

**THE ANALYSIS OF SUPPLY CHAIN MANAGEMENT IMPACT ON
ORGANIZATIONAL PERFORMANCE THROUGH COMPETITIVE ADVANTAGE:
THE CASE OF LOGISTICS DISTRIBUTION OF PT. X**

By

Irene Chandra
13111052

BACHELOR'S DEGREE
in

BUSINESS ADMINISTRATION
BUSINESS ADMINISTRATION & HUMANITIES

SWISS GERMAN UNIVERSITY
SGU[®]

SWISS GERMAN UNIVERSITY
EduTown BSD City
Tangerang 15339
Indonesia

Revision after the thesis defense on August 13th 2015

STATEMENT BY THE AUTHOR

I hereby declare that this submission is my own work and to the best of my knowledge, it contains no material previously published or written by another person, nor material which to a substantial extent has been accepted for the award of any other degree or diploma at any educational institution, except where due acknowledgement is made in the thesis.

Irene Chandra

Student

Date

Approved by:

Rudy Tobing, MBA

Thesis Advisor

Date

Prof. Dr. Eric J Nasution, MBA, MA, Ph.D

Dean

Irene Chandra

ABSTRACT

THE ANALYSIS OF SUPPLY CHAIN MANAGEMENT IMPACT ON ORGANIZATIONAL PERFORMANCE THROUGH COMPETITIVE ADVANTAGE: THE CASE OF LOGISTICS DISTRIBUTION OF PT. X

By

Irene Chandra
Rudy Tobing, MBA, Advisor

SWISS GERMAN UNIVERSITY

Market competition has been growing for decades as many firms has shifted their perception in terms of leading the market from traditional points of view including competition that required to more-integrated product readiness. Today's supply chain management (SCM) has played one of the primary factors of leading the market competition. The research is trying to reveal the role of supply chain management (SCM) practices indicated by strategic supplier partnership, customer relationship, postponement, and delivery on organizational performance (OP) through competitive advantage (CA). The steps started from problems identification, literature and journal review, methodology and data analysis, as well as policy recommendations. The analysis employed Structural Equation Modeling run by LISREL 8.53 version which enables to analyze whether or not indicators of each variables valid and reliable to represent these variables According to the empirical findings, it is found three findings that supply chain management performs significant impact on organizational mediated by competitive advantage. It confirms that insufficient supply chain management practices make the firm be less competitive which further not achieve its performance of both market and financial targets.

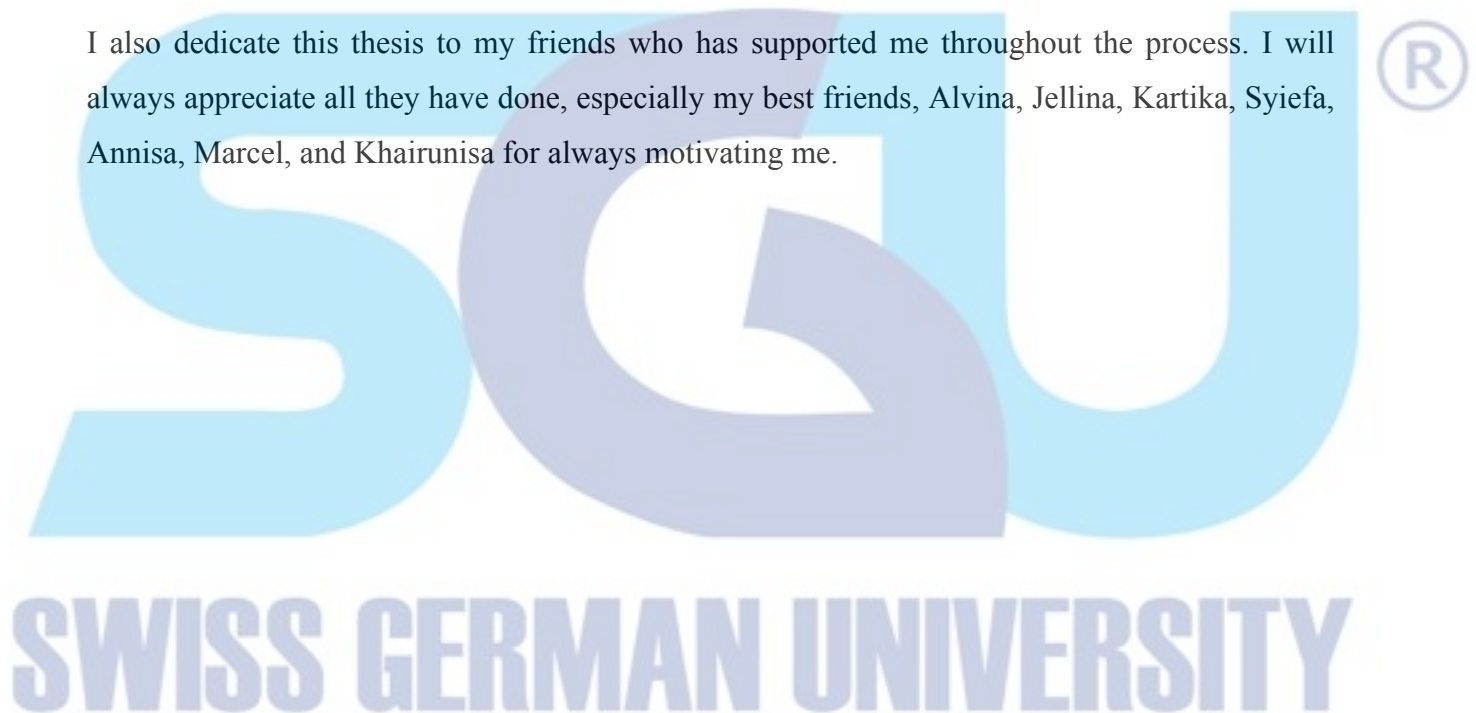
Keywords: *Supply Chain Management (SCM), Competitive Advantage (CA), Organizational Performance (OP), and Structural Equation Modeling (SEM)*



