

# A Study on the Relationship between Supply Chain Management and Organization Performance: A Case Study of Sepah Constructional Investment Company

Asma Ebadi<sup>1</sup>, Seyed Heydar Mirfakhradin<sup>\*2</sup> and Shahnaz Nayebzadeh<sup>3</sup>

<sup>1</sup>Department of Management, Yazd Branch, Islamic Azad University, Yazd, Iran

<sup>2</sup>Department of Management, Yazd University, Yazd, Iran

<sup>3</sup>Department of Management, Yazd Branch, Islamic Azad University, Yazd, Iran

*Received: March 26, 2014*

*Accepted: May 17, 2015*

---

## ABSTRACT

In recent years, measuring corporate performance and indicators, has received the attention of many researchers. Supply chain management is one of the factors affecting organizational performance that is the major components of competitive strategies for increasing the productivity and profitability of the organization. Supply chain impact on procurement, production and distribution of goods and services processes and thereby create more value for customers. This effect becomes more important when factors such as global competition and penetration of new information and communication technologies, leads supply chain members to form special and different from the past relationships. The present research method is applied in target and cross - correlation in research methods that data collection is required using questionnaire. This study was conducted on employees of Sepah investment building company. The confirmatory factor analysis methods and techniques PLS used to examine the relationships between variables. The results show that the supplier dependence has a significant impact on the value integration infrastructure of supply chain. Dependency relationship between the supplier and the supply chain has been approved and this study also aims to describe the key aspects and basic tenets of the supply chain and examine the relationship between performance and organization supply chain.

**KEYWORDS:** supply chain, organization performance, relationships affecting the supply chain, supplier dependence.

---

## 1. INTRODUCTION

In today's world intensive trade, every product's success and its reaching to the predicted sale estimates is of a great importance. So, one of the success factors in the market is that of an influential and efficient supply chain. Supply chain integration, in a way the material and information flow effectively and orderly, is amongst the most important phenomena of a successful supply chain. In the new model of competition, the individual companies do not compete as a company against another company, but as a supply chain against another supply chain. So, those companies are successful whose supply chain is more economic compared to the others. The supply chain is a system whose main parts are the raw material suppliers, producers, distribution services, and customers, and these parts are connected through onward flow of material and goods, and backward flow of information. Most of the definitions of supply chain imply the linear structure of the chain, in a way or another. The most obvious characteristic is the flow of materials from upstream members to downstream members, and flow of information from downstream to upstream members [1]. Regarding the importance of supply chain, the study deals with the definitions and concepts of supply chain. Formerly, the organizations had short-period collaborations, and sought the maximum benefit in a short period. Nowadays however, with the ever increasing competitions, and change in customers' expectations, the organizations face several challenges. Their flexibility in coping with the customers' demands is amongst the critical elements of success in today's economy network. In such a condition, the need for a closer and longer collaboration becomes more critical. One of the ways applied by the modern organizations to cope with the mentioned challenges and provide added value for their beneficiaries is the management of integrated supply chain [2]. To put it simply, management of supply chain includes controlling, coordinating, planning and managing all the needed tasks in every phase of supply, production and distribution. The integrated supply chain requires integrating different processes in all parts of supply chain and preparing the needed infrastructures for the facilitation of the tasks, so the materials and information can easily flow. In this regard, the current study has dealt with this subject to see if the supply chain is related to organization performance or not?

## 2. Theoretical Framework and Hypotheses

### 2-1. Performance Assessment

Performance assessment is vital for every organization, since it eases the behaviors understanding, shapes it, and improves competitiveness [3]. It is of note that many efforts have been put in performance assessment in organizational level, but they are scarce and few in mid-organizational level. It also should be noted that in organizational level too, performance assessment is basically focused on the explicit and financial factors [4]. Nili, Gregory, and Platts [5] have defined the performance assessment as quantifying the effectiveness and the efficiency of tasks. Effectiveness is the level to which the customers' needs are fulfilled and efficiency is the level to which, the company's resources are economically used while a pre-determined level of customers' satisfaction is measured. Therefore, it can be said that the performance assessment systems are a set of metrics (measures) which quantify the actions' efficiency and effectiveness. Libas [6] defines performance assessment as transfer of performance complex reality into a sequence of limited signs which can be transferred under similar conditions and can be reported. Sync and Totell [7] assert that you cannot manage what you can't measure, and believe it is the main reason for measuring. Performance assessment can provide vital feedback information which enable the managers to supervise the performance, illuminate the progress, increase motivation and communications, and determine the problems[8]. Waggoner et al Performance assessment is an inseparable part of an effective planning, controlling and decision-making [9]. During the last years and due to the increase in supply chain management use importance and necessity, several process and conceptual models have been provided by natural persons and legal persons on supply chain management. These models generally are different in terms of manifest, regarding the industry and field of work, but they all determine the three key processes which are supplying, production, and distribution, regarding the concept, parts and the processes of supply chain. These processes result in forming the supply chain management when put together and integrated.

