Pratchaporn Setsathien and Korrakot Yaibuathet Tippayawong</i>	20
LOGISTICS COST IN WOODEN FURNITURE INDUSTRY <i>Saranyu Wasuwat and Nivit Charoenchai</i>	21
LOGISTICS PERFORMANCE MEASUREMENTS: A DESCRIPTIVE ANALYSIS <i>Mohd. Azlan Abu Bakar and Harlina Suzana Jaafar</i>	22
MULTIMODAL AND INTERMODAL FREIGHT TRANSPORTATION: A REVIEW <i>Azizah Jamaludin, Saadiah Yahya and Ruslan Hassan</i>	23
NETWORK STRATEGIES OF SUBSIDIARY AIRLINES-- ASIA-PACIFIC REGION CASE STUDY – <i>Sunsook Kim</i>	24
NON-PHYSICAL BARRIERS FOR THE SOUTH EAST ASIA (ASEAN) MAINLAND CROSS BORDER RAIL FREIGHT MOVEMENTS: FACTORS THAT COULD AFFECT THE REGION'S SEAMLESS RAIL FREIGHT MOVEMENTS <i>Adi Aizat Yajid</i>	25
OCCUPATIONAL SAFETY AND HEALTH MANAGEMENT IN MALAYSIAN TRANSPORT INDUSTRY: AN INSIGHT <i>Sariwati Mohd Shariff, Saadiah Yahya and Norina Ahmad Jamil</i>	26
POOLING LOGISTICS AS A MEAN FOR SUSTAINABLE URBAN FREIGHT DISTRIBUTION <i>Neubert Gilles, Derrouiche Ridha and Moutaoukil Abdelhamid</i>	27
PROFILING THE MALAYSIAN LOGISTICS INDUSTRY <i>Mohamad Zulfadhli Jusoh, Harlina Suzana Jaafar, Nasruddin Faisol and Azlina Muhammad</i>	28
SIMULATING BENEFITS OVER SUPPLY CHAIN REDESIGN STRATEGIES <i>Apichat Sopadang, Sakgasem Ramingwong and Korrakot Yaibuathet Tippayawong</i>	29
STREET TURN STRATEGY: AS A GREEN LOGISTICS TOOL IN MALAYSIA <i>Nur Farizan Tarudin and Nurul Elma Kordi</i>	30

SUPPLY CHAIN RISK MANAGEMENT ON RELATIONAL RISK PERSPECTIVE: A LITERATURE REVIEW <i>Santi Ditsathaporncharoen and Thitima Wonginta</i>	31
THE CONCEPTUAL FRAMEWORK OF LEAN SUSTAINABLE LOGISTICS <i>Apichat Sopadang, Sooksiri Wichaisri and Aicha Sekhari</i>	32
THE COOPERATION OF LOGISTICS BETWEEN EUROPEAN COUNTRIES AS THESE EXPERIENCES FOR SOUTH EAST COUNTRIES WHEN IT COMES TO THE ESTABLISHMENT OF ASEAN ECONOMIC COMMUNITY <i>Duy Linh Bui and Luu Duc Huynh Toan</i>	33
THE DETERMINATION OF KEY FACTORS FOR A FEASIBLE RO-RO SHORT SEA SHIPPING OPERATION <i>Aminuddin Md Arof</i>	34
THE EFFECT OF ASEAN ECONOMIC COMMUNITY IN THAI GEMS AND JEWELRY INDUSTRY DEVELOPMENT <i>Jirarak Kongkaew and Poti Chao</i>	35
THE EFFECTS OF SCM DRIVERS ON SCM FACILITATORS AND SCM PRACTICES: A STUDY OF THAI SMES <i>Therakorn Yardpaga, Phil Megicks and Paul Jones</i>	36
THE IMPACT OF RISK MITIGATION ON LOGISTICS SERVICE: THAI SHIPPERS' PERSPECTIVE <i>Makhawat Cheewaratanaphan and Poti Chao</i>	37
THE INFLUENCE OF NATIONAL CULTURE ON USE OF THIRD PARTY LOGISTICS <i>Phoomhphat Mingmalairaks</i>	38
THE INNOVATIVE STRATEGIES FOR PORT AND CITY INTERFACE DEVELOPMENT <i>Rou Jin, Li</i>	39
THE MAJOR FACTORS CONTRIBUTING TO ROAD DAMAGES OF FEDERAL ROADS IN MALAYSIA <i>Nurul Elma Kordi, Intan Rohani Endut and Nur Farian Tarudin</i>	40
THE NATIONAL SINGLE WINDOW IN MALAYSIA – THE INFLUENCING FACTORS FROM THE USERS PERSPECTIVE <i>Nor Bakhriah Sarbani and Harlina Suzana Jaafar</i>	41
THE POSSIBILITY OF INTRODUCING HALAL SYSTEM INTO JAPAN <i>Takayuki Mori</i>	42
THE QUALITY OF OUTSOURCED LOGISTICS SERVICE IN COLLECTIVIST CULTURE PERSPECTIVE: A LITERATURE REVIEW <i>Abdul Khabir Rahmat and Nasruddin Faisol</i>	43
THE REFORMATION OF ENVIRONMENTAL FISCAL FROM EXTERNAL COST OF CO EMISSION OF THE LOGISTIC VEHICLES FOR THE DEVELOPMENT OF GREEN LOGISTIC INFRASTRUCTURE <i>Roslina Ahmad, Harlina Suzana Jaafar and Ruslan Hassan</i>	44
THE USE OF MATERIAL FLOW COST ACCOUNTING TECHNIQUE TO REDUCE LOSSES WITHIN THE WOODEN FURNITURE PRODUCTION PROCESS <i>Phuriwat Chanruechai and Rungchat Chompu-inwai</i>	45

A REFERENCE MODEL OF THE DISTRIBUTION CENTRE IN HOSPITAL SUPPLY CHAIN

Angkana Leelakulkietchai and Vithaya Suharitdamrong

*King Mongkut's Institute of Technology Ladkrabang,
Bangkok Thailand*

ABSTRACT

Purpose: The eminent increase in demand for quality healthcare services in Thailand over the last decade has prompted the need to improve healthcare services systems. Supply chain and logistics management plays an important role in increased effectiveness and efficiency of healthcare services operations in public hospitals, the largest medical service providers in Thailand. To improve the efficiency of services would start from the beginning how the medical products distributed and stored before used to the patients. A reference model is studied and designed in order to assist management in developing a seamless hospital supply chain processes.

Design/methodology/approach: This research adopts the Supply-Chain Operations Reference model (SCOR) designed by the Supply-Chain Council and Business Process Model and Notation (BPMN), to visualize descriptions of business and supply chain processes, performance metrics, best practices, and technologies.

Findings: This will result in a well-designed operational framework which improves performance in various areas. The standardized model derived is characterized as activities-based with top-down management decision making criteria for implementation.

Originality/value: The study focuses on identifying the current generic supply chain processes within the distribution centers of three-large-size hospitals in Thailand, and developing a standardized model with a common language of distribution processes for hospital supply chain based on SCOR and BPMN method.

Keywords: SCOR Model, BPMN, Reference Model, Hospital Supply Chain, Distribution Center

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A REVIEW OF SUPPLY CHAIN INNOVATION: PAST, PRESENT AND FUTURE

Chee Yew Wong

Leeds University Business School, UK.

ABSTRACT

Purpose: Studies of supply chain innovation tend to focus on identifying antecedents for innovation in a supply chain or network context but less is known about the types of innovation actually being created and how they were created. This paper reviews innovation in systems, technologies and processes for supply chain applications and discusses future research in supply chain innovation.

Design/methodology/approach: The paper is based on a review of existing literature and online forums among practitioners.

Findings: Most of the famous innovations in production, inventory and logistics technologies, systems and processes such as Taylorism, Toyota Production System (TPS), Ford Assembly Line, Six Sigma, DRP, MRP, ERP, computerized EOP, EOQ, SM's load control center (LLC), P&G's continuous replenishment, FedEx tracking system and automatic picking system (APS) were invented in the 1970s-1990s mostly by single or two organisations. The use of smart robots and vehicles, Internet-based information technology (cloud, Big Data) and eco-innovation are emerging and they are currently keys to achieve market access, and supply chains cost and eco-efficiency. Driven by globalization and global uncertainties the need to collaborate vertically, horizontally and bilaterally for innovation has increased.

Research limitations/implications: Limited to review of existing literature and archival forums.

Practical implications: Offers typology of supply chain innovation in technologies, systems and processes and critical review of existing literature.

Originality/value: Provides new analyses how several supply chain innovations were created and new direction for supply chain innovation.

Keywords: Supply chain, Innovation, Technology, Research

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A SIMULATION MODEL APPLICATION FOR CHIANG MAI UNIVERSITY MASS TRANSPORTATION SERVICE IMPROVEMENTS

Jirapat Wanitwattanakosol, Wapee Manopiniwes and Tisinee Surapunt
College of Arts, Media and Technology, Chiang Mai University, Chiang Mai, Thailand

ABSTRACT

Purpose: The purposes of this research are to analyze the problems of a mass transport service system in Chiang Mai University and propose efficient approaches for improving the logistics system.

Design/methodology/approach: A simulation model was used to evaluate the logistics problem. Numerical data were obtained by using time study sheets and used for evaluating the proposed model. All statistical distributions were analyzed by goodness of fit tests. Verification and Validation techniques were performed to accredit the simulation model.

Findings: On the basis of the case study, experimental results indicated that this model nearly behaved the same as a real system. The simulated prototype could be applied to design the case study. The result of the assessments showed that the case study had some gaps to bridge such as an appropriate route, a number of electric mini buses and the quality improvement of service to attract more people. The validated simulation model gives transportation planners to test various mass transport service scenario solutions involving the use of intelligent transportation systems prior to their implementation.

Research limitations/implications (if applicable): Research findings are from the specified route and times in Chiang Mai University mass transportation service.

Originality/value: This research investigates an actual mass transport service system problem and provides various simulated solutions prior to implementation.

Keywords: a mass transport service system, simulation, logistics problem

References:

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A STUDY OF LOGISTICS PERFORMANCE OF MANUFACTURING AND IMPORT- EXPORT FIRMS IN VIETNAM

Ruth Banomyong¹, Trinh Thi Thu Huong² and Pham Thanh Ha³

¹ *Department of International Business, Logistics and Transport, Faculty of Commerce and Accountancy, Thammasat University, Thailand*

² *Department of Logistics and Freight Forwarding, Faculty of Economics and International Business, Foreign Trade University, Vietnam*

³ *Department of Logistics and Freight Forwarding, Faculty of Economics and International Business, Foreign Trade University, Vietnam*

ABSTRACT

Purpose: Logistics performance assessment is a critical issue when trying to improve logistics. This is particularly true in developing countries where no baseline survey has been done on the subject. This research explored and analysed logistics performance of manufacturing as well as export-import trading firms in Vietnam.

