

Evaluating Supply Chain Management Performance for Plastic Waste Suppliers Using the Analytical Hierarchy Process

Badaruddin

Faculty of Economics, Serambi Mekkah University, Banda Aceh, Indonesia

Abstract

Purpose: The purpose of this study was to determine how to manage the capability level for fulfillment of plastic waste as a raw material for the manufacture of plastic chips by the supplier by using a hierarchical analysis process (AHP).

Design/methodology/approach: The research is described how the process of information that occurred beginning with the purchase of raw materials, production, storage and sales of plastic chips to the end buyer. The research will determine the sequence of supplier performance in terms of providing raw material by using a hierarchical analysis process (AHP).

Findings and Originality/value: The results of the analysis process hierarchy matrix obtained that the order of supplier which can meet the demands of the manufacturer is a supplier 1, 3, 2 and 4, in which the first supplier has the highest value. The sequence is a reflection of the most give contribution for satisfaction and fulfilling production needs required by manufacturers at this moment. Criteria for the assessment on a transaction of this plastic waste are: the type of plastic waste, price, color, quality, quantity and time delivery.

Research limitations/implications: The research is performed in one district in Aceh province, Indonesia, which will be much difference to another district. Wider scale should be conducted in the future.

Practical implications: This research can help the manufacturer the better decision that they can manage in the future to run the manufacturer business of plastic waste conversion.

Originality/value: This paper contributes to help the plastic waste business such as manufacturer, suppliers, others related to this activity.

Keywords: Matrix Analysis Hierarchy Process, suppliers, industrial processing waste plastics and plastic chips.

1. INTRODUCTION: The process of formation the supply chain and management plays a very important role and can be seen as an organizational transformation of the conventional system to the new system. A lot of research that conducting a

34 review of the supply chain with a different levels of success and, more important
35 that it has a positive impact on implementation of supply chain activities to the
36 company's in overall activities. Supply chain and logistics activities can help the
37 development of strategies to minimize the risk, helping to improve the supply
38 chain which has encountered problems, and can avoid complicated and inefficient
39 problems which can certainly impacted to the greatest losses for the company.

40 Industrial processing of waste plastics into semi-finished products or finished
41 products is classified relatively simple industry and does not require high technology.
42 To support the processing of plastic products it takes a lot of sources of plastic waste
43 which is in fact many are in the middle of society and at the environment, whether
44 community life up until the end of waste disposal/garbage in the city and its
45 surroundings. Nevertheless, industrial processing of plastic waste into plastic chips is
46 common and there are many in Aceh. Along with this, waste collection activities,
47 especially plastic waste is something that we often see in the surroundings of our
48 environment and also in the places where garbage collection and final disposal
49 (landfill).

50 The chain process of collecting the plastic waste is tiered from scavengers either
51 using collectors sack or basket at the back or scavengers simple pedicabs every day
52 to collect the plastic waste and subsequently sold to the collectors who in this activity
53 is referred to as the collecting agent. The collectors are also divided ranging from
54 small-scale of collectors, medium, up to large scale or in a chain of activities is also a
55 small collector is further selling plastic waste collected to the large agency or sold to
56 other manufacturers for processing into chips.

57 Besides that, after the chips, plastic products produced by local manufacturer and
58 then sold to other larger manufacturers and of course a large manufacturer of plastic
59 chips will then process it into finished plastics products that have higher sale value.
60 All activities are initiated from the collection, storage, sale and subsequent processing
61 and distribution at the same time is a chain of important events that have sustained
62 economic value. Of course, these activities from the supplier to the consumer until
63 the end of the industrial chain of activities which are integrated into a networking
64 activity, namely the supply chain, or better known as supply chain management.

65 **2. LITERATURE REVIEW**

66 **2.1. Supply Chain Management**

67 In supply chain is known by the term of supply chain management. Supply chain
68 management is an activity that is mutually integrated or interconnected through the

69 planning, coordination and control of the entire process and business activity in the
70 supply chain to get the superior value of the consumer with the lowest cost to the
71 customer. Supply chain more emphasis on the material and information flow series,
72 while supply chain management emphasis on collection combines supply chain (Vorst
73 2004). Based on such understanding, then some of the models that have been
74 developed include Korpela et al. (2002) using the Analytic Hierarchy Process (AHP)
75 for the allocation of production capacity, Aghezzaf (2005) uses relaxation
76 Langrangian for the plant site selection and planning capacity, Jung et al. (2004)
77 used a simulation technique and many varieties of methods used to solve problems
78 in supply chain management.

79 Beamon (1999), Supply Chain is an integrated process that performed by many of
80 entrepreneurs (such as Suppliers, Manufacturers, Distributors and Retailers), which
81 further conduct cooperation in order to meet the needs of raw materials, and then
82 converts the raw material into a final product predefined and distribute the final
83 product to the retailer.

84 Supply chain management is more focused on the integration and management of
85 the flow of goods and services and the flow of information through the supply chain
86 to make it more responsive to customer needs while lowering the total cost by
87 Russell and Taylor (2006: 12). According to Li Ling (2007: 5), the supply chain is a
88 set of activities and decisions are interlinked with each other to integrate suppliers,
89 manufacturing, warehouse, transportation services, retailers and consumers more
90 efficiently. It can be concluded that the goods and services can be distributed in the
91 amount, timing and precise location to minimize costs in order to meet the needs of
92 the end consumer.