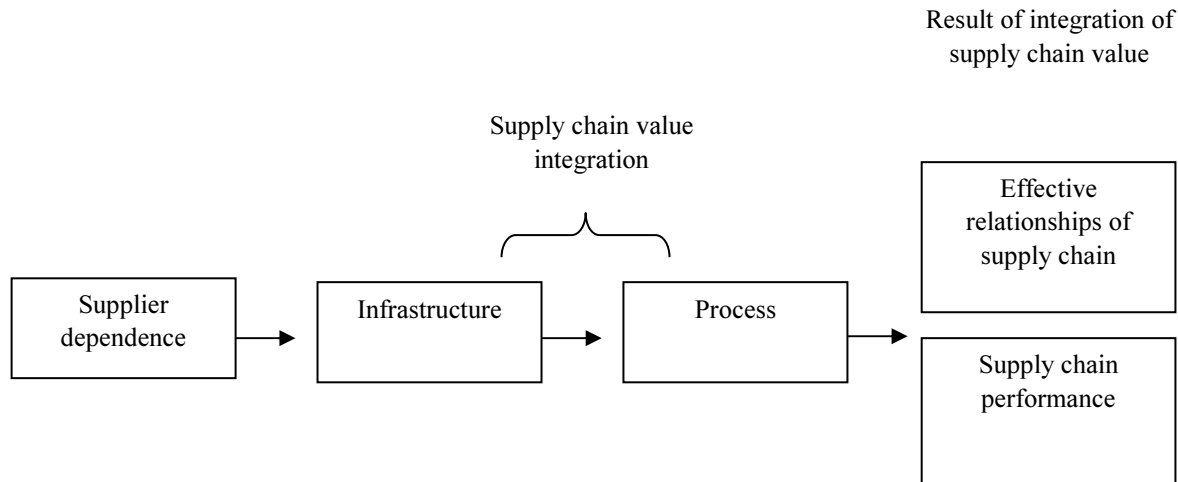
### 2-2. Supply Chain Management

Several researchers and authors have provided different definitions and viewpoints on supply chain. Some have confined the supply chain in the relationship between seller and customer, which only focuses on the first hand transaction in an organization. Others have a more extensive viewpoint on the supply chain and believe it includes all supply stems (supply bases) for the organization [10]. In a well-managed supply chain, the producers and their suppliers, buyers and customers, and in other words, all of the organization members are extended and collaborate to provide a product or a common service for which the customer is willing to pay [11]. Supply chain management is the integration of business processes ranging from final user to suppliers, which provide a product, service or information valuable to the customer [12].

### 2-3. Supply Chain Integration

Supply chain integration outbreaks as an important and vital factor in an organization success, when one talks about supply chain management. It has been posed plentiful in management related literature in the last decade. The researchers have found that the collaborative relations of supply chain<sup>2</sup> result in competitive benefit. In these relationships, the integrated efforts result in a shared value without which, collaborative relationships are not possible [13]. Many believe that the benefits of collaborative supply chain relationships occur only when the power and dependency are balanced in the chain [14], since the companies with imbalanced relationship between power and dependency in the supply chain, face numerous challenges integrating collaborative relationships with their partners. For example, retailers supply chain, have gone through extensive unions and vast changes in their dependencies [15]. In such a condition, how a dependent supplier encourages big dealers to enter a collaborative supply chain relationship whose aim is integrated tasks for creating a shared value, and not a competition for lower prices?

In order for the supply chain efforts to result in simultaneous increase in both customer and supplier value, a few questions are to be answered. Which process should be integrated for the shared value to be created? Which factors and mechanisms should be coordinated for facilitating these processes? What results should be obtained between contributors in an integrated supply chain? For answering these questions, McCarthy and Mentzer [16] have used supply chain integration theories and after testing and studying their model, have introduced a model. Their studies showed that how the supplier dependence can help the united behavior of supply chain and as a result, the integrated relationships between the customers lead in a shared value creation.



