

# Identifying Enablers of Supply Chain Alignments

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## Abstract

Literatures on supply chain alignments identifies six main enablers of supply chain management who need to be managed efficiently and effectively to have an aligned supply chain. The six enablers are organizational structure, internal relational behavior, customer relational behavior, top management support system, information sharing and business performance measurement system. The purpose of this paper is to identify the enablers of supply chain alignment and study the relationship between enablers and supply chain alignments. The current research introduced a conceptual model, which has been tested and verified in bakery industries in Jeddah- Saudi Arabia. The data was collected using a questionnaire developed based on the previous literatures. Statistical techniques such as reliability and regression analysis were used to verify the validity of the proposed conceptual model, and to test the suggested hypotheses. According to the results of the study, the organizational structure and top management support are positively related to customer alignment, as well as customer alignment is positively related to shareholder alignment. The findings suggest that the successful implementation of supply chain alignment will contribute to improving supply chain management in an efficient and effective way.

**Keywords:** Alignments, Enablers, Supply chain, Shareholder, Customer.

## 1. Introduction

In supply chain management, alignment implies the ability of an organization to have uniformity among the strategic goals, metrics, and organizational operations. Major businesses, organizations, and corporations have identified alignment as an important antecedent of organizational performance. Alignment has been fundamental in change management practices, organizational strategies, organizational behavior, information systems, and manufacturing strategies among others (Skipworth, Godsell, Wong, Saghiri, & Julien, 2015). Supply chain alignment results in consistency among the organizational objectives, the structures, and processes adopted within and between the various activities in supply chain analysis. Dubey et al., 2018 cited that agility, adaptability, and alignment are the three primary strategic business imperatives. Conflicting objectives, poor manufacturing, and distribution strategies were found to cause lack or inadequate supply chain alignment.

An extensive literature on shareholder value, customer value, and supply chain alignment continue to inspire the conceptualization of both shareholder alignment and customer alignment (Ashenbaum, Maltz, Ellram, & Barratt, 2009). Literature has focused mainly on defining values, which are considered important to both customers and shareholders. However, it remains imperative that when forming the concepts of both customer alignment and shareholder alignment, it is important to focus on the extent of fit between strategies adopted and shareholder and customer values. In order to achieve shareholder alignment and customer alignment, it is important that business adopt organizational alignment. Organizational alignment involves information sharing and adoption of collaborative behaviors to help foster internal supply chain integration. Organizational alignment provides some insight into how organizations are in a position to promote better internal supply chain integration by using joint rewards systems (Menor & Roth, 2007). Achieving shareholder alignment and customer alignment calls for unifying construct that strengthens supply chain integration and other integrative efforts of the top management. Organizations realize this by designing the performance management and evaluation system and creating integrative roles within the organization. According to Morgan (2004) achieving business performance system with shareholder and customer strategies will change the employee's contribution to fit business strategy in proper way.

## **2. Literature Review**

### **2.1 Shareholder Alignment and Customer Alignment**

Alignment remains essential to the success of supply chain management. The examples of supply chain alignment include shareholder alignment and customer alignment (Skipworth *et al.*, 2015). Shareholder alignment implies that the business strategy, supply chain strategy, the expectations of employees are aligned with the objectives of the shareholders. Organizations need to define the business strategy to ensure organizational change meets the objectives of the shareholders. In an organization, shareholders are described as the ultimate decision makers. Shareholders own the company and have the right to do with the company as they please. Shareholders cannot make everyday decisions in the organization. As such, they delegate the decision-making authority to the executives or the managers (Anson *et al.*, 2004). The managers have the responsibility of aligning the interests of the owners. Shareholders have distinctive objectives, which makes shareholder alignment tricky since it involves aligning common holders with preferred holders. It involves aligning preferred holders with other preferred holders. The likelihood of misalignment of shareholders is common when the company has more shareholders. In order to ensure that instances of misalignment do not arise, organizations should adopt business strategies that ensure the organization meets the shareholder's objectives.

