The effects of supply chain integration and relational stability on firms' performance in buyer-supplier relationships

Fan-Yun Pai, Tsu-Ming Yeh, Chia-Jung Tsai, Pei-Hua Lin
E-mail: tmyeh@mail.dyu.edu.tw

ABSTRACT
In past decades, cooperative supply chain alliances have attracted increasing interest from operations management researchers. A firm cannot survive as an independent system. Therefore, to construct stable and health relationship with supply chain partners becomes more and more important for firms to create customer value. This study, thus, aims to examine the relationships among supply chain integration (SCI), relational stability and supply chain performance.

After a conceptual model was proposed, questionnaires were distributed to manufacturing firms in Taiwan and China to collect empirical data. 1500 questionnaires were sent out and 345 valid questionnaires were accepted. The focal firms are asked for their internal SCI within the firm and external SCI level with their partners and their perception of the stability about buyer-supplier relationship, of focal firms' performance and of environmental uncertainty.

Hierarchical regression analysis was employed to test the hypothesized relationships among variables and SPSS was used to conduct regression analysis. The results of this study showed that SCI is positively influence upon relational stability and relational stability is positively influence upon supply chain performance. After analyzing, this study offers managerial implications for managers to improving firms' performance and provides future study directions for further SCI research.

Keywords: Supply chain integration, Relational stability, Uncertainty

REFERENCES
Dorge, C., Jayaram, L. and Vickery, S.K., "The Effect of Internal versus External Integration Practices on Time-based Performance and Overall..."