

PREFACE

By the grace and blessing of the Almighty God, the writer has completed the final paper entitled: "**THE INFLUENCE OF SUPPLY CHAIN MANAGEMENT PRACTICES ON COMPANY PERFORMANCE AT PT MAJUJAYA POHON PINANG, MEDAN**".

This final paper is written as a partial fulfillment of the academic requirements to obtain the degree of *Sarjana Manajemen* at Management Study Program, Faculty of Economics & Business, Universitas Pelita Harapan Medan Campus.

The writer would like to express his/her sincere gratitude to the following people for their valuable contributions in assisting and supporting the writer from the beginning until the completion of this final paper:

1. Dr. (Hon). Jonathan L. Parapak, M. Eng. Sc., as the Rector of Universitas Pelita Harapan
2. Mr. Arifin, SE, MM, MBA, CBV, CMA, CSMA as the Associate Dean of Faculty of Economics & Business UPH Medan Campus
3. Ms. Lila Maria Kaban, BA (Hons), MCom, CBV, as the Department Chair of Management Study Program UPH Medan Campus
4. Mr. Eddy, SE, MM, as the Final Paper Advisor who has guided and given valuable instructions and guidance for the completion of this final paper
5. All UPH Medan Campus lecturers who have transferred knowledge from

the first till the last semester during the entire study period at UPH Medan Campus

6. All UPH Medan Campus administrative staff who have assisted in the writing of this final paper
7. The Director of PT MajuJaya Pohon Pinang and their team for the opportunity to do the research and provision of valuable information and data needed
8. My beloved parents, Mr. Effie Japutra & Ms. Suwarti Mustafa
9. My beloved friends, Teddy Andrea, Terence Dahlian, Edric Huang, Aris Mismoyo, Clinton Tamin, Jesslyn Unthario, Chandra Gunawan, Mujianto Sutanto, Franki Yap, Vella Chaiyanni, Christine Chen, Winnie Olivia, Silvia Kevin, Stefany Tan & Richard Tangguh
10. Everyone who has provided suggestions, critics, encouragement, and motivation in order to finish this final paper

Finally, the writer acknowledges that there may still be inaccuracies and errors in this final paper. Therefore, constructive comments as well as inputs from the readers aimed at the improvement of this final paper content are welcomed and highly appreciated.

Medan, May 14, 2020

The Writer,

Kevin

00000022821

TABLE OF CONTENTS

	page
COVER PAGE	
TITLE PAGE	
DECLARATION OF AUTHENTICITY OF FINAL PAPER AND UPLOAD AGREEMENT	ii
APPROVAL PAGE BY FINAL PAPER ADVISOR.....	iv
APPROVAL PAGE BY SKRIPSI EXAMINATION COMMITTEE	v
ABSTRACT	vi
ABSTRAK	vii
PREFACE.....	viii
TABLE OF CONTENTS.....	x
LIST OF FIGURES	xiv
LIST OF TABLE	xv
LIST OF APPENDICES	xvii
CHAPTER I INTRODUCTION	
1.1 Background of Study.....	1
1.2 Problem Limitation	13
1.3 Problem Formulation.....	14
1.4 Objective of the Research	14
1.5 Benefit of the Research	15
1.5.1 Theoretical Benefit.....	15
1.5.2 Practical Benefit.....	15
CHAPTER II LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT	
2.1 Theoretical Background	17
2.1.1 International Business	17

2.1.2	Supply Chain Management	19
2.1.3	Supply Chain Management Practices	21
2.1.3.1	Supply Chain Best Practices and their Benefits	22
2.1.3.2	The Importance of Supply Chain Management Practices	22
2.1.3.3	Indicators of Supply Chain Management Practices ..	23
2.1.4	Company Performance	28
2.1.4.1	Framework of Company Performance Measurement	29
2.1.4.2	Indicators of Company Performance	30
2.1.5	Relationship between Supply Chain Management Practices and Company Performance	33
2.2	Previous Research	34
2.3	Hypothesis Development	37
2.4	Research Model	38
2.5	Framework of Thinking	39

CHAPTER III RESEARCH METHODOLOGY

3.1	Research Design	40
3.2	Population and Sample	41
3.3	Data Collection Method	43
3.3.1	Primary / Field Research	43
3.3.2	Secondary Research / Library Research	44
3.4	Operational Variable Definition and Variable Measurement	45
3.4.1	Operational Definition	45
3.4.2	Variable Measurement	47
3.5	Data Analysis Method	47
3.5.1	Primary / Field Research	47
3.5.1.1	Validity Test	47
3.5.1.2	Reliability Test	48
3.5.2	Secondary Research / Library Research	49

3.5.3	Data Quality Testing	50
3.5.3.1	Classical Assumption Testing Results	50
3.5.3.2	Regression Equation	52
3.5.4	Hypothesis Testing.....	53
3.5.4.1	Coefficient of Determination	53
3.5.4.2	Hypothesis Test.....	54

CHAPTER IV RESEARCH RESULT AND DISCUSSION

4.1	General View of Research Object	56
4.1.1	Brief History	56
4.1.2	Corporate Value	60
4.1.3	Organizational Structure	63
4.2	Research Result.....	67
4.2.1	Test of Research Instrument.....	67
4.2.1.1	Validity Test.....	68
4.2.1.2	Reliability Test.....	69
4.2.2	Descriptive Statistics	70
4.2.2.1	Respondent Characteristics	70
4.2.2.2	Explanation of Respondents on Research Variables.	72
4.2.2.3	Mean, Median & Mode	82
4.2.3	Result of Data Quality Testing.....	84
4.2.3.1	Classical Assumption Testing Results	84
4.2.3.2	Regression Equation	87
4.2.4	Result of Hypothesis Testing	88
4.2.4.1	Coefficient of Determination	88
4.2.4.2	Hypothesis Test.....	89
4.3	Discussion	90

