

# Theories of SUPPLY CHAIN MANAGEMENT: *A Critical Analysis*



## Bilkis Akhter ACMA

Associate Professor

Department of Accounting & Information Systems

University of Dhaka, Bangladesh

bilkis\_akhter@yahoo.com

## Mohammed Belal Uddin

Associate Professor

Department of Accounting & Information Systems

Comilla University, Bangladesh

belal\_137@yahoo.com

## Lamina Binta Jahan

Lecturer

Department of Accounting & Information Systems

Comilla University, Bangladesh

laminajahan@yahoo.com

## Abstract

This paper investigates theoretical perspectives in supply chain control (SCM) and contributes to recognizing the current subject matters within the SCM and its future improvement. This paper conducts an evaluation of literature and purposes at mapping using theories within the discipline of SCM. We compare the associated topics of SCM research, searching in more records at famous theories, and endorse possible avenues for the area to develop. Theory-building efforts in SCM persist scarce, with the predominance of a few famous imported macro theories having implications at the conceptualization of SCM and the subjects researched to this point. Additional theoretical contributions can probably emerge from the adoption of precise methodologies, the research of under-explored factors of SCM and the attempting out of currently superior frameworks. Drawing on the assessment we advocate an overarching map of well-known theories in SCM and description capability avenues closer to the maturation of the field of SCM. Some of suggestions are proposed to guide future studies. This have a look at constitutes a first step in the direction of information how theories in SCM are growing and how SCM has been conceptualized.

**Keywords:** supply chain management, theories, critical analysis.

## 1. Introduction

A supply chain is a dynamic and involves the steady flow of goods, information, and finances between distinctive ranges. Supply chain management (SCM) is the integration of the supply chain activities through developed supply chain relationships, to obtain a sustainable economic advantage (Handfield and Nichols Jr., 2015). In unfolding the significance of concept in management and SCM research more mainly, we have presented the want of study and compare theoretical practices in the discipline with a purpose to convey updated future efforts. The theory of management is ambiguous and this is largely because of the truth that it has been evolved and advanced in a context of subjugated by an economic view of the company (Angus-Leppan et al., 2010). Ambiguities get up while looking to understand how the financial, human and environmental dimensions inter-relate and the relative importance of those elements. It is hard to translate the idea of SCM into tangible movements and insert those practices inside and among organizations (van der Heijden et al., 2012). There are built in inter-disciplinary and transformative problems to SCM studies. On this feel, expertise wherein opportunities exist to behavior research that embraces those additives and leads exercise is sizable. The presentation of numerous literature reviews in SCM is a signal that the sector is becoming greater famous and diagnosed. However, findings from those evaluations imply that there may be nevertheless an alarming dearth of theoretically grounded studies (Carter and Easton, 2011). Other authors identified that there may be a relative deficiency of theoretically grounded research in SCM regardless of the developing quantity of empirical papers being to be had inside the problem (Mollenkopf et al., 2010). Hoejmose and Adrien-Kirby (2012) argued that the overly descriptive nature of current-day studies is beneficial in gathering knowledge approximately data but fails to make a robust theoretical contribution.

Many authors use SCM theoretical perspectives to demonstrate their knowledge in this discipline. It is argued that theories are related with knowledge creation and therefore attention must be given to their use and development whilst endeavoring to evaluate any instructional field. As a result, the primary motivation of this paper was to understand theories in SCM so one can discover productive

possibilities for research to develop. This paper consequently proposes to cope with the subsequent research questions: 1. What are the leading theories used within the discipline of SCM? 2. How they have played their role in the conceptualization of SCM? 3. What are the possibilities for the upcoming growth of SCM?

Conducting a literature survey constitutes an entire method to map out the theoretical perspectives further to the theoretical practices (i.e. constructing, finding out, absence) attractive in the discipline. Theoretical mapping can also assist take a look at and enhance the level of maturity of a place through scoping its place and essential troubles. Overall, this paper makes three contributions. First, it bridges broader debates on knowledge advent to the field of SCM, and consequently enriches the communication approximately its recognition as an educational discipline. Second, it presents an assessment of theoretical perspectives in the aspect of SCM. Finally, it proposes an overarching map of widely used theories in SCM, which captures the area of research inside the subject, and informs future research through the improvement of propositions.