**Figure 1.** The conceptual framework of infrastructures integration and supply chain processes.

#### 2-4. Supply Dependence

With dependency, we mean the relationships in which, coordinated efforts increase the effectiveness of the members in the supply chain. Oliver (1990) suggests that asymmetrical dependency can decrease the effectiveness efforts done for developing the bonding behaviors and the symmetrical dependence is vital for improving the bonding models in which the members are benefited [17]. To make an asymmetric bonding more symmetric, the more dependent company has to balance the bonding [18].

#### 2-5. Integration of Infrastructure and Process

The structure and process attitude in integration is amongst the subjects much argued in the related literature shows the influence of structure on process [19, 20]. Two of the studies on integration in supply chain are focused on the information technology's role [21]. Integration is taken as 2-dimensional model in both studies. The first dimension- integration technology infrastructure- is facilitator and the second dimension is the actions for integrated supply chain. Kumar and Kirsten (2005) have done researches in which the supplier has made a special infrastructure for relationships, resulting in an increase in integration of supply chain processes.

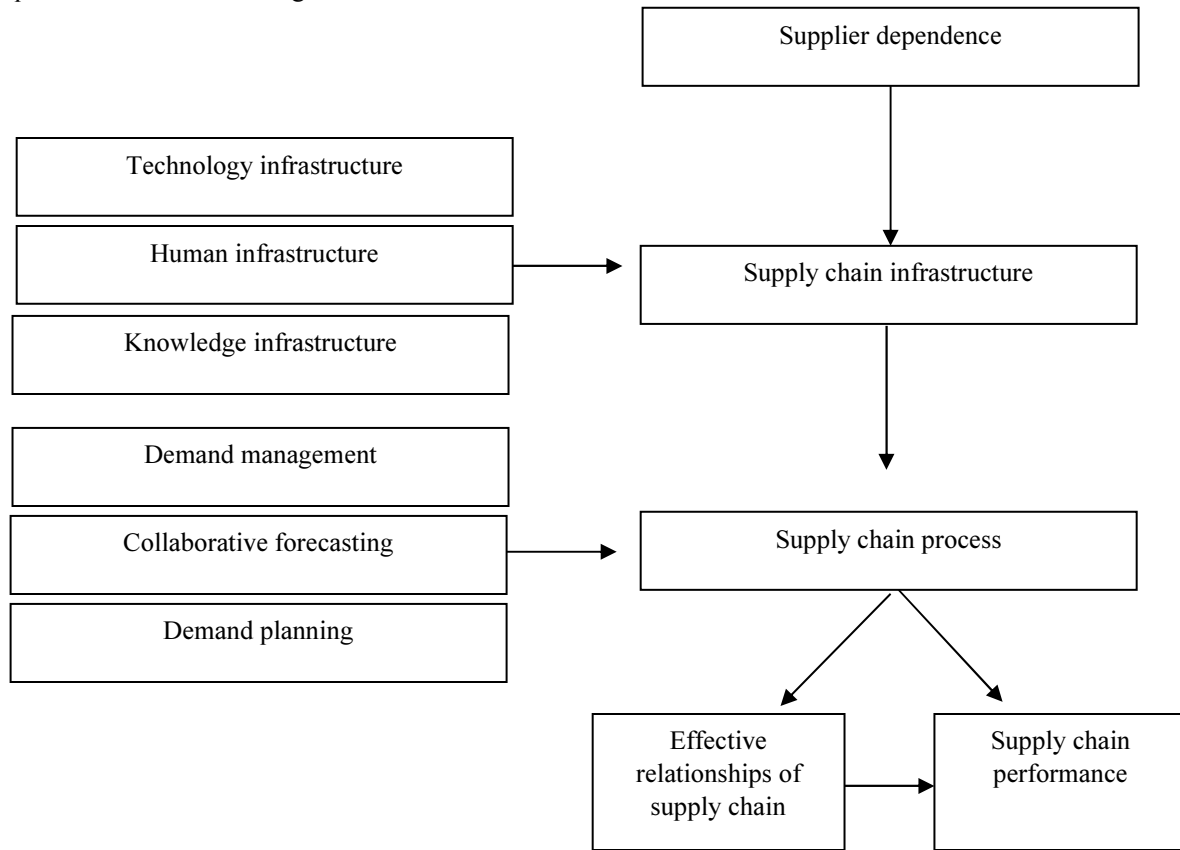
#### 2-6. The results of integration

Social interactions growth combined with the implicit knowledge bases, helps us with better understanding the motivation and results of the integrated supply chain exchanges [13, 22]. Implicit knowledge is created as a result of involving in complex social affairs and processes. For instance, the implicit knowledge which is transferred in a supply chain among its members, can hardly be constructed and imitated, and it makes resources for the supply chain partners, more efficient and effective, compared to the competitors [13]. The optimized supply chain performance can be obtained due to both cost reduction and income increase factors. For costs reductions, we can name the codification costs, monitoring and official contracts implementation and for the income improvements we can note shared value creation. For example, MacCarthy and Golicic [23] describe a condition in which, providing a common forecasting between supplier and customer enables the company to cope with the customers' demands changes for a product with a short life, quicker and by increasing the income for both companies the value is created and the eventual customer is also satisfied. The companies collaborating in the supply chain, share their skills, talents and resources in order to reach higher levels marketing and financial performance [21]. According to the theoretical frameworks and researches on Tressa and McCarthy model [16], the research hypotheses are as below:

- H1: Increase in suppliers dependence has a significant relationship with the supplier investment
- H2: The supplier investment has a significant relationship with the level of supply chain processes
- H3: Supply chain processes has a significant relationship with the level of supply chain performance
- H4: Supply chain values have a significant relationship with the level of effective relationships in supply chain
- H5: The effective relationships in supply chain have a significant relationship with the level of supply chain performance

**2-7. The conceptual model of the study**

Regarding the theoretical frameworks and research hypotheses, the extended Tressa and McCarthy [16] conceptual model is shown in figure 2:



**Figure 2.** Conceptual model of supply chain integration

As it is shown, the hypotheses provided in the study are presented in this model.

