

**CHAPTER VI:**  
**DISCUSSION AND CONCLUSION**

## CHAPTER VI:

### DISCUSSION AND CONCLUSION

#### 6.0 Chapter Overview

This chapter summarized the research findings are illustrated initially followed by discussion of the results in light of prior researches. The implications of the findings for theory and management are then developed. Finally, limitations and directions for future research. The primary objective of this study is to examine the relationships between Supply chain orientation, Strategic Supply chain orientation(organizational compitability,top management support and commitment), supply chain structural orientation (cooperative norms, benevolence and credibility), and business adaptiveness ass (Strategic, operational and marketing)also the study tried to test the mediating role of value co-creation on the relationship between Supply chain orientation and business adaptiveness: in addition to test the moderator role of locus of interaction on the relationship between structural supply chain orientation and value co-creation. To achieve this objective, it was necessary first to hypothesise theses causal relationships and second to empirically examine the relationships. The research model of this thesis wasdeveloped both from the literature review. Methodological issues were also addressed for the examination of the relationship in the conceptual model the data was collected from purposive sample by cross-sectional survey from (200) Sudanese manufacturing companies. The research model and hypotheses were tested with Structural Equation Modeling(SEM).

To achieve the aims of the study the questions are as follows

1. What is the relationship between the supply chain orientation and Adaptiveness?
2. What the relationship between (Strategic & Structural) SCO and value Co-creation?
3. Is Strategic SCO effect on Structural SCO in Sudanese manufacturing companies?
4. Do value co-creation effect on Business adaptiveness?
5. Does the Value Co-creation mediate the relationship between supply chain orientation(Strategic &Structural ) and Business Adaptiveness?
6. Does the Structural orientation mediate the relationship between supply chain strategic orientation and Value Co-creation?

7. Does the Locus of Interaction moderate the relationship between Value Co-creation and Business Adaptiveness?
8. What is the level of supply chain orientation of Sudanese industrial companies?
9. What is the level of Business Adaptiveness in Sudanese industrial companies?
10. What the level of value co-creation?

Descriptive analysis was also conducted for the variables of the study: supply chain orientation, business adaptiveness, value co-creation and locus of interaction the results outlined that the Sudanese manufacturing companies have average level of Strategic SCO (the mean of Three dimension were great than the median from score on 7-likert Scale) commitment was highest among Strategic SCO followed by top management and Organizational Compatibility.

Cooperative Norms achieved highest score The structural SCO dimensions followed by credibility, while benevolence was less than the median score which indicates that the level of Sudanese manufacturing companies benevolence weak. The results also indicates that the level of adaptiveness of Sudanese manufacturing companies is average where the marketing adaptiveness was the highest followed by strategic and operational adaptiveness.to that the level of value co-creation was above average.

The results of Person's correlation between all variables of the construct were revealed positive and significant where the results shows that the correlation between the strategic, structural SCO and the dimensions of business adaptiveness is positive and significant, also the results indicated that the relationship between strategic SCO dimensions and structural SCO dimension positive and significant, in addition to the relationship between strategic , structural SCO dimension and value co-creation was positive and significant .

**For** that, the path analysis in (SEM) analysis was used to test the hypotheses of the study. The first hypothesis predicts that there is a positive relationship between strategic Supply chain orientation and business adaptiveness. The results outlined that two dimensions of Strategic SCO namely top management support and commitment have a positive effect on strategic adaptiveness, while Organizational Compatibility show no effect on strategic adaptiveness. Also the results reveals that the three dimensions of strategic

SCO(Organizational Compatibility, top management and commitment) have positive effect on operational adaptiveness. In addition, the results also show a positive significance relationship between two dimensions of Strategic SCO on marketing adaptiveness, however Organizational Compatibility shows no positive significance effect on marketing adaptiveness.

The second hypotheses in this study predict that the three dimensions of Strategic SCO (Organizational Compatibility, top management and commitment) have positive relationship with the three dimensions of Structural SCO (cooperative norms, Benevolence and credibility).

The third hypothesis predicts that Strategic SCO (Organizational Compatibility, top management and commitment) have positive effect on value co-creation where only commitment shows positive significance effect on value co-creation, however Organizational Compatibility has no significance effect on value co-creation, also top management support has no significant effect on value co-creation.

The fourth hypothesis predicts that Structural SCO have positive effect on business adaptiveness (strategic, operational, marketing). The results show that only credibility has a positive significance effect on strategic adaptiveness, while cooperative norms has no positive effect on strategic adaptiveness, Benevolence has no positive effect on strategic adaptiveness. Also, the results show that credibility has positive significance effect on operational adaptiveness, whilst cooperative norms has no positive effect on operational adaptiveness, also Benevolence has no positive effect on operational adaptiveness. In addition, the results reveal that only credibility has positive significance effect on marketing adaptiveness. Whilst cooperative norms has no positive effect on marketing adaptiveness, likewise Benevolence has no positive effect on marketing adaptiveness.

Fifth hypothesis predicts that Structural SCO (cooperative norms, Benevolence and credibility) have positive effect on value co-creation. The result found that credibility has positive significance effect on value co-creation, while cooperative norms and Benevolence have no positive effect on value co-creation.

Sixth hypothesis predicts that value co-creation has positive significance effect on business adaptiveness (strategic, operational, marketing). The results show that value co-creation has positive effect on the three dimensions of business adaptiveness (strategic, operational, marketing).

The seventh hypothesis predicts that three dimensions of Structural SCO (Benevolence ,cooperative norms and credibility) mediate the relationship between the three dimensions of Strategic SCO (Organizational Compatibility, top management and commitment) and Business adaptiveness (strategic, operational, marketing). The results proven that Organizational Compatibility effect on strategic and marketing adaptiveness through benevolence, while not effect on operational adapiveness through benevolence. Also the results confirmed that top management effect on strategic and marketing adaptiveness through benevolence, but has no effect on operational adaptiveness through benevolence. In addition commitment have positive effect on strategic and marketing adaptiveness through benevolence, but has no effect on operational adaptiveness through benevolence. Moreover The results confirmed that Organizational Compatibility effect on strategic and marketing adaptiveness through cooperative norms, while not effect on operational adapiveness through cooperative norms. Also the results showed that top management effect on strategic and marketing adaptiveness through cooperative norms, but has no effect on operational adaptiveness through cooperative norms. In addition commitment have positive effect on strategic and marketing adaptiveness through cooperative norms, but has no effect on operational adaptiveness through cooperative norms. Also The results confirmed that Organizational Compatibility has no effect on the three dimensions of business adaptiveness ( strategic, operational and marketing adaptiveness) through credibility. Furthermore the results showed that top management have no effect on the three dimensions of business adaptiveness ( strategic, operational and marketing adaptiveness) through credibility. In addition commitment have positive effect on the three dimensions of business adaptiveness ( strategic, operational and marketing adaptiveness) through credibility.

The eighth hypothesis predicts that three dimensions of Structural SCO (Benevolence ,cooperative norms and credibility) influence on business adaptiveness( strategic, operational and marketing adaptiveness) through value co-creation. The results showed that three dimensions of Structural SCO,cooperative norms have no influence on the three dimensions of business adaptiveness( strategic, operational and marketing adaptiveness) . also the results indicates that benevolence has no effect on the three dimensions of business adaptiveness(

strategic, operational and marketing adaptiveness). In addition the results proven that credibility have effect on the three dimensions of business adaptiveness ( strategic, operational and marketing adaptiveness).

The ninth hypothesis predicts that locus of interaction moderate the relationship

Between the three dimensions of Structural SCO (Benevolence ,cooperative norms and credibility) and value co-creation. The results indicates that locus of interaction have no moderating effect on the relationship between cooperative norms and value co-creation. Also the results confirmed that locus of interaction have no moderating effect on the relationship between benevolence and value co-creation. In addition the result showed that locus of interaction have a moderating effect on the relationship between credibility and value co-creation.

## **6.1 Discussion**

This section is focused on the discussion of the study findings. The discussion is mainly based on previous works empirical evidence and conceptual studies that are considered to be appropriate for this study. The discussion included the relationship between strategic , structural supply chain orientation and business adaptiveness, value co-creation and the moderating role of locus of interaction .

### **6.1.1 The relationship between supply chain orientation and business adaptiveness**

This stud mainly aimed to investigate the effect of supply chain orientation(strategic and Structural) and business adaptiveness ( strategic, operational and marketing adaptiveness)as first main objective .

**6.1.1.1**Strategic supply chain orientation (organizational compatibility, top management support, commitment) and business adaptiveness( strategic adaptiveness)

The result revealed that organizational compatibility has no effect on strategic adaptiveness. The logic behind this result, Strategic Adaptability is inextricably linked to the of strategy and appears to be more complex than a simple set of cultural values (Strempek, 2003). Bruce et al. (2004) also argued that to achieve adaptability supply chains should be equipped with a combination of agility and leanness, due to the low margin and volatility of demand in the industry. Sudanese manufacturing companies showed low to moderate level of

compatibility in term of (the consistency of objectives among supply chain members and a unified focus on providing value to the ultimate customer) (Roethlien&Ackerson, 2004) This low level of compatibility may not enhance the strategic adaptiveness. Moreover (Sethi and Sethi ,1990) argue that these adaptability cannot achieve their full potential without the support of an organizational structure, and sophisticated computer and information technologies.

The results also reveal that Top management support has positive effect on strategic adaptiveness. This result supported by evidence from previous studies,Where have shown top management support of the supply chain and the firm's commitment to its supply chain partners, strategic SCO allows for more rapid and effective decision making related to supply chain issues under dynamic contexts. with reference to Strategic choice theory which is focuses on managers' strategic choices when their firms face external challenges (Child, 1972). If they have a strategic orientation, firms choose to leverage their strategy to adapt or change aspects of their external environment to ensure more favorable alignment. top management's willingness to provide necessary re- sources and authority was regarded as one of the crucial causes of success or failure (Mu, J., et al., 2017). In addition (Joshi, Kathuria, &Porth, 2003; Kearns, 2006). Found that top management support can act as a strong force to align functional and strategic objectives, to unite various functional groups in implementing the firm's plans and decisions, and to align operational and strategic objectives of the firm .

Also the results confirm that commitment has positive significant effect on strategic adaptiveness. This result aligned with what has been reached in previous empirical studies, where argue that A firm's ability to display strategic flexibility is often a function of its organizational structure and culture (Zahra., et al. 2008;Worren, Moore, & Cardona, 2002).coordination and alignment of goals must be facilitated through commitment and trust.