93 Distribution activities are one of the keys to success and an important thing to be
94 considered by the company because it will directly affect the distribution cost of the
95 supply chain and consumer needs. The proper distribution network can be used to
96 achieve various objectives of the supply chain, ranging from low cost to high
97 response against customers requested (Chopra 2010: 86).

98 To be a serious concern in the business sector against the impact of the increase in
99 the competitive market environment and the types of adaptive strategies needed to
100 succeed in a dynamic business environment and continue to undertake the changes.
101 Success in a competition will be determined by the level of success in building and
102 maintaining cooperation and alliances (Morgant and Hunt, 1994), it is a basic concept
103 in supply chain management. In a supply chain management will greatly depend on

104 coordination between enterprise and business interactions related products, services,
105 financial resources and information. The objective of supply chain management is to
106 coordinate relations between actors in the supply chain, which is in this case means
107 creating an organized manner in the supply chain to interact with one another. The
108 scope of the supply chain will depend on the consensus of the actors involved in
109 building relationships in the supply chain system.

110 With the increasingly competitive business environment and high uncertainty, the
111 required design an adaptive supply chain and it is able to respond to the market
112 environment which is easy to change. To manage the supply chain possibility may
113 not continue, if only considering the efficiency, value-added and competition.
114 Therefore, the supply chain must also develop the capacity to adapt to environmental
115 changes.

116 In addition, there are similarities and differences between logistics management and
117 supply chain management. The equation of the two, namely: (1). Concerning both
118 the management of the flow of goods or services, (2). Both are concerned about the
119 management of the purchase, movement, storage, transportation, administration,
120 and distribution of goods and (3). Both involve efforts to improve the efficiency and
121 effectiveness of the management of goods.

122

123 **2.2. Analytical Hierarchy Process**

124 Saaty (1986), the basis of the Analytic Hierarchy Process (AHP) is a concept that
125 restricted to the scope of the environmental problem, which using a mathematical
126 approach as the basis of this concept and also use a structured by using a consistent
127 matrix approach and associated with eigenvector's and generate the corresponding
128 weights, Merkin, (1979); Saaty (1980).

129 The application of analytical hierarchy process (AHP) has been widely used in making
130 decisions to solve various problems, which this approach by using multiple criteria in
131 a system consisting of various levels (Liu and Hai, 2005). This method has the ability
132 to resolve the various problems with complex structure, multi-person, multi-
133 attribute, and the problem of multi-period hierarchical (Yusuff, Poh Yee & Hashmi,
134 2001). In addition, the AHP is very useful in making decisions that complicated and
135 complex where at times the goal to be taken were conflicting and differently to arrive
136 at a consensus decision (Tam & Tummala, 2001). AHP method can help in make a

137 decision to resolve the various problems such as supplier selection, in which case
138 they are to choose the optimal combination of suppliers (Yu and Jing, 2004).

139 Omkarprasad and Kumar (2006), the AHP approach are the method that provides the
140 criteria ranked according to the needs of buyers who also leads to more informed
141 decisions on supplier selection. Some of the main advantages of using the AHP
142 method are where buyers get a good overview of the performance of suppliers using
143 criteria hierarchy and evaluating suppliers.

144 According to Yahya and Kingsman (1999), The AHP method was introduced by Saaty
145 used for decision-making to determine priorities in choosing a supplier. AHP
146 application can be widely used in making a variety of decisions, in which involve
147 multivel criteria in a system of various levels. From AHP feature, then generates a
148 numerical priority of subjective knowledge expressed in the pairwise comparison
149 matrix estimates. This method is also used and is very useful in evaluating the
150 weight of suppliers in the field of marketing activities or in providing its ranking.
151 Nevertheless, it is still considered to be difficult to determine the weight and the
152 corresponding sequence of each alternative.

153 In the AHP application, also requires the use of data based on the experience,
154 knowledge and subjective judgment on a decision by the decision maker. There are
155 some disadvantages of using this method is that this method does not consider the
156 risks and uncertainty of the ability of suppliers Yusuff et al., (2001).

157 Analytic hierarchy process (AHP) is a measurement theory to handle the quantitative
158 and intangible criteria that have been applied to various fields of science, such as
159 decision theory and conflict resolution L. Vargas, (1990). AHP is a problem-solving
160 framework and have a systematic procedure to represent the elements of each issue,
161 TL Saaty (1983). AHP is based on three main principles, namely: decomposition,
162 comparative assessment and synthesis of priorities. In AHP begins by describing a
163 complex, multi-criteria problem into a hierarchy in which each level consists of
164 elements that are managed by some of the decomposed into a set of elements, Y.
165 Wind (1980). The second step is to use a measurement methodology for setting
166 priorities among the elements in each level of the hierarchy. The third step in using
167 AHP is to synthesize the priority elements to build the overall priority to get an
168 alternative decision. AHP is different from the conventional decision analysis
169 methodology which does not require decision-makers to be able to guess the
170 numerical development as a subjective assessment be easily included in the process
171 and judgment can be made entirely in the verbal mode, EH Forman (1985).