## 2. Supply Chain Management Theories

In this paper we have studied the roots of widely used five organizational theories or views. These five theories or views are: resource-based view (RBV), stakeholder theory (ST), institutional theory (IT), transaction cost theory (TCT), and resource dependence theory (RDT). These theories and views are proposed by several authors to have the potential for explaining various aspects of SCM. Table 1 presents the comparison of above mentioned theories of SCM.

### 2.1 Resource-Based View (RBV)

The resource-based view (RBV) of the firm indicates that firm behavior may be interpreted as a look for competitive gain. Within the competitive market sturcutre parties in the supply chain seek to get have an impact on over the elements of production, those can offer them with an aggressive facet over their closest competitors (Ahuja, 2000). In strategic management literature, the RBV of the firm plays dominating role (Halawi et al., 2005). Mitra et al. (2017)

states that the implementation of value creating method via a company affords a competitive benefit when it's miles current or capacity competition simultaneously not put into effect a value creating strategy. This aggressive gain may be sustained as long as the popularity of a degree of overall performance situation to no longer simultaneously imitated with the useful resource of the by way of any current or feasible competition (Bromiley and Rau, 2016). Resource diversity and resource immobility are the two major assumptions of the resource-based view of corporations (Barney, 1991; Mata et al., 1995). In keeping with Mata et al. (1995), beneficial resource diversity (useful resource heterogeneity) is involved with ownership of resource or capability, if several rival agencies own the same useful resource or functionality of the focal company, then that resource cannot offer a competitive benefit over the competitors. Resource immobility explains the complexity of accomplishing a resource via competition due to the fact the cost of attainment, improvement, acquisition or use that resource is too immoderate. Because of this, the sustainable competitive benefit depends on these assumptions via imparting a framework for figuring out whether or not a technique or technology provides a real gain over the marketplace. The RBV of the firm shows that an company's human capital management, technology control, and innovation, in addition to R&D practices, can make a contribution appreciably to maintaining competitive gain and are hard to imitate (Afuah, 2000; Mata et al., 1995). Therefore, the advent of resource diversity (intellectual human capital and skills) and resource immobility (complicated method of constructing/attainment), fosters the sustainable competitive advantage creation and improvement.

In a supply chain relationship, even as numerous resources owned or managed through opposite numbers, there can be a complicated supply chain relational function, than that of direct coordination relationship concerning interdependency context (Touboulic and Walker, 2015). The RBV means that the reason for introduction of accept as genuine with based absolutely collaborative value makes ground of assets pooling to shape supply chain relation. Immobility, inimitability, sustainability are a few traits of resources which emphasize on value creation, and thereby assists in improvement of supply chain alliance. Das and Teng (2000) said

structural possibilities in terms of key four kinds of supply chain alliances (equity joint ventures, minority equity alliances, bilateral contract-based alliances, and unilateral contract-based alliances) which can be determined by using the useful resource profiles of partnering corporations. Consistent with Ahuja (2000) the resources that could offer advantages have three specific characteristics. First, resources can create value for the firm, i.e. they help firms to either lessen cost of inputs which influence on overall cost of manufacturing, or benefit more values of outputs. Second, they may be often organization specific in nature are both unavailable outside the developing company or undergo an attenuation of their cost if separated from true company. Third, resources are probably to be asset-based whose advent calls for accumulation of inputs through the years i.e. cannot be at once developed.

