

# The Individual, Network, and Collaborative Competencies and Investment in Strategic Partnership as Antecedents of the Overall Performance of a Supply Chain Network

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The prime objective of the current study is to examine the individual, network and collaborative competencies and investment in strategic partnership as antecedents of the overall performance of a supply chain network. Additionally, the study has examined the mediating role of collaborative awareness. In this research, the influence of competencies at individual and organizational level has been identified on the practices and performance of supply chain management. The current study has expanded the competencies by studying it at firm level in the management of supply chain. It has been revealed through research findings that collaborative awareness is positively influenced by organizational awareness, which is the individual level competency. The study is among the pioneering studies on the issues researched. The current study has used SEM-PLS as a statistical tool to answer the research questions raised and research objectives envisaged. The findings have provided support to the hypothesized results. This study will be helpful for policymakers and researchers in examining the link the individual, network and collaborative competencies and investment in strategic partnership have as antecedents of the overall performance of a supply chain network.

**Key words:** *collaborative competencies, strategic partnership, overall performance of a supply chain network.*



## Introduction

In order to achieve organizational advantage, it has become crucial for organizations to develop competencies, which enable employees to contribute their expertise and knowledge. Increased value for the firm can be achieved by combining different skills, knowledge and abilities which are important for formulating the goals of an organization related to supply chain management (Jermstittiparsert & Srisawat, 2019). The use of these skills and abilities can add value to a firm, when used in a strategic way (McCarter & Northcraft, 2007; Jermstittiparsert, Siriattakul, & Wattanapongphasuk, 2019).

There is limited research available on the capabilities which are necessary for successful system of supply chain. The literature is lacking in relation to human resources (HR) with operations management (Koulikoff-Souvion & Harrison, 2007). According to Carr, Kaynak, Hartley and Ross (2008) very few studies have focused on employee practices or organizational implications and the importance of these concepts is increasing. The history of human resource and supply change management have different roots but they are linked together in the organizational environment (Hohenstein, Feisel, & Hartmann, 2014).

This research paper contributes in that it will investigate the way that the relation between HR management and supply chain is improved by studying the capabilities possessed in successful systems of supply chain which influence the development of strategic supplier partnerships. The importance of competency of supply chain management for professionals previously was limited to case studies only at the individual level. A basic understanding of the subject can be offered by an empirical study which is developed for validation of competency in human resource. Moreover, this offers implications for practitioners of human resource and supply chain management. Information should be shared among the managers of supply chain along with development of cooperation in the relationship through collaborative skills. Both internal and external customers should be communicated to with the information. The internal differences or issues among different business functions should be resolved in the organization.

This research study is based on the literature of knowledge management on competency for formulating organizational awareness at individual level in an organization. Competences have been investigated by very few empirical researchers at different levels considering it is a valuable strategic instrument in management of supply chain. Three important areas have been identified in this research which are important at the levels of both supply chain manager and individual level. These are important across the supply chain network and in the requirements of collaboration with suppliers. There has been some research carried out on supplier collaboration however, there is a need for attention by researchers on the required competencies for managers in supply chain (Farndale, Paauwe, & Boselie, 2010). In this way, this research will contribute to literature by analysis the required competencies for managers in supply chain.

Problems related to strategic and operational issues are resolved through collective work and coordination by the managers in supply chain. This supports the existence of partnership in the organization in an effective manner. The competencies, which are required for development of strategic partnership have been examined by this research. In this way, the current study will contribute to the literature and using inter-organizational competencies, the literature on competency will expand.

## **Background and Formulation of Hypotheses**

### ***Competencies***

Arnold, (2000) introduced the concept of competencies. Recently, the concept has been expanded from human resource management to a number of business aspects. Most of the studies have been made at individual or group level. However, currently it is being studied at the level of the firm but there are rare studies conducted at the inter-organizational level (Jermstiparsert & Wajeetongratana, 2019). Skills, abilities and knowledge are involved in competences from the perspective of human resource management. These competencies are related with the growth in performance at individual job level (Mau, 2017). The capacity of a person to interact with the rest of the team members and their own individual competency influences the competency at the group or team level. It has been recognized by recently conducted studies that team competencies involve technical competency as well as social competency, specifically communication and teamwork.

