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# EXPLORING THE RELATIONSHIP BETWEEN ORGANIZATIONAL BEHAVIOUR AND EFFECTIVE SUPPLY CHAIN MANAGEMENT

**Dr.Elia Thagaram**, Associate Professor, Pace Institute Of Technology And Sciences, Nh5, Valluru, Ongole, Andhra Pradesh, India

## **ABSTRACT:**

This study explores the intricate relationship between organizational Behaviour and effective supply chain management (SCM). Organizational Behaviour, which refers to the study of how individuals and groups interact within an organization, plays a crucial role in the efficiency and success of supply chain activities. Effective SCM requires the collaboration of various stakeholders, including suppliers, manufacturers, distributors, and retailers, all of whom are influenced by organizational Behaviour patterns such as leadership styles, communication, decision-making, and organizational culture. The primary objective of this research is to examine how various elements of organizational Behaviour impact key aspects of SCM, including coordination, collaboration, conflict resolution, and performance outcomes. The study employs a mixed-method approach, including qualitative interviews with supply chain managers and quantitative surveys to assess the perceptions of employees within organizations with well-established supply chains.

The findings suggest that organizations that foster positive organizational Behaviour, such as trust, communication, and a supportive work culture, tend to exhibit more effective and efficient supply chain processes. Furthermore, leadership practices and employee motivation were identified as critical factors in improving supply chain performance. The study concludes by offering practical recommendations for organizations to align their organizational Behaviour strategies with their supply chain goals to enhance overall operational efficiency and competitiveness. This research provides valuable insights for managers, decision-makers, and researchers interested in optimizing supply chain performance through a deeper understanding of organizational Behaviour dynamics. The study highlights the importance of human factors in achieving sustainable and effective supply chain management.

Keywords: Supply Chain Management and Organizational Behaviour.

#### **INTRODUCTION:**

Supply Chain Management (SCM) encompasses the end-to-end coordination and management of all activities involved in sourcing, procurement, conversion, and logistics management. SCM integrates supply and demand management within and across companies, aiming to enhance organizational performance, reduce costs, and improve customer satisfaction. The modern supply chain is a complex network of interconnected entities, including suppliers, manufacturers, distributors, and retailers. Effective SCM ensures the seamless flow of goods, information, and finances from the origin point to the final consumer. In the increasingly globalized business environment, SCM faces challenges such as fluctuating demand, geopolitical risks, and the need for sustainability. Advanced technologies like artificial intelligence, big data analytics, and block chain are revolutionizing SCM by providing greater transparency, efficiency, and responsiveness. These innovations enable companies to optimize their supply chains, reduce lead times, and better manage inventory. Organizational Behaviour (OB) is the study of how individuals, groups, and structures affect and are affected by Behaviour within organizations. It examines various aspects, including motivation, leadership, teamwork, communication, and organizational culture. Understanding OB is crucial for managing and improving organizational effectiveness, employee satisfaction, and productivity.

#### **DEFINITION**



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Mentzer et al. (2021) "Supply Chain Management is defined as the systematic, strategic coordination of the traditional business functions and tactics across these business functions within a particular company and across businesses within the supply chain, for the purposes of improving the long-term performance of the individual companies and the supply chain as a whole."

Robbins and Judge (2022) "Organizational Behaviour is a field of study that investigates the impact that individuals, groups, and structure have on Behaviour within organizations, for the purpose of applying such knowledge toward improving an organization's effectiveness."

## **REVIEW OF LITERATURE:**

Mentzer et al. (2001): Mentzer and colleagues offered a detailed definition of SCM, describing it as the strategic coordination of business functions across companies within the supply chain. Their research focused on improving long-term performance and highlighted the necessity of integrating traditional business functions and tactics to achieve this goal. They provided a robust framework for understanding the complexities and strategic importance of SCM.

Chen and Paulraj (2024): Chen and Paulraj developed a comprehensive theoretical framework for SCM, identifying critical research areas and providing a measurement scale for SCM practices. They emphasized the importance of supply chain integration, information technology, and strategic purchasing in achieving effective SCM. Their work has been instrumental in advancing the field and providing a foundation for subsequent empirical research. OB is one of the most widely used resources in the field. They provided a thorough exploration of how individuals, groups, and structures impact Behaviour within organizations. Their work emphasized the application of OB knowledge to improve organizational effectiveness, covering key topics such as motivation, leadership, team dynamics, and organizational culture.