## 2.2 Stakeholder Theory (ST)

The stakeholder management rationale for supply chain formation envisions firms on the center of an association of stakeholders. A firm's stakeholders are any group of those who can have an effect on or are laid low with the firm (Freeman, 1994), along with its investors, suppliers, employees, customers, competitors, neighborhood groups wherein it operates, regulatory agencies, and so forth (Touboulic and Walker, 2015). On this context, Jensen and Meckling (1976) consult with a firm as a "nexus of contracts" among itself and its stakeholders. Those contracts are each formal written documents and casual agreements primarily based on expectancies (Jones, 1995). Top managers are the primary contracting marketers for the company because they agree with stakeholders, either without delay or not directly, and because of their relative positions with regard to the control of organizational resources. Stakeholders are treasured in that they help a firm reap its objectives (Freeman, 1984). Stakeholder relationships, however, are continuously at danger, either voluntarily or involuntarily. Consistent with Donaldson and Preston (1995), the stakeholder control attitude requires businesses to give simultaneous attention to the valid pursuits of all relevant stakeholders inside the crucial operational and strategic choices that it makes. But, a commonplace false impression related to stakeholder principle is that all stakeholders are considered equal. Such is not the case. As Harrison and St.

John (1996) factor out, one of the starting factors in effective stakeholder management is figuring out which stakeholders remember most. Consequently, the stakeholder literature gives a few guidance with regard to resolving “moral dilemmas,” in which the interests of a couple of, competing stakeholders are in warfare (Freeman and Gilbert, 1988).

A commonplace angle located in the stakeholder literature is that corporations initiate for coordinating stakeholder interests (Busse et al., 2017). This angle is based totally on the belief that groups are, by way of nature, cooperative systems (Camilleri, 2017). Because of their cooperative nature, organizations are inclined to form coalitions with stakeholders to achieve common objectives (Axelrod et al., 1995). Those coalitions are variously referred to as constellations, networks, and strategic networks (Jones et al., 1997). These cooperative relationships may be a powerful mechanism for aligning stakeholder pursuits and also can assist a company reduce environmental uncertainty (Kraatz, 1998).

### 2.3 Institutional Theory (IT)

Institutional theory suggests that institutional environments impose pressures on corporations to seem valid and comply with prevailing social norms. Making use of this idea in an enterprise context, institutional pressures presumably motivate companies to pursue goals on the way to growth their legitimacy and cause them to appear like in agreement with the prevailing guidelines, requirements, and norms of their business environments (Oliver, 1990; Touboulis and Walker, 2015). One way that corporations can do this is through participation in supply chain relationships. For example, a small firm can increase its visibility, reputation, image, and prestige via partnerships with larger, higher-mounted businesses. In practice, the payoff for this sort of strategy may be very significant. As an instance, a small firm which can say that it has active strategic supply chain with “Intel, Hewlett-Packard, and Motorola” earns good sized legitimacy and stature among its industry settings. This situation is regular with the consequences of a case observe via Wiewel and Hunter (1985), who observed that new organizations are capable of boom their legitimacy as a characteristic in their capacity to set up affiliations with familiar organizations. Improved legitimacy may

be very important. Legitimacy (which can be acquired in component via supply chain relationships) may be the important thing that opens the doorways to other relationships that help a company benefit get admission to essential resources and expertise. Institutional pressures encourage companies to take part in supply chain relationships for other motives. As an example, membership in an organization that promotes socially applicable goals may decorate a company’s recognition (Huang et al., 2016). High-profile charitable organizations frequently gain from this form of legitimacy approach. Part of the purpose that a busy CEO may be willing to chair a united way power or assume the presidency of a no longer-for-profit industry exchange group is to decorate the visibility and reputation of his or her company. The importance of image turned into validated in one of the few empirical research that link supply chain relationships and institutional idea. Schermerhorn and Shirland (1981) discovered that situation for image became connected to the level of supply chain control coordination among hospitals. Similarly, even though companies have many reasons for becoming a member of alternate institutions and consortia, image certainly plays a position in those precise forms of supply chain relationships.