In order to create a collaborative learning environment, four team competencies for self-management were studied by Barnes and Liao (2012), which include skills, knowledge and ability to cooperate and communication. Collective influence is created on skills; knowledge, behaviors and individual perception are influenced through social interaction. A crucial role is played by social competency in the implementation of technical competencies. The concept expands to the level of the firm by incorporating competencies such as process, product, and intellect. These competencies offer a competitive advantage for a business (Di Milia & Birdi, 2010). Moreover, contributions are made to the success of performance through collective learning. It has been suggested by Heijde and Van Der Heijden (2006) that with the change in business processes, technology and increased globalization, there is need for the inclusion of process capabilities in competencies to increase the performance of organizations. The focus of competency is more on the association of partners in supply chain as compared with individual level in the supply chain management and the focus is at the team level. It is an integral business activity which is adopted by an organization for continuous innovation in product development etc. and consequently cross-functional abilities are improved as well (Koufteros, Rawski, & Rupak, 2010).

### ***Collaborative Awareness (CA)***

Every supply chain partner has a unique set of abilities and capabilities which offer a firm a source of competitive advantage. In order to develop a successful relationship in supply chain, there is need for partners to be aware of mutual goals. Moreover, the issues or problems due to the difference in their abilities should be managed for set goal achievement. Awareness of collaboration has been identified by different studies on IS management, which state that it is a social interaction among members of a group. Yu, Oster, and Ignat (2017) define it as a system which can be adopted by a number of users. It is also regarded as a knowledge set which has been developed technologically (Rapchak, 2018).

The management of information and processes is required beyond the boundaries of organization as per the concept of collaboration in the supply chain context and requires the sustaining of social interaction among the partners. At the level of an organization, this research study defines collaborative awareness as the level with which trust is developed by a firm and commitment is maintained with the partners of supply chain. A strategic advantage is created through inter-organizational competencies by the clear knowledge of firms in a supply network (Herrmann, Nolte, & Prilla, 2013).

The combination of commitment and trust in relations is involved in collaborative awareness that is a crucial element for achieving success. It has been argued by the researchers that trust is the main factor involved in collaborations across supply chain, which aim at continuous organizational improvements (Casimir, Lee, & Loon, 2012). The effectiveness of supply chain is improved through trust (Huxham & Vangen, 2013). A positive influence is exerted through this on the relations and cooperation is improved among the parents in alliance (Barnes & Liao, 2012). When cooperation occurs among the parties and they work with mutual interest it leads to the development of trust (Pomponi, Fratocchi, & Rossi Tafuri, 2015). It is evident that commitment to relationship by the firms is a basic capability in the relation of firms within a supply chain. When a firm is managing its supply chain effectively, it has developed supplier relationships with commitment and acts with mutual interest.

### ***Organizational Awareness (OA)***

For achieving and sustaining competitive advantage, human resources act as an important source (Liao & Marsillac, 2015). The competencies are developed by the skills, experience, knowledge and capabilities of an individual. These are the elements which influence the ability of an organization to realize business objectives and develop strategies (Ortiz, Donate, & Guadamillas, 2017). It was found by Xie, Wang, and Zeng (2018) while conducting a study on the competencies at manager level that firms having high performance are linked with organizational awareness. The level of understanding of organization goals and strategy along

with clear communication of roles and responsibilities across the organization is referred to as organizational awareness (Ortiz, Donate, & Guadamillas, 2018). It is expected that strategic thinking improves with organizational awareness. This type of awareness or knowledge is required for the managers who work in line with the supply chain project (Saha, Gregar, & Saha, 2017).

According to Wagner et al. (2014), for high performance of managers in supply chain, the big picture knowledge is required. In research on logistics, Vasylieva (2013) found that one of the top skills required for managers in supply chain is to see the big picture. The possession of knowledge by a professional of supply chain related to the issues of cross-functional, opportunities and solution of the political restrictions, develops a knowledge base assisting in shaping perception and behavior within a firm. Trust among individuals and an organization is influenced by the boundary spanners (Balanovska et al., 2016). When the professionals of the supply chain in a firm have sufficient knowledge related to cross-functional activities, commitment and coordination, the firm is expected to value the importance of external partners.