172 **2.3. Logistic Performance and The Criteria For Supplier selection**

173 Initially the management of supply chain management and logistics operations are
174 defined similarly, as both focus on the effective performance of the activities related
175 to the optimization of the distribution and manufacturing and accelerate the flow of
176 inventory and information through a channel system, DJ Ross (1998). Therefore, a
177 lot of writers who have used the words of logistics and supply chain management as
178 a synonym. For example, Thomas and Griffin define SCM as materials management
179 and information flow in the form of facilities, such as vendors, manufacturing and
180 assembly plants and distribution centers, SR Clinton (1997).

181 Rapid changes occurring in almost all markets, where suppliers must be flexible
182 enough to restructure their logistics network in a very short time. Therefore, business
183 process reengineering (BPR) has earned its position among the important approach
184 when restructuring or fix a variety of problems such as the supply chain. According to
185 a survey of the European Logistics Association permanent need for re-engineering of
186 logistics processes has been accepted by the leaders of European logistics and other
187 manufacturers that will follow the trend in the future, G. Roux (1997).

188 Fawcett et. al., (1997) representation of the performance of the logistics company's
189 size is about key factors such as cost, quality, delivery, flexibility and innovation. It is
190 not an easy decision to do because there are many different criteria for a good
191 partner. Criteria to develop partnerships with organization members of the supply
192 chain is usually driven by expectations of quality, cost efficiency, dependency
193 shipping, volume flexibility, and customer service information (Olhager and Selldin,
194 2004; Motwani et al, 1998;. Li et al, 1997 Choi; and Hartley, 1996). Among the
195 different companies, it has special requirements different in terms of vendor
196 evaluation. For example, in the automotive industry (European), logistics, supplier
197 performance measurement functions include strategy formulation and clarification,
198 information management, communication, motivation suppliers, coordination and
199 alignment, decision-making and priority, and learning (Schmitz and Platts, 2004).

200 **3. RESEARCH METHODS**

201 Research methods and problem-solving approach in which the stages of research to
202 be conducted in this study are as follows:

- 203 1. Supply chain activities that began with the collection of plastic waste, is
204 collected by agents and distributors (collector) and then sold to the
205 manufacturer to be processed and then sold to the final buyer is the other
206 major manufacturers (plastic conversion industry) to be processed into

207 various types of plastic end products. So that is part of this activity is the
208 collection starts from the beginning until the end of processing and sales,
209 including in this case the transportation service to deliver logistics to its
210 destination.

211 2. Suppliers (distributor) of plastic waste are a plastic waste collection either
212 small scale and large scale collectors is sometimes referred to as agents
213 collecting plastic waste. Sometimes the scavengers may also act to become a
214 distributor if a certain amount they can collect the waste in a relatively large
215 amount and there is an agreement between the manufacturer with the
216 suppliers (including scavengers).

217 3. The raw material intended is plastic waste that comprises of various types,
218 colors, quality and price which would then be used as a material for
219 processing plastic waste.

220 4. Products intended in this research that the plastic chips resulting from the
221 processing (production) by using a grinding machine.

222 5. There are many types of plastics waste are sold by the supplier, but the type
223 that interest of buyers in the market is the type of PP cup and PP injection
224 (polypropylene), PET bottles (Polyethylene Terephthalate) and HDPE (High
225 Density Polyethylene), and others. All raw materials (waste plastic) are made
226 from plastic waste of various kinds of products and consists of a wide range of
227 colors.

228 6. Model approach is using Analytic Hierarchy Process (AHP) with a decision
229 matrix that is used as a tool for decision making on suppliers (distributors)
230 raw material of plastic waste that the best one which will be helping
231 manufacturers to make decision in purchasing.

232 7. Supply chain intended in this research is described how the process of
233 information that occurred beginning with the purchase of raw materials,
234 production, storage and sales of plastic chips to the end buyer. To be better at
235 explaining how the information flow of the supply chain will be described the
236 flow of the supply chain data information.