Customer alignment serves as the state where the strategies adopted by the business and the supply chain management are aligned to meet the expectations of the customers. Organizations often design their business and supply chain strategies in a manner, which allows the adjustment of the supply chain to meet the customer's needs (Wong, Skipworth, Godsell, Saghiri, & Julien, 2012). Though they sound similar, customer alignment and customer orientation have a totally different meaning (Skipworth *et al.*, p. 513). Both are distinctive concepts. Customer orientation focuses mainly on the culture of the organization. Customer orientation aims to improve customer behaviour by creating customer value. On the other hand, customer alignment focuses on strategic moves adopted by the organization. Customer alignment is considered approaches, which help the organization achieve a strategic fit. Achieving a strategic shift helps the organization create customer value. Techniques used in the customer alignment processes help the business acquire market intelligence for assessing the inter-functional. Organizations use customer alignment approaches to develop the business unit and also supply chain strategies. This places the organization in a position to respond to the customer needs. In supply chain management, customer alignment enables the required adjustment and investment in the organization to facilitate the needs of the customer (Eggert *et al.*, 2006). The ever-changing customer's expectations imply that the customer value is also ever changing. Therefore, customer alignment plays a significant role in meeting the targets of the organization.

### **2.2 Supply Chain Alignment**

Flynn, Huo & Zhao (2010) define supply chain alignments as the strategic collaboration and coordination that exists between supply chain members. These strategic collaboration and coordination help in managing intra and interrelationships. In supply chain management, organizations see the need to align all the operations, which create value. All operations that are performed across the supply chain help the organization attain high levels of customer service through the adoption of cost-effective approaches (Mokadem, 2016). Despite the various pieces of literature addressing supply chain alignment, there exist challenges, which affect supply chain alignment. Singh & Power (2009) found out that high cost, challenges in management, loss of control, and vulnerability to opportunistic actions as some of the examples, which affect the alignment efforts in supply chain management. A number of approaches have to be adopted to help identify approaches that are critical to designing and maintaining aligned and effective supply chains.

Supply chain quality management (SCQM) is an important aspect that helps organizations design, link, and manage strategic and tactical activities of a supply chain system (Lin, Kuei, & Cha, 2013). SCQM helps in preventing unwanted deviations, ensure that partners of supply channels are accountable, create optimization of system-level, and design and develop competent supply network. In order to achieve the above-mentioned factors, successful supply chain firms, for example, Toyota and Zara have adopted strategic and tactical design to help identify external drivers and internal enablers of the SCQM. Internal enablers are essential in helping supply chain firms achieve shareholder alignment and customer alignment. Wong *et al.*, (2012) identified different enablers and two types of supply chain alignment so as to address the disagreement on the types of supply chain alignment and how supply chain firms can achieve such alignment practices.

### **2.3 The Enablers of supply chain Alignment**

Researchers have identified six primary constructs for the enablers of alignment. The enablers included organizational structure, internal relational behavior, customer relational behavior, top management support, information sharing, and business performance measurement system (Wong et al., 2012). The model literature review includes the relationships between shareholder alignment, customer alignment, and the enablers of the supply chain alignment. The enablers are argued to positively influence shareholder and customer alignment.

- *Organizational Structure*: Organizational structure refers to a systematic approach that highlights how certain activities are directed so as to achieve the organizational objectives. The rules, roles, and responsibilities are examples of these activities. Organizational structure involves the formalization, centralization, and the hierarchy of an organization. Organizations need to align these processes with both the strategy and the operating environment (Lambert, *et al.*, 2005). In order to achieve effective alignment, the organizational structure of an organization must be able to accommodate the changing interdependencies, which arise in businesses. Organizations have the responsibility of adopting organizational structures, which are process oriented (Wong, *et al.*, 2012). This implies that the adopted structure should have the ability to support the exchange of cross-functional knowledge and adopt inter-departmental activities that help in achieving cost-effectiveness and meet the customer's need. It is important to adopt an organizational structure that is compatible with the business strategy and the expectations of the shareholders. This will result in achieving shareholder's alignment. The organizational structure of any organization needs to process-oriented. This ensures that the organization is in a position to support the exchange of cross-functional knowledge. Additionally, it facilitates inter-departmental collaboration, which is significant in meeting customer needs (Godsell, Harrison, Emberson, & Storey, 2006). Failure to implement organizational structures that are process oriented implies that the organization faces the incapacity to respond to different customer needs. Aligned and segmented processes characterize an organization in a position to meet the needs of the customers. Therefore, process-oriented structure helps the organization meet the shareholder alignment and customer alignment in terms of capital efficiency and service delivery respectively.

