

## Small and Medium Enterprises (SMEs) Readiness towards Halal Food Supply Chain in Malaysia

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### ABSTRACT

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This paper examines the preparedness of Small and Medium Enterprises (SMEs) in Malaysia to participate in the halal food supply chain, focusing on employee acceptance and the adoption of technology. The halal food supply chain is a network that prioritizes and certifies products and services to maintain halal integrity across the system. SMEs are important players in the halal industry; there is a need for them to be involved in sophisticated supply chains to sustain Malaysia's position in the international market for halal products. The findings provide insight into the acceptance among employees and technological readiness, impacts on SMEs, enable them to effectively compete in the halal food supply chain by providing recommendations that enhance employee engagement and the integration of technology. In addition, this research offers SMEs, scholars, and policy makers a roadmap for the industry's future development.

### 1. Introduction

#### 1.1 Background of study

The global halal food industry has garnered considerable attention due to the rising demand from Muslim and non-Muslim consumers for food that complies with Islamic precepts. Malaysia is an important player in the worldwide halal industry because of its government-led programs that promote credibility and international recognition, like halal certification. Malaysia's halal food industry is continually developing in line with the nation's aspirations to be known as a regional and global hub for halal goods and products, and the government has pledged and provided full support in the form of infrastructure. The global halal market has grown significantly in recent years, presenting a remarkable opportunity for Malaysia to establish itself as a leading halal hub (Kadir et al., 2016). Malaysia has taken proactive steps to develop a robust halal ecosystem, including the establishment of the Halal Industry Development Corporation to oversee various halal initiatives (Kadir et al., 2016).

Small and Medium Enterprises (SMEs) have a vital role in the manufacturing, processing, and distribution of halal food. SMEs, who make up a substantial part of the halal food industry, face distinct opportunities and problems when it comes to managing the intricate supply chain. Malaysia's strategic initiatives, supported by both governmental policies and industry standards, have bolstered its reputation as a hub for halal food. This contributes significantly to the country's reputation as a prominent center for halal products. For SMEs to meet these standards and remain competitive, they must possess both strategic insight and operational effectiveness. Small and Medium Enterprises (SMEs) in this sector face several challenges that hinder their growth, competitiveness, and ability to fully capitalize on the expanding halal market

### 1.2 Problem Statement

The halal food industry in Malaysia plays a vital role in both the country's economy and cultural heritage, exerting a significant impact on everyday living and commercial operations. Despite the government's efforts to promote and support the halal industry, many Malaysian halal food entrepreneurs may still face challenges in navigating the complexities of the global halal market (Bakar et al., 2018). Besides, the rate of penetration among Malaysian manufacturers in the global halal market remains relatively low, at only 1.07% of the total market size (Rahman & Shamsudin, 2011). This highlights the need to understand the readiness of small and medium enterprises in Malaysia to participate in the halal supply chain.

### 1.3 Research Objective

This research aims to comprehensively review the readiness of Small and Medium Enterprises (SMEs) in Malaysia for participating in the halal food supply chain. The goal is to provide a clearer understanding of the level of readiness among Malaysian SMEs to engage with and capitalize on the opportunities within the halal food supply chain, both domestically and internationally.

## 2. Literature Review

### 2.1 SMEs Definition

Considering several economic advancements, including price inflation, structural changes, and shifts in business patterns, a reassessment of the definition was conducted in 2013. Consequently, a new definition for small and medium-sized enterprises (SMEs) was approved during the 14th National SMs Development Council (NSDC) meeting in July 2013. The concept encompasses all sectors, specifically services, manufacturing, agriculture, construction, and mining & quarrying.

The definition is determined based on two criteria: sales turnover and number of full-time employees. In the manufacturing sector, small and medium-sized enterprises (SMEs) are classified as companies whose sales turnover does not exceed RM50 million OR whose number of full-time employees does not exceed 200. In the context of services and other sectors, small and medium-sized enterprises (SMEs) are classified as companies whose sales turnover does not surpass RM20 million OR whose number of full-time employees does not exceed 75.