237

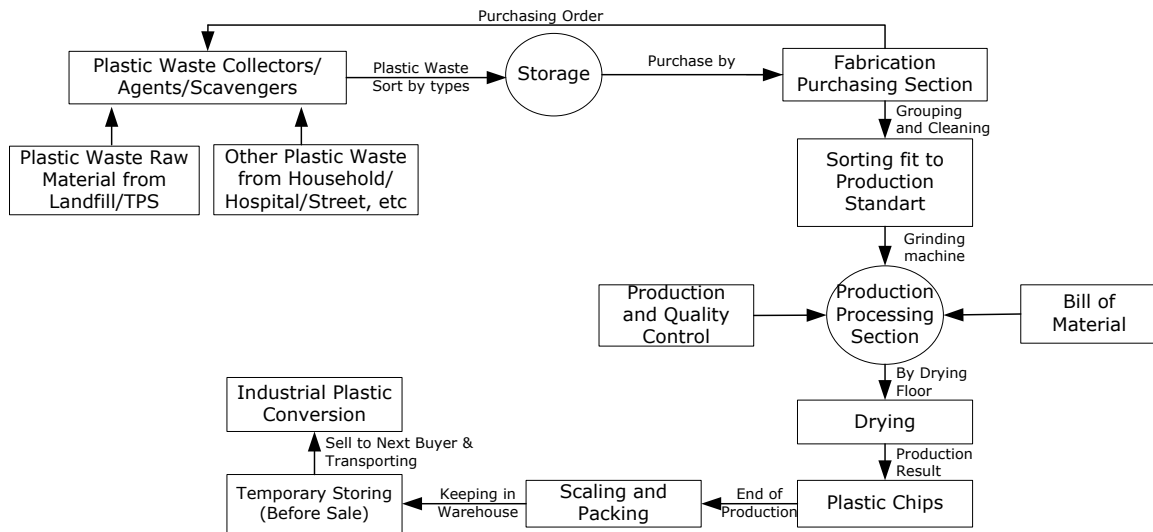
238 **4. DISCUSSION AND ANALYSIS**

239 **4.1. Supply Chain Mapping (Raw Material Waste Plastics into Chips 240 Plastic)**

241 To look at the behavior of the supply chain system in the industrial processing of
242 plastics waste processing into plastic chips (in manufacturers) which in this case

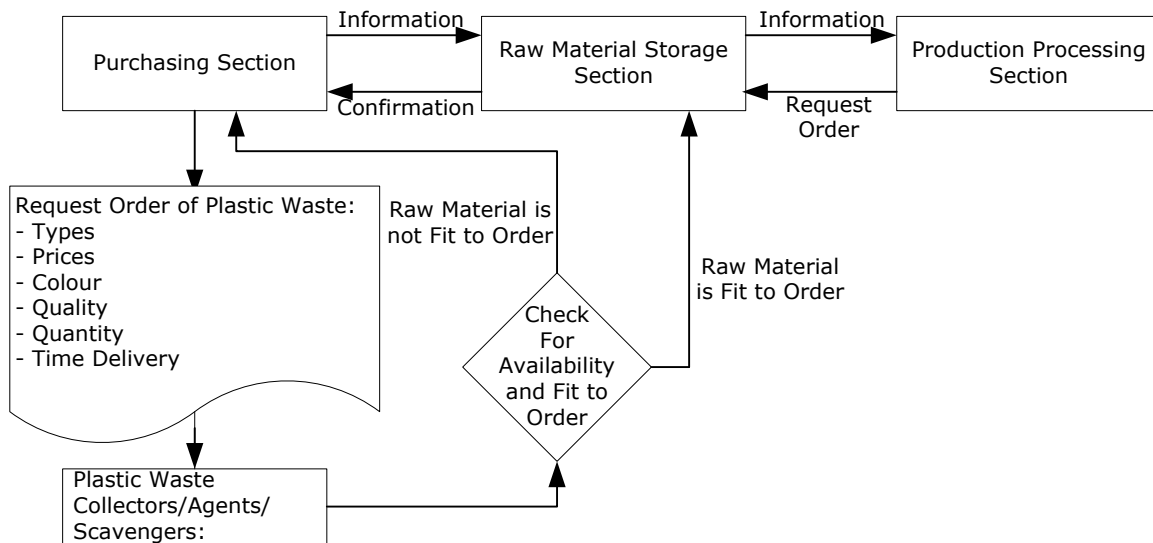
243 Palapa Plastic Recycle Lhokseumawe become a reference in this study, then it is
 244 necessary to know first the flow of data and material (feedstock) in clearly and detail.
 245 Therefore, it is necessary to do the mapping of data and information flow of raw
 246 material in several levels. The first level illustrates the flow of data and materials in
 247 the system in general. The second level illustrates a more detailed flow, and so on
 248 until the flow is completed detailed or can not be specified again.