Within the context of supply chain relationship formation, institutional concept is probably precious in helping describe why companies behave the way they do. Alongside looking to attain legitimacy as a way of improving a firm’s recognition or demonstrating social worthiness, companies are also inspired to definitely conform as a means of attractiveness and survival (Oliver, 1991). One approach for attractiveness and survival is to virtually acquiesce to the surroundings. This approach frequently involves imitating or mimicking enterprise norms. This concept is steady with the concept of mimetic isomorphism (Kauppi, 2013), which says that the managers of companies either consciously or unconsciously mimic the techniques of successful firms. As a result, many corporations can also have dealings in supply chain relationships honestly due to the fact several successful firms of their industries are doing so. The pervasiveness of supply chain relationships in a few industries may be very excessive. Powell et al. (1996) made the remark in his have a look at of the biotech industry that companies without partnerships are getting rare, and that the generic firm has more than

one partnership. This finding indicates a population ecology explanation for the formation of supply chain relationships.

## 2.4 Transaction Cost Theory (TCT)

Transaction cost theory (TCT) has acquired a wonderful deal of interest within the literature on supply chain management (Williamson, 1985, 1991). In a nutshell, TCT specializes in how an employer ought to organize its boundary spanning efforts if you want to reduce the sum of its manufacturing and transaction costs. The manufacturing costs of corporations range due to the scale of their operations, getting to know/reveal in results, region advantages, and proprietary affects inclusive of patents and trade secrets and techniques. Transaction expenses additionally vary, and consist of costs related to arranging, managing, and monitoring transactions across markets (Halldorsson et al., 2015). The capacity of a trading associate to show off opportunistic conduct, defined as behavior that is self-fascinated or misleading, drives transaction costs higher.

In his early writings, Williamson (1985) recognized markets and hierarchies as the two modes of organizing and later stated the extra function of supply chain relation. It is assumed that the maximum efficient possibility will succeed for any given transaction confronting a company. The purest utility of TCT is the make or buys selection. In a free market, it is typically inexpensive for a corporation to buy a standard product from an organization that is an expert at producing it than it's to make the product itself. But, the marketplace "fails" whilst transaction expenses are prohibitive in the judgment of the key decision-makers in a company. A marketplace failure forces a firm to internalize an in any other case marketplace alternate. On this context, TCT explains why a corporation may select to internalize the manufacturing of a component part despite the fact that its manufacturing costs are higher than those presented by the specialist firm. A supply chain relationship, which includes a supply chain network form, is an alternative to a market or an organizational hierarchy. The make or buy selection expands to make, buy, or partner. Alternatively, joint ventures, as an example, comprise characteristics that assist keep away from the issues of both markets and hierarchies (Koh and Venkatraman, 1991; Touboullic and Walker,

2015). A joint assignment helps corporations keep away from the expenses of opportunism and tracking which might be inherent in marketplace transactions through ownership incentives and will increase the likelihood that the partners will avoid opportunistic conduct within the hobby of maintaining the partnership (Osborn and Baughn, 1990). At the identical time, a joint task can help keep away from the want for a company to internalize a hobby that might not be aligned with its distinct skills or may be tough and highly-priced to control (Harrigan, 1988). Global supply chains are popular for these motives. Corporations regularly enter foreign markets through supply chains with nearby partners.

Regardless of its intuitive attraction, many authors were vital of TCT and its capacity to provide an explanation for the formation of supply chain relationships. TCT is confined to the efficiency and cost-minimizing rationales for alliances (Ghozzi et al., 2016). Alliances can be shaped for different reasons, inclusive of mastering and legitimacy. Those motives attain beyond the TCT reason. TCT's recognition on value and performance additionally neglects to consider other crucial criteria for supply chain alliance formation, together with the perceived fairness of an ability alliance associate (Ring and Van de Ven, 1994). In addition, many organizational and "people" issues are assumed away by the natural TCT framework. The assumption is that everyone worried in a partnership will get alongside, and that the corporate cultures of the members will meld together smoothly. Human beings regularly do not get along and the company cultures of alliance companions regularly conflict. Perhaps the maximum condemning complaint of TCT is that it is able to no longer remember to real decision makers. In a multiple case look at investigation of alliances, Faulkner (1995) carefully explained TCT ideas to executives who had been concerned in forming alliances. None of the executives interviewed indicated that transaction costs had even implicitly encouraged formation of their supply chain alliances.

