2014 Volume 3, Issue 2

Challenging Organisations and Society

reflective hybrids®

On the Move: Patterns, Power, Politics

COS-journal
Peer-reviewed

Journal "Challenging Organisations and Society . reflective hybrids® (COS)"
COS is the first journal to be dedicated to the rapidly growing requirements of reflective hybrids in our complex 21st-century organisations and society. Its international and multidisciplinary approaches balance theory and practice and show a wide range of perspectives in and between organizations and society. Being global and diverse in thinking and acting outside the box are the targets for its authors and readers in management, consulting and science.

Proofreading: Deborah Starkey

Layout: www.kronsteiner-lohmer.at

Terms of Publication: Before publication authors are requested to assign copyright to "Challenging Organisations and Society . reflective hybrids®" At least one year after initial publication in "Challenging Organisations and Society . reflective hybrids®" the authors can retain their right to reuse the paper in other publications. Authors are responsible for obtaining permissions from copyright holders for reproducing any illustrations, figures, tables, etc. previously published elsewhere. Each author will receive an emailed proof of his article and a copy of the journal.

Content

Robert Jan Blomme, Jack AA van der Veen and Venu Venugopal

Silver Lining of a Dark Cloud: Using Social Innovation to Make the Supply Chain a Crisis-buster

Abstract

In this paper it is argued that Supply Chain Management can benefit in two different ways from the economic crisis which resulted from the Lehman Brothers bankruptcy. Not only will management attention shift more to creating the right products/services for the right customer (i.e., to more strategic use of Supply Chain Management), but the post-Lehman period also calls for social innovation, new ways of management and new organizational values. By using Fiske's four types of sociality, it is shown that social innovation matches with the requirements that are needed to implement high levels of supply chain collaboration within and between organizations. Together such positive developments can help in realizing the potential of supply chains to create more value for customers and organizations alike and function as a crisis-buster.

Keywords: supply chain, sociality, social innovation, alignment

1. Introduction

The collapse of Lehman Brothers in September 2008 marked the start of a worldwide economic crisis and caused a difficult situation for many organizations. As every cloud has a silver lining, so every crisis must have a positive side. Following the cliché "never waste a good crisis", a key management question at times of crisis is: how can we benefit from the current crisis and turn the bad situation into something good? Obviously, any crisis also provides an opportunity for making changes that can assist the organization to improve and become more profitable. So the key management question is: which changes can be used as a crisis-buster? This paper will discuss one such opportunity, namely using the organization's supply chain (SC) as a key competitive weapon to satisfy the end-consumers' demand better, faster and at lower cost.

In fact, Supply Chain Management (SCM) can benefit from the credit crunch situation which resulted after the Lehman Brothers bankruptcy in two different ways. First, it can be observed that, driven by the economic crisis and the associated fall in demand, organizations increasingly concentrate on achieving excellence in their SC activities. After all, in a period of declining markets and poor financial circumstances, all the attention of the organization should go (back) to the core of what businesses do and make money with, namely to source, produce and distribute the "right" bundle of products and/or services for the "right" customer. In other words, at times of crisis the organization's SC is receives higher priority within organizations compared to pre-crisis era, which can largely benefit the organization and its suppliers and its customers alike.

Next to dealing with the consequences of the crisis, the causes of the crisis have also largely changed the (public) opinion on (large) organizations and their (top) managers. The type of managers that once were idealized as being "strong leaders" today stand as being "greedy profiteers", lacking basic integrity, having taken disproportionate risks over the backs of their workers and leaving themselves with huge bonuses and ordinary citizens with the bill.

The behavioral aspects that led to the credit crunch and the resulting public uproar might prove to be a blessing in disguise as they have triggered the search for other ways to run and lead organizations and to find "new" approaches to management including less hierarchy, more trust, less control, more space for individual professionals, less fragmentation and more cooperation; a development that can be referred to as *social innovation*; cf. (Pot & Vaas, 2008).

In this paper it is argued that this second benefit of the post-Lehman crisis for SCM is that those values (e.g., openness, integrity, transparency, honesty, trust and reciprocity) that are sought in social innovation match with those values that are needed for successful implementation of SC Collaboration which, in turn, can lead to improved SC performance. In short, the Lehman bankruptcy might actually lead to supply chains becoming a "crisis-buster".