249 a. Information flow and Plastic Waste Data General



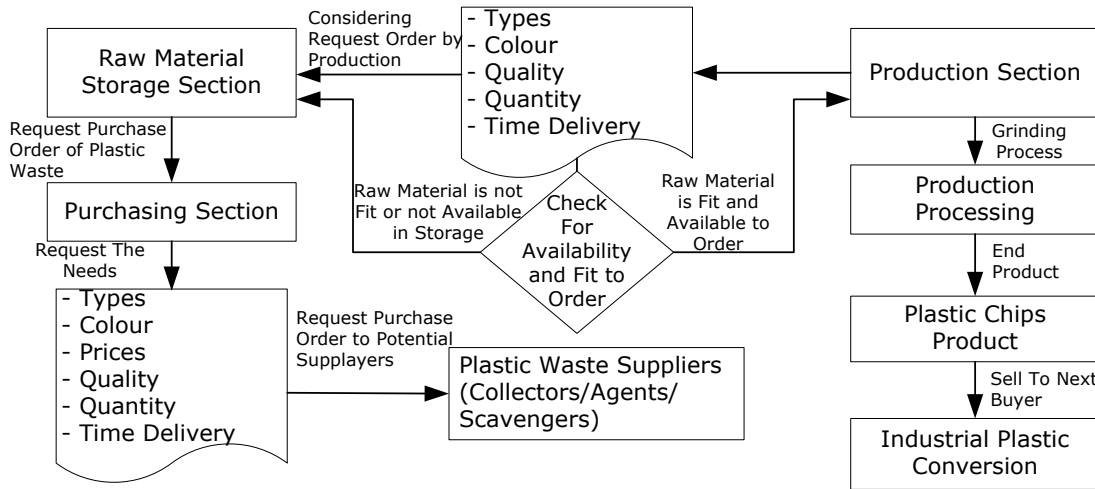
250
 251
 252
 253
 254
 255

256 b. Data Information Flow and Plastic Waste Purchase



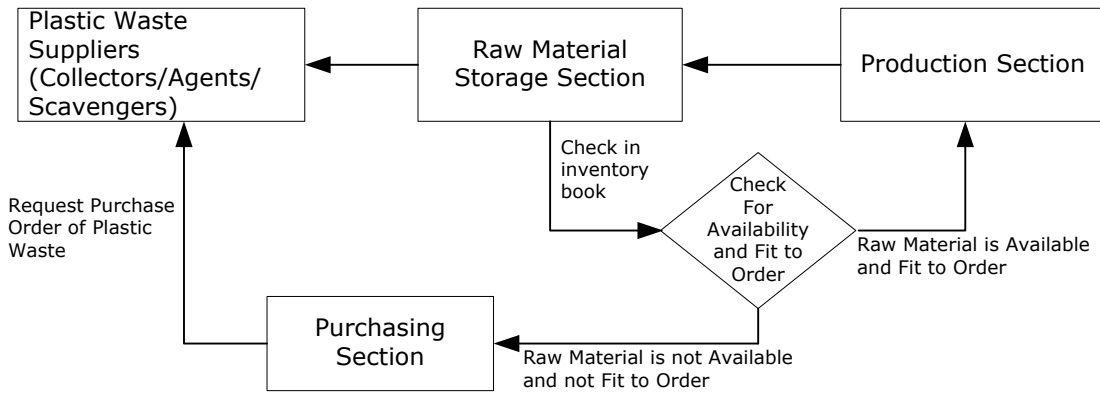
257
 258

259 c. Information Flow of Plastic Waste (Raw Material) at Production Level



260

261 d. Data Information Flow and Plastic Waste (Raw Material) Inventories

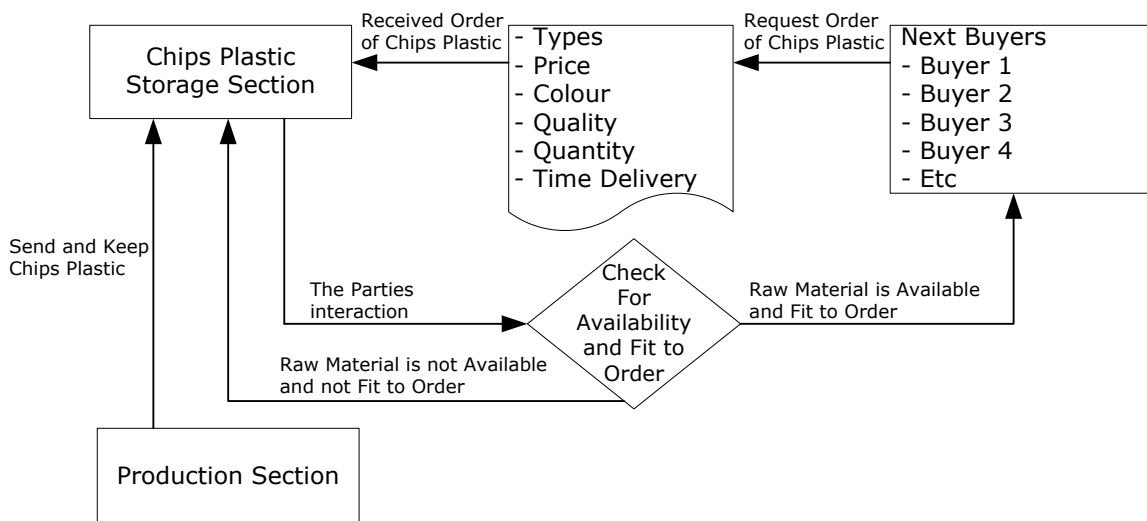


262

263

264

265 e. Data Information Flow and Plastic Chips Inventories



266

267

268

269 **4.2. Plastic Waste Suppliers**

270 Industrial processing of plastic waste into plastic chips is relatively classified simple
271 industry. Suppliers of plastic waste in the waste business and the processing industry
272 are composed of collecting agent (distributor). Waste plastics obtained from them will
273 be collected in gunny sacks to take home before the sale, sorting and cleaned first.
274 In general, collection agency activity does not have a formal business entity except
275 the plastic waste processing industry had a business entity such as UD, cooperatives
276 or other governmental agencies. Therefore, in order to easier to the assessment or
277 scoring, then to group these suppliers will be coding with (S1, S2, S3 and S4), the
278 coding is abbreviated such a way with the aim in order to easier to conduct the
279 scoring.

280 **4.3. Plastic Waste Supplier Assessment**

281 Plastic waste supplier assessment criteria in the supply chain activities are one of the
282 criteria used as a reflection of supply chain activities. Criteria for the assessment on a
283 transaction of this plastic waste are: the type of plastic waste, price, color, quality,
284 quantity and delivery time. Typically consideration of industrial / manufacturing in
285 the purchase and the transaction is different from one manufacturer to another
286 manufacturer.