Methodology/design/approach: The framework for the logistics performance assessment is based on the tool developed by Banomyong and Supatn (2011). The framework is derived from the 9 key logistics activities proposed by Grant et al (2006). In order to measure firm logistics performance, three performance dimensions are used: cost, time and reliability. A survey was conducted to obtain Vietnamese logistics related data.

Findings: This is the first research in Vietnam that shows firms' logistics performance through the use of such an assessment framework. The instrument was relatively simple and easy to apply and understand. In addition, based on the research results, the paper provides recommendations and solutions that encompass a series of policies to effectively reduce the prevalent logistics costs of firms in Vietnam.

Research limitations/implications: Limitation is related to the availability of the required assessment data. The availability data is a reflection of systematic data collection and storage procedures of the respondent firms. The inadequate understandings related to logistics have made respondents confused when trying to answer the questionnaire.

Originality/value: The tool used in the research is precise and simple enough for firms to apply. Proposed solutions and recommendations can be considered as reliable practical for enterprises in Vietnam in a common effort to reduce logistics costs and increase competitive capabilities. This is the first survey of this kind in the country.

Keywords: Logistics cost, logistics performance, cost, time, reliability, manufacturing and import-export firms, Vietnam.

References:

1. Banomyong, R. and Supatn, N. (2011) - Developing a supply chain performance tool for SMEs in Thailand, *Supply chain management: an international journal*, volume 16, 2011, p.20-31.
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A STUDY ON RELIABILITY OF LOGISTICS NETWORK FOR THAI ORGANIC FOOD TO INDIA

Suthep Nimsai

*School of Management, Mae Fah Luang University, Chiang Rai, Thailand 57100,
+665391-6710, suthep.mfu@gmail.com*

ABSTRACT

Purpose: This study focuses on the reliability of logistics network system for Thai organic foods to India. Though the logistics security challenges was a partial concern to businesses in Thai organic food industry exporting to India, information security, transport safety, process safety and storage safety were also included in the major interest of this study.

Methodology: This study used a qualitative approach. Secondary data was reviewed to find how Thai organic foods were exported to India. Statistical information was also gathered to understand the Indian market and opportunity for Thai businesses to export organic food to India. In-depth interview was used in the qualitative approach whilst the Thai consulate in India and 5 major businesses were interviewed to understand business situation and how logistics network system was implemented. Work system theory, organisational culture, and adoption of IT were used to provide guideline for this study to develop logistics network system for Thai organic food to India as well as to improve reliability of logistics network. Statistical information from secondary source was analysed to explain the trend and situations for Thai organic foods exporting to India. However, narrative approach was used to analyse the data derived from interviews with the Thai consulate in India as well as from the five major businesses that export Thai organic foods to India.

Implications: The achievement of this study provides key understanding to improve the logistics network management, which lead to a competitiveness for business operations.

Values: The result of this study provides guide for businesses that exports organic food to India to be able to use safe and reliable logistics. In this highly competitive environment, Thai organic food businesses could manifestly operate their business whilst appropriate logistics system establishment, better flow of communication and lower cost could be achieved.

Keywords: Reliability; Logistics network system; Logistics requirements; Security Logistics

References:

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ACTION PLAN DEVELOPMENT FOR THAI ELECTRONICS INDUSTRY: IN PARTICIPATING IN THE ASEAN ECONOMIC COMMUNITY

***Pittawat Ueasangkomsate, Korrakot Yaibuethet Tippayawong,
Apichat Sopadang, Sakgasem Ramingwong****

*Center of Excellence in Logistics and Supply Chain Management,
Faculty of Engineering, Chiang Mai University – THAILAND
sakgasem@gmail.com*

ABSTRACT

Purpose: Electronics industry is one of Thailand key export industry. With expanding opportunity due to ASEAN Economic Community, the single production base is expecting among 10 ASEAN countries. It is therefore the task to develop the action plan for Thai electronics industry to gain benefit of such course.

Design/methodology/approach: Action plan is structured and developed based on the Value Chain concept. Information is based on literature review on published policy, in-depth interview as well as consulting with key stakeholders of Thai electronic industry, including company, state authority and expert in the field.

Findings: Action plan of 8 value chain activities comprises of 23 actions, detail of the action are included. The success and practical examples can be quickly adopted for industry use.

Originality/value: The action plan is recognized and distributed by Ministry of Industry of Thailand to all potential Thai electronic industry.

Keywords: Action Plan Development, Value Chain Activities, ASEAN Economic Community

References:

1. "Action Plan for Logistics and Supply Chain Redesign – Electrics and Electronics Industry", Chiang Mai University and Ministry of Industry, 2014.
2. "Thailand Industry Master Plan: 2012-2032", Ministry of Industry, 2012.
3. "Final Report: Logistics and Supply Chain Upgrade for Industry Part Manufacturing for ASEAN Economics Community Participation (Electrics and Electronics Industry and Automotive and Automotive Parts Industry)", Chiang Mai University, 2014.

AN ISSUES AND CHALLENGES OF SUPPLY CHAIN EFFICIENCY PERFORMANCE TOWARDS TRADE LIBERALIZATION: A CONCEPTUAL MODEL

**Siti Norhadibah Azman¹, Harlina Suzana Jaafar², Azlina Muhamad³,
Nasruddin Faisal⁴**

¹Researcher, ²Deputy Director Research and Industrial Linkages, ³Head of Marcel,
Malaysia Institute of Transport, Universiti Teknologi MARA (UiTM), Selangor

⁴Head of Learning Centre, Faculty of Architecture, Planning and Surveying, Universiti
Teknologi MARA (UiTM), Selangor
Email: adibahazman@gmail.com

ABSTRACT

Purpose: The purpose of this paper is to perform a scale of understanding analysis towards literature review and assesses previous research regarding the affect of supply chain efficiency performance in the global business environment in term of issues and challenges that influence the successful of trade liberalization. Therefore, the paper focuses on how the above described may impact on operational performance in the supply chain when responding to essential supply chain efficiency dimension which affecting the trade performance.

Design/methodology/approach: An integrative literature review is conducted in an attempt to investigate existing perspectives on the issues and challenges of supply chain efficiency. This review also serves as the basis for the development of a conceptual model framework which influences the trade liberalization.

Findings: Results indicate the success factors of supply chain activities and provided diagnostic overview on the industry effects which have an impact on the propensity of performance dimension in supply chain efficiency towards the issues and challenges which influence the openness market. Finally, this study will identify the most positive relationship between dimensions that will change the scenario of companies to achieve successful market and enhance the quality of supply chain efficiency capabilities.

Research Limitation/Implication: This study contributes to the body of knowledge through the identification of issues and challenges in chain efficiency as perceived by practitioner involved in this connectivity facing AEC 2015 particularly in developing country such as Malaysia.

Practical implications: It will examine major issues on which dimension that are most practical to survive in global business industry to overcome the issues and challenges and a new alternative ways of coordinating supply chain efficiency in trade liberalization.

Originality/value: The paper will serve as a guideline to embark a new conceptual development and offers a new perspective to overcome the issues and challenges towards the supply chain efficiency which influences the trade liberalization.

Keywords: Supply chain efficiency, trade liberalization, issues and challenges, dimension, industry performance

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AWARENESS AND ATTITUDES FACTORS INFLUENCING THE ADOPTION OF ENVIRONMENTAL MANAGEMENT PRACTICES FOR LOGISTICS COMPANIES

Irwan bin Ibrahim and Harlina Suzana bt Jaafar

Malaysia Institute of Transport, UiTM Shah Alam.

Email: irwan1975@gmail.com, harlinasj@yahoo.com

ABSTRACT

Purpose – This study exploring the influence of environmental awareness and attitudes factors towards environmental management practices in the logistics companies in Malaysia. It also explores the logistics companies' willingness to adopt these practices.

Design/methodology/approach – The paper is produced based on interviews, questionnaire survey and reviews significant journal papers, other documents and online sources, including documents which offer substantial and comprehensive reviews of environmental management practices to develop this model.

Findings –Based on ongoing research, the environmental awareness and attitudes factors have not yet been considered in the studies of environmental management in the logistics industry. With the increasing awareness of environmental issues, there has been rising demand for environmental-friendly business practices. This paper is proposing a model that takes several ideas of the authors, plus the result of conducted interviews and proposed a model on the willingness on adopting Environment Management Practices.

Research limitations/implications – The generalizability of the findings is limited as the study focuses only on logistic industry in Malaysia.

Practical Implications – the proposed model offers practical solutions to problems encountered by logistics companies, and will be applicable to a wider audience of logistics industries. The framework is intended to explicitly inform companies the importance of adopting environment management practices in their company. Companies planning to adopt environmental management practices will be able to make managerial decisions based on the findings from this research.

Originality/value – The model and variables in this paper suggest a new understanding about the factors of awareness and attitudes in adopting environment management practices in the logistics companies.

Keywords: Technological Factors, Organizational Factors, Environmental Factors, Logistics companies, Environmental Management Practices.

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CONSIDERATION ON THE SUPPLY CHAIN APPROACH FOR RESTRICTED SHOPPERS IN A HYPER-AGED SOCIETY -A CASE OF ONLINE WHOLESALING SYSTEM-

Jimyoung Lee

University of Marketing and Distribution Sciences
Jimyoung.Lee@red.umds.ac.jp

ABSTRACT

Purpose: The purpose of this paper is to address the supply chain approach for restricted shoppers who have difficulties in daily shopping in a hyper-aged society. Supply chain approach in this paper is defined as a cooperation initiative that is conducted by plural players on a supply chain. The number of neighborhood stores has been decreasing specifically in depopulated rural areas since they also have difficulties in the procurement from wholesalers, which has a crucial impact on the restricted shoppers. This paper considers the possibility of the supply chain approach for the restricted retailer and shoppers in hyper-aged society.

Design/methodology/approach: A practical cases were described for the aim to show the possibility of e-procurement system that was established by the cooperation between a leading wholesaler and a leading delivery company.

Findings: The results indicate that online wholesaling system will strongly support the restricted retailers to survive. The system would be built by wholesalers in association with delivery companies, and the system consequently must be a solution for the restricted shoppers. The paper shows that supply chain approach would give the players a win-win business.

Research limitations/implications: The paper does not attempt to evaluate the financial profitability of online wholesaling system.

Practical implications: Stakeholders in a supply chain can take chances of new business using a cooperative partnership. Wholesalers can expand their business to small-sized retailers who had been too small to do business with. Logistics providers can also expand their network to take an initiative.

Originality/value: A win-win solution for the issues on the underserved retailers is discussed from supply chain approach that is required to involve wholesalers as well as retailers and logistics providers.

Keywords: supply chain approach, online wholesaling system, hyper-aged society

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COURIER SERVICE QUALITY FOR BUSINESS SUSTAINABILITY

Sitynoryasmin Ahmad Khairuddin, Sariwati Mohd Shariff

*Malaysia Institute of Transport (MITRANS),
Universiti Teknologi MARA, 40450 Shah Alam, Malaysia*

ABSTRACT

Purpose: This literary papers attempts to provide an insight on published literature pertaining to current issues and challenges affecting the courier service industry; transportation modes and networks and also the relevant factors affecting courier business sustainability.