**Schoenherr and Swink (2022)**: This study examined the role of organizational culture in SCM, highlighting how cultural traits such as trust, commitment, and collaboration affect supply chain performance. Schoenherr and Swink's research provided valuable insights into the Behavioural aspects of SCM, emphasizing the need for a supportive organizational culture to facilitate effective supply chain practices.

## PURPOSE OF THE STUDY

This study aims to explore the dynamic interplay between SCM and OB, identifying how Behavioural factors within organizations influence SCM practices and outcomes. By examining the impact of organizational culture, leadership styles, and communication patterns on SCM effectiveness, this research seeks to provide actionable insights for managers and policymakers. The ultimate goal is to optimize supply chain operations through strategic Behavioural interventions, enhancing overall organizational performance and competitive advantage.

## SIGNIFICANCE OF THE STUDY

Understanding the link between SCM and OB is vital for organizations striving to remain competitive in a global marketplace. By aligning organizational Behaviour with SCM practices, companies can achieve greater efficiency, innovation, and customer satisfaction. This study contributes to the existing body of knowledge by offering a comprehensive analysis of how OB factors influence SCM, providing a foundation for future research and practical applications in various industry sectors.

# **RESEARCH METHODOLOGY:** Objectives of the study

To find out personal profile of the respondents.



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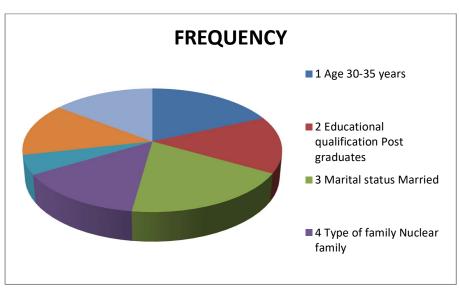
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- To assess level of supply chain management and organizational behaviour of professionals.
- To examine association between the personal profile and supply chain management and organizational behaviour of professionals
- To analyze the difference and relationship between the supply chain management and organizational behaviour of professionals.

This descriptive research employed a snowball sampling method, surveying 100 supply chain professionals (both male and female) from the Coimbatore district. The study utilized a mixed-methods approach, combining quantitative data from a survey and qualitative insights from in-depth interviews with industry experts. Data was collected using a self-structured interview schedule to obtain personal profiles. The SCM scale developed by Chen and Paulraj (2004) was used to measure the level of SCM among respondents. The statistical tools applied by the researcher are Percentage Analysis, Chi-square, T-test and ANOVA.

#### FINDS OF THE STUDY:

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S:NO	FACTORS	MEDIUM	FREQUENCY	PERCENTAGE (%)				
1	Age	30-35 years	54	75				
2	Educational qualification	Post graduates	44	73.3				
3	Marital status	Married	56	95				
4	Type of family	Nuclear family	42	71.7				
5	Residential background	Semi urban	15	38.3				
6	No of years in SCM sector	10-15 years	41	58.3				
7	Type of Organization	National	43	78.3				



## **FINDINGS:**

- Majority (75%) of the respondents were 30-35 years of age.
- Majority (73.3%) of the respondents were post graduates.
- About 95.0% of the respondents are married.



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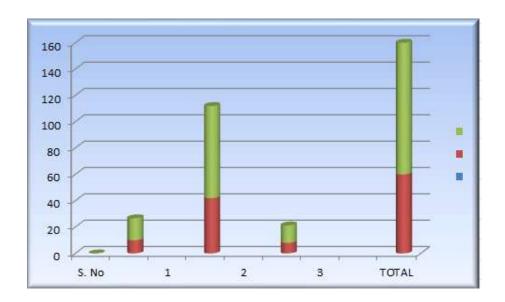
• Majority (71.7%) of the respondents were from nuclear family.

• Less than half (38.3%) of the respondents are from semi-urban.

• More than half of (58.3%) of the respondents have 10 - 15 years of experience in SCM sector.

