

**THE ROLE OF SUPPLY CHAIN INTEGRATION AND  
AGILITY ON SUPPLY CHAIN ORIENTATION -  
PERFORMANCE RELATIONSHIP**



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## DECLARATION

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## **ABSTRACT**

Supply chain management (SCM) is one of the most widely studied areas in the field of operations management. Extant literature suggests that well-managed supply chain is crucial for enhancing business performance. Companies implementing SCM must have a supply chain orientation (SCO), as SCM is the implementation of a SCO across suppliers and customers (Mentzer et al., 2001). SCO is the extent to which there is a predisposition among chain partners toward viewing the supply chain as an integrated entity and on satisfying chain needs in an integrated way (Hult et al., 2008). Min & Mentzer (2004) advocated that supply chain oriented firm should build and maintain cultural elements like trust (credibility and benevolence), commitment, cooperative norms, organizational compatibility, and top management support with its supply chain partners. SCO affects not only the single firm performance within the supply chain but also the overall performance of the supply chain.

While conducting an extensive review of the literature, it was found that research on SCO clearly lacks the understanding of linkage between SCO and supply chain performance (SCP), and it is a largely unexamined topic (Schulze-Ehlers, Steffen, Busch, and Spiller, 2014). The present study attempts to fill this lacuna in the literature. This research takes an empirical approach of integrating SCO and SCP with two SCM practices supply chain integration (SCI) and supply chain agility (SCA) identified from the research gap while conducting the literature review.

An attempt has been made to extend the understanding of the impact of SCO along with SCI and SCA on SCP. Cross-sectional survey based research of Indian manufacturing firms has been conducted to test the proposed model and set of hypotheses. Smart PLS 3 is used as statistical tool to analyze the data.

Results show that SCO is an important construct impacting the SCP. The main contributions of this study are discovering the mediation role of SCI and SCA on the SCO-SCP relationship. SCI and SCA individually and together fully mediate the SCO-SCP relationship.

Our results can assist supply chain managers to develop a more in-depth understanding of the mechanisms underlying SCO-SCP relationships. Practitioners and managers need to focus on collaboration with the supply chain members and at the same time have agility to surpass the competition. Design of collaborative culture and agility within a firm and along a supply chain can enhance SCO practices and stimulate SCP. A high level of SCI and SCA should be pursued to effectively transform SCO into performance. This may further enable Indian manufacturers to achieve superior performance in the extremely competitive market place. The study is expected to contribute to the theory of supply chain management, and enhance the understanding of intervening variables SCI and SCA in the proposed SCO-SCP relationship.

**Keywords:** *Supply chain orientation, Supply chain integration, Supply chain agility, Supply chain performance, Manufacturing firms, India.*

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