The remainder of this paper is organized as follows. In the next section a short review on the need to implement SCM and the required changes in order to do so will be discussed. After that, various forms of sociality will be reviewed using an influential taxonomy from (Fiske, 1992). This taxonomy is used in the subsequent two sections to argue that in the post-Lehman era the need to change the dominant sociality matches with the sociality needed for successful SC Collaboration. In the final section conclusions are drawn and managerial implications are given.

2. Supply Chain Collaboration

Until recently, companies perceived themselves as a stand-alone entity in the business environment. However, as a result of specialization and concentration on the core business and global sourcing and outsourcing, increasingly companies begin to realize that they are a part of a chain (or) network of entities which jointly delivers a bundle of products and/or services to the end-users. A *supply chain* (SC) is formed by a company together with its supplier and its customer, the supplier of the supplier and the customer of the customer and so on.

Following (Mentzer et al., 2001), *Supply Chain Management* (SCM) can be defined as the systemic, strategic coordination of the traditional business functions within a particular company and across businesses within the supply chain, for the purposes of improving the long-term performance of the individual companies and the supply chain as a whole. From this definition is can be observed that there is an internal and an external side to SCM. *Internal SCM* is all about coordinating functions like Purchasing, Operations, Logistics, Finance and Marketing and coordinating the various business units within a single organization. *External SCM* is focused on the coordination of the various autonomous organizations in the supply chain. *SC performance* relates to creating end-to-end value and reducing waste; i.e., creation of products and/or services effectively and efficiently in order to satisfy end-user demands better, faster, in a more sustainable way at lower cost, while simultaneously reaching new markets and fostering innovation so that better profitability is achieved for all entities involved.

An elemental reason behind the fact that the (internal and external) SC is increasingly split up in various entities can be traced back to the fundamental concept of Adam Smith's division of labor; specialization by entities together with trade between the entities leads to increased wealth for all involved, cf. (Hamowy, 1968). From his concept it can be understood that departmentalization, outsourcing and focusing on core business are sought because of the positive effects of specialization. However, clearly, the more specialization, the more there is a need to coordinate between the various specialized entities. In other words, SCM is the natural "companion" of specialization. This implies that in today's specialized world, no single function, business unit or company can survive and prosper on their own, hence the increased importance of SCM.

An additional reason why coordination between (internal and external) entities is highly desired stems from elementary Systems theory; in a situation where mutual dependent entities use myopic optimization does typically lead to an suboptimal performance for the system as a whole, (cf. Sterman 2000). In other words, if the various supply chain entities act solely in their own best interest, this leads to suboptimal SC performance, i.e., to a lower level of customer satisfaction and/or lower profitability of all entities together when compared to a situation where the entities collaborate with a single goal.

Traditionally, entities are coordinated internally by creating layers of hierarchical control and coordinated externally by using vertical integration (and imposing hierarchical control on the vertically integrated firms). Over the last decades such coordination solutions were increasingly found to be less effective and efficient; the distance between the "top" of the organization and the work floor was simply too large. This has triggered the search for new type of coordination mechanisms, which is the key research question of the field of SCM.

One of the major approaches within the area of SCM is to coordinate the various entities through high levels of collaboration. Essentially, *SC Collaboration* can be created through a bundling of various interconnecting elements such as information sharing, goal congruence, decision synchronization, incentive alignment, resource sharing, collaborative communication and joint knowledge creation, see (Cao et al., 2010).

When it comes to the implementation of SC Collaboration, there appears to be a huge gap between the theoretical concepts and its application in real-life settings. From the theoretical models and empirical findings, it is evident that SC Collaboration leads to improved SC performance, cf. (D'Avanzo et al., 2003) and (Li et al., 2006). Unfortunately, despite the promises of the SC Collaboration theories and a wide variety of successful implementation cases reported, the concepts of SC Collaboration are still not widely implemented by the mass of organizations, cf. (Moberg et al., 2003) and (Richy et al, 2009). In fact, this paper is intended to derive a possible explanation for the huge gap observed and to give pointers for making the required changes.

To study the requirements for implementation of SC Collaboration, the following three-partite framework is postulated. Implementation of SC Collaboration requires that managerial attention is paid to three areas: (1) SC Strategy; (2) SC Infrastructure and (3) Mindset and Behavior.