287

288 **4.4. Provision Weight For Each criteria and Sub-Criteria**

289 The model that will be used in the processing of this data is by using AHP (Analysis
290 Hierarchy Process), which this assessment will be given the weighting of criteria and
291 sub-criteria. The AHP model is appropriate to be applied to cases that are relatively
292 difficult decision-making and complex by using several assessment criteria.

293

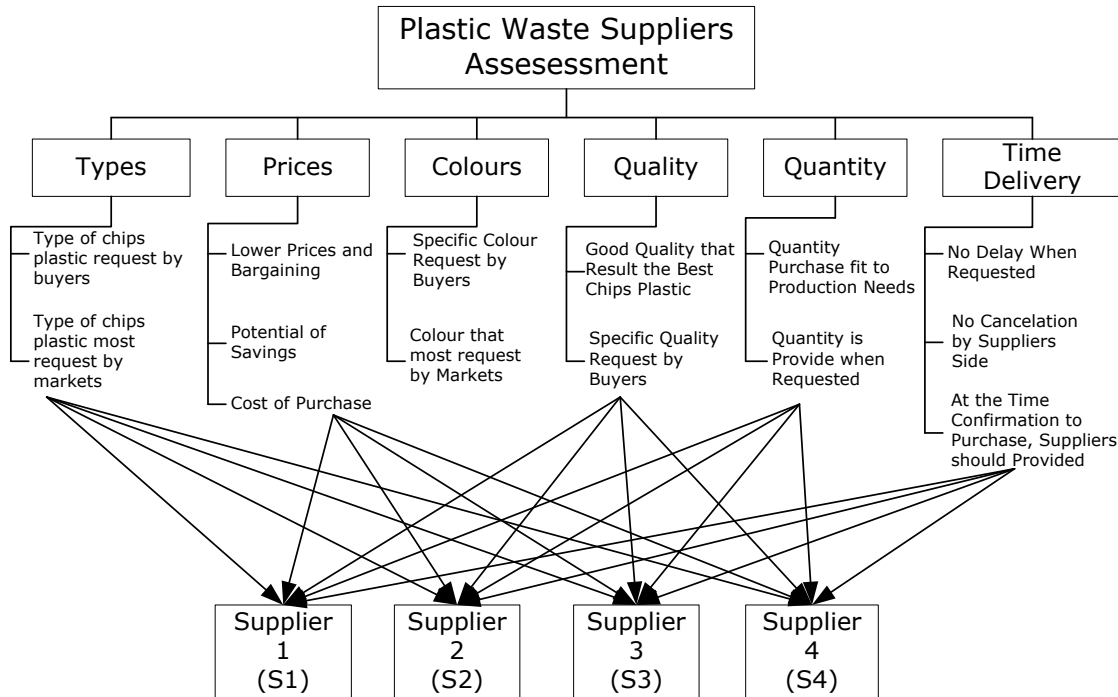


Figure 1. Criteria and Sub-Criteria Assessment of Plastic Waste Suppliers With Approach Analysis Hierarchy Process (AHP) Structure

At the AHP structure, assigning weights to each criterion, namely by way of comparison in pairs. Wherein if the comparison between the two criteria considered equally important as it is rated 1 for both criteria, whereas when there is a difference which one is more important, these criteria are given greater value than the others, namely 3, 5, 7, or 9, in accordance with level of importance of the other criteria into comparison.

Table 1: Pairwise comparisons Of Plastic Waste (Raw Materials) Supplier Selection

	Types	Prices	Colors	Quality	Quantity	Time Delivery
Types	1.00	1.00	3.00	1.00	3.00	2.00
Prices	1.00	1.00	2.00	1.00	2.00	2.00
Colors	1.00	0.50	1.00	0.50	2.00	1.00
Quality	0.50	0.33	1.00	1.00	2.00	3.00
Quantity	0.33	0.20	0.33	0.33	1.00	0.50
Time Delivery	0.50	0.33	0.33	1.00	0.33	1.00
Total	4.33	3.37	7.67	4.83	10.33	9.50

At this stage compares the criteria for the purchase of raw materials of plastic waste and assessment of the level of priority (comparative) or which become more

308 important relative to one another criterion, namely the criteria of the type, price,
 309 color, quality, quantity and time of delivery of the raw material of plastic waste

310 Table 2: Weight Calculation Of Each Criterion

	Types	Prices	Colors	Quality	Quantity	Time Delivery	Weight
Types	0.23	0.30	0.39	0.21	0.29	0.21	0.27
Prices	0.23	0.30	0.26	0.21	0.19	0.21	0.23
Colors	0.23	0.15	0.13	0.10	0.19	0.11	0.15
Quality	0.12	0.10	0.13	0.21	0.19	0.32	0.18
Quantity	0.08	0.06	0.04	0.07	0.10	0.05	0.07
Time Delivery	0.12	0.10	0.04	0.21	0.03	0.11	0.10

311
 312 From the table above, obtained weighting of each criterion are sequenced: 0.27;
 313 0.23; 0.15; 0.18; 0.07 and 0.10.