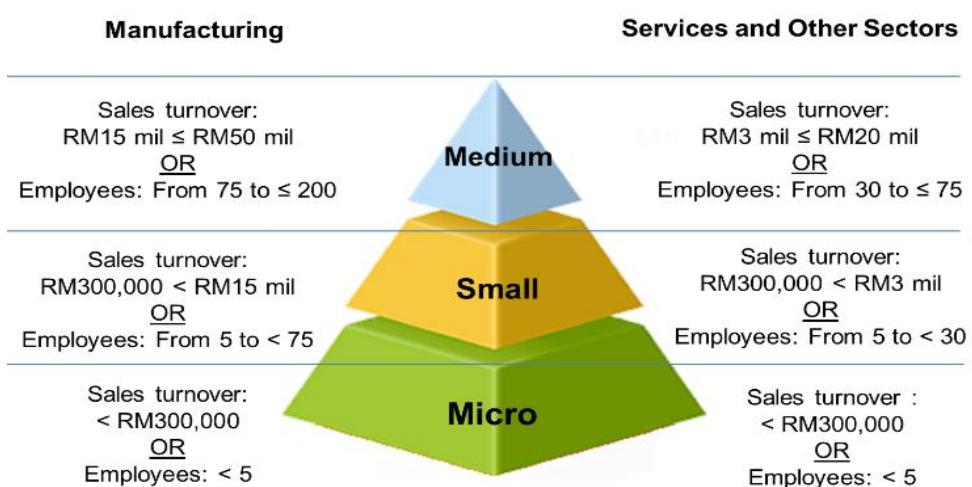


Figure1: Definitions of SMEs in Malaysia (Source: [www.smecorp.gov.my](http://www.smecorp.gov.my))

### 2.1.1 SMEs in Malaysia: History and Development.

The development of Small and Medium Enterprises (SMEs) has become the primary objective of the Malaysian government to achieve the nation's aspiration of becoming a high-income nation on par with developed countries. The endeavour undertaken aims to enhance the country's competitiveness and promote the growth of SMEs in Malaysia. SMEs has been recognized as a key driver in assisting new entrepreneurs to start and develop businesses to enhance domestic production. In recognition of the contribution of SMEs to the national economy, various strategies and initiatives have been developed since the early days. For example, under the First Malaysia Plan (1966-1970), the government acknowledged the need for SMEs in efforts to support their development. In line with the recognition of the New Economic Policy, starting in the 1970s, the economic system in Malaysia transformed from an agriculture-based economy to a manufacturing sector.

To achieve the goals of Vision 2020, the establishment of the Small and Medium Industries Development Corporation (SMIDEC) in 1996 was aimed at supporting economic growth and coordinating the development of SMEs in Malaysia to enhance their competitiveness in the global market. The establishment of SMIDEC aims to enhance the development of Small and Medium Enterprises (SMEs) by providing financial assistance, advisory services, infrastructure facilities, market access, and other support programs. The National SME Development Council (NSDC) was established by the government in 2004 to assist in the development of PKS in Malaysia. NSDC functions as the highest body responsible for formulating strategies, providing direction, and coordinating the development of SMEs. In 2009, SMIDEC was renamed and known as SME Corp, the Small and Medium Enterprises Corporation of Malaysia. SME Corp is a Central Coordinating Agency under the Ministry of International Trade and Industry, responsible for formulating comprehensive policies and strategies for SMEs, as well as coordinating the implementation of SME development programs carried out by all relevant ministries and agencies. In addition, SME Corp also plays a role as a reference centre for information and advisory services for SMEs in Malaysia, with a special focus on the manufacturing sector and related services.

The government's commitment to enhancing the role of SMEs continues to be emphasised in the Tenth Malaysia Plan (2011-2015). Under RMK-10, the government has made exceptions to certain business regulations that impose burdens on small companies and micro-entrepreneurs. This initiative aims to enhance the development of innovation and growth in the SME sector in Malaysia, as well as to transform Malaysia into a high-income country by 2020.