SC Strategy relates to the extend in which the organization views SCM as a core activity and to which extend the SCM activities follow a clearly defined and deployed strategy (e.g., a choice on which KPIs it wants to excel and which KPIs are relatively less important). The *SC Infrastructure* relates to the use of assets and resources and the mutual agreed authorities, rules, procedures, processes and systems of the collaborating entities and their performance system to ensure the (joint) goals are achieved. *Mindset and Behavior* is all about the human interaction as well as supply chain wide behavior and especially to which extend there exists shared values with respect to honesty, integrity, trustworthiness, openness and transparency among them, to sustain a collaborative culture on a continuous basis in an ethical way.

Within the three-partite framework it is assumed that: (i) the higher the level achieved on the three areas, the better SC Collaboration works and the better the SC performance will be; and (ii) the area with the relative lowest achieved level is the "bottleneck area" in the sense that the lowest level area determines the overall level of SC Collaboration achieved. In other words, to improve SC Collaboration, the SC must first work on achieving a higher level on the bottleneck area and only if the three areas are elevated in a "balanced" fashion, SC Collaboration is improved and will be successful.

Generally speaking, in everyday practice the current situation appears to be that, if anything, firms are primarily focused on establishing the SC Infrastructure. For instance, relatively many organizations have implemented CRM, vendor-rating systems, IT-systems like ERP and EDI, SC software et cetera. However, both the SC Strategy area and the Mindset and Behavior area appear to be lagging behind and are therefore the most likely bottlenecks when it comes to SC Collaboration.

With respect to the SC Strategy area, surprisingly, despite the proven good results from SCM initiatives, a minority of organizations have made the supply chain a competitive advantage. For example, the PwC Global Supply Chain Survey 2013 stated that "*Only 45% of respondents say their companies view the supply chain as a strategic asset, and just 9% say the supply chain is helping them outperform their peers*" and "*Companies that acknowledge supply chain as a strategic asset achieve 70% higher performance.*"

As mentioned at the Introduction, it might be expected that when the economic crisis deepens, more organizations will improve the strategic view on their SC, which might help in taking the bottleneck away from this area.

Elevating the bottleneck in the area Mindset and Behavior might prove to be more difficult as it requires a totally different approach to management. In the next section, a useful taxonomy to understand the required changes in this area will be discussed.

3. Four Types of Sociality

In his seminal work (Fiske, 1992), Alan Page Fiske conducted an in-depth examination of the various types of sociality. In this section Fiske's types will be used to characterize relations of entities that work together in supply chains. Below Fiske's taxonomy of four types of sociality will be shortly reviewed.

3.1 Market Pricing

Traditionally, the basic principle underlying relations of organizations in a SC is by economic transfer. Following (Fiske, 1992) this relationship can be addressed as a way of collaboration based on *Market Price*; the exchange process by which organizations strive to pay a reasonable price for commodities in proportion to what is received as a function of market prices and utilities (Fiske, 1992, pp. 694). Coordination through Market Pricing is maintained by rational-legal legitimation; parties are looking for the best deal and bargains, and are willing to trade in collaborating partners for other, more beneficial partners. Collaborating partners are bonded by legal contracts and procedures that exactly describe the terms and conditions for economic exchange. In a form of collaboration in which Market Price is predominating, the social aspect of collaboration seems to be largely absent; rational choices determines who is about to collaborate with whom at what moment.

3.2 Equality Matching

A form of sociality which emphasizes the importance of balanced reciprocity in its exchanges and where equal sharing or striving for a mutual benefit is emphasized is known as *Equality Matching*. In (Fiske, 1992) it is argued that Equality Matching encompasses turn taking, equal contributions, egalitarian distribution, balanced reciprocity, leveling compensation and a fair chance.

It is not about the participants putting equal effort in collaboration and have equal benefits, however It is about that when a party puts a certain amount of effort in collaboration, it does receive the expected benefits as a result of that effort and the other parties feel obliged to do so; it is this "norm of reciprocity" that is fundamental to Equality Matching. More generally, agreed norms between SC parties play an important part in collaboration according to the principle of Equality Matching. Inevitably, when organizations base their SC Collaboration on an Equality Matching sociality, they face a greater interdependency than organizations which are doing business occasionally, see (Lejeune & Yakova, 2005) based on (Shepard & Sherman, 1998). The consequence of the interdependency between SC firms is that it is hard for individual organizations to step out, as the "switching costs" are quite high. In other words, at a high level of collaboration, the firms are "locked-in" the SC relation. Within Equality Matching the required levels of mutual trust are relatively high. Several influential thinkers, see e.g. (Blau, 1964), pointed out the importance of the concept of trust as a condition to feel obliged to reciprocate and to meet each other's expectations.