**2-8. Supply chain processes**

According to the results obtained from the empirical studies of Tressa and McCarthy [16], processes can be classified to demand management, collaborative forecasting, and demand planning.

- Demand Management: some of the interactions between the supply chain members, are focused on several attitudes in modelling and/or demand modifications, in order to obtain better results. These processes are used in such cases as new products development, unique packaging, and common trade mark<sup>3</sup>.
- Collaborative forecasting: the second class of trading processes include the tasks in which the supply chain members try to come to a consensus on the demand estimation. The four elements determining these processes are: information sharing, holding regular meeting for providing forecasting, focusing on the forecasting precision, and consensus on the final forecasting.
- Demand Planning: the third class of integrated processes include operation planning and sails. In fact, demand panning is the management of demand flow in the supply chain, between several companies. Production planning, transportation coordinating, and warehouse management can be noted as some examples.

**2-9. Supply chain Infrastructures**

Supply chain infrastructures are the structures that can facilitate the process coordination capacity between the companies. These infrastructures can be divided into three classes: information technology, human and knowledge.

- Technology Infrastructure: it is assumed as the main facilitator. It enables the supply chain companies to access the needed information in the due time.

- Human Infrastructure: although the technology infrastructure is known as the main infrastructure, the importance of human infrastructure should not be ignored. Actually, it is the individuals' communications with each other for facilitating the integrated relationships between supply chain members. Holding personal and remote meetings are valuable means for reaching to this aim. Some companies employ people whose job is only communicating with the strategic customers.
- Knowledge infrastructure: some companies teach their employee in order to improve their skills. For example, they hold workshops on treating the customers. Another knowledge infrastructure is that of feedback loops which helps the supply chain members in improving their performance level.

### 3. METHODOLOGY

The current study aimed at studying the effective factors on supply chain performance of Sepah Constructional Investment Company. It is of an applied type, based on correlation analysis. The researched population was Sepah constructional investment company which was established in 1366 as a private company with the Registration number 67840, dated 18/08/1366. The data gathering tool was a questionnaire with 51 questions. For reliability of the study, Alpha Cronbach coefficient was used. In the table 1, alpha Cronbach and the number of the questions and questionnaire's variables are presented.

**Table1.** Demographic Distribution of the samples

Variable	No of questions	alpha Cronbach
Supplier dependence	8	0.782
Supply chain value integration	12	0.768
Supply chain value integration processes	17	0.841
Effective relationships of supply chain	4	0.738
Supply chain performance	10	0.783
Total of questionnaire	51	0.836

## 4. Findings

### 4-1. Descriptive Statistics

Regarding the table2, from among the 56 samples who answered the questionnaire, 45 were male, 11 were female, i.e. 80% were male and 20% were female. Moreover, 71% were married. 68% had bachelor degree, 21% had master's degree, and 21% had associate degree.