- *Internal Rational Behavior*: internal rational behavior can be considered as sit approaches in which activities are conducted to enable the process of developing a cross-functional relationship (Skipworth et al., (2015). Cross-functional teams, mutual understanding within the organization, joint problem-solving strategies, and effective planning characterize the internal relational behavior. These features play an important role in improving the cost-effectiveness of a business and also meeting the needs of the customers. A business can improve customer delivery performance by aligning its internal rational behavior and ensuring that suppliers cooperate with the internal functions of the organizations. The internal integration of the organization serves as the primary link between the organization and customer's responses to the changes in the market (Flynn, *et al.*, 2010; Almaktoom , et al 20014). A shared understanding of the adoption of customer-responsive culture can be achieved by improving cross-functional relationships and using cross-functional teams. The adoption of effective internal relationship approaches plays an essential role in ensuring that the top management of the organization implements supply chain alignment strategies. The internal relational behavior encompasses the ability of the organization to achieve a common understanding and support joint planning efforts. The internal relationship is essential in improving cost-effectiveness. In an organizational setting, internal rational behavior represents actions that are meant to improve the interpersonal skills of the employees and to encourage intra-team relationships. According to Dobre (2013), such activities include coaching employees to improve their interpersonal skills, encouraging collaboration among team members, enhancing employee commitment, and ensuring that the organization is fair and consistent when it comes to exercising the principled organizational behavior. Such actions are essential in creating cross-functional teams and relationships within the organization (Godsell, *et al.*, 2006). An effective internal rational behavior helps the organizational top management to implement supply chain strategies.

- *Customer Relational Behavior*: In an organization, customer interaction is paramount in encouraging the process of developing and maintaining customer relationships. Customer interactions create shareholder alignment by enhancing revenue growth (Tracey, Lim, & Vonderembse, 2005). Additionally, customer interactions create customer alignment by encouraging customer loyalty. Interacting with customers help the business broaden its market share, facilitate cost sharing, and ensures that the business understands the effective planning and problem-solving techniques. As Skipworth *et al.*, (2015, p. 516) pointed out, goal sharing, cost sharing, profit sharing, joint problem-solving, and delivery performance improvement are the main characteristics of customer interactions. On the other hand, customer interactions facilitate the alignment of customer's demand with the planning and replenishment of the production process (Barratt & Oliveira, 2001). In addition, customer interactions enabled organizations to lower their working capital and maintain delivery performance. Customer interactions serve as a significant enabler for customer alignment and a crucial enabler in achieving shareholder alignment. This is primarily because customer interactions enable

organizations to align the interest of their customers with that of the organizations. This, in turn, ensures that the organization is in a position to re-define the terms of their relationship with the customers. This will ensure that the organization can share risk, costs, and reward their customers equitably (Lee, 2004). The above factors ensure that every person in the supply chain has a shared objective. They all strive to ensure that the organization delivers the best services to the final customer. Aligning the customer's interest implies that organizations that invest in customer interactions strategies have the ability to influence the customers and at the same time safeguard the interest of the shareholders.

- *Top Management Support*: The support and commitment of top management is important in supply chain management. Managerial commitment is very essential to supply chain management. This is because it helps the business achieve collaboration breakthroughs and customer responsiveness (Storey, *et al.*, 2005; Krishnan *et al.* 2016). Sandberg & Abrahamsson (2010) found out that the role of top management in supply chain management is reached at by introducing six distinctive standards: "the supply chain thinker, the relationship management, the controller, the frame setter, the process designer, and the organizer of the future." Organizations understand that top management support is important in providing a crucial channel between shareholders and employees. The top management is responsible for translating the objectives of the shareholders into business strategies. Besides, support from the top management help in supporting employees to accomplish business strategies (Wong, *et al.*, 2012). This can be achieved by listening to employees, investing in human assets through training and development programs. In supply chain management, it is important that the top management support operational issues. The support can come in the form of many things, for example, employee training, creating a positive working environment, encouraging job satisfaction, and encouraging open communication among others. Aligning open communication helps in improving employee behavior. On the other hand, allowing the operations manager to take part in the strategic planning and implementation helps align the business strategy with the organizational operations. This form of alignment helps the organization achieve higher performance when it comes to manufacturing (Brown, *et al.*, 2007). Top management support enables organizations to direct their supply chain and other business unit strategies. In addition, top management support has the authority to provide resources and develop an organizational alignment (Skipworth, *et al.*, 2015). Lastly, top management support plays a role in aligning the behavior of the employees, which in turn lead to cost-saving approaches and improvement of customer services.