3.3 Authority Ranking

In (Fiske, 1992) the relationship in terms of dominance is called Authority Ranking. Where the principle of Market Pricing emphasizes the coercive position of a dominant party and its unilateral control over resources, *Authority Ranking* emphasizes the degree to which an entity is legitimatized to dominate the entire SC. An important condition which makes Authority Ranking work is the aspect of "noblesse oblige"; which might be interpreted as the transparency of a dominant party in terms of objectives, information and expectations, and fairness in relation to the achievements of the less dominating parties. As such transparency and fairness are conditions for legitimacy of authority which henceforth can result in higher levels of trustworthiness and trust. In other words, Authority Ranking is an important aspect of relationships and contributes to the division of responsibilities within the various steps of the transformation process. In that sense, Authority Ranking is an important addition to Equality Matching which emphasizes the importance of reciprocity and fairness, and as a consequence the aspect of trust.

3.4 Communal Sharing

As a fourth principle of sociality in (Fiske, 1992), *Communal Sharing* is the process in which parties are seeking for consensus, unity, and conformity concerning the overall purpose of the group of entities expressed in objectives, the structure of the transformation process, responsibilities and the accessibility and use of resources. Within this principle, labor which contributes to the final product is seen as a collective resource. When parties are striving for an overall purpose of the SC and define all that is necessary to contribute to an end-product as collective, they will irreversibly look for everything which might be in common, including purpose, values, norms, origin and procedures. In (Fiske, 1992) it is argued that emphasizing the aspect of Communal Sharing leads into a group system. Furthermore, relationships which emphasize Communal Sharing are building *social capital* which can be defined as the collective assets and values for which each member is responsible for contributing and maintaining, and henceforth give direction to how people think, feel and act.

4. The Current Dominant Types of Sociality and SCM

Fiske's taxonomy of the types of sociality as discussed in the previous section is well applicable to the relations between SC entities, cf. (Lejeune & Yakova, 2005) and (Tong et al., 2006). Using the taxonomy, in this section the dominant types that have been (and that are currently) used in supply chains and their impact on SC Collaboration are reviewed. In (Fiske, 1992) it is stressed that Market Price is the leading perspective of how organizations are collaborating in the Western society and this strictly economic approach is an expression of an "egoistic and selfish individualism" and is usually led by distrust; collaborating parties should be coerced to collaborate exactly as agreed upon by rewards (cf. money) and by punishments (cf.

fines, abrogation of the relationship). In line with the observations in (Fiske, 1992), typically SC relations appear to be dominated by Market Pricing and/or Authority Ranking. From an alignment perspective, (Labovitz & Rosansky, 1997) address this situation as a "pathology" with some dysfunctional results of this imbalance. Also in terms of SCM, too much focus on Market Pricing and Authority ranking frequently results in sub-optimized supply chains. Below some of the underlying issues will be discussed.

4.1 Evaluating Market Price to Achieve Optimal SC Performance

Although it is a common belief amongst managers that markets are efficient and that fierce competition will keep SC partners "sharp" and stimulate innovation (because entities always feel the urge to improve and differentiate in order to stay competitive), in the context of supply chains, various "market failures" can be observed. For instance, under a widely studied phenomenon called *double marginalization*, suboptimal SC performance follows from a situation where each SC entity determines its selling price to optimize its own profitability, cf. (Van der Rhee et al., 2010).

Another example of market failure can be found in the construction industry with multiple entities, where each perform a part of the construction project and where competitive tenders are heavily used such that the lowest bidder gets a piece of the work. Frequently, such practices lead to poor SC performance (e.g., long delays, high failure costs and suboptimal quality) simply because the various entities do not have any incentive to collaborate beyond their own tasks, cf. (Doloi, 2009).

As a third example of market failure in managing supply chains, issues in social sustainability can be mentioned; see e.g. the need for the "Fair Trade" movement to counter low wages for farmers in developing countries and the poor labor circumstances at Foxconn, the manufacturer of Apple's i-phones.

