

Model to assess factors influencing performance of customer orientated supply chains: The manufacturing firms' perspective

Suren Peter, R.H. Thilakarathna ²

The dynamic external macro environmental changes that are happening have a major impact on businesses around the world. Businesses which were cocooned and protected from outside forces due to protectionist policies were accustomed to dealing with and managing competition at the industry level and firm level. However, opening up of markets to worldwide competition has made even these internal rivalries more intense. It's a well-known fact that today it's not just a competition at firm level, but it has expanded to a level where it has become a competition between supply chains.

In this sort of a context being customer oriented and embedding customer values in the supply chain environment becomes highly important to make the supply chain more appealing to customers amidst these varying conditions which they do not control. The relationship between customer oriented practices and supply chain performance is an intriguing relationship which is now becoming a focus of research.

This paper outlines a framework that could be used to identify the impact of factors influencing the relationship between customer orientated supply chains and supply chain performance. Past literature on this relationship was analyzed and several existing models by various authors were identified. These models were later used as the basis and other factors influencing this relationship which were studied separately, were collated into the base model to make the model comprehensive. These included organizational learning, supply chain practices, interactive infrastructure, innovation in supply chains, and supply chain capabilities. Expert opinion was used in the process of refining the proposed model. The framework conceptualized through the study could be used to assess supply chain performance and key variables impacting on the relationship between customer orientated supply chains and supply chain performance.

Key words: Customer oriented supply chain practices, Supply chain performance, Influencing factors, Mediators and moderators