## 2.5 Resource Dependence Theory (RDT)

Resource dependence theory (RDT) offers inter-firm governance as a strategic response to conditions of uncertainty and dependence between exchange partners (Heide 1994), building on social alternate theoretical perspective, RDT specializes in how some

corporations end up reliant on others for needed resources along with items and substances, and the way companies can effectively manage such relationships (Jajja et al., 2017). The uneven interdependence that is present in such relationships is often considered vital for reduction of environmental uncertainty (Ketchen and Hult 2007). In the supply chain context, supply chain contributors often work collectively to acquire common goals and grow to be increasingly more dependent on each other; for that reason, RDT gives a dominant explanatory energy on this context. Several authors speak implications of this principle for key elements of supply chain control (Crook and Combs 2007). RDT complements the RBV in that it perspectives the employer as looking for to exploit and recombine particular and inimitable sources that can be outdoor the world of the enterprise and in which strategic orientation toward the relationships may want to result in the appropriation of these resources (Fynes et al. 2008).

One commonplace reason for the formation of supply chain relationships that fits the resource dependence paradigm is that corporations enter into partnerships to take advantage of complementary belongings. This strategy is accepted, as an example, amongst small biotech companies and massive pharmaceutical agencies. The massive businesses are keen to partner with small companies as a way of tapping into their reducing part research and entrepreneurial energy. In addition, the small firms are keen to accomplice with large groups to benefit get right of entry to their financial resources and distribution channels (Fisher, 1996). Each aspect comes collectively due to resource desires. Other forms of alliances fulfill distinct resource desires. As an example, membership in a trade association might also offer a company access to big offerings at low fees, relevant enterprise information, legal and technical advice (through a trade journal or website), and a platform for collective lobbying (Oliver, 1990).

While resource dependence theory has trustworthy appeal, it has limitations with regard to explaining supply chain alliance formation (Zhang and Huo, 2013). As an example, it does not give an explanation for why corporations may pursue other strategies besides alliances to meet perceived resource deficiencies. Strategies consisting of mergers and acquisitions, recruitment of key personnel from

competition, and elevating new capital to achieve an aid through a market transaction are often decided on as opposed to supply chain alliance formation (Kahkonen et al., 2015). Similarly, as no firm is self-sufficient, and hence companies will must interface with their environments to reap needed assets as per the RDT. How groups decide to try this, and whether or not variables consisting of transaction costs, possibilities for studying, and organizational legitimacy are taken into consideration, is left to other theories to determine. Ultimately, resource based theories do no longer shed much light on how organizational competencies are developed. The concept makes a specialty of the need for vital resources and the need for social exchange, as opposed to the extra complicated theoretical project of describing how skills are evolved and how inter-company transfers of talents virtually take area.

**Summary of the above mentioned theories are follows:**

**Resource-Based View (RBV):** The primary concern of RBV is about obtaining access to another firm's core competencies to gain competitive advantage. RBV believes that a firm's resources and capabilities are its most important assets. RBV is one of the most adopted theories in SCM literature.

**Stakeholder Theory (ST):** Stakeholder theory concerns not only about shareholders but also stakeholders. It focuses on value creation for stakeholders. This theory is used to several business decisions such as supplier strategy, outsourcing strategy, make-or-buy decision etc. SCM decision making and ST is closely related with each other.

**Institutional Theory (IT):** Institutional pressure and legitimacy can strongly influence the formation and development of formal structure in a corporate body. A structured organization can ensure technical efficiency that legitimated that organization in the competitive environment. This theory has implications on conceptualization of SCM and related issues.

**Transaction Cost Theory (TCT):** It tries to explain the necessity of the firms for which it exist. TCT aims to reduce the costs associated with carrying out a transaction when deciding whether to make-or-buy in the context SCM. Make or buy decision are influenced by three attributes of a firm. They're frequency of transaction, asset specificity and

degree of uncertainty associated with a transaction. In general TCT theory argues that different control and governance mechanisms should be employed to mitigate the risk of opportunistic behavior of supply chain firms when outsourcing.