In addition, to ensure the competitiveness of domestic SMEs at the global level, high-impact programs such as the Going Export (GoEx) program have been introduced. This program aims to ensure the continuous growth of the SME sector, while also enhancing the productivity levels of local SMEs by the year 2020. As an implementing agency (GoEx), the Malaysian External Trade Development Corporation (MATRADE) plays a role in identifying, guiding, and promoting the development of SMEs by enhancing productivity and increasing the export of Malaysian goods and services abroad.

### 2.1.2 Definition of Halal Supply Chain

Writer	Definitions
Tieman (2011)	Halal Supply Chain management means the management of Supply Chain that guarantees the compliance of a product to the Islamic laws right from the production process up to the time the product is bought by the end user. Since the halal aspect has to be experienced at the time of purchase, there is a need to develop guidelines on how the supply chain for product should be managed.
Omar & Jaafar (2011)	A halal supply chain ensures that the principles of halal are implemented at every stage of the supply chain, from the farm to the consumer, and that the safety, quality, and cleanliness of food are all assured.
Ab Talib & Mohd Johan (2012)	Packaging and containers that adhere to halal standards are included in the halal distribution system. It is possible for the halalness of a product to be affected by the qualities of its packaging, such as the materials used. The halal certification of the packaging, the halal techniques of product handling, and the halal traceability of the packaging are some of the problems that have been brought up in the case of packaging.
Jaafar et al. (2016)	In an effort to prevent contamination of halal products, the halal supply chain encompasses a variety of activities, such as handling, storage, warehousing, and transportation.
Soon et al. (2017)	Halal integrity is defined as the assurance of safe, quality, and lawful food

	from farm to fork, requiring a comprehensive and multidisciplinary approach to manage the supply chain from farm to fork.
Haleem, (2018)	Halal items must adhere to Shariah principles, ensuring they are both 'Halal' and 'Toiyyab', ensuring they are not only permissible to eat but also possess healthful qualities from their inception until consumption.
Khan et al. (2018)	A comprehensive definition of Halal Supply Chain Management (HSCM) is provided, which encompasses the unique characteristics of both Halal and Supply Chain Management.
Sukati & Bawaain (2019)	Halal supply chains oversee the whole process of managing halal food and beverage items, from their manufacture to their consumption. The main objective is to achieve optimal marketing performance and guarantee the integrity of the products.
Haleem & Sultan (2021)	A halal supply chain refers to a system that manages the entire process of production, processing and distribution in a way that complies with halal standards. It ensures that the halal status is upheld, from the farm to the table.
Yahya & Abdul Rahman (2022)	Halal supply chain management involves overseeing all aspects of the supply chain to ensure that goods and services meet halal standards and ethical guidelines. This approach aims to maintain transparency and traceability throughout the entire supply chain.
Jamil & Noor (2022)	The halal supply chain involves a series of processes and actions related to the production, management and distribution of halal products. The primary goal is to adhere to Shariah laws and ensure clarity and accountability at every stage of the process.
Kurniawati (2023)	A halal supply chain guarantees the adherence to halal standards of halal goods and preserves the halal integrity at every stage of the supply chain, starting from the farm and ending at the consumer's plate.
Khan & Ali (2023)	The management of halal supply chains entails meticulously organizing and overseeing all elements of the supply chain to adhere to Islamic dietary laws and moral values. This process guarantees that products maintain their halal certification consistently, across their entire lifecycle.
Zulkifli & Haris (2023)	The halal supply chain encompasses a system that integrates halal principles at every stage of the supply chain process ensuring that all aspects, from sourcing to delivery align with Shariah standards.
Kamal & Salim (2024)	An halal supply chain is a well-organized framework that upholds strict adherence to halal principles throughout all stages of the supply chain process. This includes sourcing, production and distribution with a strong emphasis on maintaining halal standards and ethical conduct.