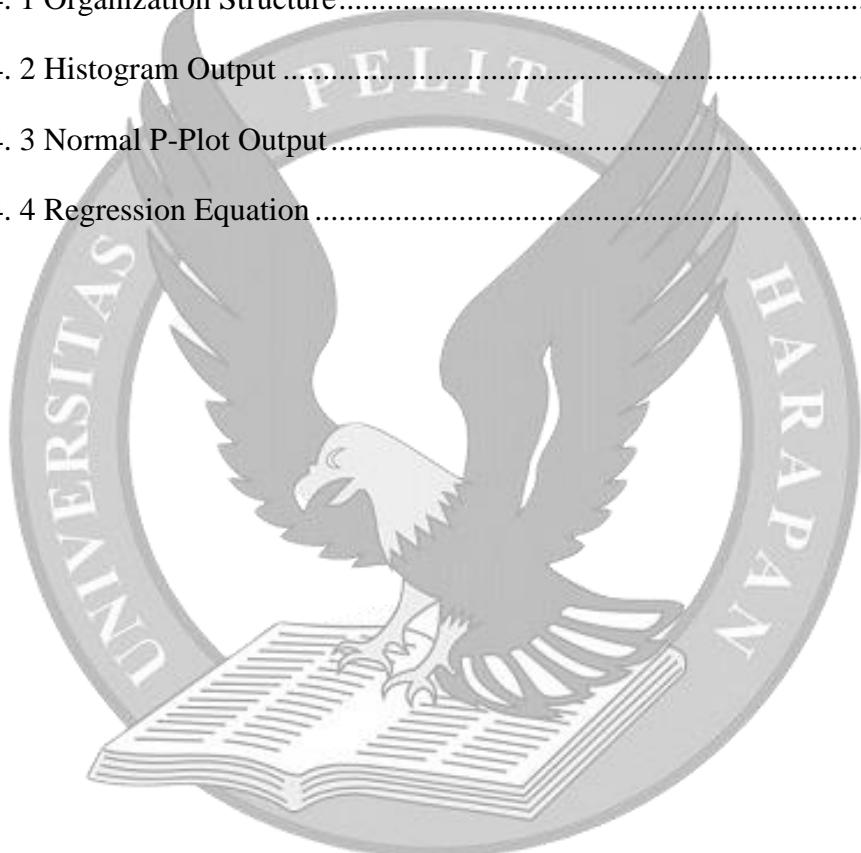
CHAPTER V CONCLUSION

5.1	Conclusion	95
5.2	Recommendaion.....	96
5.2.1	For PT MajuJaya Pohon Pinang.....	96
5.2.2	For Future Researchers	97
5.2.3	For Other Parties	97
REFERENCES.....		98



LIST OF FIGURES

	page
Figure 1. 1 Annual Units Sold of Every Product	6
Figure 2. 1 Research Model	38
Figure 2. 2 Framework of Thinking.....	39
Figure 4. 1 Organization Structure.....	62
Figure 4. 2 Histogram Output.....	85
Figure 4. 3 Normal P-Plot Output.....	85
Figure 4. 4 Regression Equation	88



LIST OF TABLE

	page
Table 1. 1 Annual Units Sold of Every Product	5
Table 3. 1 Operational Variables	46
Table 4. 1 History of Establishments	56
Table 4. 2 Product Types	59
Table 4. 3 Validity Test for Independent Variable (Variable X)	69
Table 4. 4 Validity Test for Dependent Variable (Variable Y).....	69
Table 4. 5 Reliability Test of Independent Variable (Variable X).....	70
Table 4. 6 Reliability Test of Dependent Variable (Variable Y).....	70
Table 4. 7 Respondents Based on Gender.....	71
Table 4. 8 Respondents Based on Age.....	71
Table 4. 9 Respondents Based on Marital Status.....	71
Table 4. 10 Respondents Based on Education Level	72
Table 4. 11 Question no. 1	73
Table 4. 12 Question no. 2	73
Table 4. 13 Question no. 3	74
Table 4. 14 Question no. 4	75
Table 4. 15 Quesiton no. 5	75
Table 4. 16 Question no. 6	76
Table 4. 17 Question no. 7	76
Table 4. 18 Question no. 8	77
Table 4. 19 Question no. 9	77

Table 4. 20 Question no. 10	78
Table 4. 21 Question no. 11	79
Table 4. 22 Question no. 12	79
Table 4. 23 Question no. 13	80
Table 4. 24 Question no. 14	80
Table 4. 25 Question no. 15	81
Table 4. 26 Question no. 16	81
Table 4. 27 Variable X Descriptive Statistics	82
Table 4. 28 Variable Y Descriptive Statistics	82
Table 4. 29 Kolmogorov-Smirnov Test	84
Table 4. 30 Linearity and Deviation from Linearity	86
Table 4. 31 Heterocedasticity Test.....	86
Table 4. 32 Linear Regression Coefficient Table	87
Table 4. 33 Coefficient of Determination Test	89
Table 4. 34 Linear Regression Coefficient Table	89

LIST OF APPENDICES

	page
Appendix A: Research Question	A-1
Appendix B: Pertanyaan Kuesioner	B-1
Appendix C: Data Tabulation (Pre-Test)	C-1
Appendix D: Data Tabulation (Main Test)	D-1
Appendix E: SPSS Data Output.....	E-1
Appendix F: R Table	F-1
Appendix G: T-Table	G-1
Appendix H: Company's Letter	H-1
Appendix I: Company's Survey Pictures	I-1