Moreover Commitment are central aspects, especially for building and developing strategic alliances and inter-company cooperation (Dyer and Chu, 2000; Johnston et al., 2004; Humphreys et al., 2001). Serrao, R. and Dalcol, P. (2010) observed that partnership commitment is for the continuity of business. This characteristic is important and shows that the improvement of performance. Manifested on more flexibility and ability of adapting with partners

The relationship between Strategic SCO and Operational Adaptiveness

Relationship between Strategic SCO and operational adaptiveness in Sudanese industrial companies . The overall model results support the conceptualized model

The results of the model reveal out that Strategic SCO partially effect on operational adaptiveness, particularly Commitment positively effect on operational adaptiveness . As this study adopted cultural and relationship perspective for SCO Based on that (Golicic and Mentzer, 2006; Murphy &Poist, 2000) confirm that firms need to develop closer relationships with their partners (suppliers, customer..) which well recognized in the logistics and supply-chain management theory, and a variety of benefits have been associated with firms cultivating close relationships, such as higher levels of partner trust and commitment (Autry and Golicic, 2010), and improved operational and market performance (Panayides & So, 2005).moreover commitment is a managerial willingness to allocate resources and take behaviors that lead to the development of capabilities consistent with the desired outcomes (Nobel,Sinha and Kumar, 2002) such as adaptability agility and innovation of performance also (Spekman & Carraway, 2006) stated that commitment shapes the rules of engagement and interactive behaviors between the exchange partners which allow firms to use their resource and information interchangeably to align with each other's objectives or with in the external change in level of operations further commitment in the interactions of cooperatives can impact financial results, showing a logic of exchange that saves time, facilitates agreements on integration, and leads to improvement actions and these represent the features of operational adaptability (Arruda, 2014; Stecca, 2014).. In this way H1a which indicate that top management support not effect positively on operational adaptiveness this result, it might justify with refer to the role of top management which is recognized by a number of scholars as a critical factor in changing an organization's orientation, direction, value , and also top management has to assure the consistency between the new strategy and the consequent operating policies.

From integration literature top management is Antecedents of investments, cross-organizational teams and problem solving, information sharing , information sharing, incorporating customer input, manager support, managing relationships, measuring/reporting performance (Zhao et al. 2008; Eltantawy et al. 2008) The SCO philosophy initially requires cultural change, Corporate culture is a critical factor when transitioning to an SCO without a



strong corporate culture supporting this transition, most of the interorganizational initiatives directed toward integration and collaboration with suppliers or customers did not come to fruition and eventually failed (Omar, et al, 2012, p.13) therefore top management support without strong corporate culture will not result in operational adaptiveness. In addition the results of H1b found that there is no positive effect for organizational compatibility on operational adaptiveness.

compatible firm, must operate with similar operating principles, and utilize comparable management techniques with their partners therefore the probability is high that SCM processes will assist in the improvement of the entire supply chain's effectiveness and efficiency (Ellram & Cooper, 1990; Cooper et al., 1997; Lambert et al., 1998). contributing to the success in interorganizational relationships and the learning and financial performance of exchange partners (Beugelsdijk, Koen, & Noorderhaven, 2009). On the other side incompatible firms, those with incompatible goals or varying strategic horizons carry a lower level of trust towards one another which leads to less sharing and less collaborating. The miscommunication and collaboration lead firm to be inflexible and unadaptable particularly Sudanese industrial companies. It has a lower compatibility level based on results of means in table (4.17) thus organizational compatibility does not lead to operational adaptiveness in Sudanese industrial companies.

#### The relationship between Strategic SCO and Marketing Adaptiveness

The results of the study revealed that strategic SCO has a positive significant effect on marketing adaptiveness. The results confirm that organizational compatibility has no effect on marketing adaptiveness, this result aligned with what said (Williams, 201) in order to adapt to changing customer needs and requirements, many companies have had to reduce their response time. Firms develop a better understanding of one another through improved information sharing and increased adjustability in concert with their partners' needs and wants (Rajamma, Zolfagharian, and Pelton, 2011). This means marketing adaptiveness comes as a result of a high degree of consistency with partners, consistency in goals, needs of the partners. Therefore this result is a consequence of the lack of Sudanese manufacturing compatibility as shown in means results where it is confirmed the low level of organizational compatibility of Sudanese manufacturing companies.

Furthermore the results confirm that top management has positively associate with marketing adaptiveness. This result is similar with (Patel, et al., 2013) statement which assured that Strategic SCO could result in improved market orientation as the marketing department is able to better anticipate and meet market needs.

The above result also is consistent with previous studies such as (Evanschitzky et al.2012, Henard and Szymanski 2001,Evanschitzky et al. 2012) these previous studies proved that one critical factor to the success of major innovation outcomes, is top management support. In general, top management support which is means the “degree of top management support (provided) for a new initiative Innovation, marketing initiative, new product. These are considered as the manifestation of marketing adaptiveness.

The results of this study also found that Commitment positively influence on marketing adaptiveness. This result is similar to result reached by (Keskin,2006) who was found that shared vision, commitment, and knowledge sharing, facilitate firms to try out new ideas, seeks out new ways to do things, develop and launch new products/services, and be creative in its methods of operations In addition to that and based on SCO cultural approach, firms wishing to improve on their marketing performance should first concentrate on building trust and commitment within their own organization as well as across supply chain partner(Tinney,2012).

(Liao et al., 2009) Mentioned that commitment can guarantee the process of detecting and exploiting the opportunity, and deploying the necessary resources and capabilities. Such opportunity capitalizing capability helps insure a firm's adjustment to and alignment with the environment in a timely fashion (D'Aveni, 1994).

### **6.1. 2 The relationship between Strategic SCO and Structural SCO**

Going in the same direction the results pointed out the Strategic SCO positively associate with Structural SCO. Firms recognize the importance of managing their supply chains can develop relationships with their supply chain members that allow them to improve their practices related build and maintain a strong relationship Thus it become more dependent on their supply chain partners, more credence is given to opportunities and threats that emerge within the supply chain (Defee& Stank, 2005; Slone,; Mentzer, &Dittmann, 2007).

Along with this line the results show a positive relationship between Top management support and credibility this result probably came because supply chain orientation requires a managerial change towards it. As in any organizational change, the commitment for an effective collaboration behavior needs to be promoted and sponsored by the top management, be widespread, and be made visible to people throughout the organization, (Zamboni, 2011). Consequently top management effectively lead to collaboration behaviors such as creditability and trust. Also the results revealed that organizational Compatibility positively effect on Credibility. Compatibility is an important antecedent for success and failure of organizational partnerships (Shamdasani & Sheth, 1994) as it increases the likelihood of developing mutually satisfying win-win relationships, compatibility can encouraging the partners feeling of “we-ness” among organizations, thereby contributing to the success in interorganizational relationships (Patel, Azadega&Ellram,2013)

Furthermore the study found that commitment positively effect on credibility. Commitment is always represent the belief of a firm in a dyadic exchange that the existing relationship with another firm is very important and hence it deserves maximum efforts to maintain it for long-term period (Moorman et al., 1992; Morgan and Hunt, 1994). In the behavior of commitment encourage the buyer belief that the seller does not have any negative intentions and its present and/or past experiences are believed to be a strong predictor of future intentions. Moreover the firm should believe that the partner firm will act with credibility and benevolence in future exchanges as well (Sindhav&Lusch, 2008). Thus the behavior of commitment can improve the level of credible action. also commitment is associated with credibility. However, inter-firm relationships cannot develop without resource commitments based on some degree of trust between the parties (Morgan &Hunt, 1994).Commitment is defined as the belief of a firm in a dyadic exchange that the existing relationship with another firm is very important and hence it deserves maximum efforts to maintain it for long-term period (e.g. Moorman et al., 1992; Morgan and Hunt, 1994). In order to develop commitment, the buyer should have belief that the seller does not have any negative intentions and its present and/or past experiences are believed to be a strong predictor of future intentions. Moreover the firm should believe that the partner firm will act with credibility and benevolence in future exchanges as well (Sindhav&Lusch, 2008).

The results of this study show a positive relationship between organizational compatibility and cooperative norms.

organizational compatibility, and top management support. These can be seen antecedents of cooperation among organizations and crucial elements to assure organizational performance, and long-term relationships (Morgan and Hunt, 1994; Yurt, 2007). (Siguaw et al., 1998) implied that Organizational compatibility means fitness or suitability of cultural norms and management techniques to the SCM. (Acar, et al., 2017)

This result can be implied firms in order to be compatible organizationally, they must operate with similar operating principles, employ a similar cultural environment, and utilize comparable management techniques (Tinny, 2012). also Compatibility helps organizations identify with one another and therefore be better motivated to collaborate (Riketta & Nienaber, 2007).

This study found that Top management support has positive impact on Cooperative norms. This result similar with Many empirical investigations which have clarified the necessity of strategic supply management in the effective integration of purchasing and supply activities (Ellram and Carr, 1994). Firms that oriented to long-term planning and adopt a strategic orientation in supply will be more aware of strategic implication of supply chain activities and better able to provide input of those plans to suppliers. (Carr and Pearson, 1999) argue that strategic supply management offers more opportunities for coordination and long-term relationships with key suppliers. This result also can be explained by top management support shapes an organisation's values, orientation and direction. It is based on the recognition that it is the top management support that instigates all the practices in supply chain. (Woo, 2010), in addition this results might implied that top management support represent the open to changes and leadership means suitability and fitness of management techniques and cultural norms to SCM processes

The results also confirm that Strategic SCO positive impact on Benevolence

The result shows that Organizational Compatibility positively associate with benevolence. this result corresponds to what reached by (Doney and Cannon, 1997), An importer's value similarity with the exporter can have a greater effect on the importer's benevolence when exchange partners share similar business values. It is expected that they

understand each other's underlying intentions better and thus, are likely to provide reciprocal benevolence.

Organizational Compatibility can be seen a multi-dimensional construct composed of technical, strategic, and cultural components. As this study adopting cultural aspect A common identity as well as compatible philosophies and values promote knowledge- sharing and consultative behavior (Dyer&Nobeoka,2000). moreover, strategic supply chain management requires some degree of cultural compatibility, as well as continual adaptation of the supply chain structure and alignment of supply chain members' goals (Ireland& Webb,2007).

Furthermore For instance, in industrial marketing, buyers may be more interested in cost- effective purchases, whereas suppliers are more focused on high profit margins (Jap, 2001). To ensure successful business-to-business partnerships and inter-organizational relationships, partnering organizations must have some degree of congruency in their goals, strategies, resources, technology, culture, and organizational reward systems (Samaddar et al., 2006).

The findings suggest that top management positively associate with benevolence. This finding is similar to what is mentioned by (Hoejmose, Brammer and Millington., 2012) top management makes decisions that affect the culture and success of the organization, and decisions about the company's financial position, impending strategic moves, and policies. Therefore the combination of top management support and trust that is likely to create the best conditions for supply chain. Indeed, both trust and top management support have been found to be among the key factors in successful supply chain relationships (Akintoye, McIntosh, & Fitzgerald, 2000). (Mentzer, Min, and Zacharia, 2000) argue that strategic buyer-supplier relationships will fail without the synergy of trust and top management vision. Similarly, (Chandra and Kumar , 2000)

More clarification for this result, Top management creates a vision for the firm and nurtures organizational values, which direct the company and give the company an identity (Hart, 1992).