Another drawback of Market Price is that it does not have an intrinsic form of reciprocity. In (Axelrod & Hamilton, 1981) it is stressed that people are inclined to conduct "tit-for-tat" behavior; i.e., how people are being treated by a party will lead to corresponding behavior back to the same party. Hence, when parties feel being treated unfairly, they will respond in the same way. Consequently, when the Market Price conduct takes the upper hand so that one of the entities is focusing on chasing their own benefit neglecting the rules of reciprocity, the following consequences are to be expected:

(1) First, parties in a chain will fight with each other for acquiring a dominant role. As a consequence parties who are in the "underdog" position will be exploited by the more dominant parties.

(2) Because of the hindrances to leave the supply chain (e.g., due to high switching costs), the less dominant parties will look for their own benefits between the boundaries of the legal constraints. As a consequence, there will be no willingness to go for "the extra mile" for the chain's mutual benefits.

(3) When possibilities arise for less dominating parties to become more dominant, the "tit-for-tat" principle will be executed at the costs of the effectiveness of the total chain.

The use of Market Price as a predominant conception for SCM comes with two basic problems. First, if people of a specific party consider the relationship with people of another party as strictly rational, the other people at other parties will also consider this collaboration as strictly rational, resulting in becoming alienated, is the real nature of this relationship. When people are inclined to perceive other people as a specific economic value and henceforth perceive them as means that can contribute to their own objectives, they will neglect the other party's human condition and psychological needs. Second, if this perspective is pursued, the danger of repression and exploitation emerges especially when one of the parties has a predominant bargaining power over the other party. This will lead to a continuous search for gaining a better power position and looking for the best "deal" for one's own benefit leading to a real distinction between the so called "winners" and "losers". This process of searching can be conceptualised as "greed" which is considered and discussed as the primary cause for the current financial crisis which started with the collapse of Lehmann Brothers (cf. Wang & Murdigan, 2012).

When using Market Pricing as a predominant concept for supply chain coordination one can question whether the supply chain will be reaching optimal SC performance. In fact, we conjecture that when organizations collaborate in a supply chain solely based upon the Market Price principle (i.e., are focusing on a maximization of one's own benefits), it will lead to worst performance compared to focusing on Equality Matching principle. Summarizing, there are many reasons to believe that Market Price might not an ideal sociality to achieve optimal SC performance.

4.2 Evaluating Authority Ranking to Achieve Optimal SC Performance

Achieving SCM through Authority Ranking appears to be a double edged sword; on the one hand a dominant entity can be instrumental in coordinating the supply chain, on the other hand the leading entity might be tempted to exercise its power more for its own benefit than for the SC as a whole.

Clearly, a SC will almost inevitably have one or more entities that are dominant; power structures can follow from a various sources like the position in the chain, the actual size, and access to resources which are crucial to the success of the whole SC. It is therefore obvious that Authority Ranking is an important aspect of any set of (SC) relationships and its stratification and rank distinctions are a necessity for identifying the specific roles and responsibilities of organizations collaborating in a SC. Because supply chains are often jointly responsible for a complex sourcing, manufacturing and distribution process, it is important to realize which party is leading during each step in the process. The willingness for the several SC parties to be a follower where it is needed and the ability and willingness to lead where it is appropriate, is crucial for the success of chain collaboration and henceforth the overall success of the SC. Summarizing, following (Fiske, 1992) it is argued that within a SC with a high level of interdependency, dominance of one or more parties does not necessarily lead to a negative impact on the success of a total chain. In fact many of the best-known examples of high levels of SC coordination are where powerful organizations have taken the lead, e.g. Dell, Toyota, Wall-Mart, and Zara.

Inevitably, when an entity is all powerful, there is a risk that the power may be used beyond the benefit of the SC. For instance if an entity has dominant control over particular supply chain resources, this allows it to "squeeze" its suppliers and to serve the customers at a rather basic level in order to create maximum value for themselves. Examples, as given in (Cox, 1999), include companies like Microsoft, Cisco and Intel in the IT industry and some major supermarket chains.

5. Towards a More Balanced Approach in SC Coordination

Considering the various drawbacks of the dominating types of sociality (Market Price and/or Authority Ranking) that are present in the current supply chains, an important question is: What would be the best sociality type to achieve successful SC Collaboration and lead to optimal SC performance? The answer to this question has three interconnected parts.