• Majority (78.3%) of the respondents are working national level type of organization. **DISTRIBUTION OF THE RESPONDENTS BASED ON LEVELS OF SUPPLY CHAIN MANAGEMENT AND ORGANIZATIONAL BEHAVIOUR** 

S. No	SCM and OB	No. of Respondents	Percentage (%)	
1	High	10		
2	Moderate	42	70.0	
3	Low	8	13.3	
	TOTAL	60	100	



#### **INTERPRETATION**

The above table depicts that 16.7% of the respondents experience moderate level of SCM and OB, 70.0% of the respondents face high level of SCM and OB and 13.3% of the respondents experience low level of SCM and OB.

Influence of personal profile and supply chain management and organizational behaviour of the respondents



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VARIABLES	STATISTICAL TOOL	VALUE	RESULT
Age & supply chain management and organizational behaviour	ANOVA	P = .010 < 0.05	Significant
Educational qualification & supply chain management and organizational behaviour	t-test	P = .021< 0.05	Significant
Marital status & supply chain management and organizational behaviour	t-test	P = .714> 0.05	Not Significant
Type of family & supply chain management and organizational behaviour	t-test	P = .018< 0.05	Significant
Residential background & supply chain management and organizational behaviour	ANOVA	P = .637 > 0.05	Not Significant
No of years in SCM sector & supply chain management and organizational behaviour	ANOVA	P = .003 <0.05	Significant
Type of Organization & supply chain management and organizational behaviour	t- test	P = .866 > 0.05	Not Significant

- There is significant difference between the age and supply chain management and organizational behaviour of the respondents.
- There is significant difference between the educational qualification and supply chain management and organizational behaviour of the respondents.
- There is no significant difference between the marital status and supply chain management and organizational behaviour of the respondents.
- There is significant difference between the type of family and supply chain management and organizational behaviour of the respondents.
- There is no significant difference between the residential background & supply chain management and organizational behaviour of the respondents.
- There is significant difference between the No of years in SCM sector & supply chain management and organizational behaviour of the respondents.
- There is no significant difference between the No of years of work from home & supply chain management and organizational behaviour of the respondents.

#### **RECOMMENDATION:**

- Encourage open communication and teamwork across all levels of the organization to improve coordination and integration within the supply chain.
- Transformational leaders can inspire and motivate employees to achieve higher performance levels, driving supply chain efficiency and resilience.
- Leverage advanced technologies such as artificial intelligence, big data analytics, and blockchain to enhance supply chain visibility, predict demand, and optimize operations.



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- Establish cross-functional teams to facilitate better communication and collaboration among different departments. This approach helps in breaking down silos and ensures that supply chain decisions are aligned with overall organizational goals.
- Develop integrated communication systems that enable real-time information sharing across the supply chain. Effective communication is crucial for timely decision-making and quick response to market changes or disruptions.
- Equip employees with the necessary skills and knowledge to handle modern supply chain challenges and understand organizational Behaviour dynamics.
- Ensure that incentives and performance goals are aligned across the supply chain to avoid conflicts and promote cooperation. Clear and aligned objectives help in achieving a unified approach towards organizational success.
- Strengthen relationships with suppliers and customers through strategic partnerships and collaborative initiatives. Building strong external relationships can lead to better supply chain performance and customer satisfaction.
- Regularly monitor and measure key performance indicators (KPIs) related to both SCM and OB. Use these metrics to identify areas of improvement, track progress, and make informed decisions.
- Encourage employees to embrace change and develop strategies that can quickly respond to market dynamics and supply chain disruptions.

## **CONCLUSION:**

In today's dynamic and interconnected business landscape, the intersection of Supply Chain Management (SCM) and Organizational Behaviour (OB) plays a pivotal role in determining an organization's success. Effective SCM ensures that products and services are delivered efficiently and cost-effectively, while robust OB practices foster a supportive and high-performing organizational culture. The synergy between these two disciplines can lead to enhanced operational efficiency, innovation, and competitive advantage. The literature highlights that organizational culture, leadership styles, and communication patterns significantly influence SCM effectiveness. A collaborative and adaptive culture, coupled with transformational leadership, can drive supply chain agility and resilience. Moreover, the integration of advanced technologies and the promotion of cross-functional teams further enhance supply chain performance by enabling better coordination and decision-making. By adopting a holistic approach that considers both SCM and OB, organizations can address the complexities of modern supply chains and create a more resilient and responsive operational framework. Investing in training and development, aligning incentives, and fostering strong relationships with suppliers and customers are critical steps towards achieving this integration.

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