The role of top management support can, therefore, not be underestimated, as they are at the fore front of the company, driving the organizational culture and institutional systems that encourage desired behavior (Daily & Huang, 2001).

The findings indicates that Commitment positively effect on benevolence. This result consist with what is found by (Lee, et al, 2008)commitment, positively affects mutualistic benevolence. From economic perspective of the relationship it's important for who is satisfied with the economic benefits of relationship is likely to feel committed to the relationship for economic reasons. This type of commitment fosters benevolence motivated by mutual gain. (Nyaga, Whipple, & Lynch, 2010)Argue that commitment between buyers and suppliers may be strengthened if there are clear mutual benefits to be gained, such as clear evidence of responding to institutional and stakeholder pressure, or if it allows suppliers to signal their commitment to the buyer, thereby ensuring future orders.

In the view of (Dahmane, Allah, and Abderrezak.,2015), the presence of commitment in trade cultivates the trust shared between the parties entered into the relationship. The continuity of relationships over time motivates organizations to work together in pursuit of goals and mutual benefits for the members of the relationship ((Principe, Dagger, & O'Sullivan, 2010; Van Vuuren, Lombard, & Van Tonder, 2012)

### **6.1.3The relationship between Strategic SCO and Value Co-creation**

The results implied that two dimensions (organizational compatibility, top management support) of Strategic SCO have no impact on and Value co-creation, while commitment has positive impact on Value co-creation. The results indicates organizational compatibility has no impact on Value co-creation. A numbers of authors(Davidsen & Reventlow, 2011; Davis &Ruddle, 2012; Molinas, 1998) explained the factors that decrees the effect of compatibility on value co-creation such as, the presence or absence of a decent infrastructure to communicate with customers, absence of inviting the value co-creation process in organizational structures and procedure's (Bovaird & Loeffler, 2012; Andrews & Brewer. 2013) also administrative culture in which co-creation must be established as risk-averse, conservative and not aimed at incorporating with customers. From the other side of partners(buyers , sellers) also the awareness and willingness of partners to participate might, effect on value creation (Wise et al. 2012)

Furthermore the result indicates that top management support has no influence on value co-creation. This result is going with same line of previous studies of many authors (Voorberg, Bekkers and Tummers.2013; Roberts et al. , 2012 ) whom they reached to the same result Where it can be interpreted by: managers and professionals consider co-production as unreliable. The behavior of customers is less understood and is considered as more unpredictable. Also the attitude of organization influence to what extent co-creation/co-production occurs. Therefore firms to co-create value with customers and suppliers. Getting support from top management and developing long-term relationship with customers and suppliers underlie the success of value co-creation. Backed to the results of mean and standard deviation which is represent the level of top management support practice it showed a low level of support and this shows up no effect for top management support on value co-creation.

With same line the results indicates that commitment has positive effect on value co-creation. This result coincide with previous work which is confirm that commitment facilitates the co-creation of value . commitment is significant contributor to the strength of the relationship between strategic intent and value co-creation (Murthy, C. et al. ,2016). The effect of commitment on value co-creation can be explained by business relationships are of paramount importance for firm because such relationship can create value for both parties involved (Ryssel, Ritter, Gemunden, 2004). Moreover (Gundlach, Achrol andMentzer, 1995; Morgan and Hunt, 1994). Committed customers will offer more value to their suppliers as their contribution to the on-going relationship.

#### **6.1.4 The relationship between Structural SCO and Business Adaptiveness**

##### **The relationship between Structural SCO and Strategic Adaptiveness**

The study's findings implied that tow dimension of Structural SCO (cooperative norms and benevolence) have no effect on strategic adaptiveness, while Credibility has positive significant association with strategic adaptiveness. The study empirically confirmed that cooperative norms has no influence on strategic adaptiveness this results consistent with (Bowersox et al., 2003) cited numerous failed technology initiatives designed to share information across organizational boundaries. Most initiatives were doomed by the failure to properly lay the groundwork for successful collaboration.. More articulation for this result, a

key challenge for organizations is to change these levels in order to adjust to the change of strategy undertaken by top managers (Deverell, and Olsson, 2010). Also its unclear whether strategic flexibility is better predicted by capabilities, structures, or both. Some carried out that Both organizational structure and dynamic capabilities are theorized as influencing strategic flexibility(Bock, et al.,2011). Therefore it can be said that the insignificance of the relationship between cooperative norms and strategic adaptiveness, might due to the indirect effect. Moreover in context of Sudan the manufacturing companies' have low level of structural SCO (*see table*) this might reflected on the level of affection.

The findings of present study also showed that the relationship between benevolence and strategic adaptiveness insignificance. This result agrees with various studies that supported the insignificance of benevolence (Moonkyu., lee. and Suh,2007; Lee et al., 2004; Mowday et al., 1982). Whom they said benevolence is known to be less stable and affected by exchange contexts. Moreover (Podsakoff, Ahearne, and MacKenzie 1997) confirmed that benevolence may have a stronger effect on relationship performance in mature relationships more than in newer ones. This is happen because benevolence in mature relationships is likely to be more fully appreciated and reciprocated, thereby enhancing relationship performance. in addition the above result Contradict with previous studies which are confirmed the positive impact of benevolence. However, there are contextual detrimental for the effect of benevolence on the adaptability of Sudanese manufacturing companies, such as (economic factors, business practices related to supply chain) also the level of benevolence practices was low as showed in findings of means (*see table*) .

The findings of this study strongly supported the positive relationship between Credibility and strategic adaptiveness. This result agree with what has been mentioned by (Zaheer &Venkatraman, 1995; Kumar &Anderson, 1993; Young-Ybarra &Wiersema, 1999), which is Credible commitment in an exchange relationship thus reinforcing a stable and long-term relationship and generating joint motivation to encourage flexibility in response to changes. Moreover (Gundlach, Achrol and Mentzer, 1995) The credibility of commitment in the relationship positively influences the development of relational norms (flexibility). From other point of view a numbers of authors (Lazzo&Zhexembayeva, 2011; Lin-Hi, 2008; Karnani, 2012) attempting to integrate credibility and strategy as the embodiment of an



innovative and forward-looking paradigm shift, innovation which manifestation of adaptiveness.

Pavlou,(2002) Credibility allows buyers to concentrate on future transactions by reducing fears of short-term opportunism.

#### The relationship between Structural SCO and Marketing Adaptiveness

The results reveal out that Structural SCO partially effect on operational adaptiveness, particularly Credibility not effect on Marketing adaptiveness

Credibility is a result, of an organizations strategic choiceto establish interorganizational relationships, where the choice is driven by environmental pressures(Provan; Sydow, 2008). Those inter-relationships can be understood as a response to environmental changes to obtain collective gains that wouldbe difficult to achieve through individual action(BalestrinVershoore; Reyes., 2010; Verschoore, 2008). Thus difficulties of buyers to having close relationships with buyers , with a lack of trust in suppliers to keep buyers fully informed of developments that may affect them, with difficulty in making personal friends with salesmen and technicians, and with suppliers not having a good understanding of the problems of buyers. For technical skill, it is associatedwith lack of high technical competence, and necessary technical information not being readily available from suppliers. It is also associated with products characterized by consistent quality (Ford ,1984)all these Factor associate negatively with the firm marketing adaptability(response to customers, satisfying customers) , Sudanese manufacturing companies facing challenges related to the competencies of disseminating information to the customer and channel to access customers and customer participation which lead to lack of responsiveness to the market .

Supporting to the previous evidence the studyindicate that Cooperative norms positively effect on marketing adaptiveness.(Patel, Azadegan, and Ellram ,2013) noted that norms provide the partners with the flexibility to cope with inevitable (Cai& Yang, 2008). such norms act to institutionalize interorganizational experiences and facilitate efficient transfer of these experiences to new situations thereby enhancing the efficiency by which the firm responds to its environment (Ashmos, Duchon,& McDaniel, 1998).

Gligor, (2014) contend that Interfirm cooperation is the key to providing a flexible response to customers' needs . This requires members of the supply chain to be linked together as a network. Interfirm cooperation is at the very core of SCO. Supply chain oriented firms recognize the strategic implications of managing the upstream and downstream flows of products, services, and information (Mentzer et al. 2001). This provides the necessary platform for collaborating with supply chain partners and achieving the desired level of flexibility.

### The relationship between Structural SCO and operational Adaptiveness

The finding indicates that cooperative norms has no impact on operational adaptiveness. This result Contradict a number of studies mentioned , established that operative collaboration that can provide valuable upward feedback to senior managers to adjust strategic plans designed at the top (Raes et al., 2011) But these practices require more joint decision-making and introducing suppliers at early stages of product development and also providing physical spaces that facilitate the collaboration with suppliers (Aoki and Lennerfors, 2013). otherwise the cooperative will not effect on operational improvement and adaptability. Workers at the more operational and technical levels also can deploy innovative initiatives and eventually provide significant upward feedback about how to refine and/or adjust them.

furthermore the results suggest that Benevolence has no effect on operational adaptiveness. This result does not agree with some previous such as (Acar, 2017) Benevolence implies helpfulness among companies. It can be seen that the SCO is very important for manufacturers to become successful in supply chain operations, managers should be supply chain oriented, because in today's market environment, the SCO brings competitive advantages to firms, including being credible and benevolent, which provide closer and sustainable relationships between contractors. but there are many Challenges available within the supply chain if managed by adopting supply chain management (SCM) as a philosophy, rather than considering supply chain activities solely as functional activities focused exclusively on meeting operational objectives (Cooper, Lambert, & Pagh, 1997; Mentzer et al., 2001)

however, evidence suggests that many top-level executives do not emphasize an SCM philosophy (Gibson et al., 2005; Barker & Naim, 2008; Camerinelli, 2009). In many firms, functional units do not consider an SCM philosophy (Trent, 2004; Tongzon, Chang, & Lee, 2009). Cited in (Patel, Azadegan, Ellram, 2013) hence the Sudanese manufacturing companies have low level of benevolence as shown in the results of mean.. The results show that Credibility positively effect on operational adaptiveness.

This results consistence with several studies indicates that joint effort enables partners to align their operations and processes, which enhances the relationship by building trust (Salam, 2015; Min et al. (2005). When firms work together, they are more likely to commit to the relationship structural SCO is more focused on operational behaviors related to executing decisions than the motivation behind strategic decisions. Structural SCO ensures that the firm's day-to-day activities are executed with the consideration of the firm's supply chain as a valuable part of its business. Structural SCO can be exhibited by the firm's benevolence towards its supply chain partners, the cooperative norms it displays with partners, and the credibility established through its ongoing behavior (Min & Mentzer, 2004).

many studies such as (Cummings and Bromiley, 1996; Smith and Barclay, 1997) have confirmed the role of trust in business relationships and found that trust help to better cooperation, thus leading to open communication and information sharing. Whereas credibility as antecedent of Trust has been (Ganesan, 1994) posits that long-term orientation in buyer-supplier relationships depends on the extent to which a retailer or vendor trusts the channel partner and their perceptions of trustworthiness.