The following relationship can be expected, which has been hypothesized:

**H1: The organizational awareness is in significant relationship with the collaborative awareness**

### ***Supply Network Competency (SNC)***

Several researchers have claimed that increased competition in the business world has moved the traditional models to a business model in which supply chains are competing. The business is not among the organizations rather it is among their supply chains in terms of competency (Safa et al., 2015). The resources used by organizations are extended by their networks which helps in achieving competitive advantage through building capabilities. Complementary resources are exploited by the supply networks along with establishing competencies with reference to supply chain (Ketchen Jr & Hult, 2007; Miles & Snow, 2007). It is difficult to copy the resources which have been gained from networking. Flexibility is attained by the organizations investing in network capability for access to the resources resulting in sustainable competitive advantage. Research studies on supply network have analyzed various attributes of suppliers such as cooperativeness and technical competence, responsiveness and operations (Gu, 2016). The flexibility, operational and spanning abilities of suppliers has been used in this research as the determinants of competency of supply network.

Higher performance is attained by the organization with better competencies in the supply network as compared with the companies having low or no competency in their network (Unger, Rauch, Frese, & Rosenbusch, 2011). Strong beliefs are developed by companies with

high level of competencies in supply network making them consistent in operations. More time, resources and investment is contributed by the companies because of their confidence in their abilities and coordination with the supply parents. The feeling of ownership is enhanced through supply network competency which adds to the levels of commitment and trust. The following research hypothesis has been developed in line with the above literature findings:

**H2: The supply network competency is in significant relationship with the collaborative awareness**

***Investment in Strategic Partnership (ISP)***

A network with a number of independent relations is involved in a supply chain (Gerli, Wainwright, & Whalley, 2017). The dependency of a firm on other partners in supply chain is the basic element in this network. Activities such as sharing of information planning through joint efforts are involved in by the system firms who are increasingly dependent on other firms. This is related to the long-term associations of firms with the partners (Vanpoucke & Vereecke, 2010). Specific information is attained and shared which supports the process of decision making and controls business activities effectively (Watters et al., 2016). The information is viewed as an important asset by the supply chains which provides them competitive advantage.

The relationships are not just confined to sharing of information. Several other factors are involved in strategic partnerships such as collaboration on making strategic plans (Vanpoucke & Vereecke, 2010). Moreover, goals are set with mutual consent of the partners reflecting a sense of coordination among them. The success of one partner is linked with the success of other partners in strategic relations A base for developing trust among the partners is developed through the process of setting goals which enable them to achieve improvements in business and success (Vanpoucke & Vereecke, 2010).

The involvement of suppliers in setting goals and planning processes helps in sharing knowledge with them. The supply chain members are able to work in collaboration with effective information sharing resulting in improved service to the end customers. A supportive environment is created with the development of inter-firm competencies resulting in improved cooperation. This develops a sense of trust among the suppliers and makes them sustained in the relation. The following research hypothesis has been developed in line with the above results:

**H3: The collaborative awareness is in significant relationship with the strategic partnership.**

### ***Overall Performance***

The level with which the company fulfils the requirements of its customers and carries business operations in an efficient way determine its overall performance. It is implied by the concept of overall performance that efficiency for achieving the set goal is the main aspect. Effectiveness in supply chain is referred as to be related with the demands of customers, which need to be satisfied (Jermsittiparsert, Namdej, & Sriyakul, 2019). This makes it an outward looking aspect. On the other side, efficiency is regarded as an inward-looking component, which involves the proper utilization of resources in a company (Chan, Ngai, & Moon, 2017). This research study has adopted three aspects of supply chain performance, which include reliability, cost performance, and responsiveness of customers. The focus of cost performance is on the efficiency of operations in supply chain. In this way, it is an inward looking perspective. Customer responsiveness and reliability are the outward looking aspects, which are based on the outcome. These are the indicators of supply chain performance in relation to the needs and requirements of the customers.