### Resource Dependence Theory (RDT):

Multidimensional resources are needed for a firm. A firm may not be able to deal with equally with all the resources. For this reason, it may develop relationship with others. RDT states that firms should create an exchange relationship in the society so that they can get access to complementary and heterogeneous resources to survive and thrive.

Table 1: Comparison of SCM Theories

Characteristics	RBV	ST	IT	TCT	RDT
Behavioral assumptions	Bounded rationality Trust	Bounded rationality Goal conflict	Bounded rationality Legitimacy	Bounded rationality Opportunism	Bounded rationality Trust
Problem orientation	Internal competence evolution	Contractual design	Legitimate governance structure	Efficient governance structure	Dyadic relationships
Time dimension	Static/dynamic	Static/dynamic	Static	Static	Dynamic
Primary focus of analysis	Resource attributes	Contracts and incentives	Institutional attributes	Transaction attributes	Interfirm relations
Function of relationships	Access to complementary resources	Efficient division of labor	Institutional pressure	Market failure	Access to heterogeneous resources
Primary domain of interest	Production of firm resource/ capability	Alignment of incentives in dyads	Social recognition and survival	Exchange and transaction	Exchange and adaptation process

Source: Adapted from Halldorsson et al. (2007)

## 3. Applications and Limitations of SCM Theories

After describing the broadly used five theories and perspectives in the area of SCM studies, it is argued that some aspects of supply chain operations may not be fully designated with the above mentioned frameworks of thought. Table 2 presents the main argument in each theory or perspective for application in SCM field. Table 3 summarizes the main limitations of each theory in the context of SCM as described above.

Table 2: Applications of SCM Theories

Theory	Justification for Application
Resource-Based View	Tangible and intangible resources influence the creation, sustainability, and competitive advantage of the firm
Stakeholder Theory	Stakeholders' issues and integrative social contacts motivates firms to be social oriented
Institutional Theory	Monitoring environment for collaborative opportunities Following best practice
Transaction Cost Theory	Reducing cost generated through asset specificity and uncertainty. Vertical Integration
Resource Dependence Theory	Several-party interfirm relations increase the resources capabilities and competencies of the individual firms

Source: Adapted from Miri-Lavassani and Movahedi (2010)

Competitive gain through value creation is the principle consciousness of resource-based view. This value creation is ensured by developing inimitable tangible and intangible resources in supply chain relations. Stakeholder theory is the mostly recognized theory in supply chain development. This theory is concerned about the every players of the society who are directly and indirectly related with operations of firms. Because of cooperative nature of SCM, organizations are inclined to form coalitions with stakeholders to achieve common objectives. Stakeholder theory also suggests cooperation with all stakeholders and resulting reduction of environmental uncertainty. Institutional theory recommend that institutional surroundings impose strain on businesses to seem valid and conform social norms. In the context of supply chain relationship formation, institutional theory is probably precious in helping describe why firms behave the manner they do. In conjunction with trying to attain legitimacy as a way of enhancing a firm's recognition or demonstrating social worthiness, firms are also motivated to sincerely conform as a way of acceptance and survival (Oliver, 1991). Transaction cost theory is a precious framework for describing the vertical integration in SCM research. But, this concept typically carries a neoclassical view of corporations as black boxes of operation. This idea focuses on minimization of the sum of production and transaction charges. Supply chains can reduce uncertainty because of market failure and reduce costs related to setting up a hierarchy. Resource

dependence theory is rooted in an open mechanism framework that argues that all firms need to have interaction in exchanges with their surroundings to gain assets. Firms develop supply chain relations to exert power or manage over firms that possess scarce sources. Rather, a company may participate in an interfirm relation in order to fill a perceived resource need.