314

315 **4.5. Weight calculation Of Suppliers, Plastic Waste (Raw Materials)**

316 Supplier assessment undertaken by the buyer in this case is plastic waste processing
 317 industry (manufacturers). Assessment of waste plastics that purchased by the
 318 manufacturer that is with consideration of the type of plastic waste, price, color,
 319 quality, quantity and delivery time. After the manufacturer doing consideration of
 320 such criteria, the manufacturer will consider buying plastic waste

321 The next step is to calculate the weight value of each supplier. The value is obtained
 322 by summing the results of multiplication of the weight of each sub-criterion is
 323 concerned.

324 Table 3: Final Suppliers Assessment

Criteria/Sub-criteria	Weight	Supplier 1	Supplier 2	Supplier 3	Supplier 4
Types	0.27				
(T1)	0.18	0.345	0.125	0.255	0.275
(T2)	0.09	0.277	0.156	0.334	0.233
Prices	0.23				
(P1)	0.10	0.637	0.124	0.135	0.104
(P2)	0.08	0.267	0.276	0.176	0.281
(P3)	0.05	0.231	0.311	0.323	0.135
Colors	0.15				
(C1)	0.08	0.313	0.215	0.357	0.115

(C2)	0.07	0.274	0.197	0.276	0.253
Quality	0.18				
(Q1)	0.07	0.471	0.211	0.216	0.102
(Q2)	0.11	0.383	0.276	0.139	0.202
Quantity	0.07				
(Qt1)	0.02	0.376	0.219	0.212	0.193
(Qt2)	0.05	0.289	0.319	0.201	0.191
Time Delivery	0.10				
(TD1)	0.02	0.211	0.321	0.187	0.281
(TD2)	0.04	0.342	0.253	0.231	0.174
(TD3)	0.05	0.365	0.183	0.234	0.218
Final Weight Value		0.359	0.205	0.235	0.201

325

326 As shows in the table supplier assessment above, the supplier 1 has the highest
 327 value of 0.359, followed by the supplier 3 with a value of 0.235, supplier 2 with a
 328 value of 0.205 and suppliers 4 with a value of 0,201.

329

330 **5. CONCLUSION**

331 Based on analysis by using scorecards and gap analysis models it can be concluded
 332 as follows:

- 333 1. Base on supplier performance appraisal by using Analytical Hierarchy Process
 334 and model of supplier evaluation form to rank several suppliers based on
 335 several criteria, thus the obtained sequence of raw material suppliers of
 336 plastic waste in accordance with the amount of weight gained. The order of
 337 suppliers based weights that provide/meet most demand in accordance with
 338 the manufacturer that is supplier 1, 3, 2 and 4, in which the first supplier has
 339 the highest value of 0.359, followed by the supplier 3 with a value of 0.235,
 340 supplier 2 with a value of 0.205 and suppliers 4 with a value of 0.201. The
 341 sequence is a reflection of the most satisfying and fulfilling production needs
 342 required by manufacturers currently.
- 343 2. Some of the problems in obtaining raw materials at this moment are
 344 fluctuating and competitive prices between one supplier to another supplier.
 345 In addition, the raw material of plastic waste is sometimes hard to be
 346 obtained because of competition with buyers from Medan (large collection
 347 agents or industrial conversion of plastic or plastic end products maker),

348 where the buyers from Medan are ordered directly to the collecting agency in
349 Aceh. Such conditions would create a tight competition and be potential for
350 disruption of the stability of the supply of raw material available in the area
351 of Aceh. This is certainly very disturbing chain of supply, especially for
352 industrial processing plastic waste into plastic chips that exist in the province
353 of Aceh at this moment.

354 3. To meet the need for raw materials, manufacturing (industrial processing
355 plastic waste into plastic chips) undertake cooperation with several suppliers
356 to get some kind of plastic waste that is required by the manufacturer where
357 the request is a reflection of the demand for buyers in the plastics converting
358 industry into end plastic products, it is conducted in order to keep the needs
359 (capacity) factory production both short-term and long-term.

360 4. Loyalty of suppliers sometimes is a problem because in this case the effect of
361 market mechanisms, where the highest bidder (the best) will obtain raw
362 materials more quickly. It is sometimes the case where buyer Medan more
363 play a role in these conditions.

364

365 REFERENCES

366 Aghezzaf, E., 2005. Capacity Planning and Warehouse Location in Supply Chains with
367 Uncertain Demand. *Journal of Operational Research Society* 56: 453-462

368 Beamon, B. M. (1999). Measuring supply chain performance. *International Journal of*
369 *Operations & Production Management*, 19 (3), 275-292.
370 <http://dx.doi.org/10.1108/01443579910249714>

371 Choi, T.Y., Hartley, J.L., 1996. An exploration of supplier selection practices across
372 the supply chain. *Journal of Operations Management* 14, 333-343.

373 Chopra, S., Meindl, Peter (2010). *Supply Chain Management: Strategy, Planning, and*
374 *Operation*. Fourth Edition. Pearson, New Jersey.