Design/methodology/approach: This paper present a literature review from various publications, relevant journals, past previous studies and research done on courier services, quality of courier services, business performances and business sustainability. Literature shall also encompass information and statistics from published business reports and business reviews from courier business associations, courier service providers reports and government annual reports. Also, latest information related to courier service information technology and related websites.

Findings: Based on published literature, the courier service quality dimensions encompass quality service delivery, just in time, services offerings, understanding customers needs, communications, credibility, creativity and costs. Additionally, for courier business sustainability, business performance measures that are generically used for service providers encompass sales and revenues, customers, long term contracts, competition, services design, transport networks and transport costs, effective information system for tracking and traceability and last but not least customer complaints.

Research limitations/implications: This literature focused on courier service quality dimensions for business performance and sustainability both local and global business context.

Originality or value: This paper provides inputs for potetial variables and constructs for future research framework.

Keywords: courier service, service quality, quality dimensions in services, business sustainability.

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DEVELOPING PUBLIC PRIVATE PARTNERSHIPS IN CHANGING BUSINESS ENVIRONMENT: EVIDENCE FROM THE DANISH AND FINNISH ENERGY SECTORS

Jyri Vilko¹, Mika Immonen²

¹*School of Business, Lappeenranta University of Technology, P.O.Box 20, 53851
Lappeenranta, Finland*

²*School of Industrial Engineering and Management, Lappeenranta University of Technology,
P.O. Box 20, 53851 Lappeenranta, Finland*

ABSTRACT

Purpose: The rapidly changing operational environment and increasing competition has forced many companies to focus on certain core areas and rather act as a part of larger service network than produces all functions by themselves. This study investigates the key points of the decision making and the relevant factors in two cases public private partnerships of deregulated energy sectors in Denmark and Finland.

Design/methodology/approach: The study uses an explorative approach with case study methodology with two countries energy sectors. The study is based on integrated literature reviews as well as an empirical cases where interviews and documents as main data source.

Findings: The findings of the study reveal the steps of the decision making in the case of supply network development in energy sector. Both the steps of decision making and the factors considered differed between the organisations in the partnership.

Research limitations/implications (if applicable): The research has two main implications: Firstly, the decision making process between organizations with public or private ownership differ significantly which should be taking in the supply chain development. Secondly, when developing network partnership the relevant factors in different levels of business should be taken into account.

Practical implications (if applicable): The paper provides a description how development of public private partnerships can be managed if the service processes and the network form are at emergent phase through which managers can better understand the required interactions between the organizations.

Originality/value: The study improves the current knowledge of relationships between service supply chain organizations by providing two in-depth case descriptions from Finnish and Danish energy sectors. Furthermore, the study illustrates the emerging opportunities for service providers in a case developing old organization structures and the process of building new supply network relationships with public and private companies.

Keywords: Service supply chain, network, development, changing business environment, Finland, Denmark, energy sector.

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EVALUATION OF AIR CONNECTIVITY OF CHIANG MAI AIRPORT

Supaporn Kamtaeja*, Apichat Sopadang, Poti Chao

Logistics Engineering and Supply Chain Management Unit, Department of Industrial Engineering

Faculty of Engineering, Chiang Mai University, Thailand, 50200

**Corresponding Author: supaporn.kamtaeja@gmail.com*

ABSTRACT

Purpose: The number of passengers in air transport in Thailand has increased considerably from 2009 to 2012. Additionally, due to the forthcoming ASEAN Economic Community (AEC) in 2015, free flow of goods, service, investment, capital and labor will have expected influences on ASEAN member states and would lead to a substantial increase in air transport. Specific policy of AEC, such as revisions in 'Open Skies' policy, may lead to expansion in new route and higher flight frequencies. Therefore, evaluation of Thai airport such Chiang Mai airport in terms of its connectivity indices would be important in determining air travel connections available to the consumer at Chiang Mai airport. The aim of this study is to realize the connectivity performances of Chiang Mai airport in the accessibility perspective.

Design/methodology/approach: This paper investigates the air connectivity of Chiang Mai airport by using the NETSCAN model. Travel time, frequencies and the necessity of a transfer are variables in this model. The output of calculation expressed in so called 'connectivity units'.

Findings: The results given by the connectivity indices of Chiang Mai airport indicate the current number and quality of Chiang Mai airport accessibility.

Originality/value: This study adapts the NETSCAN model to evaluate air connectivity of Chiang Mai airport which potentially allows future applications in regional or international airport comparisons.

Keywords: Air connectivity, Air transport, Evaluation, NETSCAN model, Chiang Mai airport

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FACTORS AFFECTING INVESTMENT IN AVIATION INDUSTRY

***Sakgaseem Ramingwong, Apichat Sopadang, Korrakot Yaibuethet
Tippayawong***

*Center of Excellence in Logistics and Supply Chain Management,
Faculty of Engineering, Chiang Mai University – THAILAND
sakgaseem@gmail.com*

ABSTRACT

Purpose: ASEAN Economic Community focuses on integrating ASEAN countries via concepts of a single market and production base and a collaborated competitive economic region. Apart from 12 ASEAN key and targeted industries, aviation industry also plays important role to ASEAN economics, contributing up to 5% of GRP. The study aims at identifying key factors affecting investment in aviation industry. The study focuses on ASEAN countries, especially in the opportunities due to AEC.

Design/methodology/approach: The decision model on investment in aviation industry is comprised of 56 factors, constructed from literature, interview and expert advice. The questionnaires are used to collect the data from key players in the industry, including airport operator, airline industry, passenger and supporting industries.

Findings: Key factors reflecting the decision making in investment in aviation industry are identified. It is found that different parties are interested in different perspectives and this leads to development strategy recommendation to stakeholders.

Originality/value: Decision model is developed for specific measurement. Findings are from real and practical members of the aviation industry. Key factors as well as significance of each factor are identified.

Keywords: Aviation Industry, Decision Making in Investment, ASEAN Economic Community

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FOOD VALUE CHAIN PRODUCTION IMPROVEMENT USING QUALITY FUNCTION DEPLOYMENT TECHNIQUE

Nuttawut Thepauyporn, Poti Chao*

*Excellence Center in Logistics and Supply Chain Management
Chiang Mai University, Thailand*

**Corresponding Author: poti@eng.cmu.ac.th*

ABSTRACT

Purpose: Through rich natural resources, technology investments and international quality standards, Thailand has proclaimed as the “Kitchen of the World”. Thailand is one of the world’s largest producers of food products such as rice, frozen food and canned fruits. This study investigates the value chain of the meat ball production process in case of meat ball production plant in Northern Thailand, Chiang Mai.

Design/methodology/approach: The methodology of this study is divided into three steps. The initial step is to evaluate the value chain of the meat ball product and packaging. Then the production process is improved through Quality Function Deployment technique (QFD). According to the result of the QFD, the process will be changed accordingly and re-evaluated through the value chain evaluation method to compare the differences with the initial production process. Finally, a break-even point method is used to analyse the cost and benefits of the improved process.

Findings: The findings of the study reveal an improved product in reflection of the customers’ need. The production process is then improved with reduction in non-value added processes which resulted in reduction in overall production cost.

Research limitations/implications (if applicable): The research uses case study approach. Firstly, one manufacturing plant, located in Chiang Mai is selected for the case study. Secondly, questionnaire survey is distributed within ten kilometres radius of the selected manufacturing plant.

Practical implications (if applicable): The study provides a systematic improvement method in which managers can improve the physical product in accordance to customers’ need.

Originality/value: The study combines value chain evaluation method with quality function deployment technique to reduce wastes in production process and to add value to the physical product itself. The study illustrates the emerging opportunity for food industry to improve its product through the proposed methodology.

Keywords: value chain, food industry, quality function deployment, production improvement, Thailand

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FORECASTING TRADE NETWORK OF THAILAND AND ASEAN THROUGH GRAVITY MODEL APPROACH

Natjira Jinafoei¹, Poon Thiengburanathum², Poti Chao¹

¹*Supply Chain and Engineering Management Research Unit, Department of Industrial Engineering,*

²*Department of Civil Engineering, Faculty of Engineering, Chiang Mai University, Chiang Mai, Thailand 50200*

ABSTRACT

Purpose: Through the geographical characteristics, Thailand has been proclaimed as the central hub of ASEAN region. Extensive trade activities and economic prosperity are expected within the region. This study investigates the trade value of Thailand and its network to obtain benefits of the forthcoming ASEAN Economic Community (AEC).

Design/methodology/approach: This study is divided into three steps. The first step is to evaluate the trade relationship of Thailand in comparison with other ASEAN member states by using Regression Analysis. The second step is to use the past trend to forecast the future trend via Gravity Model. Finally, the result from the model of Thai trade network performance will be analysed under the context of AEC.

Findings: The study identified the possible future trend of Thailand trade network among other ASEAN member states under the content of the forthcoming AEC.

Research limitations/implications: This study uses adjusted Gravity Model to fit under the AEC content of the Thai trade network. Therefore, the model is derived from Thai trade perspective.

Originality/value: To perform the appropriate model to evaluate the future trend of ASEAN trade network with Thailand as the central pivot point. The analysis is not limited to the ASEAN member states but also to the selected developed countries.

Keywords: Trade Value, Trade Network, Forecasting, ASEAN, AEC, Gravity Model

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GREEN LOGISTICS SERVICE QUALITY AND LSP PERFORMANCE

Siriwan Chaisurayakarn, David B Grant and Risto Talas

Logistics Institute, Hull University Business School, UK

Email S.Chaisurayakarn@2011.hull.ac.uk; D.Grant@hull.ac.uk; R.Talas@hull.ac.uk

ABSTRACT

Purpose: This paper reports on an ongoing research study to understand the importance of green service quality (GSQ) and logistics service quality (LSQ) in the performance of logistics service providers (LSPs) in a Thai context.

Design/methodology/approach: The empirical study firstly used interviews to explore what an LSP's GSQ and LSQ competencies are and then tested them in a survey of LSPs and LSP customer expectations and customer perceptions using SERVPERF. This paper reports on findings to date of the empirical research, which is still ongoing in 2014.

Findings: Interviews of both LSPs and LSP customers found that behavioural and safety aspects were the most important green service quality competencies, and they directly relate to service quality and transportation costs. Following that, a preliminary survey analysis has found that LSP customers, more than LSPs, perceive GSQ as being important to LSP performance. However, both similarly perceive the importance of LSQ to LSP performance.

Research limitations/implications: This paper provides a contribution to the GSQ, LSQ and LSP debate by extending service quality theory in the logistics services sector in the context of GSQ and integrating GSQ competencies into extant LSQ frameworks. A limitation is that this paper only reports preliminary findings of an ongoing study.

Practical implications: A practical contribution for both LSPs and their customers is an understanding of how LSPs can focus on GSQ to perform better, which is important to customers, and hence better compete with rivals. Similarities and differences in expectations and perceptions of the main relationships also provide guidance for LSPs to reduce their LSQ gap with customers and increase their capabilities to achieve higher customer satisfaction.

