IMPACT OF STRATEGIC SOURCING ON SUPPLY CHAIN MANAGEMENT: A CASE OF SUPPLY CHAIN IN PAKISTAN

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Abstract

Purpose

The research aims to analyze the impact of strategic sourcing on the supply chain performance of a firm particularly in the case of supply chain industry of Pakistan.

Methodology & Design

For the purpose of this research, the data has been collected from primary resources using questionnaire survey. A sample size of 165 respondents has been selected on the basis of convenience sampling. Further, it must be noted that the quantitative tests have been applied to reach at the findings of this research.

Findings

The results suggests that the strategic sourcing refers to building long-term relationship with the suppliers by means of mutual understanding and coordination. Further, it is found that the strategic sourcing is one of the important and emerging concepts in supply chain management. In addition, it is found that three of the four hypothesis have been rejected illustrating that the supplier development has a significant impact on the supply chain performance only, while others have an insignificant impact.

Limitations

The first limitation faced by the researcher is associated to the sample size selected in the study for the collection of the data. Another major limitation is related to the time duration required for the completion of the project.

Recommendations

The firms are suggested to focus towards the information sharing strategies that enhances the communication among partners and improves the outcomes generated at the end of the period. The information sharing with suppliers and other partners reduces communication gap and meets business goals effectively. In addition, the businesses are also recommended

to consider supplier development as an essential tool to ensure effective supply chain management of their firm. This must be focused on priority basis as the research finds a significant impact of supplier development on the supply chain performance.

Keywords

Strategic sourcing, supplier development, status of purchasing, internal coordination, information sharing with suppliers, supplier chain performance.

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