375 D.J. Ross, *Competing Through Supply Chain Management*, Materials
376 Management/Logistics Series, Chapman & Hall, Chicago, 1998

377

- 378 Fawcett, S.E., Stanley, L.L., Smith, S.R., (1997). Developing a logistics capability to
379 improve the performance of international operations. *Journal of Business Logistics*
380 18 (2), 101–127.
- 381 E.H. Forman. (1985). Decision support for executive decision makers, *Information*
382 *Strategy: The Executive 's Journal* 4-14.
- 383 G. Roux, F. Straube, C. Slijkhuis, G. Marini, G. Coutansais, R. Horsley, N. Seiersen.
384 (1997). *Towards the 21st Century, Trends and Strategies in European Logistics*,
385 European Logistics Association (ELA), Berlin/Brussels.
- 386 Jung, J.Y., G. Blau, J.F. Pekny, G.V. Reklaitis, and D. Everdyks, (2004). A Simulation
387 Based Optimization Approach to Supply Chain Management under Demand
388 Uncertainty. *Computers and Chemical Engineering* 28: 2087-2106
- 389 Korpela, J., K. Kyläheiko, A. Lehmusvaara, and M. Tuominen, (2002). An Analytic
390 Approach to Production Capacity Allocation and Supply Chain Design. *Int. J*
391 *Production Economics* 78: 187-195.
- 392 Li, C.C., Fun, Y.P., Hung, J.S., (1997). A new measure for supplier performance
393 evaluation. *IIE Transactions* 29, 753–758.
- 394 Li, Ling., (2007). *Supply Chain Management: Concept, Techniques and Practices.*
395 *Enhancing Value Through Collaboration*. World Scientific Publishing Co. Pte. Ltd. Old
396 Dominion University, United States.
- 397 Liu, F.H. F. & H. L. Hai. (2005). The voting analytic hierarchy process method for
398 selecting supplier. *International Journal of Production Economics* 97(3): 308-317.
- 399 L. Vargas. (1990). An overview of the analytic hierarchy process and its applications,
400 *European Journal of Operational Research* 48: 2-8.
- 401 Merkin, B. G., (1979). *Group Choice*, John Wiley & Sons, NY
- 402 Morgan, RM & Hunt, SD, (1994), 'The Commitment- Trust Theory of Relationship
403 Marketing', *Journal of Marketing*, vol. 58, pp. 20-38.
- 404 Motwani, J., Larson, L., Ahuja, S., (1998). Managing a global supply chain
405 partnership. *Logistics Information Management* 11 (6), 349–354.
- 406

- 407 Olhager, J., Selldin, E., (2004). Supply chain management survey of Swedish
408 manufacturing firms. *International Journal of Production Economics* 89, 353–361.
- 409 Omkarprasad, S.V. and Kumar, S. (2006). Analytic hierarchy process: an overview of
410 application. *EJOR*, 169:1 -29.
- 411 Russell R. S. and Taylor B. W. (2006). *Operation Management*. Wiley, United States.
- 412 Saaty, T. L. (1986). Axiomatic Foundation of The Analytic Hierarchy Process,
413 *Management Science*, 32, PP. 841-855.
- 414 Schmitz, J., Platts, K.W., (2005). Supplier logistics performance measurement:
415 Indication from a study in the automotive industry. *International Journal of*
416 *Production Economics* 89, 231–243.
- 417 S.R. Clinton, R.J. Calantone, (1997). Logistics strategy: Does it travel well?, *Logistics*
418 *Information Management* 10 (5) 224-234.
- 419 Tam, M. C. Y. & V. M. R. Tummala. (2001). An Application of the AHP in vendor
420 selection of a telecommunications system. *Omega* 29(2): 171 -182.
- 421 T.L. Saaty. (1983). Priority setting in complex problems, *IEEE Transactions on*
422 *Engineering Management* EM-30 (3) 140-155.
- 423 Verma, Devendra Singh., Ajitabh pateriya., (2013). Supplier Selection through
424 Analytical Hierarchy Process: A Case Study In Small Scale Manufacturing
425 Organization. *International Journal of Engineering Trends and Technology (IJETT)* –
426 Vol. 4 Issue5
- 427 Vorst, J.G.A.J. van der, (2004). *Supply Chain Management: Theory and Practice*.
428 Didalam: T.Camps, P. Diederren, G.J. Hofstede, B.Vos (Eds). *The Emerging World of*
429 *Chains & Networks*. Hoofdstuk: Elsevier
- 430 Yahya, S., Kingsman, B., (1999). Vendor rating for an entrepreneur development
431 programme: A case study using the analytic hierarchy process method. *Journal of*
432 *Operational Research Society* 50, 916–930.
- 433 Yusuff, R. D., K. PohYee & M.S.J. Hashmi. (2001). A preliminary study on the
434 potential use of the analytical hierarchical process (AHP) to predict advanced
435 manufacturing technology (AMT) implementation. *Robotics and Computer*
436 *Integrated Manufacturing* 17: 421 –427.

- 437 Yu, X. & S. Jing. (2004). A Decision Model for Supplier Selection Considering Trust.
438 Chinese Business Review 3(6): 15-20.
- 439 Y. Wind, T. L. Saaty. (1980). Marketing applications of the analytic hierarchy process,
440 Management Science 26 (7) 641-658.