

A Study on Factors Affecting Supplier Selection in the Malaysia Food Industry

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ABSTRACT

As globalisation and Malaysia has no adequate and variety food products provided (Johan, M., 2007), there is a need to outsource the needed materials and food products from foreign countries. This has made the companies' purchasing function become more important. By the way, the most important duty for purchasing department is to identify the right suppliers for the companies (Toni, A. D. and Nassimbeni, G., 2001). Therefore, supplier selection is playing an important role for choosing the good supplier for the companies while nowadays most businesses are demanding higher performance standard and seeking for the suitable suppliers to help them build a stronger competitive position (Humphreys, P., et al, 2003). On the other hand, as there may have difficulty on managing large number of suppliers, nowadays cooperative logistics environment requests a small group of suppliers (Aissaoui, N., et al, 2006). Hence, companies must identify certain and necessary criteria for the assessment of suppliers during the supplier selection processes, in order to get the right, efficient and best supplier.

As a result, this study is going to identify the supplier selection criteria that are normally and necessarily used in companies' supplier selection in Malaysia food industry.