

## THE IMPACT OF SUPPLY CHAIN MANAGEMENT PRACTICES

### **The Impact of Supply Chain Management Practices on the Overall Performance of the Organization**

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**Purpose:** The purpose of this research paper to find the impact supply chain on overall performance of an organization.

**Methodology:** Data was collected through questioners in the month of May 2012, Approximately 30 questioners was distributed among the managers of the two organizations which are expected to have a best knowledge about the supply chain operations and its impact on the overall performance of the organization, all of them responded positively.

**Findings:** Its find that dimensions associated with SCM methods as well as explains the connection amongst SCM methods, aggressive benefit, as well as organizational overall performance.

**Implications and Limitations:** The actual study focuses about the causal associations in between SCM exercise, aggressive benefit as well as organizational overall performance as well as ignores the actual feasible recursive associations.

**Key Words:** Supply Chain Management, Effectiveness, Financial Performance, Organization Performance, Customer Relationship, Level of Information sharing, Postponement, Competitive Advantage.

## INTRODUCTION:

Effective and efficient supply chain management now have become a very valuable and important way to remain competitive in the market and to improve the organizational performance. It plays a very important role in staying competitive because the competition among the organizations is effected by the SCM. In early 1990 as the competition got intensity due to the global markets to deliver a product or service at a right place and at the right time. Due globalization now organizations are realizing that to be competitive in global and local market they should have to do the work is to get better the efficiencies inside the organization to improve the entire supply chain also more effective and efficient then your competitor. The organizations have to understand the concepts and the practices of SC management for the intention of achieving competitiveness and for increasing profits (Childhouse & Towill, 2003; Moberg, Cutler, Gross, & Speh, 2002; Power, Sohal, & Rahman, 2001; Tan, Lyman, & wisner, Supply Chain management: a strategic perspective, 2002).

SCM has been defined for the purpose of realizing the strategic character of the coordination among the trading partner and also describe the operations. The main reason of the Supply Chain management is progress in the routine operations of the individual organizations and to get better the performance of all steps involved in supply chain.

The objective of SCM is to combine the flow of information plussubstance to better utilize supply chain as a productive weapon for staying competitive (Childhouse & Towill, 2003) (Feldmann & Muller, 2003). Now many of the organizations have started recognizing SCM is an important key for build sustainable competitive edge for their products & services in global market with crowded customer (Jones, 1998).

Practice and implementation of strategic supplier corporation have great impact on product quality also organizations performance. The relationship with supplier is important in term of what type of material organizations required at what cost to improve their firm performance. This study checks the relationship of strategic supplier in supply chain to improve product quality and performance of Pakistani industries. To cheeks this relationship different methodology is used like Pearson correlation cluster analysis.

Malaysians manufacturing company conduct a variety of management program to improve the value and quality of product and improve organization performance. Due to globalization there is intense competition in the market and business must adopt competitive strategies in their operating system to sustain in the market. Competitive strategies relate to provide product at low cost and in better quality relative to competitor. Strategic competitiveness involves using latest technology in their operations to improve product efficiency.

To get completive advantage firm must adopt multiple niches to become more productive and competitive. Responsiveness is also important in their operation how quickly you satisfy

your customer. Your customer is not a position to wait your product if you do not provide quickly they will switch to other firm.

Manufacturing companies must focus on their improvement of supply chain management to maximize their outcome. Most researchers say that planning and implementation of (SCM) is an essential to survive in the global market and more profitability. Now a days most of the organizations have focus on to its supplier and customer.

There must be aligned between SCM and company strategy. SCM plays a vital role in building sustainable edge for their product and service in the global market.

Some problems occur in the implementation and understanding of SCM include in what practice means in SCM implement of SCM program and relate problem to measure the performance in team of practice and implementation. Involve the combination of all activity hat are performing with that al of maximum customer satisfaction at low cost.

SSP (strategic supplier partnership) will definitely results in positively in the organizations performance.. it has a great impact on the product performance and the organization performance. It mainly tells us about the relationship between the SSP and performance and also has a great positive impact on the SCM practices. The manufacturing companies in order to be successful should have to put a big emphasis on improving the relationship between the SSP in SCM process.