**Table2.** Demographic Distribution of the samples

percentage	frequency	group	variable
80.4	45	male	gender
19.6	11	female	
28.6	16	single	Marital status
71.4	40	married	
10.7	6	associate	degree
67.9	38	bachelor	
21.4	12	masters	

In this study, descriptive statistics, frequency tables, and bar and loop diagrams were used for describing the demographic data. For factor analysis, a questionnaire was designed for data gathering it was assessed in terms of validity and reliability. Data analysis was done by SPSS18 and the relationship between the variables and factors were investigated using confirming factor analysis and PLs technique, by PLS Smart Grah2, which is variance-based modelling technique, and allow the assessment of theory and measure, at the same time. This method is used when the samples are small or the variables distribution is abnormal.

### 4-2. Comparing the research variables using the measurement scale mean

T-test for a sample is shown for comparing the observed mean of the research's variable to the theoretical mean of measurement scale. Regarding  $p < 0.05$ , all of the variables means are significantly different from the theoretical mean and regarding the variables mean which is higher than 3, all of the variables means are significantly higher than average.

**Table3.** The T-test for a Sample of Research Variables

Observed mean compared to statistic amount 3					variable
Mean differentiation	Level of significance	Degree of freedom	T element	mean	
0.42710	0.000	55	5.599	3.4271	Supplier dependence
0.27679	0.000	55	3.902	3.2768	Supply chain value integration
0.23991	0.001	54	3.346	3.2399	Supply chain value integration processes
0.98182	0.000	54	11.412	3.9818	Effective relationships of supply chain
0.43192	0.000	54	6.209	3.4319	Supply chain performance

#### 4-3. External model (measuring model)

In structural equations model typology, firstly it is required to determine the reliability of the studied element in order see if the chosen items are precise enough for the variables measurement or not. To do so, confirming factor analysis (CFA) is used. In table 4 are presented the factor amounts for every hidden variable elements.

**Table4.** Confirmative Factor Analysis (the amounts of factor measures and t value

T statistic	Std deviation	factor amounts	Items	variable
3.3060397	0.195585	0.654272	Q1	Supplier dependence(SD)
3.511502	0.196403	0.689670	Q2	
3.604182	0.184915	0.664467	Q3	
3.654235	0.180932	0.661169	Q4	
3.044925	0.224202	0.682679	Q5	
3.553335	0.207831	0.728100	Q6	
3.188400	0.175328	0.559017	Q7	
2.747712	0.202890	0.557484	Q8	
9.353175	0.065230	0.610104	TI	Supply chain value integration infrastructure(SCVII)
12.204855	0.065017	0.793527	PI	
38.519531	0.022304	0.859156	KI	
19.764914	0.041579	0.821814	DP	Supply chain value integration processes(SCVIPro)
9.937756	0.073598	0.731403	CF	
21.748871	0.039008	0.848389	DM	
4.919538	0.124019	0.610114	Q38	Effective supply chain relationship (ESCR)
12.014421	0.062609	0.752206	Q39	
11.605538	0.062729	0.728007	Q40	
7.020977	0.095499	0.670493	Q41	
5.391183	0.096649	0.521053	Q42	
10.879273	0.066330	0.721626	Q43	Supply chain performance(SCPer)
6.235184	0.112085	0.698872	Q44	
5.753994	0.108466	0.624115	Q45	
4.497936	0.123966	0.557593	Q46	
3.637860	0.091028	0.331229	Q47	
10.208300	0.072641	0.741543	Q48	
8.454852	0.063622	0.537918	Q49	
4.201681	0.132288	0.518015	Q50	
2.968051	0.153256	0.454873	Q51	

In case the items of the studied variables have  $t < 1.96$ , they are not significant enough to be measured, so they should be omitted. So, the reliability of elements which was done for assessing precision and importance of the chosen items for variables measurement, showed that all the items had proper factor structures for measuring the variables in the research model.

In structural equation model, in addition to component reliability which is chosen for assessing the importance of the items, diagnostic reliability is also required, i.e. the items of each variable eventually provide a proper differentiation in terms of measurement, compared to other variables. , in measurement model, the internal harmony of the model or reliability level, is measured by composite reliability calculating. Reliability coefficients are shown in the upcoming table. All the model structures have a high composite reliability in the model, and are higher than the criterion index of 0.6 introduced by Bagozy and Yai (1988). The composite reliability is indicative of the high internal reliability of the data.

