Exploring Global Value Chains’ Disaggregation through Market Turbulence, Supply Chain Collaboration, and Performance Outcomes

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Abstract

The research focuses on developing a better understanding of global value chains through institutional and stakeholder theories for examining market uncertainties, in addition to relational view, behavioral, and contingency theories of supply chains. Based on conflicting insights from these theories, this research investigates how relationships and operational outcomes of collaboration fare when market turbulence is present. In order to assess the relationship between supply chain collaboration and firm performance during market turbulence (uncertainties), we analyze data from focal firms headquartered in the United States and engaged in doing business in emerging economies (e.g., India). Our findings suggest that the operational outcomes of revenue generation and sharing, profitability, and increase in market share holds value for the focal company. The relational outcomes such as greater mutual commitment, more open information sharing, and greater respect for each other’s capabilities and contribution are of paramount importance for higher level of collaboration leading to improved inter-organizational firm performance, productivity and profitability. The research offers valuable insights for theory and practice of global value chains by focusing on the GVC disaggregation through the measurement of market turbulence, playing a key role in the success of collaborative buyer-supplier relationships (with a focus on US companies doing business in India) leading to an overall improved firm performance.

Keywords

global value chains, supply chain collaboration, relational view, market turbulence, firm performance

Biographies

Amit Arora, Ph.D. is an Associate Professor of Supply Chain Management in the School of Business and Public Administration at the University of the District of Columbia (UDC). Previously, he was an Associate Professor of Supply Chain Management and Co-Director of Nicholas J. Giffre (NJG) Center for Supply Chain Management at Bloomsburg University (BU). Prior to joining BU, he was an Assistant Professor and Director of Global Logistics & International Business Education and Research Center at Savannah State University (SSU). Amit graduated with a Ph.D. degree in Logistics and Supply Chain Management from Georgia Southern University (GSU) in 2014. He earned his SCOR (Supply Chain Operations Reference) certification by Supply Chain Council in 2013. He teaches courses in Transportation, Supply Chain Management, Innovation, Quality, Customer Relationship Management, Strategic
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Anshu Saxena Arora, Ph.D., PMP is Associate Professor of Marketing in the School of Business and Public Administration at the University of the District of Columbia. Previously, she worked as the Associate Professor of Marketing at the Jay S. Sidhu School of Business and Leadership, Wilkes University, Wilkes-Barre, PA. Before joining Wilkes University, Dr. Arora was Associate Professor of Marketing and Chairperson of Department of Business (Management, Marketing and Supporting Areas) in the College of Business Administration, Savannah State University, Savannah, Georgia, USA. She is a Certified Project Management Professional (PMP) from Project Management Institute (PMI), USA and holds a Foundation Certificate in IT Service Management from Information Systems Examination Board (ISEB), UK. Dr. Arora was awarded Ph.D. in the area of Consumer Navigation Behavior in Hypermedia CMEs from the Indian Institute of Technology, Delhi, India. She has been a Visiting Professor at ISC Paris Business School in France, University of California, Davis, and Thunderbird School of Global Management at Arizona State University. She has more than a decade of industrial and academic experience. Dr. Arora has published more than 35 research papers in national and international journals of repute, and has presented about 50 papers in national and international conferences. Her research interests and expertise include digital / DSMM marketing, marketing analytics, social media strategy mix and social media measurement, stereotypical advertising polysemy, consumer behavior, ambient advertising, innovative experiential learning models in marketing and logistics / supply chain management, relational supply chain strategy relationships, and project management.

John R. McIntyre, Ph.D. is Founding Director of the Georgia Tech CIBER, professor of management (Strategy Area) in the College of Management with a courtesy appointment in international relations in the Georgia Tech’s Sam Nunn School of International Affairs. He received his graduate education at Northeastern University, completing his Ph.D. at the University of Georgia. Prior to joining Georgia Tech in September 1981, he was Research Associate for International Management at the Dean Rusk Center of the University of Georgia Law School. He has published in journals such as Technology and Society, Public Administration Quarterly, International Management Review, Defense Analysis, Studies in Comparative and International Development, The Journal of European Marketing, Politique Internationale, International Executive, International Trade Journal, among others.