As supply chain is getting importance in many organization the purchasing now have been considered increasing important role in the function of buying from the business partners. Many researchers have disclosed active participate in strategic purchasing in the organizations planning process. It improves ht cross functional activities among the steps of SCM. it is playing the important role in between the supplier and internal customers of the organizations. And producing and providing value to the customers outside the organizations.

The relationship among the internal organization and promotion of the cross functional in the purchasing has played a very massive role. Its role of forecasting in the collaboration of the firm has yet not been studied.

Focusing on managing the relationship it is now considered the basis of competitive advantage. Strategic purchase contributes to the more development of originations. Basis capabilities by the firms is that the firm is working with a small no of supplier and promoting and open and secure communication among the suppliers relationship among the supply chain members developing the long term orientation to achieve the long term mutual gains.

All of the above capabilities enable them to maintain a competitive edge that will enable the firm. Some of the researcher have documented that the customer responsiveness is an essential element for any organization to improve the competitive advantage. Supply chain

management can have the very big emphasis on firms overall performance of the organization.

In this paper we will examine the impact of all the supply chain factors that have an impact on the overall performance of the organizations we will examine the relationship amongst purchasing supply chain management customer responsiveness and most important the overall performance.

In the modern era the ability to make and to manage the relationship among the supply chain is typical organizations assets. Some of the capabilities such as the relationship with the limited number of supplier and long term relations not only the purchasing plays a vital role in the development of the organization but the other factors are also involve in that.

#### LITERATURE REVIEW:

The practices of SCM is refer to complete set of actions which are done in organization towards to improve the effectiveness in the internal supply chain. The modern evaluation of the SCM practices that comprises of partnership with the supplier, process of outsourcing, compression of cycle time, continuousness of process flow and sharing or technology and information (Tan, Kannan, & Handfield, 1998) by using purchasing the quality and relations with the customer for the purpose of representing the practices of SCM practices which is a part of the empirical study (Alvarado & Kotzab, 2001). The use of the internal organizational system just like EDI and making sure of the elimination of the excessive inventory by lowering the customizations in the way to the supply chain (Tan, Lyman, & Wisner, Supply Chain management: a strategic perspective, 2002).

6 aspect of the SCM practices all the way through the factor study, integration of SC, sharing of information, characteristics of supply chain management of client services, physical proximity also the capabilities of J.I.T (Chen & Paulraj, 2004) relationship in long-standing communication, cross functional team and participation of vendor for the purpose of measuring the relationship of supplier and buyer.

(Min & Mentzer, 2004) Concept of SCM as of agreeing vision and goal of organization. sharing of information, award haring and risk, cooperation the process integration, the long-standing relationship and the leadership of supply chain. In process of reviewing and combining the literature five different dimensions have been identified.

strategic supplier partnership with the supplier. It is explained as the long-term based association between company and the supplier. The purpose is achieve the long term based benefits in the way of achieving the organizational benefits (stuart, 1997) (Balsmeier & Voisin, 1996) (monczka, petersen, Handfeild, & Ragatz, 1998) (sheridan, 1998) (Noble, 1997). It provides the organizations with the supplier and they help the organization in the process of planning and solving any problem. It enable the organization to work effectively and efficiently with the key supplier who are ready to bear the responsibility about the

winner or failure of the product and the services. The supplier involvement to designing process of the product and services could be cost efficient (Tan, Lyman, & Wisner, Supply Chain management: a strategic perspective, 2002).

Customer Relationship involves about the managing the complaints of the customers and fast solutions to their problems this helps the organization for maintaining the long term and good relationship with the customers and giving the customer more satisfaction (Claycomb, Droge, & Germain, 1999; Tan, Kannan, & Handfield, supply chain management: Supplier performance and firm performance, 1998).

(Noble, 1997; Tan, Kannan, & Handfield, supply chain management: Supplier performance and firm performance, 1998) Management of the relationship of the customer is the (monczka, petersen, Handfeild, & Ragatz, 1998) very important component in this process.

Level of information sharing contains two major parts the quantity of information, and quality of information. These two are more important for the SCM practices (Moberg, Cutler, Gross, & Speh, 2002; monczka, petersen, Handfeild, & Ragatz, 1998). How efficiently information is shared within and outside the organization (monczka, petersen, Handfeild, & Ragatz, 1998). Gathering of information from market. Exchange of communication is symbol of SSC relationship.