**Table5.** AVE assessment and Variables Reliability Level

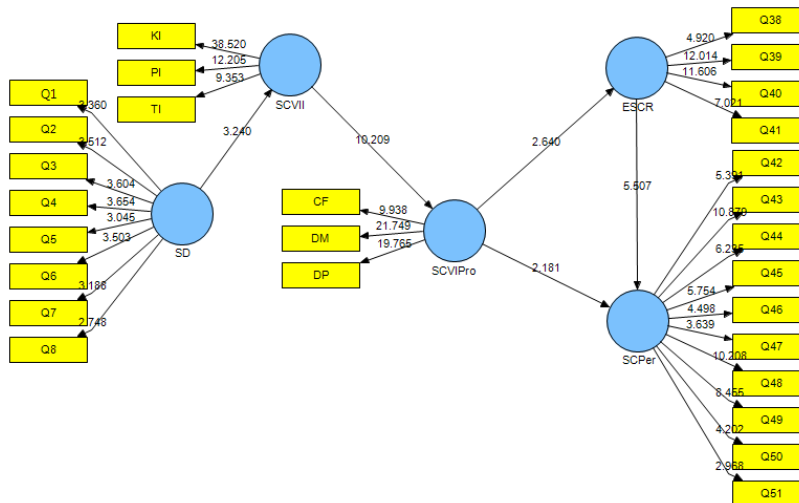
Determining coefficient	Alpha Cronbach	Composite reliability	AVE	variable
	(>0.7)	Composite reliability (>0.6)	(>0.5)	
0.05829	0.75369	0.78542	0.7594	ESCR
0.05775	0.74013	0.80252	0.68002	SCVII
0.28134	0.79595	0.83161	0.54053	SCPer
0.35527	0.73126	0.84353	0.74336	SCVIPro
-	0.8278	0.85493	0.62605	SD

According to PLS structure, measures are set for the survey scales that makes them easier for explaining the last external variable or dependent variable. The estimated measures (external measures) are used for calculating the amounts of structures index. These numbers are given in the upcoming table. In this phase and regarding the completion of variables refinement phase and making sure the indices are precise enough for measuring the concepts and related variables, the research hypotheses can be evaluated.

**Table 6.** External Measures Amounts for each Variable Item

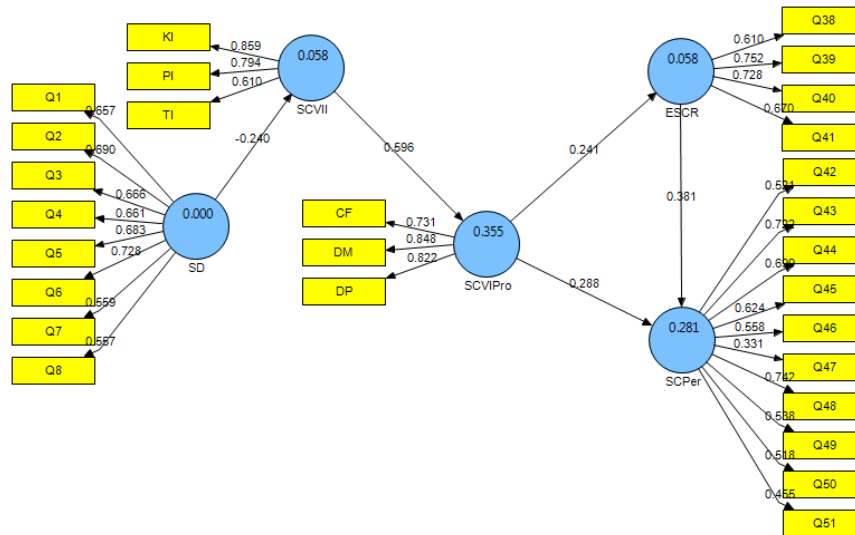
measure	item	measure	item
0.202535	Q38	0.110153	Q1
0.496238	Q39	0.352784	Q2
0.310673	Q40	0.215534	Q3
0.413107	Q41	0.055976	Q4
0.277389	Q42	0.034124	Q5
0.302714	Q43	0.274621	Q6
0.180371	Q44	0.217101	Q7
0.135904	Q45	0.368843	Q8
0.059301	Q46	0.287815	TI
0.080399	Q47	0.462194	PI
0.231233	Q48	0.532662	KI
0.025086	Q49	0.538718	DP
0.211118	Q50	0.362781	CF
0.158553	Q51	0.344105	DM

Figure 3 shows the model in significance numbers of t-value. The numbers on the path also are indicative of t-value for each path. To investigate the significance of path coefficients, the t-value should be higher than 1.96. in this analysis, all the t-values were higher than 1.96 through the whole path, which means they are significant.