The process in which organizations interacts with the suppliers and develop long term association is referred as investment in strategic relations or partnership. The relation of business performance and strategic partnership has gained a lot of attention. With the development of strategic partnerships, time cycle of delivery is reduced, operational cost is reduced, and productive improves. The important of partnership in supply chain has been found by Schaltegger and Wagner (2017), which creates a positive influence on the operational performance in the manufacturing sector. The following research hypothesis has been developed:

**H4: The investment in strategic partnership is in significant relationship with overall performance of supply chain network**

### ***The effect of Collaborative Awareness as a Mediator***

Social capital is required to be built to sustain supply chain relations on a long-term basis. This characterizes social competency and path dependence. According to Bassellier and Benbasat (2004), business relations or partnerships are influenced through organizational knowledge as compared with the knowledge of management. A knowledge base is created by the managers along with social capital who are aware of their responsibilities in supply chain through organizational awareness. A firm is motivated and supported through the development of social capital and experience of knowledge for sharing information and resources with the partners. The level of commitment and trust influences the impact on strategic partnership development by organizational awareness. Alternatively, the level of commitment and trust in the conception of buyer is stronger when professionals in the supply chain are involved in improvement

programs for strengthening the relations. Further, a level of commitment and trust is required among the partners for creating influence on strategic partnerships. The following relation has been hypothesized in this research:

**H5a: Collaborative Awareness acts as a mediator in the relation of Investment in Strategic Awareness and Organizational Awareness**

One of the key resources is supply chain competence, which improves the performance and capabilities of a firm. According to several studies, capabilities of suppliers such as quality, innovation, creativity can improve the strategic relation in various industries. The inter-firm relations become complicated from social perspective because of resources, capabilities and knowledge acquisition from supply base. Not every supplier can develop partnership, nor it is suitable. According to several studies, a continuous process, which involves investments to human resources and time for achieving long-term benefits, is called partnership. A buying firm has to invest in training and assistance when the level of trust is high with the suppliers. Therefore, the competency in supply network is achieved. The following relation has been hypothesized taking collaborative awareness as a mediator:

**H5b: Collaborative Awareness of a firm act as a mediator in the relation of Investment in Strategic Partnership and Supply Network Competency**

**Methodology**

The study is based on examining correlation among variables and is descriptive in nature. The descriptive nature of the study is attributed to the ratings of subject matter and profile of exporters. However, the correctional nature is because of the relation between international marketing program and performance of exports. Hypothetico-deductive method is the research designed selected for the research. Seven steps are involved in hypothetico-deductive method, which involves identification of a broad problem, defining the problem, development of hypotheses, determination of estimates, collection of information, analysis of information and its interpretation to make conclusions. The important aspect of the study is its deductive approach. A general theoretical framework is implemented in the research. Use of previous research is made in identifying the relations among the variables and theoretical aspects. A quantitative research survey method has been used in the study. In this method, the objectives of the research are set. The research is designed through use of reliable research instrument. The survey is conducted and data is collected. The collected data is analyzed in the light of theoretical framework and findings are reported.

The research is made at a specific time, as time is a constraint in academic research. Therefore, the study was cross-sectional. For gathering information or data, the use of a questionnaire