Consuming Halal certified goods is crucial since they strictly correspond to the rigorous criteria of Shariah in terms of quality, cleanliness, and safety for consumption. Furthermore, this might be attributed to the changes in the global food sector. All Halal items must adhere to the principles of 'Shariah', which require that the products be both 'Halal' (permissible) and 'Toiyyab' (wholesome). This ensures that the product is safe for eating and has desirable qualities from its inception until it is consumed (Haleem, 2018).

The halal food supply chain in Malaysia is a well-organized and meticulous system that guarantees adherence to Islamic dietary laws, from the beginning of production to the final consumption. This supply chain follows a rigorous set of procedures, which encompass sourcing, handling, processing, packaging, and distribution. All these steps strictly adhere to the halal standards set by Malaysian authorities. The integrity of this chain is upheld through certification and regular monitoring, guaranteeing that halal products meet the religious, ethical, and quality standards expected by Muslim consumers in Malaysia and around the world (Khan et al. 2022). The management of the HSC should prioritize fair trade practices, which include respecting labor rights, animal rights, and promoting safe and sustainable farming methods. Additionally, the Halal mandate emphasizes the importance of paying a fair price and adhering to social and environmental standards throughout all supply chain operations.

The concept of the "halal supply chain" has gained significant prominence in recent years, particularly as the global demand for halal products and services continues to rise. Halal, which is an Arabic word meaning

"permissible" or "lawful," is a set of guidelines that dictate the production, processing, and handling of food and other products in accordance with Islamic principles (Wahyuni & Waskito, 2021). At its core, the halal supply chain is a comprehensive system that ensures the integrity of halal products from the source of raw materials to the final consumer. This system encompasses the procurement of raw materials, production processes, storage, transportation, and distribution, all while adhering to strict halal protocols.

The need for a well-defined halal supply chain is crucial, as it not only ensures the compliance of the final product but also addresses the growing concerns of halal consumers. As the food industry becomes increasingly complex, with the use of various additives and a globalized distribution network, it has become more challenging for consumers to verify the halal status of a product (Wahyuni & Waskito, 2021). Halal supply chain management requires specific policies and procedures to ensure the integrity of halal products throughout the entire supply chain (Sulaiman et al., 2021). This includes the use of halal-certified raw materials, the implementation of halal-compliant processes, and the segregation of halal and non-halal products during storage, transportation, and distribution. Furthermore, the halal supply chain must be supported by robust traceability systems, allowing for the seamless tracking of products from the source to the final consumer. Ultimately, the halal supply chain aims to provide consumers with the assurance that the products they purchase are truly halal, aligned with their religious and ethical beliefs.

## 2.2 Halal Food Supply Chain in Malaysia

The Malaysian government initiated the implementation of halal regulation in the 1960s to safeguard the concerns of its Muslim population. Nevertheless, in response to the increasing global demand for halal products, the government has taken significant steps to establish itself as a prominent halal hub. To establish the credibility of the product, a national certification system has been implemented. The government has set up agencies such as the Department of Islamic Development Malaysia (JAKIM), the Halal Industry Development Corporation (HDC), and the Malaysian Investment Development Authority (MIDA) to support the growth of Malaysian halal industries. Halal certification is overseen and regulated by JAKIM. Malaysia's halal sectors thrive due to the presence of effective policies, a reliable certification system, well-developed infrastructure, and programs that enhance human capital (Rasi, 2017).

In recent times, several researchers have undertaken comprehensive research, analysis, observations, and inquiries on suppliers (Ilyas Masudin & Ayni, 2018). The Scopus research database has 105,330 articles pertaining to suppliers, covering the time from 1928 to 2021. The supplier selection research began in 1948 and persisted until 2021, including a cumulative total of 8,281 articles in the Scopus database. Despite several studies on suppliers, none of these research efforts have included the halal aspect (Calik, 2019; Garoma & Diriba, 2014; Luan et al., 2019; Rojnjiruttikul, 2017). Nevertheless, according to their religious convictions, Muslim consumers are compelled to actively search for and use halal goods, namely food items that are explicitly labeled as halal (Naeem et al., 2019). Unfortunately, there has been less research undertaken on the halal status of things.