#### **6.1.5 The relationship between Structural SCO and Value Co-creation**

also the results found that Credibility positively effect on value Co-creation the justification of This finding come from co-creation can be accomplished by creating dialog networks and institutionalizing of dialogic communication in corporate social responsibility programs. (Durand, 2005) argue that Value creation can be considered as results or impact of interfirm relationship which is includes (credibility..) also Ohanian (1990) indicate that highly credible sources more positively affect, attitudes, and behavioral intentions. (Lee & Ahn 2013) As previous studies have indicated, the perception toward a medium of communication should be

taken into a consideration when contacting partners Less credibility will lead to a lower perception of value. A firm can acquire the element of credibility by earning a reputation of “fairness” as discussed by (Ganesan, 1994). The fairness is gained by a firm when they engage in reliable and consistent behavior over a period of time. Ganesan (1994) found that firms who are trusted and viewed as credible by their supply chain partners tend to maintain long-term and collaborated relationships with these partners.

The results assured that Cooperative norms not effect on Value Co-creation.

Tinney (2012) illustrate that Cooperative norms are integral in creating working procedures for how organizations will manage problems as well as how they will share rewards. Establishing these cooperative norms relieves the potential for risk when building a relationship between supply chain partners.

management can put directives and incentives to develop cooperative norms, these mainly emerge from complex social processes which the management cannot fully control (Bercovitz *et al.*, 2006). Even though, in early relationships, the level of expected relational norms in an exchange can be the result of a calculative process facilitated by transaction attributes like joint transaction-specific investments and observability (Bercovitz *et al.*, 2006), Cooperation start with jointly planning activities., execution of the activities and ends with the evaluation of these activities so that the benefit of the partnership is realized ( Novack *et al.*, 1995; Cooper *et al.*, 1997). However, cooperation is not easily ascertained. According to (Morgan and Hunt, 1995), cooperation can only be built when firms trust their supply chain partners and are committed to the partnership. Firms with an SCO are more likely to support business-related actions that promote the benefits of trusting and committed relationships. When cooperation is achieved within a supply chain, benefits such as reduced system-wide inventories and supply chain cost efficiencies can be obtained (Cooper *et al.*, 1997).

The findings indicates that Benevolence has no effect on Value Co-creation.

The results suggest that benevolence has no effect on Value Co-creation. This result contradict with (Ganesan and Hess, 1997; Morgan and Hunt, 1994). Which is mentioned A benevolent behaviour may be perceived as the employees’ initiative in favour of customers’ interests in order to avoid situations disadvantageous to the customers. Such behaviour is

characterised by pro-consumer attitudes and by the refusal to adopt an opportunistic behaviour exclusively based on their own interests. Moreover benevolence contributes to develop customers' trust in the firm (Yamagishi and Yamagishi, 1994), and to enhance corporate image (Xie and Peng, 2010).

Benevolence conceptualized as an antecedent of trust. In other words, benevolence is viewed as a basis for trust, therefore it might not effect on value co-creation because benevolence not effect directly, but through trust and trust can effect on relationship performance (Podsakoff and MacKenzie, 1994; Maignan et al., 1999; Van Dyne et al., 1995). Furthermore benevolence It may be motivated by morality and the extent of help is determined by the need of the recipient. Also the effect of occurs when exchange partners act benevolently in a relationship, they voluntarily cooperate with each other.

#### **6.1. 6 The mediating role of Structural SCO on the relationship between Strategic SCO and Business adaptiveness. The logic behind this result**

Firms cannot develop performance flexibility in isolation from their supply chain members. Members of the supply chain must be capable of rapidly aligning their collective capabilities to respond to changes in market and customer demand (Gligor and Holcomb 2012). Interfirm cooperation is the key to providing a flexible response to customers' needs. This requires members of the supply chain to be linked together as a network. Interfirm cooperation is at the very core of SCO. Supply chain oriented firms recognize the strategic implications of managing the upstream and downstream flows of products, services, and information (Mentzer et al. 2001). This provides the necessary platform for collaborating with supply chain partners and achieving the desired level of flexibility. Indeed, supply chain research has recognized that one of the outcomes of strategic SCO is improved flexibility in the use of firm resources (Patel et al. 2013). Firms that recognize the strategic importance of managing their supply chain (i.e., supply chain oriented) can achieve a higher level of flexibility (Malhotra and Mackelprang 2012).

### **6.1.7 The mediating role of Structural SCO on the relationship between Strategic SCO and operational adaptiveness**

The results found that benevolence has no mediation effect on the relationship between organizational compatibility and strategic adaptiveness. This result aligned with the suggestion of Whencultures, strategicgoals, and technological systems of partnering organizations differ, the result can be misalignment of business processes, impeding both the integration process (Mottaghian, 2004). (Selnes and Gønhaug,2000) argue that When the supplier does nothelp the customer in an unpleasant situation, and thus is nobenevolent (only “neutral”), we predict that the outcome islikely to be attributed to self and/or situation. We predict that the affective arousal in this case is more in the direction of depression and sadness attributed to oneself. (Salam,2015) mentioned that the benefit of organizational compatibility occurs when, the partners work together toplan and coordinate activities, as well as to resolve problems. (Min et al. , 2005) found that joint efforts, such as planning, goal setting, performance measurement and problem solving, are essential for successful collaborative relationships and are closely related to information sharing. Backed to the result of the benevolence and collaboration level between Sudanese business partners in industry was found very poor which indicates that organizational compatibility will not contribut on strategic adaptiveness through benevolence.

Furthermore the finding suggest that benevolence mediate the relationship between organizational compatibility and strategic adaptiveness  
firms are probable to experience superior performance if they recognize the strategic implications of managing their supply chain and develop a high level of flexibility.( Gligor,2014) Thisdevelopment to ensure compatibility with existing manufacturing capabilities (Bonaccorsi and Lipparini, 1994; Hartley, et al., 1997). This may reduce requirements for future investments in production equipment and future engineering changes that are driven by mismatches in product tolerances and machine capabilities (Bonaccorsi and Lipparini, 1994).SCO as inter-organizational compatibility leads to consistency of goals/objectives and operating philosophy between partnering firms (Bucklin &Sengupta, 1993), improvisation of customer-focused performance by focusing on value creation for the final consumer (Roethlien& Ackerson, 2004); enhancement ofinter-organizational learning,

relationships and performance (Beugelsdijk, Koen, & Noorderhaven, 2009). therefore this results can be justified.

Continues with above results benevolence has positive mediating effect on the relationship between compatibility and marketing adaptiveness

This result agree with justification mentioned by (Kamers, 2015) Who noted that similarity and frequent interaction as manifestation of organizational compatibility lead to increased sales.

Strategic orientation, supply chain or market-oriented firms cannot meet their customers' expectations alone, in isolation from their supply chain members. Firms should recognize the importance of managing their supply chains can develop close and benevolent relationships with their supply chain members that allow them to collect information about their customers' preferences so as response to the change that occur on the side of customers. Compatibility between the partners' organizational cultures facilitates coordinated action. One firm will be better able to learn from another when the organizations have compatible norms and values organizational compatibility, which in turn shapes relational benefits. organizational compatibility identifies the degree to which two partners share a set of norms or values that constitute an interorganizational culture common goals and objectives, business philosophies, or management styles for achieving strategic alignment between the partners (Cheung et al., 2010; Sarkar et al., 2001). Shared values and beliefs facilitate the continual alignment of supply-chain offerings with marketplace desires (Hult, Ketchen & Arrfelt, 2007).

Moreover the results confirm that benevolence has no mediation effect on the relationship between top management support and operational adaptiveness.

It is difficult for a firm to get benefit of interorganizational if senior managers do not view as approach for innovation and are reluctant to allocate sufficient resource.

Schultz et al. (2013) found that the relationship between senior managers support and performance is direct, and suggested that there are many factors can mediate between senior managers support also indicate that the most important factors effect on the relationship between managerial behaviour and performance is decision making clarity.

Harvey, et al (2011) explained that collaborative communication with suppliers is already a strong driver of performance, and it could not have been achieved without a good

relationship between the two firms. In other words, a high quality relationship is an inherent part of the collaborative communication process, and, therefore, collaborative communication is probably a construct reflecting an interconnected operant resource

Top management support helps maintain strong relationships with supply chain members (Mentzer et al., 2001) thus with referring back to the environment of industrial business in Sudanit can be observed the economical instability which is lead to instability of relationship and performance (Proenca and Cstro, 2004). Therefore benevolence might not effect on the relationship between top management support and operational adaptiveness.

The findings reveal out (Benevolence) partially mediate the relationship top management support and strategic adaptiveness.

The result shows that benevolence mediate the relationship between top management support and strategic adaptiveness. This results similar to what has been mentioned by (Esper, Defee, &Mentzer, 2010). the strategic aspect of SCO is considered to drive the development of organizational structure and processes Part of structural development for firms is to determine how to allocate resources to create capabilities and how sets of capabilities should be coordinated and organized (Stank, Davis, & Fugate, 2005). The findings here suggest that firms that lack the resources or top-management support to help instill both elements of SCO can still receive benefits from implementing either strategic SCO or structural SCO. For example, in some cases the firm may have strong functional leadership that is able to implement structural SCO through building effective relationships with other departments and developing behavioral norms whereby the supply chain function is involved in relevant decisions. it is possible that the supply chain leader has not been able to gain top-management support.

Furthermore top management support provides a crucial channel between shareholders and employees because they translate shareholders' goals into business strategies and support employees to achieve business strategies (Tamas, 2000).

The results also found that benevolence mediate the relationship between top management support and marketing adaptiveness. Top managers are centrally in controlling organizational resources which cansupport the relationship development. First, specific investments dedicated to the relationship can be undertaken to make it attractive for customers



and suppliers (Svendsen et al., 2011). Second, top managers are in a better position to build and nurture the trust and commitment of their customers and suppliers to the IORs (Haytko, 2004; Mehra et al., 2006). Third, top managers have the power to establish an organizational climate that fosters IORs development. In addition, top management support signals to organizational members about the value of inter-organizational development efforts (Yadav et al., 2007). With the support of top management, firms within a supply chain can establish long-term relationships with their customers and suppliers.

Many studies have stressed that successful customer and supplier engagement requires the support of top management (McIvor et al., 2006; Jiao et al., 2008). Top management must be committed with its own willingness to allocate valuable resources to the implementation effort (Zu et al., 2008). This includes providing the needed people for managing customer and supplier relationships and giving appropriate amount of financial support..(Feng, and Zhao, 2013).

The results indicate that benevolence has no mediating effect on the relationship between Commitment and operational adaptiveness.