DEDICATION

I dedicate my thesis to my family and my friends. A special gratitude to my parents, Erwin Chandra and Imelda Merry, who's always encourage and helped me. My sister, Ivera and my brothers, Ricky and Rickson, who always helped me no matter what.

I also dedicate this thesis to my friends who has supported me throughout the process. I will always appreciate all they have done, especially my best friends, Alvina, Jellina, Kartika, Syiefa, Annisa, Marcel, and Khairunisa for always motivating me.



ACKNOWLEDGEMENTS

Foremost, I would like to express my sincere gratitude to my advisor Mr. Rudy Tobing for the guidance and support of my thesis study and research.

Besides my advisor, I would like to thank Ms. Nila K. Hidayat, tittle and Mr. Fiter Abadi for their encouragement, help, and motivation.

I also thank my fellow friends for the discussions, for the sleepless nights we were working together before deadlines, and for all the fun we have had in the last four years. Last but not the least, I would like to thank my family: my parents, Erwin and Imelda, brothers Ricky and Rickson , also my sister Ivera for supporting me spiritually throughout my life.

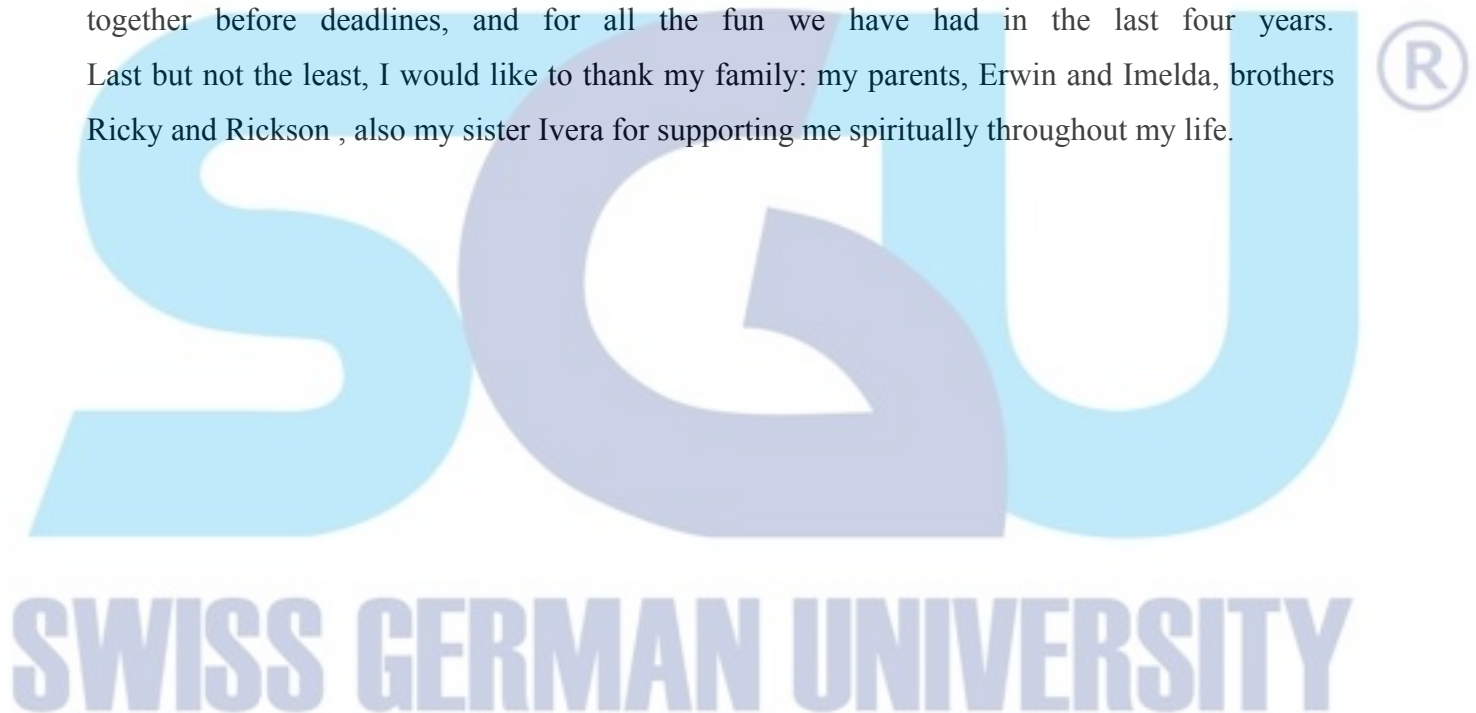


TABLE OF CONTENTS

STATEMENT BY THE AUTHOR.....	2
ABSTRACT.....	3
DEDICATION.....	5
ACKNOWLEDEMENTS.....	6
TABLE OF CONTENTS	7
LIST OF FIGURES	9
LIST OF TABLES	10