Limited number of studies, such as Fujiwara (2017), have discovered that Halal certification may guarantee the halalness of supplier items. Ahmad et al. (2017) argue that it is crucial to choose providers that have a thorough comprehension of the halal concept and strictly follow halal regulations when engaging with suppliers. Incorporating halal principles into supplier procurement methods necessitates the inclusion of a halal certificate, like the conclusions reached by Khan et al. (2020) and Tieman et al. (2012) state that the latest developments in halal supply chain management (HSCM) primarily address the limited availability of suppliers for halal raw materials. Halal producers heavily depend on halal suppliers.

## 2.3 Factors of SMEs Readiness in Halal Food Supply Chain

Organisations must embrace novel ideas or advancements to attain long-term viability in the marketplace. Implementing a halal supply chain requires the appropriate intentions from all parties, including manufacturers. The preparation aspects employee acceptance, management support, and technology'

### 2.3.1 Employee Acceptance

Food and beverages are an important sector in the Malaysian economy, contributing immensely to the country's gross domestic products (Husin et al., 2021). The challenges faced by the industry range from increased competition brought about by foreigners, strains by retail chains for a price reduction, and an increased importation of food. (Rahman & Omar, 2021). One of the critical factors that can address these challenges is the adoption of a halal food supply chain, which is of particular importance in a predominantly Muslim country like Malaysia (Husin et al., 2021).

In addition, small and medium-scale enterprises also play a vital role in the Malaysian food and beverage industries, accounting for the largest portion in the market (Husin et al., 2021). These SMEs, however, face several barriers in adopting new technologies, such as a weak technological base, limited utilization of information technologies, and a lack of a skilled workforce. The successful implementation of a halal food supply chain in SMEs is thus heavily dependent on the acceptance and support of their employees. Besides the key preparation based on the readiness of SMEs to adopt a halal food supply chain is an employee's acceptance. A lack of support and buy-in by employees could thus lead to immense problems in the implementation of such a system.

SME readiness needs to be considered in relation to a halal food supply chain to study the role of employee acceptance. Critical success factors apply to the implementation of a halal food management system, such as availability of resources, level of management commitment, skilled workforce, and overall organizational culture. The SMEs in the food and beverages industry have bound technological capabilities, a lack of a skilled workforce to manage such technology and are worried about the cost of implementation. Indeed, Ahmad et al. (2017); Muhamad et al. (2020) have found several problems in adopting halal-related technologies by SMEs engaged in the food and beverage industry.

What is more, the violation of the standards of halal up the value chain by producers or manufacturers has generally raised consumer concerns about the product, especially for Muslim Malaysians. In coping with these issues, employee acceptance and commitment to the implementation of a halal food supply chain must be attained. Employees must be trained, empowered, and need to be fully committed to the whole halal certification process for its successful adoption (Muhamad et al., 2020). The success in implementing a halal food supply chain within Malaysian SMEs would not be possible without active participation and support from the employees themselves.

### **2.3.2 Management Support**

There are unique challenges that SMEs face in implementing and sustaining a halal supply chain. This requires unyielding and dedicated commitment by the leadership of an organization. Effective management support with resource allocation, establishment of a culture for halal compliance, and execution of required operational changes is very vital. According to Talib et al. (2015), strategic foresight and vision of an organization is so crucial for the success of a halal supply chain. An elaborated vision that is well-defined, comprehensively elaborated upon, and in conformity with industrial guidelines guarantees perpetuity of halal practices. Management investment in integration of halal certification procedures, training of staff, and infrastructural development of supply chain infrastructure must be ensured. According to Sulaiman et al. (2021), employee training and engagement is very important for the entire halal supply chain to be effective (Muhamad et al., 2022).