- *Information Sharing*: Information sharing is important in supply chain management since it enables the exchange of information; thus, assist activities relating to business and supply chain strategies (Kumar & Pugazhendhi, 2012; Almaktoom, 2019). Skipworth *et al.*, (2015) argues that information sharing significantly influence the shareholder and customer alignment. Increased organizational connectivity characterizes contemporary organizations. Increased connectivity enables the business to reduce their production cost and increase customer service. All this is made possible by the fact that advanced technologies have it possible for organizations to share information, and plan production and inventory effectively. Inadequate or lack of information sharing within organizations nowadays results in inefficiency of coordinating activities or operations within the units of the organization. Information sharing is important during the process of formulating and implementing strategy, since information sharing helps the organization achieve buy-in; thus, ensuring alignment between the employees and the business strategy. In supply chain management, lack of transparency and visibility has rendered the internal and external alignment impossible. Lack of transparency has also affected the collaborative planning in organizations. It is imperative that organizations address exact and suitable customer demand information. Which will put the organization in a position to respond that to the needs of the customers, in an accurate and quick manner. Organizations can also use shared information to develop flexible pricing strategies and come up with offerings to individual customers. This enables the organization to attain full potential. Sharing information presents different advantages to the manufacturing sector (Lotfi, Mukhtar, Sahran, & Zadeh, 2013). For example, information sharing allows organizations to improve their resource utilization, increase productivity, enhance organizational efficiency, enable the detection of a problem during its early stages, reducing the organizational cycle time from order to delivery, and significantly reducing uncertainties among others.

- *Business Performance Measurement System*: In business, performance management system refers to a system in which business performance is measured; thus, influence the staff to achieve improvements. Employees have been known to work in accordance with the incentives provided by the company. Therefore, the performance management systems remain essential in providing the right incentives to influence staff behavior. Performance management systems need to be properly aligned with the objectives of the shareholders. Proper alignment implies that performance management system acts as catalysts for change. A performance management system presents employees with an opportunity to contribute to the objectives of the shareholders. Performance management system comprises of processes of a retrospective analysis. This type of analysis helps in determining whether a proper process was adhered to or whether the desired outcomes were achieved in supply chain management. Organizations have the responsibility

of investing in a performance management system that are designed, developed, and implemented with respect to the organizational policies and procedures. In supply chain and operations, performance management system helps in steering value chain activities towards exceptional performance (Deloitte,2017). Contemporary organizations continue to digitize supply chain activities; thus, changing the performance of the organizations. One of the advantages of performance management is its ability to complement business intelligence and link stakeholders, strategies, processes, and technology. The performance management system is a platform used in improving supply chain operations (Stefanovic, 2014). The system provides the organizations with adequate information on what happened, how it happened, why it happened, and suitable courses of action to be taken. In supply chain analysis, performance management enables organizations to optimize the business process by monitoring and analyzing the key performance indicators (KPIs). Performance indicators are used by organizations to align the process and activities of supply chain management with the strategic objectives of the organization.

### 3. Research hypotheses and model

Organizational structure, information sharing, business performance management system and top-management support have been found to enable shareholder alignment. To achieve shareholder and customer alignment there is a need to unify supply chain integration with all entities inside and outside the organization and other integration efforts of the top management. Therefore alignment is not static it can be change when customer and shareholder needs change. (Skipworth et al., 2015). The organizational structure reflects the organizational need for functional excellence. Skills such as management, leadership, and communications skills play an important role in managing the processes of the core business. The core processes involve planning, sourcing, manufacturing, delivering, and sales. The organization should be structured so as to allow the cross-functional workforce to work as a team and resolve issues. Accurate information sharing implies that the organization can achieve both functional and cross-functional excellence. The performance management system provides the governance mechanism that organizations use to develop an effective strategy. These systems also help organizations align their overall business objectives and strategy. Top management support enables customer alignment and shareholder alignment. Management has the responsibility of addressing the issues affecting both the customers and the shareholders. Internal relational behavior enables customer alignment. Internal relationship plays a role in aligning the process of supply chain management and the needs of the customer. Thus, the internal relationship leads to mutual understanding across the different stages of supply chain management. Lastly, Skipworth, et al., (2015) concluded that customer relation did not affect the shareholder alignment and customer alignment. Top management support, effective performance management system, an inclusive organizational structure, supportive internal relationship, and effective information sharing govern the deployment of a successful supply chain management strategy. This study investigate the relationship between enablers and supply chain Alignments in order to improve Supply Chain Management and the organization in efficient and effective way. The probability of having a positive relationship between enablers and supply chain alignments is presented in the following model (Figure 1):