CHAPTER I	11
INTRODUCTION.....	11
1.1 RESEARCH BACKGROUND	11
1.2 RESEARCH PROBLEMS	16
1.3 RESEARCH OBJECTIVES	17
1.4 RESEARCH SCOPE OF ANALYSIS	17
1.5 RESEARCH SIGNIFICANCES.....	18
1.6 RESEARCH HYPOTHESES	18
CHAPTER 2	20
THEORY AND LITERATURE	20
2.1 RESEARCH FRAMEWORK	20
2.2 SUPPLY CHAIN MANAGEMENT	21
2.3. ORGANIZATIONAL PERFORMANCE.....	25
2.4. PREVIOUS LITERATURES ON SUPPLY CHAIN MANAGEMENT	29
2.5 STUDY SIGNIFICANCES	31
2.6 RESEARCH MODEL	31
CHAPTER 3	33
METHODOLOGY	33
3.1 TYPE OF STUDY	33
3.2 UNIT OF ANALYSIS	33
3.3 POPULATION AND SAMPLING.....	34
3.4 TYPE OF DATA COLLECTION	34
3.5 VARIABLE OPERATIONALIZATION	35
3.6. DATA ANALYSIS TECHNIQUE	38
CHAPTER 4.....	41

RESULT AND DISCUSSION	41
4.1 COMPANY OVERVIEW	41
4.2 RESPONDENT CHARACTERISTIC	41
4.3 STRUCTURAL EQUATION MODELING (SEM) - LISREL 8.54	41
4.3.1 <i>Validity Test</i>	41
4.3.2 <i>Reliability Test</i>	43
4.3.3 <i>Model Fit Estimation</i>	46
4.3.4 <i>Structural Estimation</i>	52
CHAPTER 5.....	55
CONCLUSION AND RECOMMENDATIONS.....	55
5.1 CONCLUSION	55
5.1.1 <i>Respondents' Profile</i>	55
5.1.2 <i>Variable Relationship</i>	55
5.2 RECOMMENDATIONS	56
5.2.1 <i>Supply Chain Management</i>	56
5.2.2 <i>Competitive Advantage</i>	57
5.2.3 <i>Organizational Performance</i>	57
BIBLIOGRAPHY	58
GLOSSARY.....	60
APPENDICES.....	61
APPENDIX 1	61
APPENDIX 2	69
CURRICULUM VITAE.....	77

SWISS GERMAN UNIVERSITY