Improvement and monitoring continuously are very crucial to review the effectiveness of the processes and make improvements wherever necessary. Strong risk management is equally important for SMEs to maintain the halal certification and meet the growing demand by the customers (Sulaiman et al., 2021; Talib et al., 2015). Despite such discouraging factors, strong and forceful leadership can overcome other hurdles like financial constraints, a lack of knowledge, and perceived complexity (Ahmad et al., 2017; Kristiana et al., 2020).

The greater integration of the halal supply chain is needed to ensure that the concept of halal is upheld, not only for the final product but throughout the value chain. Only limited research has been carried out about how SMEs have implemented a Halal management system, and therefore there is a dire need for empirical investigation of the critical success factors. The identified key factors include top management commitment, continuous supply of halal-certified raw material, training of employees, and development of operational procedures and financial records (Kristiana et al., 2020; Talib et al., 2015).

### **2.3.3 Technology**

With the globalization of markets and the increasing demand for halal products, small and medium-sized firms also integrate halal into their supply chains. However, implementing a halal supply chain can be challenging, especially in terms of staff acceptance and commitment to its implementation. According to Muhamad et al. (2022), employee acceptability is a critical determinant in the successful implementation of a Halal supply chain management system at SMEs. In other words, it is the employees who have a critical role in ensuring that products maintain their integrity and halal standards throughout the value chain. These issues

should be prioritized by manufacturers and manufacturers, particularly SMEs, if they want to retain and attract more clients to strengthen their position in the market (Muhamad et al., 2020).

The adulteration of halal food items across the supply chain by producers and manufacturers in the food business has raised significant concerns among Muslim consumers (Muhamad et al., 2020). For SMEs to assure the halal integrity of their products, the workforce needs to understand and be committed to the processes of halal. SMEs face several challenges in implementing any new technology and process. These stem from the weak technical base of SMEs, a weak use of information technology, and a shortage of skilled workers. Whereas "Muhamad et al., 2020" refers to work done by Muhamad and others in the year 2020. A number of researches have been undertaken to investigate the degree of the relatedness of certain attributes to the technological readiness of SMEs in the halal food sector. Specifically, these studies focused on the need of resolving the technological impediments of SMEs, and creating holistic self-evaluation frameworks, within which SMEs can assess their points of readiness in regard to the halal standards and practices (Giyanti et al., 2020; Muhamad et al., 2020; Tarmizi et al., 2020).

Tarmizi et al. (2020) in one of these studies investigated the creativity of internet of things use in halal agro food SMEs in Malaysia and their challenges. The authors observed that although IoTs can enhance the halal foods supply chain traceability and management, most of the halal foods SMEs haven't adopted such technologies. Other researchers evaluated the halal traceability systems' adoption intention by agro-food SMEs in Malaysia and found the barriers including poor technological base, low information technology adoption and poor skilled labor (Muhamad et al., 2020; Tarmizi et al., 2020).

The results of these studies indicate that tackling the obstacles in technology faced by small and medium sized enterprises SMEs in the halal food sector is crucial for enhancing the preparedness and acceptance of halal-oriented supply chain management approaches. By gaining insights into the specific elements that impede the technological preparedness of SMEs decision makers, industry groups and tech providers can create tailored strategies and measures to foster the advancement and viability of the halal food supply chain.

## 5. Conclusion and Recommendation

Malaysian SMEs' readiness to engage in the halal food supply chain is impacted by a variety of variables, including employee acceptability, management support, and technology integration. Employee attitudes towards halal compliance are critical to the effective implementation of halal standards, necessitating a culture of acceptance and ongoing education within the organisation. Management support is as important, since it entails strategic planning, budget allocation, and a commitment to preserving halal certification. Technology is a key enabler in contemporary supply chains, providing solutions for tracking, quality assurance, and operational efficiency. However, SMEs face substantial hurdles when adopting technology, such as budgetary limits, a lack of technical understanding, and insufficient infrastructure. Despite these hurdles, SMEs must integrate technology to stay competitive in the global halal market.