Table 3: Limitations of SCM Theories

Theory	
Resource-Based View	Value creation through collaboration; Propose strategies for organizations to acquire the resources; Intangible resources. Multi-party relationships with open system view
Stakeholder Theory	Stakeholder theory is accepted on faith, and more descriptive than prescriptive.
Institutional Theory	Shaping organizational strategies is mostly influenced by "external pressure"; hence over the time organizations become homogeneous
Transaction Cost Theory	Provision of intra-organizational level guidelines. Attention to indirect costs; Addressing personal and human relations among actors in the supply chain.
Resource Dependence Theory	Describing more mature integration mechanisms beyond networking

Source: Adapted from Miri-Lavassani and Movahedi (2010)

Resource-based view pays more interest to value creation. It focuses merely at the actors - and therefore processes, which are directly linked with the organizational operations. How can stakeholder theory be almost carried out in a large firm that isn't mentioned in this idea. In addition, stakeholder theory have to be visible as a "macro" in preference to a "micro" orientation that gives prescriptive decision like transaction cost theory. Also, specifically as they follow to supply chain relationship formation, stakeholder models are more descriptive than prescriptive. One of the shortcomings of institutional theory related to supply chain management, amongst various institutional theories is that the alternate methods, improvements, and improvements are viewed in this theory as reactive plans to deal with the outside stress. As a result - in step with this concept - over the time, companies turns into homogeneous. Whilst this idea has applications in a particular environments and contexts, within the different cases of organizational supply chain and operation, this theory won't be able to fully describe a number of the specific and modern system management

practices. Transaction cost theory specializes in cost and efficiency also neglects to don't forget other vital standards for interfirm relationship formation, along with the perceived fairness of a potential partner. This theory does not provide substantial recommendations at intra-organizational degree for value creation. The resource dependence theory makes a specialty of the want for important resources and the necessity for social exchange, rather than the more complex theoretical task of describing how abilities are advanced and how interfirm transfers of abilities absolutely take place.

## 4. Conclusion

While many studies in the field of SCM cope with providing conceptual definition of advancements on this field less attentions has been paid to identification and solicitation of theories. The paper provides a fundamental analysis of common theories of SCM. In analyzing the theories, the historical improvement of every theory is described via complete evaluation of the literature. Furthermore, the use of every concept in SCM is defined with examples from the scholarly literature. Following the depiction on the application of common organization theories in the context of SCM, some of the limitations of the theories are described. We've got stated within the evaluation that theories convey with them the assumptions of their mother subject, and consequently a significant limitation of our map is that it brings together unrelated traditions under a single roof. This paper is a preliminary step towards the theoretical dynamics in SCM, and it encourages in additional analyses to enhance the findings. The integration and holistic understanding of SCM appears is the principle challenge for upcoming days. Testing and similarly developing current frameworks constitutes a possible future avenue for know-how to develop in a consistent way in the area. We can say that the combination of a couple of theoretical perspectives as a manner to provide true insights into the world and assist define the borders of the theories more carefully. We also suggest that authors would possibly want to contemplate more micro and if possible multi-level methods to learning SCM as each are likely to cause new insights within the field and permit capturing it's a couple of aspects more comprehensively.

There may be a want for researchers to interact in more theory building. The richness of the settings for empirical studies wishes to be exploited towards emergent revolutionary theoretical ideas. The system of theory development in SCM need not to be limited to the conventional deductive model related to the trying out of hypotheses. Suitable theories are probably to emerge from innovative and original studies techniques that offer particular insights into the practical problems within the subject. Empirical proof is an essential input for theorizing, but it needs researcher's ability to create new knowledge. The remaining factor exhibits the implications of this paper for managers looking for to improve the SCM agenda. It has arguably fomented research into methods businesses can deal with external risks and become actually long-term oriented in SCM. It is therefore vital to nurture the connection among practice and academia. Relevant theoretical frameworks offer a way to simplify and cope with the complicated challenges posed with the aid of SCM. Theories may be evolved and examined via interaction with practicing managers, who're in a position to inform where the "great" problems that SCM studies needs to deal with. The future development of theories in SCM is tightly related to its practical roots. Indeed, there may be nothing so practical as a worthy theory, as it permits practitioners apprehend and reply to real existence SCM problems. 

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