First, it should be observed that each of the four types of sociality emphasizes specific values that may be required under different conditions for ensuring successful SCM. The principle of Market Price urges organizations to reflect on their added value and contribution in the SC. The principle of Equality Matching emphasizes the importance of reciprocity in collaboration, and the principle of Authority Ranking mandates transparency across the SC, which legitimizes the power position of all collaborating parties and is an important condition for defining specific roles & responsibilities of SC entities. Finally, the principle of Communal Sharing emphasizes the need to focus on the whole chain instead of focusing on individual interests and the need to jointly strive for the overall success of the SC. It can be concluded that successful SC collaboration needs a balanced approach, i.e., in the ideal situation all four types of sociality find their place in SCM.

Second, given the fact that the current dominant types of sociality can be considered as “pathological” (with the fall of Lehman Brothers as the ultimate proof), these two types deserve less attention whereas the other two types of sociality, viz., Equality Matching and Communal Sharing, need to be embodied stronger in SCM efforts. As argued above, a more balanced view on the four types of sociality will be of great benefit to the field of SCM and will be an important step towards achieving successful SC collaboration and hence better SC performance.

Third, when it comes to SCM, there is no such a thing as “one size fits all.” Different situations require different approaches, i.e., a contingency approach is required to determine the optimal way to coordinate supply chains, cf. (Sousa & Vos, 2008) and (Flynn et al., 2010). This implies that SC implementation cannot be simply copied between situations; each case requires its own approach and its own balance between the four types of sociality.

6. Conclusions

To overcome the post-Lehman economic crisis, organizations are more than ever looking for ways to satisfy customers better by increasing value and reducing cost. Over the last two decades it has been demonstrated in the academic literature that implementing the concepts of SC Collaboration can assist organizations to achieve the required enhanced performance. Unfortunately, up to now SC Collaboration concepts are hardly used in practice. However, in this paper it is argued that, like a silver lining of a (dark) cloud, the situation that led to the collapse of Lehman Brothers and the resulting economic crisis might also prove to be instrumental in improving SC Collaboration and thus show a way out of the crisis.

To explain the requirements to achieve excellent SC performance, a three-partite model for with the areas SC Strategy, SC Infrastructure and Mindset and Behavior was introduced. It appears that the areas SC Strategy and Mindset & Behavior are lagging behind, hence form bottlenecks with respect to SC Collaboration implementation.

The shortfall in demand and the limited financing options in this time of crisis are expected to cause organizations to strategically (re)focus on their primary processes and are therefore likely causes to elevate the level in the SC Strategy area.

The required changes in the area of Mindset and Behavior are sketched by using an influential taxonomy of sociality from (Fiske, 1992). First, it has been identified that traditionally coordination in supply chains is based on the Market Pricing and/or Authority Ranking types of sociality, which lead to the widely observed distrust and coercion between SC entities and poor SC performance. Second, it was observed that exactly these types of sociality have led to the disastrous sequence of events that caused the Lehman bankruptcy and the current crisis. Third, having learned from such events, it has become clear that Equality Matching and Communal Sharing types of sociality have gained in importance in everyday management and life. Fourth, for SC Collaboration, values like honesty, integrity, trustworthiness, openness and transparency are crucial and such values are found especially within Equality Matching and Communal Sharing types of sociality. This led to the conclusion that the events that led to the crisis are likely to cause the improved level in the Mindset and Behavior area that is needed for the implementation of SC Collaboration.

From the analysis and conclusions in this paper many managerial and research questions emerge. One important question would be what the contribution of each sociality principle should be for achieving SC Collaboration. The answer might be described in terms of an *optimal alignment*; balancing the principles of sociality in relation to what the SC requires when striving for optimal SC Collaboration. Since different circumstance and various parameters might impact what “Optimal” SC Collaboration entails, further research is needed to get more insight in the interdependence of SC Collaboration and the alignment of the four types of sociality. An additional question would be on the possibilities for managers to place interventions at a given alignment to improve SC Collaboration possibilities.

References

Axelrod, R. / Hamilton, W.D. (1981), The evolution of cooperation, *Science*, Vol. 211, p. 1390-1396.

Blau, P. M. (1964), *Exchange and power in social life*. Wiley, New York.

Cao, M. / Vonderembse, M.A. / Zhang, Q. / Ragu-Nathan, T.S. (2010), Supply chain collaboration: conceptualisation and instrument development, *International Journal of Production Research*, Vol. 48, No. 22, p. 6613–6635.

