

Dissertation Title	RISK DISTRIBUTION STRATEGY IN SUPPLY CHAIN PRACTICE: A CASE STUDY OF THAI AUTOMOTIVE INDUSTRY
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ABSTRACT

The objective of this research is to study the phenomenon of risk distribution strategy implemented in supply chain through the assessment of risk distributors' perception. The research highlights both theoretical and empirical perspectives that enable the understanding of risk distribution components, risk decision-making factors, appropriate risk characteristics, potential risk receivers, risk distribution patterns, key drivers and obstacles of strategy execution. These phenomena are investigated through the main research question, which is: "How is risk distribution strategy implemented in the supply chain context?"

To answer the research question, a case study of the Thai automotive industry's supply chain was conducted with multiple research methods. The objective of applying interview and survey methods was to increase data validity.

The findings revealed that risk distribution is a practicable strategy to mitigate risk in the organisation. The concept of risk distribution strategy is to assign the risks to other supply chain members and let them manage the distributed risks instead. If the selected members cannot totally manage the distributed risk, loss will be returned back to the organisation. Risk receiver is revealed as the most influential factor for the successful implementation of this strategy.

In practice, risk distribution strategy is considered by organisation as the least favoured management option due to high probability of relationship breakdown. Organisations tend to decide to execute this strategy only when either there is an urgent need for immediate risk management or when no other options were available. The organisations initiate the strategy by indicating the risk being distributed and then choosing potential risk receivers from historical risk management record. It was observed that in some cases certain risk receivers were not able to manage the distributed risks properly, which results in further distribution of risks. Hence, the distribution patterns vary depending on where the risk is spread in the supply chain.

The findings also revealed that good communication and collaboration between distributor and receivers is the key enabler to encourage risk receivers to take the distributed risk. On the other hand, a lack of trust in receivers' risk management capability is the biggest barrier to the successful execution of a risk distribution strategy.

Thus, this research fills a significant gap in supply chain research by originally presenting risk distribution behaviour in the supply chain context. Additionally, the presentation of this strategy provides more choices to the organisation on risk mitigation and decrease the possibility of risk impact through the supply chain.

Keywords: Risk distribution, Supply chain risk management, Risk management strategy, Thai automotive industry