

Vendor Development Program: An empirical validation of vendor performance through Business Excellence Framework

Zarak Sh. Zamrah

A. Faculty of Mechanical Engineering,
University of Technology Malaysia
81310 Skudai, Johor, Malaysia
zarak.zamrah@gmail.com

Safian Sharif

Faculty of Mechanical Engineering,
University of Technology Malaysia
81310 Skudai, Johor, Malaysia
safian@fkm.utm.my

Abstract

Vendor Development Program (VDP) is a program initiated by the Ministry of International Trade and Industry (MITI), Malaysia, with the objectives to improve competitiveness of small and medium entrepreneur (SME) by formulating proposals for developing and implementing suitable initiatives. Business Excellence Framework (BEF) is one of the foremost method to measure organizational performance and improvement through a specific predetermine criteria, and is used as an assessment tools in this program. This paper documents the exercise of VDP and extant the utilization of BEF to promote business stability and sustainability. Structured 5-years VDP framework is presented, including definite intervention on the development of human resource, technical/engineering, financial and marketing, logistic and warehouse management, certification and internalization program. The analysis and discussion is based on empirical BEF assessment results of 33 SME vendors embarked in this improvement journey. The assessment is parodically execute on yearly basis expended throughout the program, shows gradual increase in business and sustainable improvement.

Keywords

Vendor Development, Business Excellence, VDP framework, Opportunity for improvement, Intervention program

Biographies

Zarak Sh. Zamrah is the Principle Consultant from Methchem Engineering Consultancy, Malaysia. He earned BEng (Hons) in Manufacturing System Engineering from Northumbria University, UK, Masters in Advance Manufacturing Technology, UTM and currently completing PhD (Value Engineering, TRIZ Structured Innovation) in UTM. He has executed trainings and consultancies for government agencies, GLCs, MNCs such as Ministry of International Trade and Industry (MITI), Ministry of Human Resource (MHR), Ministry of Works Malaysia (JKR), Malaysia Productivity Corporation (MPC), Malaysia Automotive Institute (MAI), SIRIM, UEM Group, PLUS, UEM Sunrise, UEM Edgenta, UEM Builders, CIMA, IJM, Sime Darby, TM, TNB, Kellogg, CocaCola, Proton and

Perodua Manufacturing. Training and consultancy conducted including Vendor Development Program, Business Excellent Program, GroomBig Program, 1InnoCert Program, TPM Recognition Program, and various technical programs including lean, TRIZ, FMEA, DFMA, Cost of Poor Quality and VAVE. His research interests include product design and manufacturing, innovation, VAVE, lean, business excellence framework and vendor development program.

Safian Sharif is a Professor from UTM Faculty of Mechanical Engineering. Graduated from UTM in B. Mech. Eng. (Production), M.Sc (Advanced Manufacturing Technology) from UMIST, UK and PhD in Manufacturing from Coventry University, UK. His area of specializations are in machining of aerospace materials such as titanium alloys, inconel and other materials such as stainless steel as well as wood. He is also actively involved in other research areas such as sustainable manufacturing, rapid prototyping and casting. Dr. Safian has published more than 140 articles both in reputed journals and proceedings and currently a Dean of Research Alliance in Frontier Materials.