Originality/value: While most of the green logistics studies focus on the supply chain management or logistics system's characteristics, this paper investigates initial insights into how important green aspects are relative to logistics service quality and Thai LSP performance.

Keywords: Logistics service quality, green service quality, logistics service provider performance.

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HALAL LOGISTICS IMPLEMENTATION IN THE CONTEXT OF ASEAN LIBERALISATION: A LITERATURE REVIEW

Azlina Muhammad, Dr. Harlina Suzana Jaafar

Malaysia Institute of Transport (MITRANS)

Universiti Teknologi MARA, Shah Alam, 40450 Selangor, Malaysia

ABSTRACT

Purpose: This study aimed to examine various environmental factors that may have impact on the Malaysian Halal logistics industry within the context of ASEAN liberalisation.

Design/methodology/approach: By using PEST analysis, the scenario of Halal logistics implementation was demonstrated through the examination of political, economic, social and technological factors in the context of ASEAN liberalisation environment. The facts were based on extensive literature reviewed to establish various circumstances including the issues and challenges of implementing Halal logistics in Malaysia.

Findings: Based on the literature review, seventeen social, political, economic and technological factors were identified which were affecting Malaysian Halal logistics industry directly or indirectly.

Research limitations/implications (if applicable): This study focuses on the Malaysia environment within the context of ASEAN service liberalisation and developed only as a conceptual paper. Therefore, it could serve as a launch pad for further studies in future exploring various issues highlighted in various methodological approaches.

Practical implications (if applicable): This study is significant to industry professionals in gaining more knowledge on the environment related to Halal logistics and thus helping them in strategising their business.

Originality/value: Halal is the biggest market in the world that have been largely overlooked. Same is the case with Malaysian halal logistics market. This study explores the issues revolving around this untapped area of research.

Keywords: Halal logistics; Malaysia; ASEAN; liberalisation

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IMPROVEMENT OF USED SHOES SUPPLY CHAIN BY REVERSE LOGISTICS AND LEAN CONCEPTS

Jureerut Somboon*, Korrakot Yaibuathet Tippayawong

Department of Industrial Engineering, Faculty of Engineering,

Chiang Mai University, Chiang Mai, 50200 Thailand

**jsboon130@gmail.com*

ABSTRACT

Purpose: To review and investigate the value chain of used shoes in Thailand, and to propose a framework for improvement.

Design/methodology/approach: The methodology of this study is divided into four steps. Firstly, used shoes supply chain in Thailand is surveyed and reviewed. Its value chain is then analyzed whose added values in the chain are identified. Subsequently, value stream mapping (VSM) is employed to define and analyze the supply chain processes where unnecessary activities are discovered. Finally, an improvement framework based on reverse logistics and lean concepts where procedures in the chain are adjusted is proposed.

Findings: Conditions and procedures of Thailand's used shoes supply chain are overviewed. Present activities which are either value added, necessary but non-value added, and non-value added are identified. Supply chain of used shoes in Thailand can be improved using simple industrial management concepts.

Research limitations/implications (if applicable): In this study, data collection is performed using observation and interview approach only at Rong Kluea Market. There is no previous study regarding used shoes supply chain.

Practical implications (if applicable): This study can be used as a guideline for entrepreneurs to adjust their procedures in order to reduce cost and time as well as to increase customer satisfaction. Moreover, the techniques adopted here in this work should be practical to other recycled products.

Originality/value: Supply chain of used shoes is considered for the first time, especially in Thailand setting. The case study is extremely useful for other recycled products.

Keywords: Shoes industrial, Used Shoes Supply Chain, Rong Kluea Market, Sakaeo

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INNOVATION BARRIERS IN THE WAREHOUSING INDUSTRY

Kit Meng Lum¹, Yan Weng Tan²

¹*School of Civil and Environmental Engineering, Nanyang Technological University, Singapore*

²*School of Business, SIM University, Singapore*
Email: ywtan@unisim.edu.sg

ABSTRACT

Purpose: Warehouses and distribution centres (DCs) are critical nodes in the supply chain, yet they can potentially be the chain's weakest link due to a lack of focus on value-added services and their relatively high contribution to total logistics costs if inventory holding cost is included. This paper investigates the extent of innovation in the warehousing industry in the Singapore context, identifies the barriers to innovation and suggests possible solutions to overcoming these barriers.

Design/methodology/approach: Qualitative and quantitative data were collected through a mail-back questionnaire survey of companies engaged in warehousing and storage operations in Singapore. The questions on innovation addressed two groups of respondent profiles: innovators and non-innovators. To better understand the industry's perspective on innovation, in-depth interviews were further conducted on selected organisations.

Findings: Most respondents reported that their company were involved in innovation activities over a four-year period. The main factors driving innovation in warehousing were the need to improve service quality and increase the range of services. For non-innovators, the barrier to innovation was the lack of financial resources. For innovators, five factors have hindered innovation: lack of technology knowledge, lack of financial resources, lack of cooperation with supply chain partners, lack of innovation culture, and lack of highly educated/qualified staff.

Originality/value: This paper provides insights that can assist the industry and relevant agencies to identify targeted strategies to overcome the innovation barriers in warehousing, so as to facilitate logistics and strengthen the supply chain.

Keywords: Warehousing, innovation barriers, questionnaire survey

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LOGISTICS COST ANALYSIS OF HOTEL BUSINESS

Pratchaporn Setsathien¹, Korrakot Yaibuathet Tippayawong²

Excellence Center in Logistics and Supply Chain Management (E-LSCM)

Department of Industrial Engineering, Faculty of Engineering

Chiang Mai University, Chiang Mai, 50200 Thailand

pratchaporn.set@gmail.com

ABSTRACT

Purpose: This study aims to identify components of logistics cost structure of Thai hotel business. Chiang Mai, one of the most popular tourism destination in Thailand, is chosen as a case study. The study is attempted to match activities between logistics and hotel business area and evaluate corresponding logistics cost of hotel business.

Design/methodology/approach: This study employs content analysis derived from logistics cost related to literature. Critical factors are identified and then validated through interviews with stakeholders of hotel business. It is subsequently formulated into a logistics cost structure which is later developed into a questionnaire. In order to validate and increase the robustness of the designed questionnaire, the pilot tests are undertaken. Afterwards, it is sent to stakeholders of the hotel business in Chiang Mai. Finally, component analysis of the logistics cost is carried out.

Findings: The logistics activities of hotel business are analyzed. Composition of logistics cost in hotel business is realized.

Research limitations: The data of this research is derived from hotel business stakeholders only in Chiang Mai. In order to generalize the proposed framework, a wider distribution of the questionnaire is recommended to increase the robustness of the framework.

Originality/value: A research framework is proposed in order to evaluate the logistics cost through identification of logistics activity.

Keywords: Logistics Cost, Supply Chain, Tourisms Industry, Hotel Business

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LOGISTICS COST IN WOODEN FURNITURE INDUSTRY

Saranyu Wasuwat*, Nivit Charoenchai

*Department of Industrial Engineering, Faculty of Engineering, Chiang Mai University
239 Huay Kaew Road, Muang , Chiang Mai, Thailand, 50200*

Tel: +6653-944125 Fax: +6653-944185 E-mail pong_1232@hotmail.com

ABSTRACT

Purpose: To reduce logistics cost in furniture industry, especially on inventory cost, transportation cost and administration cost. This research analyzed the cost by Activity-Based Costing (ABC) techniques and propose a way to reduce logistics cost of the wooden furniture industry.

Design/methodology/approach: To analyze the logistics cost of furniture industry, it started with the manufacturing process was studied to identify all production activities. Besides, four of resources costs were studied; depreciation of land, building and facilities, depreciation of machine, labor cost and materials cost. These four resource costs were deployed to all of 27 production activities. After that all production activities cost were seem up to find the total cost. From all 27 production activities of wooden furniture product, 3 logistics activities can be investigated.

Findings: According to the analysis of logistic cost in wooden furniture industry applying the Activity-Based Costing (ABC) , the result shows that the highest logistics cost order received 26.27% , inventory management 11.61% and purchasing 5.51% of all activities in wooden industry. If it is possible to decrease the cost of all 3 logistics activities, the logistics cost of the industry will also decrease.

Originality/value: Study and make the activities flow in furniture industry. Researcher uses industry engineering techniques to make the logistics cost lower to the wooden furniture industry.

Keywords: Logistic Cost, Furniture, Activity-Based Costing

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LOGISTICS PERFORMANCE MEASUREMENTS: A DESCRIPTIVE ANALYSIS

Mohd. Azlan Abu Bakar¹, Harlina Suzana Jaafar^{1,2}

^{1,2} *Malaysia Institute of Transport, Universiti Teknologi MARA Malaysia*

² *Faculty of Business Management, Universiti Teknologi MARA Malaysia*

ABSTRACT

Purpose: Logistics capabilities in competitiveness and customer satisfaction of the firms or industry have made logistics performance is measured by the elements associated with it. Performance measurement can enhance Malaysian logistics competitiveness. In addition, this measurement also important that leads to competitive advantage and a benchmark for improvement. Thus, this study reports the results of a descriptive analysis study conducted on the practitioners in the Malaysia's logistics industry. It aims to provide the benchmarking in logistics performance of the industry.

Design/methodology/approach: The mailing list came from the membership list of the Federation of Malaysian Freight Forwarders (FMFF) and the Companies Commission of Malaysia (SSM). All data than merge and strictly there are no missing data and redundancy. The final list represented local and international LSP, as well as with asset and non-asset LSP. The final list included a total of 1030 companies. A descriptive analysis based on 121 usable questionnaires from the practitioners in logistics service providers (LSP) company were analysed.

Findings: This study found that the existing logistics performance has still remained in average score 3.00 to 4.00. Amongst the focus for further analysis is the lowest score of customs efficiency even though the customs procedures is improved.

Research limitations/implications: Further analysis need to be done to rectify the issues of the lower score. In addition, the sample frame represents 12% of 1030 companies.

Practical implications: There are remarkable findings and great opportunities to improve in terms of infrastructure and customs efficiency.

Originality/value: This paper provides a benchmark for logistics performance in Malaysia. It will help to identify opportunities for improvement.

Keywords: Logistics Performance, Descriptive Analysis, Benchmarking

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MULTIMODAL AND INTERMODAL FREIGHT TRANSPORTATION: A REVIEW

Azizah Jamaludin^{1*}, Saadiah Yahya², Ruslan Hassan³

¹*Post Graduate Student, Malaysia Institute of Transport (MITRANS) (MALAYSIA)*

²*Director, Malaysia Institute of Transport (MITRANS) (MALAYSIA)*

³*Senior Research Fellow, Malaysia Institute of Transport (MITRANS) (MALAYSIA)*

ABSTRACT

Purpose: Generally, multimodal and intermodal have been widely used and being classified as the same definition. The purpose of this study is to have the comparative review between intermodal and multimodal terms whether these terms are carrying the same or totally different definitions to be used by researchers and industrial practitioners.