This result agrees with (Ambrose, et al 2011) Commitment was not a significant driver of relationship performance for the buyer, in contrast to the work of (Noordwier et al. 1990; Angeles and Nath, 2001), and (Palmatier et al., 2007). This may be due to the relative market position and size of the organizations within our study, which focuses on a dominant buyer with suppliers who were of similar or smaller size. Where a company is smaller or in a relatively less dominant market position, commitment plays a greater role in their perception of relationship success (Lai et al., 2009).

Fawcett and Magnan, 2002. argue that Establishing widespread commitment is a challenge few companies are prepared to overcome. moreover In a supply chain, relationships are not only used for connecting the firm with a partner, but also used to connect the firm throughout the supply chain (Hsu et al., 2008), therefore the contribution of SCO(commitment on benevolence)on adaptiveness may not occur due to the internal factors rather than factors related to partners.

The results confirmed that benevolence mediating effect on the relationship between Commitment and marketing adaptiveness.

Firms that recognize the importance of managing their supply chains can develop relationships with their supply chain members that allow them to collect information about their customers' preferences. Further, such firms are more inclined to manage their supply chains and design the level of flexibility/adaptability that allows them to quickly meet their customers' ever changing expectations.(Prahinski& Benton, 2004) indicates that SCO manifested in inter-organizational commitment leads to a direct and positive impact on performance promotes efficiency, productivity and effectiveness in outcomes ( Sahin& Robinson, 2002) and decreases costs of monitoring and controlling relationship (Patel et al., 2013).

Rajaguru and Matanda, (2012)articulated that to create favorable conditions for integration, partnering organizations need to encourage trust and commitment by sharing crucial information and resources with supply chain partners. Such favorable conditions can emerge if partner inter-gorganizations hold similar values, norms, and beliefs. Supporting congruence theory, the results indicate that congruency in key values and norms among organizations facilitate not only inter- organizational relationships and alliance formation.

The results reveal out that benevolence mediate the relationship between Commitment and strategic adaptiveness. This results supported by (Dekker, Sakaguchi, &Kawai, 2013), benevolence leads to achievement of joint outcomes of supply chain partners, tendency to refrain from selfish behaviour (Anderson &Narus, 1990),improvement of relational performance of partnering parties by promoting collaboration, betterment of working relationship, along with enhanced trust among supply chain members (Selnes &Gonhaug, 2000)The general agreement is that trust is important in a number of ways: it enables cooperative behaviour (Salam, 2017), it promotes adaptive organizational forms, such as network relations (Miles and Snow, 1992), Managerial commitment to SCM is required for achieving collaboration breakthroughs (Akkermans et al., 1999; Luftman and Brier, 1999)They also state that a close relationship with a high level of trust and commitment between companies is necessary to develop relational capabilities. Johnston et al. (2004) find that supplier trust, measured as suppliers'perceptions of buyers' benevolence and dependability, positively affects flexibility.

Dependence is one of the fundamental factors in business relationships that shape the exchange climate. Dependence indicates the extent to which one party needs to maintain the relationship with the partner in order to achieve desired goals (Frazier, 1983). According to resource dependence theory (Pfeffer and Salancik, 1978), but a “partner committed to the relationship will cooperate with another member because of a desire to make the relationship work” (Morgan & Hunt, 1994, p. 26). As (Lancaster and Lage, 2006) suggest, committed partners see cooperation manifested (benevolence) as a means to build, maintain, strengthen, and future relationships which is manifested strategic outcome .

The findings shown that cooperative norms has no mediating effect on the relationship between Strategic SCO and strategic adaptiveness.

The results indicates that cooperative norms has no mediating effect on the relationship between organizational compatibility and operational adaptiveness. This result consistent with Some authors suggests that a core reason of failure in building and sustaining cooperative relationship and benefit from SCO as (Compatibility) is not that the two firms do not possess strategic complementarity of resources, but rather because they do not have compatible operating systems, decision-making processes, and cultures (Buono& Bowditch, 1989). On the other hand, cooperative norms will not explain the effect of organizational compatibility unless participants in a dyad have the same goals and values, they are more likely to form a cooperative relationship. Social capital theory identifies the antecedents for cooperative relationships such as inter-organizational trust, goal consistency, and reciprocity (Kim., et al 2010).

The results indicates that cooperative norms mediate the relationship between organizational compatibility and strategic adaptiveness. the rationale behind this result

SCO build up it as a strategic capability because of its ability to create socially complex, difficult to imitate networks which allow firms the opportunity to involve members of their supply chain in collaborative relationships (Mello and Stank, 2005). These properties allow firms to expand green initiatives throughout the supply chain where they are more effective than internally-centered practices, and have greater potential to improve performance (Bowen et al., 2001; Klassen and Johnson, 2004; Vachon and Klassen, 2006; Vachon and Klassen, 2008). For example, green purchasing relies on commitment and cooperative norms

in buyer-supplier relationships to establish long-term strategies and goals for green products (Lado, Paulraj and Chen, 2011)

cooperative norms is another behavioral element discussed by (Mentzer et al. 2001) when analyzing a firm's SCO. These expected patterns of behavior provide a framework for procedural guidelines for how the organizations will work together toward a common goal in the future (Dwyer et al., 1987). Cooperative In order for risk and reward to be shared amongst supply chain members, strategies for how this will be accomplished must be formed. Forming these strategies require a firm to create cooperative norms with procedures set firmly in place. A firm must possess an SCO to build and endorse these procedures within their own firm, the adoption of a common strategic view (Brown and Bessant, 2003). (Sanchez and Nahi, 2001) noted that cooperativeness and synergy is also needed for the creation of adaptability, along with responsive creation and delivery of customer-valued, high quality mass customized goods and/or services.

The results indicate that cooperative norms mediate the relationship between organizational compatibility and marketing adaptiveness. This result aligned with the previous studies such as (Cannon and Perreault, 1999) identified six key dimensions in which customers and firms cooperate to mutually create value: operational linkages, information exchange, legal bonds, cooperative norms, adaptation by seller, and adaptation by buyer. Their study found that successful relationships are mutually adaptive, customer-focused, highly collaborative and formed through legal bond

Cooperation between the buyer and supplier, which requires a fundamental change of supply chain perspective from short-term and zero-sum competition-based transactions toward a long-term and partnership-based relationship, has been widely accepted as one of the core elements in gaining and maintaining competitive advantage (Flynn, Huo, & Zhao, 2010; Krause, Handfield, & Tyler, 2007). number of researchers have examined the collaborative buyer-supplier relationship (hereafter BSR) using similar terms such as supply chain collaboration (Cao & Zhang, 2011).

The success of collaboration is depends on the ability of the partner to create appropriate relationships. One way that firm increase this, by collaborating their partners across cultural. Recent studies, suggest that informal relationship which enhance the cooperation and

collaboration among the partners (Lumineau & Henderson, 2012). collaboration, which is maintained above support the joint planning, collaborative communication and joint problem solving are the most important elements of informal relationship mechanism among the buyer supplier relationship? However, to cope with the dispersed partners, requires an improved understanding the importance of information exchange, adaptability to develop and maintain successful relationship (Ang&Inkpen, 2008).

The results revealed out that cooperative norm has no mediating effect on top management support and operational adaptiveness. This result aligned with the result of(Kline, Raj, and Straub,2007) manufacturing managers concern themselves with making decisions that may support the supply chain but, at least in the short-run, do not seem to directly affect the performance of their organizations, because of management decisions and support not always improve the performance manifested in adaptiveness or flexibility or innovation. Moreover (Eltantawy,2008) mentioned that The interaction of strategic supply management with the function's other resources within a complex social network of channel members makes these skills difficult to mobilize to competition. Also (Sandberg,2007) found that top management and involvement in collaboration norms not effect on operational planning manifested in adaptability.

In same line the findings indicates that cooperative norms mediate the relationship between top management and strategic adaptiveness. The rational behind this result is Management support has been regarded by control theory (Ayers,Dahlstrom, & Skinner, 1997) as a process of formalizing control mechanisms through allocation of resources and activities. Top management provides resources and delegates authority can encourage cooperative behaviors to support cross-functional coordination and all these facilitate the company long term adaptability (Song et al., 1997). Prior research has shown that management support has a positive influence on coordination across functional units and organization performance (Chimhanzi & Morgan, 2005; Kuen-Hung et al., 2013; Le Meunier, Massey, & Piercy, 2011). Furthermore SCO is an important prerequisite for building successful collaboration norms and it could therefore be expected that companies with more intensive collaboration would be forced to have a better SCO in order to be successful in the collaboration. There is, however,

one exception from the statement above; top management is more involved in more intensive cooperative norms when considering the frequency of information sharing and the degree of joint planning, and future joined and adaptive works.

The results reported that cooperative norms mediate the relationship between top management and marketing adaptiveness. Successful marketing strategy alignment requires that marketing representatives of the organization collaborate with supply chain partners. (Keith, Lee, and Lee, 2004) contend that relational exchange is characterized by extensive communications, commitment, and a long-term orientation. Supply chain partners must develop marketing strategies that focus on the needs of the ultimate customers of the supply chain and align those strategies effectively throughout the supply chain. Such alignment requires establishing a set of norms (Green, Whitten and Inman, 2012) along the supply chain related to the coordination of marketing activities (Min & Mentzer, 2000) which requires information exchange that facilitates response to changes in the demands of ultimate customers (Green, Whitten, & Inman, 2007)

Moreover the findings demonstrate that cooperative norms has no mediating effect on the relationship between commitment and operational adaptiveness. This result is consistent. If members are not committed, they may not want to invest time and effort in participating in the governance of the cooperative. Participation and commitment have a mutual effect. (Österberg and Nilsson, 2009) highly committed members are more likely to support their cooperative by participating in all cooperative activities. In other words, the more committed the membership the more likely the cooperative can make decisions by consensus, which in turn supports smooth and efficient implementation of decisions (Bijman, 2011).

Refer back to the results also cooperative norms mediate the relationship between Commitment and strategic adaptiveness. This result is justifiable by, The parties come to rely on relational norms as safeguards (Zaheer & Venkatraman, 1995). Commitment to the relationships promotes supplier learning for requisite new technologies and procedures, enabling supply chain cooperation which contributes to flexibility (Josi & Campbell, 2003). Joint improvement activities, and integration, leading to greater responsiveness of the supply chain. Therefore, we suggest that for firms trying to nurture lean supply chains, making

a commitment to collaborate with the right partners will increase their ability to respond effectively (Qrunfleh and Tarafdar,2013).

As such, commitment leads directly to cooperative behaviors in the implementation of Supply Chain Orientation across several companies to achieve Supply Chain Management. Therefore, a high level of trust is needed to have a supply chain orientation in an organization. commitment is necessary for the success of strategic objectives. Long term relationships motivate top management of suppliers to put supply chain goals at a position comparable to their organizational goals.