Postponement is referred bring forward one or more than one operations and activities to the later points of supply chain (Van Hoek, Measuring the Unmeasurable-measuring and improving performance in the supply chain, 1998; Beamon, 1998; Johnson & Davis, 1998; Naylor, Naim, & Berry, 1999; Van Hoek, Voss, & Commandeur, Restructuring European supply chain by implementing postponement strategies, 1999). Purpose of postponement strategy number of steps postpone and choose the steps to be postpone. Postpone helps the organizations for build flexible supply chain and product development

according to customer needs, and functions categories the product and its demand (Waller, Dabholkar, & Gentry, 2000). Its create balance between market demand and company capabilities to fulfil that demand (Fisher, 1997; Fuller, O'Connor, & Rawlinson, 1993; Pagh & Cooper, 1998)

Competitive advantage is value a company provide to their customer which is other company enable to provide same value. Capabilities of company may give competitive advantage over the competitors (McGinnis & Vallopra, 1999; Porter, 1985)

Organizational performance defined as how a company achieving their market goals, and also its overall goals (Yamin, Gunasekruan, & Mavondo, 1999). Increase productivity by using lower cost on inventory management are the short term goals of supply chain management long term goals of supply chain are enhance profit and its stock (Tan, Kannan, & Handfield, supply chain management: Supplier performance and firm performance, 1998)

### HYPOTHESIS:

The framework developed in this SCM proposed that the practices of SCM has and direct impact on the overall performance of the organization.(Shin, Collier, & Wilson, 2000; Prasad & Tata, 2000). Practices of SCM are supposed to increase the market share of an organization, return made on investment (Shin, Collier, & Wilson, 2000; Prasad & Tata, 2000) and also help the organization to improve the competitive position in the market (Carr & Person, 1999; Stanely & Wisner, 2001) e.g. strategic partnership with the supplier has resulted an increase in specific benefits in form of overall performance of the organization(Tan, Kannan, & Handfield, supply chain management: Supplier performace and firm performance, 1998; stuart, 1997; Carr & Person, 1999; Stuart, 1993) .Relationship with the customer (customer relationship) has shown to increase a prominent improvement in the performance of an organization (Tan, Kannan, & Handfield, supply chain management: Supplier performace and firm performance, 1998). The level of information sharing, related with lowering the total cost, the rapid and higher rate of fulfilling the orders of the customers, and shortening the time of order cycle(Lin, Huang, & Lin, 2002). A recent survey had concluded, organizations that are good at SCM, hold advantage of 40%-65% in cash-to-cash cycle time on the other organizations and the top organizations are carrying from 50%-85% than their competitors (sheridan, 1998).

Hypothesis 1. Firms with the high level of performance of the practices of the SCM will result in the high organization's performance level.

Practices of SCM will not only make a impact on the overall performance of the organization, but also on the competitive advantage of the organization. These practices are supposed to improve the organization's competitive advantage using the price/cost, the quality, the delivery dependability, the time to market, and product innovation. Prior studies had identified that some of the components of SCMpractices i.e. strategic partnership with the supplier have a major impact on various forms of competitive advantage (i.e. price/cost). For example, the strategic partnership with the supplier will help in improving the supplier performance, and will help to reduce the time to the market (Ragatz, Handfield, & Scannell, 1997)[94], and will also results in the responsiveness and satisfaction of the customer (Power, Sohal, & Rahman, 2001). Information sharing will help to high level of integration of supply chain(Jarrell, 1998) by making enable the organizations for the dependable delivery, also for introducing new product in marketquickly. Sharing of information and the quality of information contributing positively towards the satisfaction of the customers (Spekman, Kamauff, & Myhr, 1998) and quality of partnership (Lee & Kim, 1999; Walton, 1996). Strategy for postponement not only helps to increase the flexibility in SCM but also help to balance the global efficiency and responsiveness to the customer (Van Hoek, Voss, & Commandeur, Restructuring European supply chainby implementing postponement strategies, 1999).

Hypothesis 2. Firms having active consideration of the practices of SCM will be able to maintain competitive advantage at a high level.