**Figure 3.** Model in significant numbers of t-value

Figure 4 shows the model in standard coefficient state. The numbers on the lines are actually the beta coefficients, obtained from regression equations between variables. The numbers in circles are indicative of model's R<sup>2</sup> whose forecasted variables are put into circles by arrows.



**Figure4.** Model in the path coefficients state and factor measures

**4-4. Internal Model (structural model)**

The hypotheses were tested in the internal model framework and the structural model path was evaluated. Each path is correspondent to a hypothesis. Testing of each hypothesis is done through investigation of the sign, size, and Beta path coefficient statistical significance between each hidden variable and dependent variable. The more this path coefficient is, the more the forecasting effect of hidden variable will be compared to dependent variable. Regarding the results obtained from investigating the relationships between independent and dependent variables using the allocated coefficient, the significance of the effects between the research variables can be investigated. In order to assess the significance of path coefficient, the t-value for each path coefficient should not be ignored, so the Boot Sterling method is applied, for which resampling is simulated for 500 and 800 samples.

**4-5. Hypotheses Testing**

After reviewing the main model, the research hypotheses were tested and evaluated.

According to the table8, the absolute value of t-value is 3.24, which is higher 1.96, i.e. the supplier's dependence is significant on supply chain's value integration infrastructure, and the effective amount is 0.240 which is negative.

For the second hypothesis, the absolute value of t-value is 10.21. So, the supply chain's value integration infrastructure is significant on supply chain value integration, and it is 0.596 which is positive (direct).

Regarding the absolute value of t-value for the third hypothesis which is 2.64, the supply chain's value integration processes are significant on the effective relationships in supply chain and the value is 0.24 which is positive (direct).

For the fourth hypothesis, absolute value of t is 2.18 which is higher than 1.96. It means, supply chain's value integration processes are significant on supply chain performance, and its value is 0.29 which is again positive (direct)

For the fifth hypothesis, the absolute value of t is 5.51 and again higher than 1.96. it means, the effective relationships of supply chain are significant on the supply chain's performance and its value is 0.38 which is also positive(direct).

**CONCLUSION AND DISCUSSION**

Regarding the first hypothesis which was approved, it can be concluded that the factors effective on the supplier dependence such as customer, customers communication cut, customer income, sails amount, customer replacement, and customer buying also affect supply chain value integration infrastructure.

The second hypothesis indicates that supply chain value integration infrastructure affects the supply chain value integration processes, so it can be concluded that the factors effective on the supply chain value integration infrastructure such as technology infrastructure, human infrastructure, and knowledge infrastructure, also directly affect the supply chain value integration processes.

The third hypothesis is also confirmed which indicate that supply chain's value integration processes affects the factors effective on supply chain. The proper mutual relationships(buyer and customer), efforts for



maintaining the good relations, trust, are the factors effective on both supply chain value integration processes and effective relationships in the supply chain.

For the fourth hypothesis, it was confirmed that supply chain value integration processes affect the supply chain performance. So factors such as servicing, bids timing, market share, sail conditions, customers share, sails profit rate, and investment profit rate affect the supply chain value integration processes.

The effective relationships in supply chain affect supply chain's performance. So it can be concluded that factors such as making a valuable, fruitful, satisfying and fair relationship between the members of supply chain affect the supply chain performance.

The simultaneous conduct of supply chain management methods is only financially vital for the companies which seek to improve their competitiveness. The studies done in this regard show that the effective management and supply chain efficiency, help the companies finding customers and improving their services. Supply chain management plays an important role in obtaining market share and approves the strategic importance of a successful supply chain management.

### **Applicable Suggestions**

Since the supplier dependence affects the supply chain value integration, it is suggested for the companies' managers to pay more attention to dependence increase mechanisms, in order to improve their companies supply chain value integration. Regarding the ever growing changes in businesses and their unpredictability for the future, the companies cannot merely use strategic planning facing these changes, any more. Beside allowing quick relationships between the company and suppliers and distributors, conducting effective strategic thinking in the chain reduces the costs of it and eventually reduce the products prices and final services, and it also extend the market and increase the companies share. Applying a strategic thinking based on the market rules and predicting the changes and future occurrences, the companies are encouraged to choose a proper strategy regarding key skills and factors for their success and they keep to seek higher shares of the market. These factors lead to a purposeful direction for the company in the supply chain management which always help the chain with its aim that is satisfying the customers.