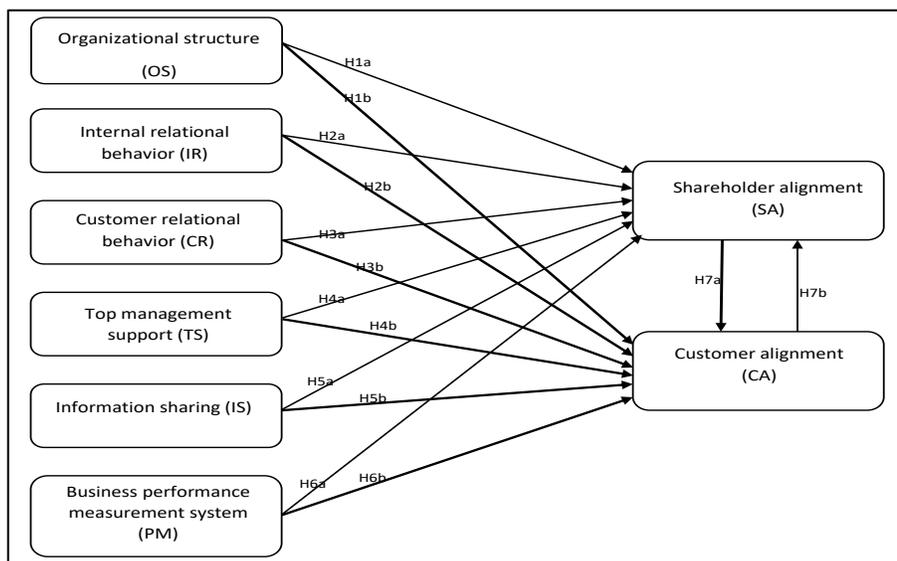


Figure 1. Suggested research model 1

Based on the previous literature the current study aim to test the following hypotheses:

- H<sub>1</sub>*: A process-oriented organizational structure is positively related to (a) shareholder and (b) customer alignment.
- H<sub>2</sub>*: Internal relational behavior is positively related to (a) shareholder and (b) customer alignment.
- H<sub>3</sub>*: Customer relational behavior is positively related to (a) shareholder and (b) customer alignment.
- H<sub>4</sub>*: Top management support is positively related to (a) shareholder and (b) customer alignment.
- H<sub>5</sub>*: Information sharing is positively related to (a) shareholder and (b) customer alignment.
- H<sub>6</sub>*: The business performance management system is positively related to (a) shareholder and (b) customer alignment.
- H<sub>7a</sub>*: Shareholder alignment (SA) is positively related to Customer alignment (CA).
- H<sub>7b</sub>*: Customer alignment (CA) is positively related to Shareholder alignment (SA).

In this research, a survey was distributed to bakery industries in Jeddah, Saudi Arabia to test the relationship between enablers and supply chain alignment by studying variable accurately. The survey contained eight sections, which are organizational structure, information sharing, business performance management system, top-management support, internal relational behavior, customer relational behavior, information sharing, shareholder alignment, and customer alignment. The proposed research model and hypotheses were tested using reliability and regression analysis based on data collected from bakery industries with 60 percent response rate.

## 4. Data analyses and results

### 4.1 Reliability test

The collected data tested for reliability and validity using confirmatory factor analysis (CFA) to evaluate the fit between the measurement model and the collected data. Cronbach's alpha is a measure of internal consistency. Cronbach's Alpha must be 0.7 or more to ensure that each statements have a good level of reliability. The following table summarizes the value of Cronbach's Alpha for each variables.

Table 1. Reliability test 1

Variables	Cronbach's Alpha
Customer Alignment	0.65
Shareholder Alignment	0.55
Organization Structure	0.80
Internal Relational Behavior	0.72
Customer Relational Behavior	0.88
Information Sharing	0.82
Business Performance Measurement System	0.67

In table 1, the variables "customer alignment, shareholder alignment, and business performance measurement system" has a low level of reliability where (Cronbach's Alpha < 0.7). While "organizational structure, internal relational behavior, customer relational behavior, and information sharing" variables has a good reliability level where (Cronbach's Alpha ≥ 0.7).