In addition the results of this study show that cooperative norms mediate the relationship between Commitment and marketing adaptiveness. this result can be justified from the perspective which said, Firms that recognize the importance of managing their supply chains can develop relationships with their supply chain members that allow them to collect information about their customers' preferences. Further, such firms are more inclined to manage their supply chains and design the level of flexibility that allows them to quickly meet their customers' ever changing expectations.

(Gundlach,Achrol, & Mentzer, 1995)Commitment is one of the crucial elements for the successful implementation of SCM, because it promotes long-term relationships reduces supply chain vulnerability facilitate of cooperative and enables joint achievement of desired goals work (Liping, Qiang, & Jingyuan, 2014). In other words, partners adapt behavior to each other over time by developing shared knowledge and a similar mindset; by creating relationship characteristics such as cooperative norms and trust; and by embedding their actions in a shared past and anticipated joint future, accompanied by increasingly doing business in an informal manner(Knoppen and Christiaanse,2007)

cooperative norms contribute to increasing the quality and quantity of shared information, finding opportunities for improvement, finally, Cooperative norms could cut across many of the relational norms proposed by (Macneil,1980), including flexibility in response to changing conditions where the preservation of the relationship is an important end.

The findings of this study also confirmed that credibility mediate the relationship between compatibility and operational adaptiveness. This result agree with the result of (Acar,, et al.,2017) study which is assured that The relationship between SCO Represented

in(organizational compatibility) and credibility, and lead time and operational performance were found to be significantly this result implied that organizational compatibility indirectly through credibility influence on operational performance. Also(Pniak, Grabowski, and Formowicz, 2017)building competence is a significant part of relational competence of an organization, which we define as a bundle of attitudes, organizational routines and capabilities necessary to: establish partnership and prepare the frame for it; lead common activities and control their effects; manage knowledge creation and exchange between partners, communicate effectively, solve problems and integrate partnering firms on interorganizational, interpersonal and inter-team level (Stępieńand-Formowicz, 2015).

This study revealed that credibility mediate the relationship between compatibility and strategic adaptiveness. This result has been reached by Several empirical studies (e.g.,Holtbrügge, 2004; Vaara, 2000) demonstrate that this soft factor has a strong influence on stability of business which represent as strategic outcome . Partners with similar corporate cultures tend to have similar objectives, values, and decision-making structures. Moreover, cultural compatibility enhances mutual understanding and trust between the partners. credibility and visibility are the results sought attempting to establish links that increase their legitimacy in the business environment. This environment generally influences organizations, which are conditioned to seek legitimacy through institutional pressures (Zucker, 1987). Thus, organizations make a strategic choice to establish interorganizational relationships, even if that choice is driven by environmental pressures (Provan; Sydow, 2008). Those inter-relationships can be understood as a response to environmental pressures to obtain collective gains that would be difficult to achieve through individual action (Balestrin; Verschoore, 2008). Therefor and according to the environment volatility of Sudanese industrial firm which is affected on the dependability and compatibility of partners thus this results came.

This study revealed that credibility mediate the relationship between compatibility and marketing adaptiveness. This result consistent with statement which is said combining the strengths of two complementary firms, the merger was intended to earn a leading market position in two of the three largest regional markets in the world. However, this example also



shows that congruent strategies do not automatically increase profitability, particularly if the partners do not pay enough attention to resource integration and acculturation

Ganesan,(1994) as Credibility refers to one party's belief that the other party has the required expertise to perform a task, and benevolence pertains to the belief that one party will act in a manner beneficial to the other party. Therefore Resellers partners, perceived as behaving in a toward the interest of partners, these behaviors are more likely to be deemed credible and benevolent, and thus trustworthy, by the supplier. when the partner oriented to maintain the relationship , by definition, will be acquiring and using customer information (enhancing credibility) to improve its customer service (enhancing benevolence) continuously. Thus it's expected that every party in the relationship to perform the assigned task (that of interacting with end users), and the reseller is behaving in the best interest of the supplier because the orientation of the partners creates and satisfies customers, thereby increasing sales and improving profitability (see. Anderson, Fornell, and Lehmann 1994) for both the party.

The study findings demonstrate that Credibility mediate the relationship between top management support and operational adaptiveness

Structural SCO has become the most pivotal factor for manufacturers to become successful in operations, structural SCO at top management was critical to effective implementation of the company executives' strategic decisions manifested by SCO. Without implementation strategic decisions made by top management the people in the executive level would not have been properly executed or it will not make an impact on business interm of business alignment and reducing disruption (Patel, Azadegan, &Ellram , 2013).(Ketchen and Hult 2007),mentioned that managers should involved in supply chain operations must , evolve their thinking from a myopic firm-centric to a holistic supply chain view, and execute coinciding, synergistic interfirm interests through collaboration (Omar,et al, 2012) this mean managers support involvement Helps in create commitment and a credibility among partners through this credibility information sharing, shared activities and transactions all these make the enhance the operational adaptability of the firm.

The study findings demonstrate that Credibility mediate the relationship between top management support and strategic adaptiveness. This results similar to (Aurifeille and Medlin,2009)who is suggest that managers assess evidence of benevolence to determine

whether the partner firm is willing to adapt and change coordination to achieve collective economic outcomes. Presumably when a partner firm is seen to be benevolent managers are willing to adapt their resources and activities to the other firm. This adaptation of the firm's resources and activities towards the needs of the partner firm leads to greater levels of efficiency and effectiveness and so greater economic outcomes. Second influential theme that emerged from cross-pattern insight is related to commitment of top management and organizational abilities. In literature, this has found reference too as flexibility is perceived as the organizational design task and has inherent relation with situations that affects the changeability and controllability of firm (Sharma et al., 2010).

The study results confirmed that Credibility mediate the relationship between top management support and marketing adaptiveness.

Malshe , Noted that keeping the promises with partners requires a visible leadership and commit resources to specific marketing strategies. Therefor the needed resources from the top management is essential so that they could best support the field force. Instances such as when resources lacked, especially after promises made and employees have invested their time and energy with those partner and relationship strategies, hurts their credibility.

Empirically the literature supports the idea that top management emphasis positively relates to partners orientation (Jaworski and Kohli, 1993). The importance of top management in managing partners relationships Also has been recognized in interorganizaion studies as a guarantor of resource which ensure the credibility (Workman *et al.*, 2003; Millman and Wilson, 1999).. Credibility (i.e. trustworthiness) is crucial for the emergence of such a behavioral orientation (Yilmaz and Hunt, 2001). Therefore, when a firm trusts another, it may choose to display a form of relationalism that is more than what would be expected from a conventional channel partner. The reason many channel firms take this extra step towards a truly relational orientation is that they expect long-term benefits of cooperation to exceed the efficiency-related outcomes of short-term transactional exchange (Sezen and Cengiz, 2007)

.The study results indicates that Credibility mediate the relationship between Commitment and operational adaptiveness.

Patel, Azadegan, & Ellram (2013) also they pointed out that structural SCO is only positively related to operational performance. Strategic SCO indirectly affects both operational

and customer-focused performance through structural SCOThis result is justified by many empirical studies that have found commitment to be an antecedent to trust, substituting for credibility, (Eamonn, Donna and., 2010).

Furthermore credibility is a crucial elements to assure efficiency, productivity, effectiveness, and long-term relationships (Morgan & Hunt, 1994; Yurt, 2007).(Hald, 2005) contend that if a partner is perceived to engage in many “transaction specific investments” in a dyadic relationship, these investments communicate strong commitment to the relationship supporting a notion of partner credibility and in this way produce a long-term orientation in the partnering company (Genesan, 1994). In a contribution finding its theoretical paradigm support in transaction cost economics

The study results indicates that Credibility mediate the relationship between Commitment and strategic adaptiveness. This result consisted with justification provided by(Provan and Isett2005),commitment manifested of (inter-organizational), providing value and credibility to the relationship itself, thus encouraging involved partners to continue to work together.

Commitment creates favorable intentions that help to develop and maintain a stable relationship (De Ruyter et al., 2001; Gounaris, 2005). Commitment influences the buyer’s tendency to maintain the relationship (i.e. loyalty) (De Ruyter et al., 2001). It also leads to a propensity reflect the credibility of partners, and to make short-term sacrifices in the relationship, because it deserves maximum efforts to maintain the relationship for the long term (Morgan & Hunt, 1994). As mentioned above commitment is a vital ingredient (mediator) for two other consequences of trust, long-term orientation, and loyalty (the intention to stay). A similar consequence of trust is the anticipation of future interaction. (Johnson & Grayson, 2005). commitment and anticipated future interaction together, because when you commit to a relationship it is based on the trustful feeling you have with this exchange partner, which results in the behavior that buyer’s anticipate doing business with the supplier firm again.(Hald, 2005) concerned with bringing strategic comfortability to the partners in the dyadic relationship by strengthening your partner’s perception that your company makes commitments that are reliable. Thus if a partner is presumes credible, the other party adopts a belief that this partner “keeps a promise” and do not “let us down”.

Credibility is found to be linked to the long-term orientation of the partners together (Genesan, 1994).

The study results indicates that Credibility mediate the relationship between Commitment and marketing adaptiveness. This result similar with what has been mentioned by(Chowdhury,2012) In order to develop commitment, the buyer should have belief that the seller does not have any negative intentions and its present and/or past experiences are believed to be a strong predictor of future intentions. Moreover the firm should believe that the partner firm will act with credibility and benevolence in future exchanges as well. planning activities, and being flexible and responsive with respect to change in demands placed upon the relationship's requirements (Humphreys, Chan, 2004).But in strategy development cooperation among firms through better relationships is also important. The orientation have recognized the impact good relationships can have on providing credibility for their partner (Gounaris,2005). However, can also benefit through better planning and cooperation, new product development, market strategies, international exchanges, and local community development. More articulation as commitment is viewed as a function of pledges, idiosyncratic investments, sharing of information, and allocation of relationship-specific resources (Anderson and Weitz, 1992; Sivaramakrishnan et al., 2008). Inputs or investments in a relationship are evidence and manifestation of implementing early promises which enhance parties' credibility at the beginning of the relationship and reduce uncertainty and the risk of opportunism (Abosag , 2013).

The mediating role of Structural SCO on the relationship between Strategic SCO and operational adaptiveness. Testing the mediator role of structural SCO (Credibility) show that credibility mediate the relationship between Strategic SCO and operational Adaptiveness . (Acar, et al2017) discovered that SCO has an positive impact on the relationship between ERP practices and operational performance within the context of the manufacturing sector. In addition to (Patel, Azadegan, &Ellram , 2013) also they pointed out that structural SCO is only positively related to operational performance. Strategic SCO indirectly affects both operational and customer-focused performance through structural SCO and this mediation effect is strengthened at high levels of dynamism.

The result demonstrate that credibility mediate the relationship between organizational compatibility and operational adaptiveness.