In terms of measuring supply chain management performance, more researches and innovative researchers are needed. Innovative for designing new criteria and plans, for assessing the whole supply chain and each organization performance, as a part of supply chain is required. Organization, suppliers, and customers should together discuss about assessing and improving the supply chain management performance measurement. Industrial coalitions, researchers and consultants can generally be effective and beneficial, for performance measurement development, especially in criteria development and measurement methods. They can play an important role in helping companies for current and future measurement in supply chain. It is obvious that there are many opportunities for developing criteria leading to facilitation and increase in supply chain integration.

### **REFERENCES**

1. Nilipour Tabatabaei A, Bagherzadeh Niri M, Shabani Sichani M., Model of simulation of supply chain management (MSSCM) (Case Study: Sepahan Machine Manufacturing Co.). Fourth International Conference on Management, 2006.
2. Mahdiar M, Akbarpour Shirazi M., Supply chain architecture: framework and methodology, the second conference Logistics and Supply Chain, 2006.
3. Fawcett, S, E. and Cooper M.B., Logistics performance measurement and customer success. *Industrial marketing management*, 1998. 27(4), p. 341-357.
4. Austin, I .E., *management in developing countries* .New York free press. 1990. 24(2), p. 70-99.
5. Neely, A., Gregory, M., and Platts, K., Performance measurement system design: A literature review and research agenda. *International Journal of operations and productions Management*, 1995. 15(4), p. 80 – 116.
6. Lebas, M. I., Performance measurement and performance management. *International Journal of Production Economics*, 1995. 41 (1/3), p. 23- 35.
7. Sink, D.S., and Tuttle, T.C., *Planning and measurement in your organization of the future*. Norcross, GA: Industrial Engineering and Management press, 1989.
8. Rolstandus, A., *performance measurement: A business process benchmarking approaches* New York: chapman and Hall:10, 1995.
9. Waggoner, D. B, Neely, A. D., and Kennerly, M. P., The forces the shape organizational performance measurement system: An interdisciplinary review. *International Journal of production Economics*, 1999. 60, p. 53-63.

10. Vajdi Vahid, Maryam, Supply Chain Management, Hamkaran System Database, 2004. 17.
11. Kuglin, I., customer centered supply chain management, prentice hall 1998. P. 156-189.
12. Alvarado Y., U, Kotzab, H., Supply chain management. The integration of logistics and marketing. *Industrial marketing management* · 2001. 12(3), p. 247-265.
13. Dyer, J.H. and Singh, H., The relational view: cooperative strategy and sources of interorganizational competitive advantage, *The Academy of Management Review*, 1998. 23(4), p. 660-679.
14. Oliver, C., Determinants of inter organizational relationships: integration and future directions, *Academy of Management Review*. 1990. 15, p. 241-65.
15. Whipple, J.S., Frankel, R. and Anselmi, K., The effect of governance structure on performance: a case study of efficient consumer response, *Journal of Business Logistics*, 1999. 20(2), p. 43-61.
16. McCarthy Teresa and Mentzer John·Integration supply chain infrastructure and process to create joint value·marketing department·Bryant University· Smithfcid, Rhode Island, USA and department of marketing and Logistics ·The University of Tennessee Knoxville· Tennessee. USA *International journal if physical Distribution and Logistics Management* 2011. 41(2), p. 135-161
17. Cooper, M.C. and Gardner, J.T., Building good business relationships: more than just partnering or strategic alliances?. *International Journal of Physical Distribution and Logistics Management*, 1999. 23(6), p. 13-26.
18. Heide, J.B. and John, G., The role of dependence balancing in safeguarding transaction-specific assets in conventional channels, *Journal of Marketing*, 1988. 52, p. 20-35.
19. Urban, G.L. and Hauser, J.R., *Design and Marketing of New Products*, 2nd ed., Prentice-Hall, Englewood Cliffs, NJ, 1993. P. 157.
20. Wu, F., Yenyurt, S., Kim, D. and Cavusgil, S.T., The impact of information technology on supply chain capabilities and firm performance: a resource-based view, *Industrial Marketing Management*. 2006. 35, p. 493-504.
21. Kim, D.S., Cavusgil, S.T. and Calantone, R.J., Information system innovations and supply chain management: channel relationships and firm performance, *Journal of the Academy of Marketing Science*, 2006. 34 (1), p. 40-54.
22. Macneil, I.R., *the New Social Contract*, Yale University Press, New Haven, CT: 42, 1980.
23. McCarthy, T.M. and Golicic, S.L., Implementing collaborative forecasting to improve supply chain performance, *International Journal of Physical Distribution and Logistics Management*, 2001.32(6), p. 431-54. MIT university website ([www.mit.edu](http://www.mit.edu)).