In the light of the above failed barometers, the willingness of these Malaysian SMEs to feature in the halal food supply chain is strategic to the country's competitiveness in the global halal market. A crucial question of interest emerging from this research can be summarised as follows: employee acceptance, management support and technology integration as critical determinants of halal supply chain implementation. Since SMEs are the driving force of Malaysia's halal industry, they must overcome the barriers to technology adoption and training of an appropriate and motivated human capital to uphold halal standards.

As it has been observed, the halal market continues to expand across the countries, and this is a good opportunity for Malaysia to dominate this market but the hurdle here is that Malaysia's SMEs encounter challenges about the willingness of the workforce and the level of technology adoption. Hence, the studies stress that to sustain Halal integrity throughout the supply chain, management support, training, and technology are crucial for SMEs. If the above factors are addressed, Malaysian SMEs will be better placed to address the demanding standards of Halal certification which will enable it to get a competitive foothold in the global Halal market. The constant effort that has been placed in the growth of Malaysia's Halal industry coupled with relentless support from the government will play critical role in sustaining the Halal industry going forward.

Building on the insights, it is possible to further state that SMEs' implication into the supply chain of halal food is not just a business proposition that the country needs, but a part of a much grander vision of Malaysia as an economic and cultural power. The halal industry in Malaysia means more than just a market; it is an embodiment of Malaysia's principles that include the adherence to Islamic shariah laws and regulations and its effort to become the leader in the global halal economy. This effort is being spearheaded by SMEs

constituting most of this industry as indicated earlier. On the need to be able to meet the demands of the halal supply chain, they are evidently ready to support the cause of making Malaysia the preferred source of halal products globally.

This transition must be supported by the employees and technologies must be integrated into the organization as well. This implies that integrated halal supply chain cannot be achieved when the workforce behind the supply chain is not fully committed towards the execution of halal practices or has not undergone proper training. Here, such engagement is taken a notch higher as it entails not only ensuring compliance to halal practices but also ensuring that the employees embrace these principles by ensuring that they are knowledgeable about them. Are awareness programs directed to sexually harassed employees effective. Awareness programs for SMEs, and training: why it is important for halal compliance? Such programs must be continuous for the employees to be in line with the current market standards of Halal supply chain management.

While technological adoption is the vehicle through which the supply chain of halal goods can be brought to the 21st century and made more efficient and effective. The use of technology like digital tracking, automation and the use of IoT to monitor and track halal products will definitely help in minimizing the challenges faced. But the study reveals that many of the SMEs are backward in this respect due to the factors such as the least technological advancement, IT incorporation, as well as scarcity of proper and skilled workforce. These challenges can only be met and addressed through the appropriate investment and implementation of effective technologies and facilities for growth of the right provision of strengthening and skilled IT specialists that may facilitate growth of these tools.

Moreover, the part played by the management in as much as these changes is quite instrumental. Managers of SMEs must take the lead in ensuring that the organizational environment is conducive to halal compliance and technology adoption. It includes not only identification of directions for development but also providing the necessary means for realization of these directions. The attitudes and behaviours of people working in the organisation can be strongly affected by top management's attitude toward halal practices and choice of technological solutions. The global implication of the findings therefore was that learning from the Malaysian experience could help other countries to improve their position with the halal industries especially in supply of halal food by SMEs. Overcoming the issues of engagement of the employees and technological readiness can help Malaysia to further improve the position and increase the export of the halal products setting a foundation for position as a leading halal country. It is the respective governments' continuous support especially through SME Corporation and Halal Industry Development Corporation (HDC) that will be imperative in maintaining such a pace and ensure the SMEs are well supported in their quest to compete in the global halal market.

Altogether, it can be argued that Malaysian SMEs are ready to engage in the halal food supply chain in which various factors stemmed from employee acceptance, technological solutions, and management support. By so doing, SMEs can address the challenge of satisfying the critical accreditation standards to access Halal certification as well as enhance Malaysia's leadership in the global halal markets for the long-term economic benefits. The integration of SMEs into the chain will bring competitive edge and improved performance to the companies and at the same time, Malaysia will remain a reputable producer of Halal products globally.

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