Structural SCO has become the most pivotal factor for manufacturers to become successful in operations, structural SCO at top management was critical to effective implementation of the company executives' strategic decisions manifested by SCO. Without implementation strategic decisions made by top management the people in the executive level would not have been properly executed or it will not make an impact on business interm of business alignment and reducing disruption (Patel, Azadegan, & Ellram, 2013). credibility it can be antecedents of cooperative behavior among the partners organizations and crucial elements to assure efficiency, productivity, effectiveness, and long-term relationships (Morgan & Hunt, 1994; Yurt, 2007). many author indicate for his positive effect as mediator (Min et al. 2007; Su and Yang, 2010; Acar, et al., 2017)

#### **6.1.8 Value Co-creation and business adaptiveness**

The findings suggested that value co-creation positively effect on operational adaptiveness. This result is consistent with compatibility of organizational systems because the creation of joint processes and the sharing of data and know-how increases interoperability of processes and systems, which in turn reduces transaction cost and increases economic and operational performance. (Tangpong, Hungb, Ro, 2010; Wathne, Biong and Heide, 2001). Although suppliers may be forced to adopt collaborative practices by dominant retailers, in the absence of trust, it is unlikely that suppliers will proactively initiate many of the value-creating initiatives that would benefit both parties. for e.g. when sales agents take an active role and engage themselves in the problem-solving efforts and various value-added activities of the client firms, both vendor firms and their clients can achieve mutual benefit.

The result reach out to value co-creation positively effect on strategic adaptiveness collaboration enables faster new product development, improved quality, lower product and supply chain costs, shorter cycle times and improved customer service (Ketchen et al., 2007; Rinehart et al., 2008) the links between a firm's efforts for value cocreation to its success in the marketplace (e.g., trial and repurchase, overall sales and returns, savings on consumer education, and consumer service) are not well understood. (Hoyer, et al. 2010).

(Song et al.1998) and indicated that innovation success not only depends on the development stage and number of integrated functions, but also on the level of integration, type of integration, and type of information shared (Troy, Hirunyawipada and Paswan, 2008).

The result shows that value co-creation positively effect on marketing adaptiveness (Oyner, and Korelina, 2016) mentioned that Co-creation increases the likelihood of having a higher percentage of new products acceptance and succession, the ability of company to know and meet their customers' needs is based on the working with customers in in one platform this can solve the gap between producers and customers (Thomke and Von, 2002). Because the offer is co-created, it is certain to meet customer needs. Therefore, a rise in co-created offers is supposed to increase customer satisfaction (Payne *et al.*, 2008). In addition (Randalla *et al.*, 2011) articulate that the process of co-creation in creases the tendency to repeat positive experience on the part of the customer because the firm produce a unique insights into co-creating customers' sources of value Therefore, co-creation represents a source of significant competitive advantage in term of response and flexibility due to increased customer loyalty(Giebelhausen *et al.*, 2013).

Moreover customer engagement in value co-creation and direct consumer interactions dependent on a primary value-creation driver and customer involvement/dialogue type: co-production, firm-driven product/service innovation, customer-driven customization and co-creation Thus co-creation create a continuum, and product/service innovation and the customization(Chathoth *et al.*, 2013)

The value co-creation has no mediating effect on the relationship between Cooperative norms and operational adaptiveness. Similar to such recognition of transactional views of value and relational antecedents of value, (Walter, Ritter and Gemünden, 2001) distinguish business relationships into direct values and indirect values, arguing that direct values that are mainly associated with profit and volume functions have an immediate effect on partner firms and that indirect values that are mainly associated with access, market, innovation and other functions have a slow or gradual effect on partner firms. If the customers do not have enough information regarding their new role as value creators. Thus, an increase in customers' participative and citizenship roles makes it difficult for them to determine what is expected of them; this lack of role clarity can lead to customer role ambiguity and accompanying

frustration (Groth et al., 2004).thus value co-creation Cannot explain the effect cooperative norms on operational adaptiveness. Moreover Sudanese manufacturing not rely very much on building cooperative norms with partners Which does not help to bring partners in one platform to participate in co-creation of aligned value.

The results value co-creation has no mediating effect on the relationship between Cooperative norms and strategic adaptiveness. This result similar to what has been mentioned by (Gong, Choi, Murdy,2016).customer outcomes depends significantly on the quality of the customer-supplier relationship. Previous studies have also demonstrated the significance of the characteristics of long-term customer–supplier relationships in forming business outcomes from customer value-creation efforts (Anderson, 1995; Walter, Ritter, &Gemünden, 2001) .

Furthermore value for customer is not solely result of fruitful relationships with customers, but also with suppliers But repercussions of SCO are exceeding the single firm boundaries. If the firm focuses only on one side of the chain (upstream or downstream) the SCO will vanish and the value creation process will fail at some point.( Min and Mentzer, 2000)

This study findings indicate that value co-creation has no mediating effect on the relationship between Cooperative norms and marketing adaptiveness. This result aligned with the previous results which is cleared that customer participation and collaborative behavior increases the possibility that customers will encounter divergent expectations of simultaneous viewpoints of the supplier and customer, given that customers undertake additional demands from suppliers as value creators (Johnson & Sohi, 2014). Customer voluntary behavior further enhances role conflict by facilitating the flexibility and autonomy in dealing with other members; hence, customers are likely to deviate from the norms required by the organization (Michaels, Day, & Joachimsthaler, 1987). Also (Ryssel et al., 2004) elaborate that value creation in a relationship depends on relationship characteristics such as trust and commitment. Walter and Ritter (2003) also confirm that value creation driven by adaptation, trust, and commitment on value-creating functions.

The findings of this study revealed that Value co-creation has no mediation effect on the relationship between benevolence an operational adaptiveness. This result consistent with

previous research as suggested by (Vargo and Lusch,2008), value is realized by interaction and co-creation between supplier and customer rather than being embedded in operational outputs (Song, et al.,2016) .

Adaptability involves supply chain operatives sensing, or learning, what is required to meet new or changing consumer trends or market demands, the ability be more adapted required more information and participation and unified platform for sharing and creating value with partners (Lee, 2004; Ketchen and Hult, 2007).thus Sudanese manufacturing companies have less level of benevolence and value co-creation as discovered the mean indicators this low level of cooperative norms and value co-creation might resulted in lack of mediation effect.

Value co-creation has no mediation effect on the relationship between benevolence an strategic adaptiveness.This result supported by(Corsaro, et al., 2013) the Values and perceptions in terms of value co-creation are always subjective and context dependent (Corsaro, et al., 2013). So the effect of benevolence might not occur because of the subjective judgment of the customers. Furthermore, strategically Tojustify investment in value co-creation, these links have to be revealed and measured (Hoyer, et al.2010),because the firm wants evidence to prove that investing in the co-creation of value will result in the long-term future of business. Managing collaborative relation- ships, however, is challenging, as indicated by the high failure rate of these relationships (Park &Ungson, 2001). Possible causes identified for collaboration failures include inter-firm rivalry, governance problems, cultural clashes, coordination costs, unintended knowledge spill- overs, divergent goals, learning races between the partners, and organizational rigidity (Park &Ungson, 2001; Sivadas& Dwyer, 2000)

The study outcome confirmed that Value co-creation has no mediation effect on the relationship between benevolence an marketing adaptiveness. This result aligned with previous empirical studies which have found that value co-creation increases customer stress (Groth, Mertens, & Murphy, 2004) and employee stress (Chan et al., 2010;Hsieh, Yen, & Chin, 2004;), and even decreases firm performance (Skaggs &Youndt, 2004).If consumers have difficulties conveying their preferences or latent needs, or have low levels of involvement with the product, they may not appreciate the benefits of co-creation(Etgar 2008; Franke, Keinz,



and Steger 2009).( Zhuang, Babin, and Tran,2014) mentioned that higher level of consumer participation may not lead to better results for both the consumer and business.

Value co-creation has positive mediating effect on the relationship between Credibility and Operational adaptiveness. This result consistent with what (Shalender and Singh, 2015)proposed an integrated model of marketing system flexibility that is based on the concept of co-creation of value for the customers Credibility is found to be linked to the long-term orientation of the partners (Genesan, 1994).study found that successful relationships are mutually adaptive, customer-focused, highly collaborative. Purely transactional relationships provide less value to the participants and, in these instances, the parties are frequently reluctant to dedicate customized resources(Kortmann et al., 2014)Operational efficiency, though, is associated with cost and time savings that yield short-term benefits. Operational efficiency captures the ratio of outputs to inputs in the value creation process (Madhavan and Grover, 1998; Priem and Butler, 2001) and comprises two dimensions, i.e., cost-based efficiency and time-based efficiency. While cost-based efficiency is related to “costs of quality, costs of engineering changes, and manufacturing costs”, time-based efficiency is associated with delivery speed and reliability, manufacturing lead time, and inventory turnover rate” (Yeung, 2008, p. 496).

Value co-creation has positive mediating effect on the relationship between Credibility and strategic adaptiveness. The logic behind of This result,relational behaviors stimulated by trust in the exchange partner are generally voluntary in nature and reflect a desire for the achievement of mutual goals. A channels firm’s willful actions in the forms of being flexible and adaptive to changingconditions, sharing critical information, and acting in solidarity all entail risk-taking, and confidence in the partner’s credibility and benevolence (i.e. trustworthiness) is crucial for the emergence of such a behavioral orientation (Yilmaz and Hunt, 2001). Therefore, when a firm trusts another, it may choose to display a form of relationalism that is more than what would be expected from a conventional channel partner. The reason many channel firms take this extra step towards a truly relational orientation is that they expect long-term benefits of cooperation to exceed the efficiency-related outcomes of short-term transactional exchanges.

creating an experience environment in which consumers can have active dialogue and co-construct personalized experiences; product may be the same, but customers can construct different experiences” (Prahalad & Ramaswamy, 2004). The results reveal that value co-creation mediate the relationship between credibility and marketing adaptiveness. Previous works on the mediation effect of value co-creation in different context its very little narrow such as ( Killa,2014) indicates a positive and significant effect of value co-creation on marketing performance, which means that the higher the level of value co-creation is done the firms in will increase its marketing performance, also (Gulati, Nohria, and Zaheer ;2000., Payne et al. 2007) and Lavie ,2007) that the value creation in the networking impact on enterprise performance improvement . on the other hand (Chisty, 2012 )The adoption of value creation practices leads to the need of "changing the very nature of engagement and relationship between the institution of management and co-creators of value -customers, stakeholders, partners or other employees" which is require from firm. more believes in their relationship with partners because value co-creation mainly based on collaboration cultures between firms, their value networks the possible outcome of consumer involvement in co-creation relates to innovation, specifically innovation cost, time-to-market, and product/service quality. Customers with positive interactive experiences may enhance their contributions to the innovation process, making an impact in cost, time, and quality of the innovation, and these outcome represent the marketing adaptiveness in different aspects (Chisty, 2012)

#### **6.1.9The moderating role of locus of interaction on the relationship between Structural SCO and Value co-creation**

The results shows that locus of interaction has no moderating effect on the relationship between cooperative norms and value co-creation. This result consistent (Wilson,1995). They find that the use of relational norms moderates the effect of a retailer’s investments on supplier commitment in the relationship buildup and decline stages but not in the maturity stage. However, because of the cross-sectional nature of their design (Narayandas and Rangan, 2004). In the context of buyer–supplier relationships, the literature from the organizationalist perspective provides an understanding of the mechanism by which organization-level factors such as relational norms can curb opportunism in exchange relationships (e.g., Brown et al., 2000; Carson et al., 2006; Wathne and Heide, 2000).