Design/methodology/approach: The methodology of this study was carried out by reviewing literature on multimodal and intermodal freight transportation in supply chain.

Findings: Multimodal involves international transportation for example ship by the use of container or cargo under a single contract. Meanwhile intermodal usually consists of intermodal terminals during the process. There is no right or wrong terms but depends to the researcher whether to use the term generally or specifically because both give the same definition of combination of two modes of freight transportations.

Research limitations/implications: This paper focuses to freight transportation only and do not discussed on passenger transportation.

Originality/value: This study will provide basic guideline for researchers for both definitions to steer clear of confusion for future reference.

Keywords: Multimodal, intermodal, freight transportation, supply chain

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NETWORK STRATEGIES OF SUBSIDIARY AIRLINES -- ASIA-PACIFIC REGION CASE STUDY --

Sunsook Kim

Faculty of Economics, Doshisha University, Kyoto, JAPAN

E-mail: sunkim@mail.doshisha.ac.jp

ABSTRACT

Purpose: Air travel in the Asia-pacific region has developed through the construction of airports. The frequency of the point to point system increases in the Southeast Asia and Oceania regions, showing potential to of revitalize local airport, and decentralize demand for air transport. This study aimed to clarify the network strategy characteristics of airline groups in the Asia-Pacific region.

Design/methodology/approach: To achieve this, we conducted a case study, focusing on AirAsia, Qantas Air (QFA), and Jetstar, which are said to be the most successful in the region, as well as All Nippon Air (ANA) and Korean Air (KAL), which entered the market relatively late. For this case study, we used information such as routes, stage distances, fleets, and traffic volume, referencing the annual reports of each airline and the OAG-Flight Guide Worldwide

Findings: The expansion of airlines such as those covered in this paper can be attributed to the current state of conditional aviation liberalization as well as regional characteristics that place limits on fleets and the service differentiation of medium- and long-distance international flights.

Originality/value: This case-study demonstrates the potential role of subsidiary airlines through a network strategy.

Keywords: Asia-Pacific region, network strategy, aviation liberalization, international flight service, subsidiary, Airlines Group, Airports, market share, fleet, flight distance

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NON-PHYSICAL BARRIERS FOR THE SOUTH EAST ASIA (ASEAN) MAINLAND CROSS BORDER RAIL FREIGHT MOVEMENTS: FACTORS THAT COULD AFFECT THE REGION'S SEAMLESS RAIL FREIGHT MOVEMENTS

Adi Aizat Yajid

*Malaysia Institute of Transport (MITRANS), Universiti Teknologi MARA,
40450 Shah Alam, Selangor, Malaysia.*

Email: adiyajid11@gmail.com

ABSTRACT

Purpose: This study purposed to explore what are the non-physical barriers that hinder the seamless cross border rail freight movements for the South East Asia (ASEAN) mainland.

Approach: This qualitative study was based on interviews with the stakeholders involved in the industry. On top of that, professional views also gained through interviews and literature. The central references are the official documents from ASEAN.

Findings: The idea to connect this region through rail had been accepted. Various kind of economic opportunities could be enjoy by this region through this connectivity. As for now, most of the rail operations in this region operate on local basis only. There is only one part of this region where cross border rail freight movements happen, which is between Malaysia and Thailand. Although the shipments had cross the borders of the countries, but the movements are not seamless. The non-physical barriers could affect the seamless rail freight movements from the core. Thus, in realising the plan of seamless cross border rail freight movements, these non-physical barriers need to be identified and brought to the attentions of the stakeholders so that it would not become the cancer for this plan that could attack from within.

Research limitations: The information regarding this topic is very limited due to the limited number of cross border rail freight movements and the limitation of information available for this research.

Practical implications: This study discuss on the non-physical barriers that exist in the region which hinder the seamless rail freight movements between countries in this region. Overcoming these non-physical barriers could make the intention of connecting the ASEAN mainland through rail seamlessly become more possible and reachable in the future.

Originality/value: This research has explored various non-physical barriers that had and will contribute to the incomplete seamless journey for rail freight movement in ASEAN mainland.

Keywords: Rail freight, cross border movements, non-physical barriers, seamless journey

References:

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OCCUPATIONAL SAFETY AND HEALTH MANAGEMENT IN MALAYSIAN TRANSPORT INDUSTRY: AN INSIGHT

Sariwati Mohd Shariff¹, Saadiah Yahya¹, Norina Ahmad Jami²

¹Malaysia Institute of Transport (MITRANS), Universiti Teknologi MARA, 40450 Shah Alam, Malaysia; sariwati@salam.uitm.edu.my

²Faculty of Business Management, Universiti Teknologi MARA, 42300 Puncak Alam, Selangor norina0048@salam.uitm.edu.my

ABSTRACT

Purpose: This literary paper aims to provide an insight on the relevant risks, occupational hazards and work accidents; and occupational safety and health management system in transport industry in Malaysia.

Design/methodology/approach: This paper presents an in-depth literature review from various sources of publications and past previous research carried out on work hazards, road and work accidents in the transport industry and operations within Malaysian context.

Findings: Findings from this paper are presented as a summary on the deployment of occupational safety and health management system and the applicable OSH laws, standards and codes of practices for transport industry in Malaysia. The OSH codes of practices and guidelines, and OSH implementation is far from the expected standards. Adherence and enforcement are lacking in the actual transport industry as road and work accidents kept increasing. In conclusion, there is an urgent need to enforce OSH legal requirements, codes of practices and OSH management implementation, trainings and monitoring in accordance with the ILO Decent Work Agenda.

Research limitations/implications: This literary paper primarily focuses and limits to occupational safety and health management system, road and work accidents in the Malaysian transport industry.

Practical implications: The practical implication is to provide updates on the codes of practices on road and public safety, workers' health and welfare in transport industry; and the extent of these codes being implemented together with the OSH management system.

Originality/value: This paper provides inputs for potential variables and constructs for future research on occupational safety and health management in transport industry which is still relative new in Malaysia.

Keywords: occupational safety and health management, road safety, transport safety, occupational safety and health standards, codes of practices.

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POOLING LOGISTICS AS A MEAN FOR SUSTAINABLE URBAN FREIGHT DISTRIBUTION

NEUBERT Gilles^{1*}, DERROUCHE Ridha¹, MOUTAOUKIL Abdelhamid²

¹*School of Management - ESC, LAB: UMR EVS 5600 51 cours Fauriel, CS 80029 42009, Saint ETIENNE, FRANCE; gilles_neubert@esc-saint-etienne.fr*

²*Institut Fayol- UMR EVS 5600, EMSE, 158 cours fauriel, 42000 Saint-Etienne, France*

ABSTRACT

Purpose: By supporting trading activities urban freight distribution contributes to the dynamism of the cities. But policy makers have now to develop new logistics scheme that can minimize its negative impacts. This paper focuses on the consolidation of goods flows by using a Distribution Center. Using this logistics scheme, an optimisation models is developed to show the impact of time for delivery on the economical and environmental performance of the solution

Design/methodology/approach: This work is based on the literature on the Vehicle Routing Problem with an heterogeneous fleet. A mathematical formulation (using CPLEX) of the sustainable vehicle routing problem is developed, including a new cost objective function and environmental function. A case study based on a real project conduct in a medium size city in France show the main results.

Findings: This paper shows the impact of the delay for delivery on the economical and environmental performances of a distribution center. The main result is that policy makers should consider at the same time the change in the logistics process, i.e. using a distribution center, and the change in the restriction, i.e. changing deadline for delivery from 11 AM to 12 AM.

Research limitations/implications: Due to time calculation this model is actually restricted to a limited number of distribution points.

Practical implications: Defining optimal routes for freight distribution from a distribution center in a city. Minimizing the negative impacts of logistics in urban area, such as congestion, pollutant emissions, overconsumption of fuel, etc. This is helpful for city policy makers to take decision on urban freight distribution.

Originality/value: The traditional VRP is usually based on a homogeneous fleet size but this problem becomes more complex when the vehicle fleet is heterogeneous. This paper proposes a new economic objective function, a new environmental objective function and the integration of new constraints to propose an original model of the routing problem with an heterogeneous fleet. The main originality is to be able to solve AT THE SAME TIME the optimal routes and the optimal choice of vehicles.

Keywords: Urban freight distribution, logistics pooling, Sustainable routing problem; Fleet Size and Mix Vehicle Routing Problem; Sustainable development objectives.

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PROFILING THE MALAYSIAN LOGISTICS INDUSTRY

**Mohamad Zulfadhli Jusoh, Harlina Suzana Jaafar, Nasruddin Faisal,
Azlina Muhammad**

*Researcher, Deputy Director Research and Industrial Linkages, Quantity Surveying
Department Faculty of Architecture, Planning and Surveying, Head Centre of Malaysia
Research of Logistics and Supply Chain, Malaysia Institute of Transport (UiTM)*

ABSTRACT

Purpose: The structure and identification of logistics as an industry sector are disputable. Throughout the literature the findings or research focusing on the profiles of logistics industry is very limited. This paper proposes a practical structure logistics industry profile and has been using Malaysian logistics industry as a sample.

Design/methodology/approach: Based on an ongoing study, this paper reviews a literature on profiling definition, dimensions covered and the importance. Therefore, the keyword profiling has been analyzed in order to produce a comprehensive definition, dimensions and the importance of a logistics industry profiling. The numbers of published articles regarding profiling in the logistics industry normally comes from USA and United Kingdom. For example, (Murphy, Daley, & Dalenberg, 1992; Murphy, Daley, & M, 2001; Murphy & Daley, 1995, 1996) conducted a research on US- based international freight forwarding industry while Markides and Holweg (2006) examine the diversification of services and activities by freight forwarders in the UK.

Findings: In this study, it was found that the keyword profiling have been used in various discipline. The profiling activity is very much depends on the characteristics or the understanding of the behavior of the industry.

Research limitations/implications: Since there is limited research on profiling of logistics industry, this study fills the gap by the contribution to the knowledge with provide the definition, dimensions covered and the importance of profiling in logistics industry. This can lead to the proposed idea how the logistics industry can be structure with proper dimensions.

Practical implications: The structure of logistics industry profile is significant for the industry. This structure leads to more detail information of logistics industry and also is very important for the industry player in carrying study of their market segmentation. Rather than that, the structure information also provides an overview of the industry.

Keywords: Profiling, logistics industry, characteristics, structure, diversification

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SIMULATING BENEFITS OVER SUPPLY CHAIN REDESIGN STRATEGIES

**Apichat Sopadang, Sakgaseem Ramingwong, Korrakot Yaibuethet
Tippayawong**

*Department of Industrial Engineering, Chiang Mai University – THAILAND
sopadang@gmail.com*

ABSTRACT

Purpose: It is difficult to project the benefits over strategies. Of interest are the supply chain redesign strategies, if being adopted by company. The multi-criteria simulation using simulation tools is used to project and cross determine the benefit and gravity of the effect of the strategies.

Design/methodology/approach: Simulation model is constructed of key selected factors reflecting benefits as of cost and revenue. Parameters and effect of factors are determined using expert and real player in the business ecosystem. Expected Net Profit Before Tax and Interest is used as the KPI.

