

**TOP MANAGEMENT COMMITMENT TO
MANAGE TRANSACTION COST UNCERTAINTY
FOR LOGISTIC OUTSOURCING SUCCESS**



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DEDICATION

MY LOVING PARENTS, BROTHERS & CARING SISTERS

For their love, encouragement

And their moral support and guidance

That inspired me to accomplish this humble effort

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ABBREVIATIONS

crf. / cf.	cross reference
et al.	et alii
e.g.	exempli gratia
etc.	et cetera
f.	following page
ff.	following pages
i.e.	id est
p.	page
pp.	multiple pages
v.	Volume and issue numbers
3PL	Third Party Logistics
4PL	Fourth Party Logistics
RBV	Resource Base View
ERBV	Extended Resource Based View
TCT	Transaction Cost Theory
CPEC	China Pakistan Economic Corridor
HRM	Human Resource Management
RQ	Research Questions
LSP	Logistic Service Provider

Abstract

Area of logistic that consists of drivers (facility, inventory and transportation) which play vital role in supply chain network and in the success and failure of the organization. Unfortunately, most of the organizations did not pay attention to it. The present study is designed to explore the impact of transaction cost uncertainties comprised of demand volatility, supply volatility, and technological uncertainty on logistics outsourcing success in the manufacturing industries of Pakistan. The transaction uncertainty and logistics outsourcing performance are studied under the moderation role of top management commitment. The sample size for this study was 300 and responses were collected from the line manager, middle manager and top management of the manufacturing industry of Rawalpindi, Islamabad, and Hattar. Non-probability convenience sampling technique was selected. The data was analyzed using SPSS. Linear and moderated regression techniques were used to analyze the sample. The result showed that transaction cost uncertainties i.e. demand volatility, supply volatility and technological uncertainty positively impact logistics outsourcing success. The use of top management commitment moderates the relationship between transaction cost uncertainties and logistic outsourcing success.

Keywords:

Demand volatility, Supply volatility, Technological uncertainty, Logistic outsourcing success, Top management commitment, Transaction cost theory, Extended resource-based view theory.