(Hobley and Batt, 2005) Yet it takes different mixes of cooperation and competition for relationships to be effective, depending on the market(s) in which the customers and their suppliers operate, the pattern of their past interaction and/or the nature and goals of the firms (Wilkinson and Young 1997).

As it leads to a win-win situation through joint value-creation, we would favour the dynamic approach over the former. (Hwang, 2006) argued that greater productivity gains from cooperation are possible only when firms are willing to commit specific investments to a relationship and combine resources in unique ways.

The results show that locus of interaction has no moderating effect on the relationship between benevolence and value co-creation. The result can be justified by the same logic of (Yaquab and Vetschera, 2011) the investments in partners' value-creation-ability not only facilitate those partners in fulfilling that particular focal firm's growing requirements but also facilitate them in avoiding service re-appropriations resulting in an annoyance of some of their valuable accounts other than the focal firm. Owing to the norm of reciprocity, the nodes are expected to generate a similar response to the focal firm. (Yaquab and Vetschera, 2011).

Relational exchange theory (RET) explains the essence of relational governance as being an 'impetus to successful exchange relationships'. Relational governance envisages the creation of a 'relational environment' by putting in place a social contract based on a multitude of relationship-preserving norms (Blies and Ivens, 2006)

The results show that locus of interaction has no moderating effect on the relationship between credibility and value co-creation. The logic behind this result, when the two sides are in a low-quality relationship (arm's-length type), both sides lack the emotional connections of mutual trust and commitment, and the use of non-coercive power may breed opportunistic behavior by the partners and may lead to huge losses by both sides. Thus, non-coercive power execution cannot play a good role in a relationship situation of low-level quality (Liu, Li and Zhang, 2010).

The engage into supply relationships with varied number of suppliers for different supplies and induce different working relationships with and among the suppliers; offering a plenty of complex inter-connections with suppliers. Thus the relationships are characterized by different levels of information sharing, frequency of interaction and collaborative linkages.

The effect of collaboration on value co-creation and firm performance is a multi-faceted and intricate issue and potentially, there are many other factors that might impact firm performance. Various categorical variables have been tested in literature to observe moderating impact. This study aims at viewing the relationship complexity construct into a categorical variable and observes its categories as low, medium and high complexity based on careful categorization using average scores based on the three parameters. The focal firms with different relationship complexity levels with their partners might have different supply chain collaborative efforts, achieve different levels of value co-creation and consequently different levels of firm performance. (Chakraborty, Bhattacharya and Dobrzykowski., 2014). Moreover well-specified contract is viewed as the major instrument that protects specific investments from opportunistic behavior (Williamson, 1985). It stipulates the rights and obligations of both parties through formal rules, terms and procedures. It also explicitly states how various future situations will be handled product responsibility, trading procedure, penalties for noncompliance, etc.).

Williamson (1999) proposes that “credible contracting is very much an exercise in farsighted contracting, whereby the parties look ahead, recognize hazards, and devise hazard mitigating responses thereby to realize mutual gain.” Although contracts cannot completely suppress opportunism, buyers and suppliers may mitigate exposit opportunism and investment distortions by using more complete agreements (Lusch and Brown, 1996; Wathne and Heide, 2000)

## **6.2 Theoretical implications**

Based on calls of address gaps in theory about Strategic and structural SCO, the aim of this study was to test a theory of SCO and its essential to improve understanding of these constructs of SCO and their influences on adaptability, the study extend existing research on the marketing and strategic supply chain and interorganization relationship.

The second contribution SCO studies in manufacturing companies and more specifically in sudanese manufacturing context very few. Hence, this study helps to fill this void in the literature.

The third contribution the study has enriched the body of knowledge by developing and empirically testing a model related to Strategic SCO, structural SCO and business adaptiveness based on a sample of manufacturing firms. Second the model has included a mediating effect of structural SCO with three dimensions namely; Benevolence, cooperative norms. Where the structural SCO is an organizational culture factor which is affected by the country and business culture as (Feng&Zhao, 2013) mentioned. Management cultures may influence organizational behaviors, therefore, the Sudanese culture differs from the cultures at which the measurement was developed. This implies that the results of SCO in Sudan differ from which has been in the conceptual framework extracted from the previous studies.

The fourth contribution, the proposed conceptual framework of the study with a number of gaps has been tested and accepted without modification which implies that the construct and relationship are built on a solid theoretical background. Also the study expanded the construct of adaptiveness which was being measured in previous studies as a unidimensional variable (e.g. operational, marketing) while in this study it was tested as a one construct variable consisting of (operational strategic, and marketing adaptiveness).

The fifth theoretical contribution of this study investigated the mediating role of structural SCO on the relationship between strategic SCO and business adaptiveness. The findings of the study related to this relationship implied many several theoretical implications. These results provide support for theoretical suggestions of flexibility and adaptability.

The sixth contribution the study findings demonstrated that the relationship between Strategic SCO management support and operational adaptiveness is fully mediated by credibility, and the relationship between compatibility with operational adaptiveness is also fully mediated by credibility. In addition to the study contribution by proposing value co-creation in the context of supply chain orientation, also the present study confirms the notion that Structural SCO will have a strong positive effect on value co-creation and business adaptiveness.

Also this study supports a perspective which emphasizes that value co-creation requires a higher level of cooperative internal culture (Mayer, Davis and Schoorman, 1995), (Sin, Tse,

Yim, 2005) Thus, for a firm to support the participation of partners it must endeavour to create a suitable internal culture.

The final contribution, the indirect effect of Structural SCO with the mediating effect of Value co-creation is significant and stronger than its direct impact. Although much Studies has been interested in the effect of Structural SCO on business outcomes or any related kind of performance, this study indicated the importance of value co-creation to detect the impact on adaptiveness.

### **6.3 Managerial implications**

From the perspective of industry practitioners The study supported the evidence that SCO Strategic and Structural affect business adaptiveness , companies can improve its operational adaptiveness by strategic SCO through structural SCO, particularly credibility which positively affects operational adaptiveness Therefore companies managers need to build trust with partners and collaborative organizational culture so as to facilitate the partnership and join using of resources between partners (Child, 1981). However culture is one of the factors that are essential in organizational initiatives and efficiency (Wilkins &Ouchi, 1983). Regarding the result which reached by this study all the dimensions of strategic SCO have positive influence on Structural SCO.

Further, this study has provided to managers the specific kind of practices (credibility) needed in the relationship with partner's in order to facilitate the superior and adaptability of operation. Second, the strategic SCO which is an antecedent factor for building internal culture (Structural SCO) to achieve superior adaptability requires a close and collaborative relationship between a buyer and supplier. Thus firms with high structural SCO will gain high degree of operation adaptiveness. Structural SCO as Culture(in term of cooperative norms) that is fully supportive of participation and the value they bestow on the firm should lead to high marketing adaptability which are difficult for competitors to replicate and can afford firms a competitive advantage.

Moreover the developed conceptual model of the study provide better highlights the interplay between Structural SCO and value co-creation on influencing business adaptiveness.

attaching more importance to value Co-creation, especially, is an important driving factor for business adaptiveness. And it is an important factor for firms to turn competitive advantage.

Based on the findings Strategic SCO has shown a high significance contribution to business adaptiveness in Sudanese manufacturing companies, which confirmed that companies can achieve adaptiveness by displaying more orientation to supply chain. also the study provides a insights into how firms can more strongly utilize the internal culture (SCO) to improve marketing adaptiveness. specifically, managers can use it to expand their understanding of the role of Structural SCO on value co-creation and business adaptiveness and develop specific culture and orientation that help to encourage customer participation in creating value to improve marketing to be more adaptive .

#### **6.4 Limitation and Future research**

Several limitations inherited in the present study. A cross-sectional design was carried by the study to examine the relationship of framework and the data collected by a survey designed to be responded by single respondent representing the organization based on organization unit of analysis this may represent the views of individuals within the organization single point of view sometimes effect on measurement errors and reliability (Phillips, 1981).future research should consider the issues of the unit of analysis in addition Longitudinal data can be gathered to test the whether the relationship and impact change over time.

This study discovered mediation effect of Structural SCO on the relationship between Strategic SCO and businessadaptiveness, future research can identify potential mediator from the construct of cooperative culture, also qualitative study could be conducted to identify another factor based on differences in cultures.

This study which is provides evidences about the relationship between Structural SCO and value co-creation and business adaptiveness. therefore a longitudinal study would have to be undertaken to assure the effect of Structural SCO and business adaptiveness another factors might have to be considered in this relationship. Furthermore this study mainly tested Structural SCO and business adaptiveness through value co-creation as one dimension which

may represent a less holistic view for value co-creation, future research may consider the other factor supply chain orientation

The sample included a many firm types, a broad range of firm sizes and industries and often They are different in the level of adopting SCO and different level of Co-creation thus future research can test these variables in such specific sector. Beside to the sample size is also small it's better for future research to expand the size.

This study examined Structural SCO by three dimension (Credibility, Cooperative norm and benevolence) as constructs while some suggestion consider trust as one of dimension of Structural SCO therefore future research can measure trust as part of Structural SCO construct. This study, used business adaptiveness by three dimensions a future research would have to expand the construct of adaptiveness specially operational and marketing adaptiveness.



## 6.5 Conclusion

The purpose of this research was to develop an understanding of the linkage between Supply chain orientation (strategic, structural) and business adaptiveness, and testing the mediation effect of value co-creation beside the moderating role of locus of interaction. To achieve this objective, it was necessary first to hypothesize these causal relationships and second to empirically examine the relationships through empirical study. The research model of this thesis was developed both from the literature review and the interview study conducted. The study was applied among large Sudanese manufacturing companies in Khartoum state. Methodological issues were also addressed. The empirical study, afterwards, examined the research hypotheses. For the examination, the questionnaire survey was conducted. Research model and hypotheses were tested with SEM (Structural Equation Modelling).

The results of this study revealed that manufacturing companies in Sudan implemented, this study found that strategic supply chain orientation has a significant effect on value co-creation and business adaptiveness.

The study demonstrates that strategic SCO enhances the internal culture of collaboration and cooperation with partners (structural SCO) which is essential for a firm to be more adaptable. In addition, the study further expands the theory of RDT and strategic choice.

In aggregate, the study outlined several objectives, which it hoped effectively to accomplish. The study provides a number of theoretical and practical implications.