Generally competitive advantage suggests, having one or more than one capabilities mentioned below when it is compared with the competitors, low level of prices, high level of quality, high dependability, and shortest time for delivery. Above mentioned capabilities, will in return, will help the organization to improve overall performance (Mentzer, Min, & Zacharia, 2000). Competitive advantage is a best way for achieving the economic performance at a high level, for achieving customer satisfaction and loyalty, and effectiveness in relationship. The brands having high loyalty will result in less switching rate as compare to their competitors in the target markets and thus increase in sale and profitability (Moran, 1981).

If an organization is providing products with high level of quality can charge extra prices and then is able to increase its profit. An organization with low time to the market will be able to enjoy a huge market share

Hypothesis 3. As the level of competitive advantage will be higher, there will be higher performance of organization.

#### RESEARCH METHODOLOGY

This section of research describes instrumentation, formulating the models and method used for sampling. Data was collected through questioners in the month of May 2012, Approximately 30 questioners was distributed among the managers of the two organizations which are expected to have a best knowledge about the supply chain operations and its impact on the overall performance of the organization, all of them responded positively. Respondents selected to this study were the managers, working on a higher post. The respondents were given a statement either agree or disagree by using a five point likert scale. Respondents were also asked to refer to their key supplier for the relevant questions. First part is comprised of the (SSP) strategic supplier partnership; describing the impact of the strategic partnership with the supplier of the company, and how they affect the overall performance of the organization, using 5 point likert scale enabling the respondents to answer the questions. The second part is consisted on the gathering of many performance measurements; (CR) customer relationship; consisted on how the customer is satisfied and up to what extent their complaints are being handled in order to keep the customer loyal to the organization, about meeting the expectations of the customers, as if they are satisfied they how it would affect financially for managing such an operations in the organization. (LIS) Level of information sharing, (LIQ) Level of information quality, Postponement, price/cost, Delivery dependability, Product innovation, Time to market, (OP) Organizational performance.

FINDINGS

Primary analysis which conducted was multiple regression and correlation statistics. Analysis for the quantitative data was divided in two phases: Analysis for preliminary data and hypothesis testing. Raw data given as input for generating descriptive statistics, which included the mean, correlation, standard deviation. For the purpose of hypothesis test Pearson’s correlation was used.

For the purpose of testing the relationship among the SCM practices with organizational performance and competitive advantage which was done by using the SPSS 15. SCM practices were used as independent variable and organizational performance as dependent variable. Table 1 describes the descriptive statistics, Pearson’s correlations, mean and standard deviations.

	Mean	S.d	Strategic Supplier Partnership	Customer Relationship	Information Sharing	Information Quality	Postponement	Price	Quality	Dependency	Production Innovation	Time To Market
Strategic Supplier Partnership	4.0750	.75019										
Customer Relationship	4.1300	.52022	.383									
Information Sharing	4.1000	.64979	.518(*)	.276								

Information Quality	4.1000	.62070	.073	.134	.291							
Postponement	4.1667	.56713	.526(*)	.494(*)	.294	.349						
Price	4.1750	.73045	.447(*)	.228	.331	.238	.074					
Quality	4.1000	.72275	.163	.412	.052	-.023	.203	.127				
Dependability	3.9250	.71221	.380	-.200	.444	.304	-.011	.608(*)	-.112			
Product Innovation	4.1067	.46516	.381	.529(*)	.387	.085	.310	.555(*)	.431	.304		
Time To Market	4.0000	1.1847	.345	.336	.209	.029	.279	.091	.656(*)	-.052	.287	
Organizational Performance	3.6857	.49182	.295	.515(*)	.433	.020	.332	.412	.363	.090	.526(*)	.323

**CORRELATIONS**

\* Correlation is significant at the 0.05 level (2-tailed).

\*\* Correlation is significant at the 0.01 level (2-tailed)

Information sharing has significant correlation with strategic supplier partnership ( $r=.518$ ,  $p<0.05$ ). Postponement has positive correlation with strategic supplier partnership ( $r=.526$ ,  $p<0.05$ ) and customer relationship ( $r=.494$ ,  $p<0.05$ ). Price had significant relation with strategic partnership ( $r=-.447$ ,  $p<0.05$ ). Dependability has significant correlation with price ( $r=.608$ ,  $p<0.01$ ). Product innovation had positive coefficient of correlation with customer relation ( $r=.529$ ,  $p<0.05$ ) and price ( $r=.555$ ,  $p<0.05$ ). Time to market has significant correlation with quality ( $r=.656$ ,  $p<0.05$ ). Organization performance has significant correlation with customer relationship ( $r=.515$ ,  $p<0.05$ ) and time to market ( $r=.526$ ,  $p<0.01$ ).

**Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.603(a)	.363	.315	.29124

**a Predictors: (Constant), competitive advantage, organizational performance**

**ANOVA (b)**

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	1.259	2	.630	7.424	.003(a)
	Residual	2.205	26	.085		
	Total	3.465	28			

**a Predictors: (Constant), competitive advantage, Organizational performance**

**b Dependent Variable: scm practices**

There is a significant correlation between dependent variable supply chain practices and independent variable competitive advantage, organizational performance ( $p<0.05$ ). It shows the positive correlation among these variable. So this is best fit for regression model.

**Coefficients (a)**

Model	Unstandardized Coefficients	Standardized	t	Sig.
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		Coefficients				
		B	Std. Error	Beta	B	Std. Error
1	(Constant)	1.218	.521		2.338	.027
	Organizational performance	.138	.138	.188	.997	.328
	Competitive advantage	.368	.146	.477	2.528	.018

**a Dependent Variable: scm practices**

Supply chain practices have no significant correlation with organizational performance. So we reject this hypothesis.

Supply chain practices has significant relation with competitive advantage ( $p < 0.05$ ) and accept this hypothesis.

ANOVA (b)

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	2.176	2	1.088	6.636	.005(a)
	Residual	4.262	26	.164		
	Total	6.438	28			

**a Predictors: (Constant), competitive advantage, scm practices**

**b Dependent Variable: organizational performance**

there is a significant correlation between dependent variable organizational performance and independent variable competitive advantage, supply chain practices ( $p < 0.05$ ). it shows the positive correlation among these variable. So this model is best fit.

Coefficients(a)

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	.965	.773		1.248	.223
	Scm practices	.267	.268	.196	.997	.328
	Competitive advantage	.468	.207	.445	2.268	.032

**a Dependent Variable: organizational performance**

there is no significant correlation between dependent variable organizational performance and independent variable supply chain practices. In such type of organization there is no practice of supply chain. Organization performance has positive correlation with competitive advantage ( $p < 0.05$ ).

#### IMPLICATION FOR THE RESEARCH

The actual study focuses about the causal associations in between SCM exercise, aggressive benefit as well as organizational overall performance as well as ignores the actual feasible recursive associations. It's possible which improved aggressive benefit as well as elevated organizational overall performance might have enhanced the actual amounts of SCM exercise. The actual elevated competition of the organization may enable a company in order to put into action higher-level associated with SCM exercise because of the have to outshine it's rivals constantly and maintain it's aggressive placement within today's powerful business community. However, improved organizational overall performance supplies a organization elevated funds in order to put into action numerous SCM methods. Similarly, improved organizational overall performance might have elevated the actual aggressive benefit of a company. For instance, a company along with great monetary capability can pay for to provide low cost, which supplies a price benefit more than it's rivals.

Because today's competitors is actually shifting through "among organizations" in order to "between supply chains", increasingly more businesses tend to be increasingly adopting SCM exercise within the actual wish associated with decreasing supply chain expenses as well as acquiring aggressive benefit. The actual results of the investigation assistance the actual look at which SCM methods might have noticeable effect on aggressive benefit as well as organizational overall performance. It ought to be mentioned how the SCM methods perhaps affected by contextual elements, like the kind of business, organization dimension, the firm's placement within the supply chain, provide string duration, as well as the kind of the provide string. For instance, the amount of client romantic relationship exercise, calculated through client satisfactions as well as anticipation, perhaps greater with regard to company located at the conclusion of the supply chain (near to the customer). The bigger businesses may have greater amounts of SCM methods because they usually have more complicated supply chain systems necessitating the requirement with regard to much more administration associated with supply chain. The amount of info quality maybe affected negatively by the duration of the supply chain. Info is affected with delay and distortion since it moves across the supply chain, the actual smaller the actual supply chain, the actual much less opportunity it'll obtain altered. Furthermore, the larger degree of post ponement perhaps connected along with make-to-order as opposed to make-to-stock manufacturing techniques. Due to the restricted quantity of findings (196), the actual revalidation associated with constructs wasn't completed with this investigation. Insufficient organized confirmatory investigation impedes common contract upon using device. Long term