Findings: Benefit and gravity of the effect of the strategies are determined. This information is helpful for company should they adopt any strategy and what effect can be expected.

Originality/value: Simulation model is constructed and used in 12 real company cases. The benefits are only expected based on suggested strategies.

Keywords: Benefit Simulation, Supply Chain Redesign

References:

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STREET TURN STRATEGY: AS A GREEN LOGISTICS TOOL IN MALAYSIA

Nur Farizan Tarudin^{1,2}, Nurul Elma Kordi¹

¹*Malaysia Institute of Transport (MITRANS), Universiti Teknologi MARA (UiTM), 40450 Shah Alam Selangor*

²*Faculty Business Management, Universiti Teknologi MARA (UiTM), 40450 Shah Alam Selangor*

Corresponding Author: nur_farizan87@yahoo.com

ABSTRACT

Purpose of research: In Malaysia, logistics practitioners have still largely not implemented the right strategy to the latter that forms the foundation of green logistics thus helping to reduce carbon emissions in Malaysia. Therefore, this author seeks to determine whether there is a cost saving benefits if there is implementation of a new strategy like 'Street Turn' in Malaysia for container haulage operations in order to support green logistics industry.

Methodology: This research will use two methods of analysis, which is quantitative and simulation. A set of structured questionnaires is used for primary data collection as a survey instrument to serve as the basis for collecting data pertaining to cost effectiveness.

Findings: Cost will be the major factor to measure the user's perception towards this strategy and this factor will consist of four (4) elements as a sub measurement. In addition, as a supported analysis the simple simulation calculation will be used.

Research Implication: From this study, the implementation of the 'Street Turn' strategy as part of container operations for road haulage companies could be made part of the licensing system of the Land Public Transport Act 2010. The Land Public Transport Commission (SPAD) could then make it a condition of the operator's license prior to its issuance that 'Street Turn' must be practiced by that road haulage company.

Originality/value of research: This paper highlighted the factor that contribute toward the effectiveness of this system that will support the green logistics industry in Malaysia. An Ideal calculation on this effectiveness system is also proposed.

Keywords: Street Turn, Depot Direct, Green Logistic, Prime mover, Containers, Cost.

References:

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SUPPLY CHAIN RISK MANAGEMENT ON RELATIONAL RISK PERSPECTIVE: A LITERATURE REVIEW

Santi Ditsathaporncharoen, Thitima Wonginta

*Faculty of Logistics, Burapha University, 169 Long-Hard Bangsaen Road, Saensook
Subdistrict, Mueang District, Chonburi, 20131, Thailand.*

E-mail: ajsanti2008@hotmail.com, t_wonginta@hotmail.com

ABSTRACT

Purpose: The purpose of this paper aims to add a relational risk perspective to the Supply Chain Risk Management (SCRM) literatures and identify some research gaps for further study.

Design/methodology/approach: The snowball technique has been employed to search the relevant articles which are cited in recent relational risk paper. Then, the content analysis is applied to analyze and categorize relational risk perspective.

Findings: The findings of this paper are divided into two major categories, that is, risks associated with the cooperation (cooperation risk) and risks involved with partner's behaviour (opportunism risk or opportunistic behaviour risk). Many research studies have been focused on describing the perceptions of relational risk i.e. risk definitions, risk contexts, risk drivers, risk events, risk consequences as well as proposing several risk management strategies.

Research limitations: There have been few international academic articles and books about relational risk perspective in studying on SCRM. In addition, some other forms of international publications such as reports, theses and dissertations, conference proceedings, etc. are not included in this study.

Practical implications: Frameworks, methods as well as techniques of relational risk management were developed in order to cope with conflict and inappropriate behaviours between supply chain members operating continuously to physical, financial and informative flows from upstream to downstream.

Originality/value: This paper was summarized and classified in the aspect of relational risk perspective related to SCRM as Supply Chain Relational Risk (SCRR) including some valuable guidelines for future research to researchers and practitioners.

Keywords: Supply Chain Relational Risk (SCRR), Supply Chain Risk Management (SCRM), Relational Risk, Opportunism Risk, Opportunistic Behaviour Risk, Cooperation Risk, Literature Review

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THE CONCEPTUAL FRAMEWORK OF LEAN SUSTAINABLE LOGISTICS

Apichat Sopadang¹, Sooksiri Wichaisri^{1*}, Aicha Sekhar²

¹*Excellence Center in Logistics and Supply Chain Management
Department of Industrial Engineering, Faculty of Engineering, Chiang Mai University,
Chiang Mai, Thailand 50200*

²*DISP laboratory, University Lumière Lyon 2, 160 Bd de l'Université 69676 BRON Cedex
France*

Tel: 0-5394-4125 Fax: 0-5394-4185

*E-Mail *sooksiri.wi@gmail.com*

ABSTRACT

Purpose: Logistics has an important role play in part of competitive strategies that relates logistics activities. It considers economics dimension such as cost, time and distance. Then, lean, which is well-known concept, can be applied to analyse logistics operations of companies. It uses seven wastes to identify and eliminate all of wastes in terms of value-added activities. Additionally, sustainable development is relevant logistics with three aspects comprising of environmental, social and economics for long-term benefits. So, this paper will present the linkage factors between sustainable development and lean concept on logistics activities.

Design/methodology/approach: This paper reviews on three subjects comprising of sustainable development, lean concept and logistics. It explores the factors which are related to each other. Then, it identifies the linkage factors that are the most important factors to combine these subjects. The linkage factors represent these subjects which have strong power to integrate between sustainable development and lean concept on logistics activities.

Findings: The result of this paper is the integration concept of three subjects comprising of sustainable development, lean concept and logistics. It presents the linkage factors between sustainable development and lean concept on logistics activities. Also, the sustainable wastes are the linkage factors between sustainable development and lean concept on logistics activities. They are classified into economics, environmental and social dimensions on each logistics activity.

Originality/value: The finding contributes towards the linkage factors between lean concept and sustainable development on logistics activities. These powerful linkage factors have potential to integrate these subjects and transform them into lean sustainable logistics.

Keywords: The linkage factors, Sustainable logistics, Lean Concept, Logistics Activities

References:

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THE COOPERATION OF LOGISTICS BETWEEN EUROPEAN COUNTRIES AS THESE EXPERIENCES FOR SOUTH EAST COUNTRIES WHEN IT COMES TO THE ESTABLISHMENT OF ASEAN ECONOMIC COMMUNITY

Duy Linh Bui and Luu Duc Huynh Toan²

¹*Foreign Trade University, 2nd floor, Block B, #91 Chua Lang Street, Dong Da District, Ha Noi city, Vietnam, duylinh@ftu.edu.vn*

²*Banking University of Ho Chi Minh City, 1st floor, Ham Nghi Campus, #39 Ham Nghi Street, District 1, Ho Chi Minh city, Vietnam, toanhld@buh.edu.vn*

ABSTRACT

Purpose: The paper is specialized into logistics cooperation activities in European countries, which is put in the situation of establishment of ASEAN Economy Community, particularly South East countries. This will be considered as the experience in managing by government officers as well as the Board management of Logistics.

Approach: The group author's methodology is almost used by descriptive, theoretical analyses. In addition, conducting information – related survey will be considered in case of necessary.

Findings: This paper will focus on Logistic Corporation leading to results: Bringing on effective in transportation cut cost and save time, Improving the transportation connectivity among countries in ASEAN area, and Facilitating the construction of infrastructure and legal framework.

Research limitations/ implications: In this research, authors focus on analyzing in the period before and after 2015, it attempted to investigate the turning point in the installment of ASEAN Economy Community, including 10 countries with the signed print by the Prime Minister. Furthermore, a lesson from the success of the European is the basis foundation for the ASEAN Economic Community in setting up a common market in the field of logistics.

Originality/Value: Logistic cooperation among nations has played an important and critical role in formation and development of country collaboration; create the efficiency and capacity of trade among regional nations. Consequently, this paper can provide valuable pointers for shaping ASEAN Economic Community.

Key words: Logistics cooperation, AEC, EU.

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THE DETERMINATION OF KEY FACTORS FOR A FEASIBLE RO-RO SHORT SEA SHIPPING OPERATION

Aminuddin Md Arof ^{1,2}

: ¹*Malaysian Institute of Transport, Universiti Teknologi MARA*
²*Universiti Kuala Lumpur, Malaysian Institute of Marine Engineering Technology* Email
 address: aminuddin@mimet.unkl.edu.my

ABSTRACT

Purpose: The purpose of this paper is to determine the key factors for a feasible inter-state Ro-Ro Short Sea Shipping (SSS) that would be introduced in the Brunei, Indonesia, Malaysia and Philippines East ASEAN Growth Area (BIMP-EAGA). Although the literature has addressed a myriad of important factors through research conducted particularly in Europe and North America, the identification of the more significant determining factors for a feasible SSS operation is expected to assist SSS investors and authorities of the BIMP-EAGA countries to focus their resources on a few significant factors that could enable the introduction of a feasible SSS service in the sub-region.

Design/methodology: The initial step in this research design involves the identification of relevant factors that have contributed towards a feasible SSS operation through a literature review. A Delphi survey will then be conducted with SSS experts to assess the opinion on the relative importance of the factors involved. New factors that may be gathered through the survey will also be included in the subsequent pair-wise comparison for the development of an AHP model.

Findings: This research is expected to develop an AHP model that would provide the relative weightage of the factors involved in the determination of a feasible Ro-Ro SSS operation in BIMP-EAGA sub-region.

Research limitations: Limited number of professionals and academics involved in SSS operations and research in BIMP-EAGA countries.

Originality/value: It is noteworthy to conclude that the number of scholarly literature on SSS outside Europe and North America, which may differ in the required variables for a successful SSS operation is still limited. Hence, this research may be able to fill up the gap in the literature by addressing on SSS in BIMP-EAGA.

Keywords: AHP, Delphi, Ro-Ro SSS, BIMP-EAGA, ASEAN, pair-wise comparison.

References:

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THE EFFECT OF ASEAN ECONOMIC COMMUNITY IN THAI GEMS AND JEWELRY INDUSTRY DEVELOPMENT

Jirarak Kongkaew, Poti Chao*

*Excellence Center in Logistics and Supply Chain Management
Chiang Mai University, Thailand*

**Corresponding Author: poti@eng.cmu.ac.th*

ABSTRACT

Purpose: This research is aimed to examine the current state of the two relationships between Supporting Industry and Government to Gem and Jewelry Industry Development and compare it with the future state of the forthcoming AEC. Comparisons will be analyzed through statistical program (Statistical Package for Social Science: SPSS) in order to understand the descriptive nature of the data and a structural equation model will be proposed and validated through AMOS to verify the fitness of the model

Design/methodology/approach: The methodology to conducting this study consist of 4 steps. The initial step is exploring research question and framework. Secondly, Using the previous review of ASEAN Economic Community influencing the development of Thai Gems and Jewelry Industry with the role of supporting industries and Government supporting element to create hypothesis items and development questionnaires for data collecting. Thirdly, Analyzing the data by Statistical Package For Social Science (SPSS) and Analysis of Moment Structures (AMOS). Finally analytical framework, based on the Moderating relationships evaluated from the AEC affecting the Thai Gems and Jewelry.

