

# Strategy Development Analysis in Supply Chain Management in 3PL Service Industry Using PLS-SEM

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## Abstract

A supply chain or supply chain is a network between a company and its suppliers to manufacture and distribute certain products to final buyers. This network includes various activities, people, entities, information, and resources. The supply chain also represents the steps required to get a product or service from its original state for the customer. With supply chain management, the supply chain is designed in such a way that it can be carried out in the most effective and efficient manner (Vallespir & Alix, 2010). In the current era of globalization where the free market economy is carried out by large organizations such as the WTO (World Trade Organization), AFTA (Asean Free Trade Area) and APEC (Asia-Pacific Economic Cooperation) which trigger competitive competitiveness between companies so that many companies decide to make improvements to its business processes so as to enable the company to reduce manpower or reduce activities that can hamper the business processes that have been implemented. In the manufacturing industry, many companies are vying to fulfill the desires of their consumers or what is also known as a focus on customer orientation, where this focus will have an impact on 3 main points, namely price, quality and service (speed, comfort and convenience). quick). most of the manufacturing industries reconstruct their parts so that they can focus on customer oriented, the most common step is choosing a third party for the process of shipping goods from suppliers of raw materials or materials supporting production activities to distribution of finished goods. goods to the final consumer. Until now, the logistics or forwarding business is still in great demand by the public, based on world statistics, the freight forwarding sector market for the next 4 years is expected to continue to increase in line with the passage of time and the need for various commodities. Third party logistics (3PL) is a manifestation of the implementation of a one-stop logistics solution, where third party logistics (3PL) offers services from receiving goods to delivery to final destinations. For supply chain business strategy analysis in third party logistics will consider based on supply chain integration including internal integration, integration and integration and supply chain operations including cost, quality, delivery and flexibility using the PLS-SEM method where the results of the research show that supply chain integration has an impact positive impact on competitive advantage i.e. Flexibility, supply chain operations have a positive impact on cost and quality and human resource management has a positive impact on delivery and quality.

## Keywords

Third party Logistic, Supply Chain Strategy, PLS-SEM

## Biographies

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