investigation ought to revalidate dimension weighing scales created via this particular investigation. Because the idea of SCM is actually complicated as well as entails the system associated with businesses within the work associated with generating as well as providing your final item, it's whole site can't be protected in only 1 research. Long term investigation may increase the actual site associated with SCM exercise by considering extra measurements for example physical closeness, JIT/lean capacity, cross-functional coordination, logistics integration, as well as decided supplychain management, that have been overlooked out of this research. The actual long term study can additionally check the actual relationships/dependencies amongst 5 measurements associated with SCM methods. For instance, info discussing may require the actual business of the proper provider relationship. The information for that study consisted associated with reactions through solitary participants within an business that perhaps a trigger with regard to feasible reaction prejudice. The outcomes possess to become construed getting this particular restriction into consideration. The utilization associated with solitary respondent may generate a few dimension inaccuracy. Long term investigation ought to look for to make use of several participants

through every taking part business to improve the study results. It will likewise end up being associated with curiosity to make use of the actual participants through sets associated with businesses from 2 finishes associated with supplychains. By comparing various look at associated with SCM methods through businesses over the supplychain, you'll be able to identify the power as well as weak point from the supplychain as well as additionally the very best typical SCM exercise over the supplychain. Long term investigation may study SCM problems in the supplychain degree. Going for a solitary supplychain for example, it's associated with curiosity to research the actual features, plan, as well as system regulating this particular supplychain, the actual relationships amongst all of the individuals inside the supplychain (first-tier providers, second-tier providers, producers, service providers, clients, and so on), as well as the way the SCM methods vary throughout every taking part business. Long term research may also look at the actual suggested associations by bringing a few contextual parameters to the design, for example organizational dimension and provide string framework. For instance, it will likely be interesting to research exactly how SCM exercise varies throughout business dimension. It will likewise end up being fascinating to look at the actual effect associated with provide string framework (supplychain duration, organization's placement within the supplychain, funnel framework, and so forth) upon SCM exercise as well as aggressive benefit.

#### CONCLUSION:

This particular document offers empirical validation for any construction which recognizes 5 key dimensions associated with SCM methods as well as explains the connection amongst SCM methods, aggressive benefit, as well as organizational overall performance. This looks at 3 investigation queries: (1) perform businesses along with higher amounts of SCM

methods possess higher amounts of aggressive benefit; (two) perform businesses along with higher level associated with SCM methods possess higher amounts of organizational overall performance; (3) perform businesses along with higher amounts of aggressive benefit possess a higher level associated with organizational overall performance? With regard to the objective of looking into these types of problems an extensive, legitimate, as well as dependable device with regard to evaluating SCM methods originated. The actual device had been examined utilizing thorough record assessments such as convergent validity, discriminate validity, dependability, and also the affirmation associated with second-order constructs. This particular study provides empirical proof to aid conceptual as well as prescriptive claims within the books concerning the actual effect associated with SCM methods.

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**Research Questionnaire:**

With regard to SCM practice, please circle the number that accurately reflects your firm's present conditions.

*Strategic supplier partnership (SSP)*

SCMP/SSP1 We think quality is our best one criterion in selecting the suppliers.

1    2    3    4    5    6

SCMP/SSP2 We continuously solve problems by joint effort with the suppliers.

1    2    3    4    5    6

SCMP/SSP3 We have provided information to the suppliers for improving their products quality.

1      2      3      4      5      6

SCMP/SSP4 We have made continuous focus on the improvement programs which is done in with the help of our main suppliers.

1      2      3      4      5      6

SCMP/SSP5 We involve our key suppliers in the planning processes and in goal-setting activities of our organization.

1      2      3      4      5      6

SCMP/SSP6 We regularly involve our main suppliers in the process of development new product.

1      2      3      4      5      6

#### *Customer relationship (CR)*

SCMP/CR1 We have frequent interaction with our customers to achieve reliability, the responsiveness, and improving some basic standards for our organization.

1      2      3      4      5      6

SCMP/CR2 We focus on measuring and evaluating customer satisfaction for our products.

1      2      3      4      5      6

SCMP/CR3 We are regularly determining the future customer expectations about our products.

1      2      3      4      5      6

SCMP/CR4 We are facilitating our customers to get assistance about products from us.

1      2      3      4      5      6

SCMP/CR5 We are evaluating periodically the importance of the relationship to our customers.