### 4.2 Hypotheses Testing

Regression is a statistical analysis to analyze or test the relationship between two variables. It studies the changes happened to the dependent variables when any one of the independent variables is varied (Malhotra, 2010). The adjusted R square must be 0.6 or more which equal to 60% or above at-least to have a relationship between variables. The following tables summarize the value of regression" adjusted R square" for each variables.

Table 2. Regression test

Variables	Adjusted R square
Organizational Structure on shareholder Alignment	0.56
Organizational Structure on Customer Alignment	0.70
Internal Relational Behavior on Shareholder Alignment	0.49
Internal Relational Behavior on Customer Alignment	0.25
Customer Relational Behavior on Shareholder Alignment	0.15
Customer Relational Behavior on Customer Alignment	0.18
Top management Support System on Shareholder Alignment	0.25
Top management Support System on Customer Alignment	0.62
Information Sharing on Shareholder Alignment	0.04
Information Sharing on Customer Alignment	0.009
Business Performance Measurement System on Shareholder Alignment	0.23
Business Performance Measurement System on Customer Alignment	0.22
Shareholder Alignment on Customer Alignment	0.60
Customer Alignment on Shareholder Alignment	0.60

- H1<sub>a</sub>*: A process-oriented organizational structure (OS) is positively related to shareholder alignment (SA). The adjusted R square equals 56% which mean there is a no relationship between organizational structure and shareholder alignment. Accordingly, the data does not support the acceptance of *H1<sub>a</sub>*.
- H1<sub>b</sub>*: A process – oriented organizational structure (OS) is positively related to customer alignment (CA). The adjusted R square equals 70% which means that there is a positive relationship between customer alignment and organizational structure by 70%. Regarding table 2 data support the acceptance of *H1<sub>b</sub>*.
- H2<sub>a</sub>*: Internal relational behavior (IR) is positively related to shareholder alignment (SA). The adjusted R square equals 49% which means there is no relationship between internal relational behavior and customer alignment. Accordingly, the data does not support the acceptance of *H2<sub>a</sub>*.
- H2<sub>b</sub>*: Internal relational behavior (IR) is positively related to customer alignment (CA). The adjusted R square equals 25% which mean there is a no relationship between the internal relational behavior and customer alignment. Accordingly, the data does not support the acceptance of *H2<sub>b</sub>*.
- H3<sub>a</sub>*: Customer relational behavior (CR) is positively related to shareholder alignment (SA). The adjusted R square equals 15% which mean there is a no relationship between customer relational behavior and shareholder alignment. Accordingly, the data does not support the acceptance of *H3<sub>a</sub>*.
- H3<sub>b</sub>*: Customer relational behavior (CR) is positively related to customer alignment (CA). The adjusted R square equals 18% which means there is no relationship between the customer relational behavior and customer alignment. Accordingly, the data does not support the acceptance of *H3<sub>b</sub>*.
- H4<sub>a</sub>*: Top management support (TS) is positively related to shareholder alignment (SA). The adjusted R square equals 25% which means there is no relationship between top management support system and shareholder alignment. Accordingly, the data does not support the acceptance of *H4<sub>a</sub>*.
- H4<sub>b</sub>*: Top management support (TS) is positively related to customer alignment (CA). The adjusted R square equals 62% which means there is a positive relationship between Top management support system and customer Alignment. Accordingly, the data supports the acceptance of *H4<sub>b</sub>*.
- H5<sub>a</sub>*: Information sharing (IS) is positively related to shareholder alignment (SA). The adjusted R square equals 4% which means there is no relationship between information sharing and shareholder alignment. Accordingly, the data does not support the acceptance of *H5<sub>a</sub>*.
- H5<sub>b</sub>*: Information sharing (IS) is positively related to customer alignment (CA). The adjusted R square equals 0.9% which mean there is negative relationship between information sharing and customer alignment. Accordingly, the data does not support the acceptance of *H5<sub>b</sub>*.
- H6<sub>a</sub>*: The business performance management system (PM) is positively related to shareholder alignment (SA). The adjusted R square equals 23% which means there is negative relationship between business performance measurement system and shareholder alignment. Accordingly, the data does not support the acceptance of *H6<sub>a</sub>*.
- H6<sub>b</sub>*: The business performance management system (PM) is positively related to customer alignment (CA). The adjusted R square equals 22% which mean there is no relationship between business performance management system and customer alignment. Accordingly, the data does not support the acceptance of *H6<sub>b</sub>*.