Research limitations/implications : This paper focuses on research framework, where actual data collection will begin after the completion of this paper. This paper goes through a systematic method of creating a research framework which covers ground of model validity and data reliability.

Practical implications: A model can be used as a guideline in making strategic decisions for Thai Gems and Jewelry Industry development toward ASEAN Economic Community (AEC).

Keywords: Gems and Jewelry Industry, ASEAN Economic Community, Supporting Industry, Industrial Development, Factor analysis

References:

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THE EFFECTS OF SCM DRIVERS ON SCM FACILITATORS AND SCM PRACTICES: A STUDY OF THAI SMES

Therakorn Yardpaga¹, Phil Megicks², Paul Jones²

¹*Sripatum Business School, Sripatum University, Bangkok, Thailand*

²*School of Management, University of Plymouth, Drake Circus, Plymouth, PL4 8AA*

Contact email: *therakorn.ya@spu.ac.th*

ABSTRACT

Purpose: The purpose of this paper is to examine the relationships between supply chain management (SCM) drivers, SCM facilitators and SCM practices (Lambert, 2008) in the context of Thai Small and Medium Enterprises (SMEs).

Design/methodology/approach: A self-answered questionnaire survey is distributed to the members of The Federal of Thai Industries (FTI). Total 311 Thai SMEs responded to the survey and the collected data are analysed using a mediating relationship according to Baron and Kenny's causal steps strategy (Baron and Kenny, 1986).

Findings: The results of this study provide empirical evidence that SCM drivers had positive and significant relationship with SCM practices. Additionally, results of the study revealed that there was convincing evidence of a strong mediating pathway from the SCM drivers through SCM facilitators to the SCM practices.

Research Impact: The research applied the *causal steps strategy* (Hayes, 2013), in which the researcher estimated the paths of the model using ordinary least square regression and determined the degree to which several conditions were met.

Practical Impact: The result from research offered a managerial implication that SCM drivers and facilitators had a solid relationship. There were several SCM facilitators those related most strongly to its driver that firms must prioritise. Therefore, SCM facilitators should be considered before SCM practices were implemented.

Originality/Value: This study provided insights into SCM driver, SCM facilitators and SCM practices for Thai SMEs, which were scant in the literatures. The model can be applied to SMEs in other countries.

Keywords: *Supply chain management, Small and medium enterprises, Thailand, Mediating relationship.*

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THE IMPACT OF RISK MITIGATION ON LOGISTICS SERVICE: THAI SHIPPERS' PERSPECTIVE

Makhawat Cheewaratanaphan, Poti Chao*

*Excellence Center in Logistics and Supply Chain Management
Chiang Mai University, Thailand*

**Corresponding Author: poti@eng.cmu.ac.th*

ABSTRACT

Purpose: This research aims to analysis the impact of risk mitigation on logistics service. Risk, in general, is one the critical pillar in business performance evaluation and is usually found in management related discipline. However, only a hand full of published research investigates on risk mitigation in the logistics service content

Design/methodology/approach: This study is divided into four steps. The first step is to review literature and design risk mitigation model. The second step is to design questionnaire. Third step is to analyse the data by using SPSS and Amos program. Finally, conclude the result.

Findings: The result of this study shows that the model analysis will show the impact of risk mitigations on logistic service. Moreover, the organizations can apply this model to design strategy for risk mitigation in the future

Research limitations/implications: The main analysis of this paper uses quantitative data collected via questionnaire. Therefore, the number of questionnaire will determine the level of validity and reliability of the result.

Originality/value: The company can use the models to create the strategies of Risk Mitigation on Logistics Service and to make the benefits for the organization. It will be useful, if the organization try to use strategies in the process of service.

Keywords: Risk Mitigation, Logistic Service Value, Trust, Customer Satisfaction, Customer Loyalty

References:

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THE INFLUENCE OF NATIONAL CULTURE ON USE OF THIRD PARTY LOGISTICS

Phoommhiphat Mingmalairaks

*School of Management, Mae Fah Luang University, Chiang Rai, Thailand 57100,
+665391-6710, drphoom@gmail.com*

ABSTRACT

Purpose: This study aims to study and investigate influence of national culture of businesses located along the border region in the northern part of Thailand in using the third party logistics.

Methodology: This study reviewed an extant literature and used a qualitative method whilst employed an exploratory approach. This study focuses on an effect of national culture with an attempt to understand how decision-making is being made towards the use of third party logistics (3PL). The exploratory work approach characterises a brief, fleeting, and focuses at the preliminary stage in the study process leads to understand the real situation and can contribute to the study framework. The outcome of this exploratory study procedure is the production of inductively derived generalizations about the group, process, activity, or situation under the topic of this study. An in-depth interview was also used to primarily understand their decision-making on the use of 3PL. The interpretive approach was selected in this study as the study was designed to understand the phenomena through the meanings that people assign to their business activities. The works on culture by Hofstede and Trompenaars are used as guide to explain communication and implementation of decision making by businesses in using 3PL. Theory as practice, organisational culture, and business performance are also used as guided.

Implications: The implication of this study highlights on national culture on the decision making in using 3PL of businesses along the border region in the northern part of Thailand.

Values: This paper is to develop understanding and knowledge on third party logistics and the cultural dimensions that impact on decision making of businesses in using 3PL. This study identified and verified the perception of success relationship of national culture and decision making of local businesses in using 3PL.

Keywords: National culture; Third party logistics; Local businesses; Border trade

References:

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THE INNOVATIVE STRATEGIES FOR PORT AND CITY INTERFACE DEVELOPMENT

Rou Jin, Li

Dept. of Shipping and Trans. Mgmt., National Taiwan Ocean University, Keelung, Taiwan

ABSTRACT

Purpose: The purpose of this paper is to investigate whether there is a gap between green port and city interface policies in Taiwan. This paper first examines the green ports policies taken by TIPC, which is the international port corporation in Taiwan, and tries to use TRIZ theory to analyze port-city development aspect and to discover wherever should be ameliorated to make port-city have a better sustainable development than ever before. Based on these findings, this paper proposes some strategies, ranging from hardware planning to software planning, to create a harmonious development among port, city and community, and lead the port-city to be sustainable.

Design/methodology/approach: This paper mainly uses qualitative approach to analyze the current sustainable management situation of ports. Consequently, the first step in is to collect practical green port policies used in Taiwan, and then to use TRIZ theory to find somewhere could be improved for port-cities and to find ways to harmonize current development among ports, cities and communities.

Finding: This paper finds that stakeholders play an important role in the port-city development. As a result, port authority should take all stakeholders' viewpoints into consideration whenever it intends to launch its port-city development strategies which can be used to fortify the interaction between port, city and community.

Originality/value: This paper suggests several innovative strategies that could be used to provide port authorities some ideas to generate and improve their green development practices and policies.

Keywords: port-city development, green ports, TRIZ theory

Reference:

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THE MAJOR FACTORS CONTRIBUTING TO ROAD DAMAGES OF FEDERAL ROADS IN MALAYSIA

Nurul Elma Kordi¹, Intan Rohani Endut¹, Nur Farian Tarudin¹

¹Malaysia Institute of Transport (MITRANS), Universiti Teknologi MARA (UiTM), 40450 Shah Alam Selangor, email: nurulelma@yahoo.com

ABSTRACT

Purpose of research: High quality roads are among the most important public assets that contribute to economic growth in many countries. However, road damages are challenges that seek to inhibit the function of the roads; hence, it constitutes a concern to the authorities and road users. This research seeks to identify the major factors that contribute to road damages of roads.

Methodology: The clarification on the main factors contributing to road damages is essential to understanding the remedial measures and lasting solutions. In identifying the criticality of the factors responsible for road damages, careful triangulation and review of extended literature and questionnaire survey is done on the road users in Malaysia.

Findings: The findings in this research are based on data analysis of 500 useable questionnaires received. According to the results based on the questionnaires, roads users establish that overloading of vehicles is the major cause of road damages.

Research Implication: The lack of certainty of the causes of road damages adds a great loss to the country as the research for the main cause of road damages lingers on. Therefore, this research fills the gap in identifying the major factors contributing of road damages.

Practical implication: The identification of the main factors contributing to road damages is essential to find the best remedial measures and lasting solutions.

Originality/value of research: This paper highlighted the main causes of road damages by distribute randomly questionnaires to avoid bias between normal road user and maintenance company.

Keywords: federal roads; overloading; questionnaire; road damages; road users

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THE NATIONAL SINGLE WINDOW IN MALAYSIA – THE INFLUENCING FACTORS FROM THE USERS PERSPECTIVE

Nor Bakhriah Sarbani¹, Harlina Suzana Jaafar^{1,2}

¹ Malaysia Institute of Transport (MITRANS), Universiti Teknologi MARA (UiTM), 40450 Shah Alam Selangor *email: norbakhriah80@yahoo.com*

²Senior Lecturer, Faculty Business Management, Universiti Teknologi MARA (UiTM), 40450 Shah Alam Selangor

ABSTRACT

Purpose of research: The National Single Window (NSW) is a pertinent trade facilitation measure of Malaysian trade process in the sense of simplifying and harmonizing trade documents. This research seeks to identify factors that contribute to the effectiveness of its implementation.

Methodology: This research adopts qualitative research methodology. Semi-structured interviews were conducted with 21 representatives from various users' background. Each of the respondents hold a significant knowledge about the National Single Window (NSW) with more than two (2) years experience. The interview sessions were audio recorded, transcribed and analysed by using thematic analysis to identify factors.

Findings: Influencing factors was organized under four (7) categories consist of regulatory policy, institutional support, user awareness, electronic system reliability, training, ICT support facility, simplified procedure. In addition, a total of 30 elements was founded under these seven factors

Research Implication: This research fills in the gap in trade facilitation research through the identification on the important role plays by government policy particularly in the national single window process, which was previously very lacking.

Practical implication: Our national aim in the year 2015 for the implementation of the ASEAN Single Window has brought this research into the spotlight to the logistics industry. The discovered factors contribute as an eye opener for policy maker for a better trade process in the NSW.

Originality/value of research: This paper highlighted the has identified a set of factors for single window specially to facilitate trade movement in Malaysia. An Ideal framework on critical success factors for National Single Window (NSW) is also proposed.

Keywords: trade facilitation, national single window, custom clearance, cross border activities.

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THE POSSIBILITY OF INTRODUCING HALAL SYSTEM INTO JAPAN

Takayuki MORI

University of Marketing and Distribution Sciences, Japan

ABSTRACT

Purpose: The propriety is verified about the possibility of introduction of the concept of a Halal system in Japan. Simultaneously, the subject and solution in the case of introducing are explored.