1      2      3      4      5      6

#### *Level of information sharing (IS)*

SCMP/IS1 We regularly inform to our trading partners before the changing needs and demand.

1      2      3      4      5      6

SCMP/IS2 The trading partners of organization are sharing continuously proprietary information with us.

1      2      3      4      5      6

SCMP/IS3 Our key trading partners make us informed about the issues which affect the operations of our business.

1      2      3      4      5      6

SCMP/IS4 Our key trading partners are sharing business knowledge of main business processes with us.

1      2      3      4      5      6

SCMP/IS5 We with our key trading partners are exchanging information that helping us in the establishment of the business planning.

1      2      3      4      5      6

SCMP/IS6 We and our trading partners keep each other informed about events or changes that may affect the other partners.

1      2      3      4      5      6

*Level of information quality (IQ)*

SCMP/IQ1 There is timely exchange of Information b/w us and our trading partners.

1      2      3      4      5      6

SCMP/IQ2 There is accurate information exchange b/w our trading partners.

1      2      3      4      5      6

SCMP/IQ3 There is complete information exchange b/w our trading partners.

1      2      3      4      5      6

SCMP/IQ4 There is adequate information exchange b/w our trading partners.

1      2      3      4      5      6

SCMP/IQ5 Information exchange between our trading partners and us is reliable.

1      2      3      4      5      6

*Postponement (POS)*

SCMP/POS1 Our products are designed for modular assembly.

1      2      3      4      5      6

SCMP/POS2 We delay final product assembly activities until customer orders have actually been received.

1      2      3      4      5      6

SCMP/POS3 We delay final product assembly activities until the last possible position (or nearest to customers) in the supply chain.

1      2      3      4      5      6

With regard to competitive advantage of your firm, please circle the appropriate number to indicate the extent to which you agree or disagree with each statement. The item scales are five-point Linkert type scales with 1 = strongly disagree, 2 = disagree, 3 = neutral, 4 = agree, 5 = strongly agree , 6 = not applicable.

*Price/cost: an organization is capable of competing against major competitors based on low price.*

CA/PC1 We offer competitive prices.

1    2    3    4    5    6

CA/PC2 We are able to offer prices as low or lower than our competitors.

1    2    3    4    5    6

*Quality: an organization is capable of offering product quality and performance that creates higher value for customers.*

CA/QL1 We are able to compete based on quality.

1    2    3    4    5    6

CA/QL2 We offer products that are highlyreliable.

1    2    3    4    5    6

CA/QL3 We offer products that are verydurable.

1    2    3    4    5    6

CA/QL4 We offer high qualityproducts to our Customer

1    2    3    4    5    6

*Delivery dependability:*

*an organization is capable of providing on time the type and volume of product required by customer(s).*

CA/DD1 We deliver customer order on time.

1    2    3    4    5    6

CA/DD2 We provide dependable delivery.

1    2    3    4    5    6

*Productinnovation:*

*an organization is capable of introducing new products and features in the market place.*

CA/PI1 We provide customized products.

1    2    3    4    5    6

CA/PI2 We alter our product offerings to meet client needs.

1    2    3    4    5    6

CA/PI3 We respond well to customer demand for “new” features.

1    2    3    4    5    6

*Time to market: an organization is capable of introducing new products faster than major competitors.*

CA/TM1 We are first in the market in introducing new products

1    2    3    4    5    6

CA/TM2 We have time-to-market lower than industrya verage.

1    2    3    4    5    6

CA/TM4 We have fast product development.

1      2      3      4      5      6

Please circle appropriate number which best indicate your firm's overall performance. The item scales are five-point Likert scales with 1 = significant decrease, 2 = decrease, 3=same as before, 4=increase, 5=significant increase, 6 = not applicable.

*Organizational performance: how well an organization achieves its market-oriented goals as well as its overall goals.*

OP1 Market share.

1      2      3      4      5      6

OP2 Return on investment.

1      2      3      4      5      6

OP3 The growth of market share.

1      2      3      4      5      6

OP4 The growth of sales.

1      2      3      4      5      6

OP5 Growth in return on investment.

1      2      3      4      5      6

OP6 Profit margin on sales.

1      2      3      4      5      6

OP7 Overall competitive position.

1      2      3      4      5      6