Cox, A. (1999), Power, value and supply chain management, *Supply Chain Management: An International Journal*, Vol. 4, No. 4, p.167-175.

D'Avanzo, R. / Von Lewinski, H. / Van Wassenhove, L.N. (2003), The link between supply chain and financial performance, *Supply Chain Management Review*, Nov.-Dec., p. 40-47.

Doloi, H. (2009), Analysis of pre-qualification criteria in contractor selection and their impacts on project success, *Construction Management and Economics*, Vol. 27, No. 12, p. 1245–1263.

Fine, D. / Hansen, M. A. / Roggenhofer, S. (2008), From lean to lasting: Making operational improvements stick, *McKinsey Quarterly*, November, p. 1-11.

Fiske, A.P. (1992), The Four Elementary Forms of Sociality: Framework for a Unified Theory of Social Relations, *Psychological Review*, Vol. 99, No. 4, p. 689-723.

Flynn B.B. / Huo, B. / Zhao, X. (2010), The impact of supply chain integration in performance: a contingency and configuration approach, *Journal of Operations Management*, Vol. 28 No. 1, p. 58–71.

Hamowy, R. (1968), Adam Smith, Adam Ferguson, and the Division of Labour, *Economica* New Series, Vol. 35, No. 139, p. 249-259.

Labovitz, G. / Rosansky, V. (1997), The Power of Alignment: How Great Companies Stay Centered and Accomplish Extraordinary Things. John Wiley & Sons, Inc., New York.

Lejeune, M.A. / Yakova, N. (2005), On characterizing the 4 C's in supply chain management, *Journal of Operations Management*, Vol. 23, p. 81–100.

Li, S. / Ragu-Nathan, B. / Ragu-Nathan, T.S. / Subba Rao, S. (2006), The impact of supply chain management practices on competitive advantage and organizational performance, *Omega*, Vol. 34 No. 2, p. 107-124.

Mentzer, J.T. / DeWitt, W. / Keebler, J.S. / Min, S. / Nix, N.W. / Smith, C.D. / Zacharia, Z.G. (2001), Defining supply chain management, *Journal of Business Logistics*, Vol. 22 No. 2, p. 1–25.

Moberg, C.R. / Speh, T.W. / Freese, T.L. (2003), SCM: Making the vision a reality, *Supply Chain Management Review*, Sep-Oct, p. 34-39.

Richy, R.G. / Chen, H. / Upreti, R. / Fawcett, S.E. / Adams, F.G. (2009), The moderating role of barriers on the relationship between drivers to supply chain integration and firm performance, *International Journal of Physical Distribution & Logistics Management*, Vol. 39, No. 10, p. 826-840.

Sheppard, B.H. / Sherman D.M. (1998), The grammars of trust: a model and general implications, *Academy of Management Review*, Vol. 23, No. 3, p. 422-437.

Sousa, R. / Voss, C.A. (2008), Contingency research in operations management practices, *Journal of Operations Management*, Vol. 26 No. 6, p. 697–713.

Sterman, J. (2000), Business Dynamics: Systems Thinking and Modeling for a Complex World. Irwin/McGraw-Hill, Boston.

Tong, P. / Johnson, J.L. / Umesh, U.N. / Lee, R.P. (2008), A typology of interfirm relationships: the role of information technology and reciprocity, *Journal of Business & Industrial Marketing*, Vol. 23, No. 3, p. 178 – 192.

Van der Rhee, B. / Van der Veen, J.A.A. / Venugopal, V. / Nalla, V.R. (2010), A new revenue sharing mechanism for coordinating multi-echelon supply chains, *Operations Research Letters* Vol. 38, p. 296-301.

Wang, L. / Murnighan, J.K. (2011), On Greed, *The Academy of Management Annals*, Vol. 5, No. 1, p. 279-316.

The Journal "Challenging Organisations and Society. reflective hybrids® (COS)" is the first journal to be dedicated to the rapidly growing requirements of reflective hybrids in our complex 21st-century organisations and society. Its international and multidisciplinary approaches balance theory and practice and show a wide range of perspectives in and between organizations and society.
Being global and diverse in thinking and acting outside the box are the targets for its authors and readers in management, consulting and science.

www.cos-journal.com
ISSN 2225-1774