Design/methodology/approach: The measure for Halal in Japan has just started. Based on interviews to the enterprises those who got Halal certificate recently, a trend is clarified about the measure for Halal in Japan. There is extremely little export value of the food from Japan to the Islamic area compared with other countries. If export increase of the food in the Islamic area, it is both Japanese government and enterprises wish, will be expected from now on, introduction of a Halal system will not be avoided. Introduction of Halal system is promoted also when the demand from the Islamic countries which are the countries of consumption becomes strong.

Findings: From now on, the demand of Halal certificate acquisition will increase in Japan. There are problems to solve to fix Halal system in Japan. The difference of the recognition to the Halal between Islamic countries, also there is a problem of unification of a Halal certificate authority or an attestation standard.

Originality/value: In Japan, the measure for Halal has just started. The directivity of Halal of Japan was shown.

Keywords: Halal, Muslim, Halal certification, Halal Chain, Halal Logistics

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THE QUALITY OF OUTSOURCED LOGISTICS SERVICE IN COLLECTIVIST CULTURE PERSPECTIVE: A LITERATURE REVIEW

Abdul Khabir Rahmat¹ and Nasruddin Faisol²

¹Researcher, Malaysia Institute of Transport, University Teknologi MARA

²Associate Fellow, Malaysia Institute of Transport, Head of Centre of Studies, FSPU, Universiti Teknologi MARA

ABSTRACT

Purpose: The purpose of the study is to explore on the elements of outsourced logistics service quality and how the user's satisfaction was formed within the Malaysia national culture context

Research approach: This study will involve a qualitative content analysis of related papers, with the aim of identifying how logistics service quality and customer works within different national culture. This study also seeks to identify the issues and key findings of related research. Preceding literature is categorized based on their research direction of selected published works, this study also highlights the gap in logistics service quality in collectivist society research.

Findings and Originality: Based on the literature review, it is identified that there are significant roles of national culture in influencing the logistics service quality and the manufacturers' satisfaction. Whereby, existing logistics service quality models, is originated from an individualistic society and did not accord with Malay (collectivistic society) organizations. Preceding works also provide an indication that there is a need to consider a more culturally sensitive models which fit particular race, and it is also important to note on the significant cite concerning emotion in the Malaysian cultural study.

Research impact: This study has explored various ways in which the cultural values play significant roles in the logistics service quality and customer satisfaction among users towards their third party logistics service providers

Keywords: Logistics Service Quality, Customer Satisfaction, National Culture, Third Party Logistics, Cultural Values

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THE REFORMATION OF ENVIRONMENTAL FISCAL FROM EXTERNAL COST OF CO EMISSION OF THE LOGISTIC VEHICLES FOR THE DEVELOPMENT OF GREEN LOGISTIC INFRASTRUCTURE

Roslina Ahmad¹, Harlina Suzana Jaafar^{1,2}, Ir. Dr Ruslan Hassan

¹Malaysia Institute of Transport (MITRANS), Universiti Teknologi MARA (UiTM), 40450 Shah Alam Selangor

²Faculty Business Management, Universiti Teknologi MARA (UiTM), 40450 Shah Alam Selangor

Corresponding Author: aroslina_71@yahoo.com

ABSTRACT

Purpose of research: The study on the environmental fiscal of the external cost is to provide a platform of the financial aid or assistance for the redevelopment of damaged environments due to the negative externality produce by logistic vehicles. This study identifies the external cost and the reformation of the damaged cost as the instrument of environmental fiscal for the redevelopment of damaged environment.

Methodology: This study will be based on the Marginal Cost Approach (MCA) and the Cost Benefit Analysis (CBA) of Social Cost of Carbon Emission in UK and Malaysia road tax 2009 to establish the external cost in Malaysia context. The survey and observation were carried out along the road 64km road from North Port Klang to Free Commercial Zone (FCZ), KL International Airport (KLIA) and the road were identified by the Department of Environment Malaysia (DoE) as most polluted and intensively used by the logistic vehicles. The result of three (3) days survey along North Port to FCZ KLIA to be used as a source for the reformation of external cost. The equipment, called CALINE4 being used to measure the CO emission released by logistics vehicles. The CO emission collected data to be used for formulating the external cost for reformation of environmental fiscal.

Findings: Influencing factors of this study is the MCA and CBA that used as reference to develop the social cost or external cost. The equipment used to measure the dispersion from the line source and collected data from various types of vehicles. In additional the background of the survey area surrounds by oil palm factory, paper factory and other development activities.

Research Implication: This research fills in the gap by establishing the external cost in Malaysia for the redevelopment of environment and as the benchmark cost for the reformation of financial assistance that can be used by DoE to establish the environmental fiscal. It is also as a head start for the government to establish financial institutional based from the external cost which is still not being identified as one of the sources for the redevelopment or new development of the environment towards a Green Economy.

Practical implication: Since Malaysia towards reducing the CO emission and towards the green economy for the sustainable future, this research will give an idea to the policy makers and also one of economy instruments for the development of Green Economics.

Originality/value of research: This paper highlighted that the reformation of Environmental Fiscal is essential that helped government to establish the financial assistance for the sustainability of the environment, social and economic through the external cost.

Keywords: External Cost, Environmental Fiscal, Marginal Cost Approach, Cost Benefit Analysis

References:

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THE USE OF MATERIAL FLOW COST ACCOUNTING TECHNIQUE TO REDUCE LOSSES WITHIN THE WOODEN FURNITURE PRODUCTION PROCESS

Phuriwat Chanruechai, Rungchat Chompu-inwai*

*Department of Industrial Engineering, Faculty of Engineering, Chiang Mai University, Chiang Mai, 50200, Thailand, *E-mail: rungchatc@hotmail.com*

ABSTRACT

Purpose: This research study aimed to analyse, classify and identify the losses incurred during the case study company's production process, and then develop and propose guidelines for improvement. An estimate of the losses incurred in terms of costs was produced using the Materials Flow Cost Accounting Technique (MFCA). MFCA focuses on both the costs of products and the costs associated with materials losses, and its ultimate purpose is to identify opportunities for reducing materials usage and losses.

Design/methodology/approach: The research methodology used was divided into two main parts. The first part employed the MFCA concept to analyse resource use inefficiencies within the production process, as well as the causes of these inefficiencies. In the second part, a number of options aimed at reducing these inefficiencies were then explored.

Findings: This research study analysed and identified the monetary losses incurred during the study company's production process. Suggested solutions were then developed and put into practice, with the amount of wood and chemicals used during the process reduced as a result. Moreover, the standard working procedures used during each process step were redesigned. The results showed that MFCA helped total input costs for the production of the night table decrease by 19.55%, with negative product costs falling from 38.54% of input costs to 27.2% of input costs.

Originality/value: The value of this paper comes from its description of the application of the MFCA approach, and the resulting conclusions as to their effectiveness within an industrial setting.

Keywords: Wooden Furniture, Material Flow Cost Accounting

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Admission Criteria

Admission to the program will be based on the Admission Committee's careful evaluation of the applicant's qualifications.

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Applicant must hold a Master's degree in related field.

Interview

Applicant must show strong commitment, strong research capability, and ability to communicate in English.

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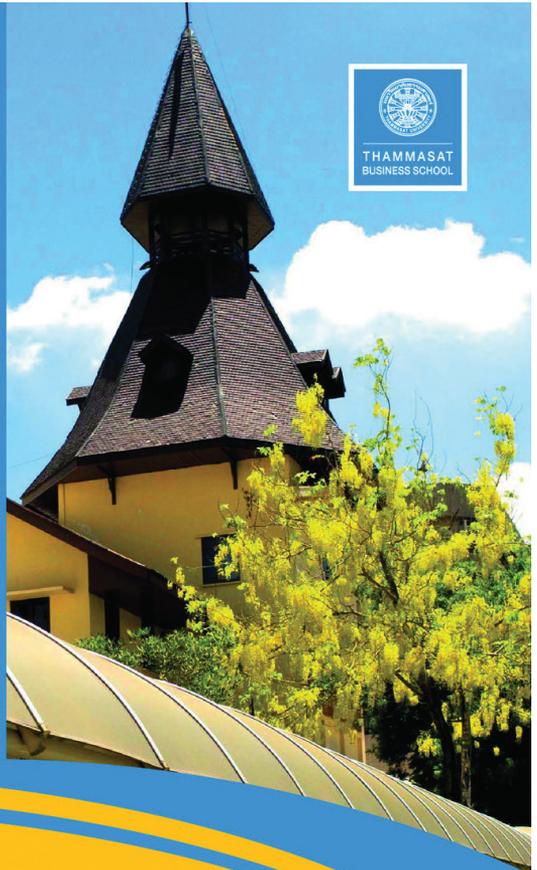
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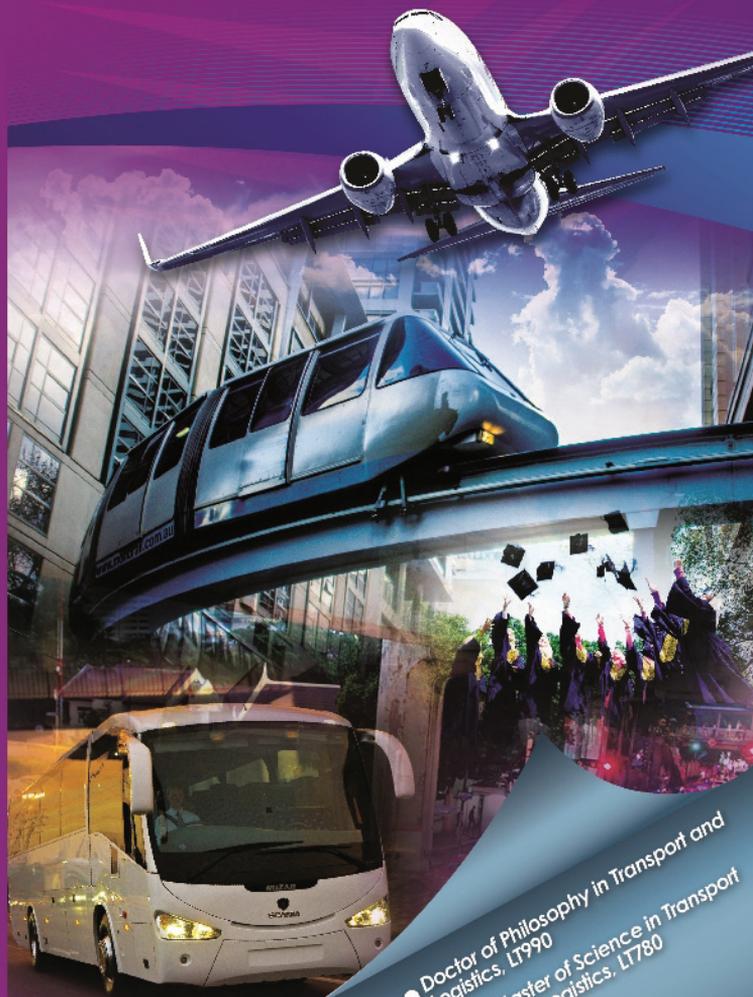
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