*H7<sub>a</sub>*. Shareholder alignment (SA) is positively related to Customer alignment (CA). The adjusted R square equals to 60% which mean there is a positive relationship between shareholder alignment and customer alignment. Accordingly, data supports the acceptance of *H7<sub>a</sub>*.

*H7<sub>b</sub>*. Customer alignment (CA) is positively related to Shareholder alignment (SA). The adjusted R square equals 60% which mean there is a positive relationship between customer alignment and shareholder alignment. Accordingly, the data in table 2 supports the acceptance of *H7<sub>b</sub>*.

### 4.3 Findings

Based on the statistical techniques used to test research hypotheses, most of the research hypotheses were rejected except *H1<sub>b</sub>*, *H4<sub>b</sub>*, *H7<sub>a</sub>*, and *H7<sub>b</sub>* as represented in (Figure 2).

Accordingly, *H1<sub>b</sub>* represents the relationship between organizational structure and customer alignment. Aligning between organizational structure and customer alignment indicate that the organization is in a position to support the exchange of cross-functional knowledge. Additionally, it facilitates interdepartmental collaboration, which is significant in meeting customer needs. As well as *H4<sub>b</sub>* represented the relationship between top management support and customer alignment. Aligning between TS and CA will help in aligning the business strategy with the organizational operations, this form of alignment helps the organization achieve higher performance when it comes to manufacturing. Also, it plays a role in aligning the behavior of the employees, which in turn lead to cost-saving approaches and improvement of customer services. Hence *H7<sub>a</sub>* presents the relationship between shareholder alignment and customer alignment. Aligning between both SA and CA implies that the business strategy, supply chain strategy and the expectations of employees are aligned with the objectives of the shareholders. As *H7<sub>b</sub>* represent the relationship between customer alignment and shareholder alignment. Customer alignment will lead to continuous revenue by ensuring customer loyalty which will lead to contributing to shareholders value which will guarantee continuous investment to support business unit. Both *H7<sub>a</sub>* and *H7<sub>b</sub>* enhancing customer and shareholder values which will lead to achieving high business performance in an efficient and effective way.

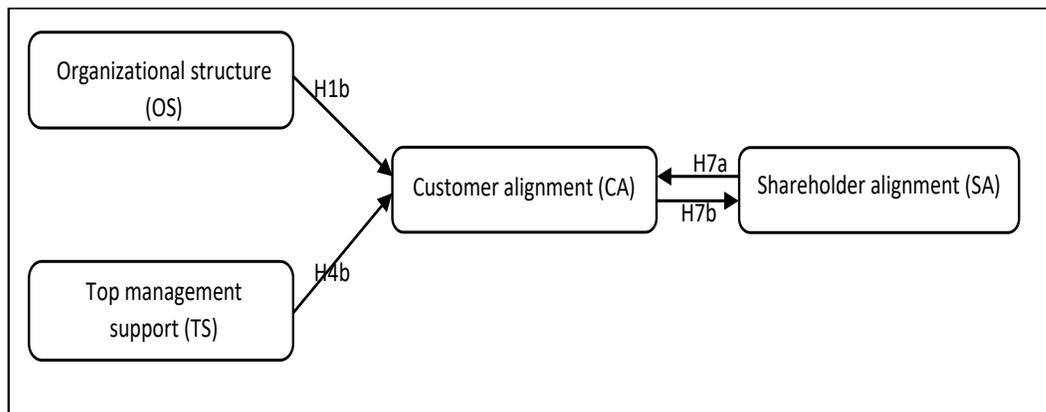


Figure 2. Accepted hypotheses

### 5. Conclusion

The purpose of this paper was to identify the enablers of supply chain alignment. The results supported four of the hypotheses and rejected the others. The current literature emphasize the importance of aligning between shareholder and customer values to improve business performance in efficient and effective way. All entities involved in supply chain management must be unified to achieve supply chain alignment. It is important that businesses implement organizational alignment in order to achieve shareholder alignment and customer alignment. Achieving shareholder alignment and customer alignment requires construct unification that strengthens the integration of the supply chain and other top management integrative efforts. Alignment is not static, it's change when customer and shareholder need's changed so, if the further researchers interested in studying the quantification of supply chain alignment this paper recommend to start with identifying the customer needs by calculating customer value. As well as identifying shareholder needs by calculating shareholder value. Then, it's recommended to use or conduct different research method such as simulation.

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