

The effect of purchasing strategy on manufacturing competitiveness: An  
international comparison

楊振隆, Dennis Krumwiede, Chwen Sheu

Technology Management

Management

clyang86@chu.edu.tw

Abstract

Global competition has and is forcing companies to continually strive for better efficiencies, not only within a company but also within the supply chain itself. Purchasing strategy plays a key role in the ability of a company to be competitive. What is interesting is the effect on purchasing and ultimately competitive goals of a company that country difference may have. This study examines the effects of purchasing strategy on manufacturing competitive goals and as it is affected by international influences. We used data collected from the 4th Round of the Global Manufacturers Research Group (GMRG) survey effort to test a conceptual model where various purchasing programs support manufacturing performance. The statistical results provide evidence that the engagement and efficacy of purchasing activities is highly dependent on culture. This finding has significant implications from the perspective of decision making in global operations. Specifically, top managers across multiple cultures could adopt and implement similar purchasing programs but these decisions could lead to different outcomes depending on the culture. The paper concludes by reviewing the research limitations and suggesting further examination of operations management theories.

Keyword : Global operations management, Purchasing, Culture, Supply chain