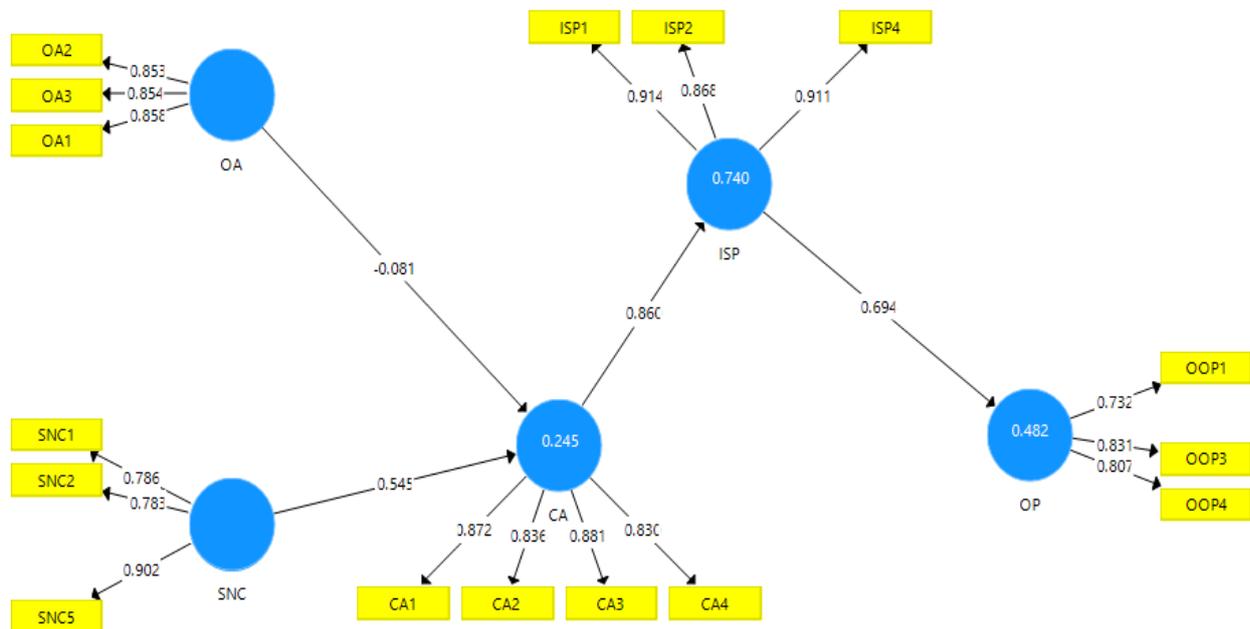
survey was made and conducted through emails. The formulated hypotheses were tested against the questionnaire survey employed. To cover a large geographical region, the method of survey was adopted as it involves low cost and is time efficient. The method of information collection was based on natural environmental setting. A natural environment is considered to be the one in which the events happen in a natural way rather than accidental. The responses or reactions of the respondents are not controlled in any way. The purpose behind the survey is to make the results of study generalized. In this way, the questions of the research study are addressed. The use of cluster sampling was made in the study for collection of samples. In cluster sampling, the sample units are selected randomly from small cluster of popular.

The approach proposed by Gay and Diehl (1992) was adopted in the research. The Five-technique research is used to estimate the size of sample in this research. The first step in the study is to estimate the size of total population from which the sample will be drawn. Krejcie and Morgan's (1970) table is used for the estimation of population, of which there were 310 in number. SEM approach is considered the most common method of research adopted in social sciences research. This approach is significance in estimating multiple equations at a time (Hair Jr, Hult, Ringle, & Sarstedt, 2016). Several researcher prefer AMOS as a co-variance technique but PLS-SEM is considered a suitable alternative to CB-SEM method due to several distinct abilities in estimation. The measurement of the variables namely supplier network competency, organizational awareness, investment in strategic partnership and organizational performance are taken from the prior studies of (Chow & Chan, 2008) and Barnes and Liao (2012).

## **Results**

Choice of PLS-SEM has been made for several reasons (Urbach & Ahlemann, 2010). The PLS method is effective in use when the explanation about the constructs' prediction is to be made through structural modelling (Hair Jr et al., 2016). This research study has adopted PLS-SEM method for its flexibility for sample size and estimating multiple structural modelling. Two constructs, formative and reflective are involved in a model. The purpose of the study is to show prediction among the constructs as depicted in Figure 1 below.

**Figure 1.** Measurement Model



The choice of the PLS method is validated by Hair Jr et al. (2016). Two models, the measurement and structural model are involved in SEM-PLS approach. Initially the outer model, which is the measurement model, is estimated in PLS-SEM method. The measurement component is involved in the outer model. It is determined by the outer model that item-loading indicators determine are associated with the related constructs.

**Table 1:** Outer loadings

	CA	ISP	OA	OP	SNC
CA1	<b>0.872</b>				
CA2	<b>0.836</b>				
CA3	<b>0.881</b>				
CA4	<b>0.830</b>				
ISP1		<b>0.914</b>			
ISP2		<b>0.868</b>			
ISP4		<b>0.911</b>			
OA2			<b>0.853</b>		
OA3			<b>0.854</b>		
OOP1				<b>0.732</b>	
OOP3				<b>0.831</b>	
OOP4				<b>0.807</b>	
SNC1					<b>0.786</b>

<b>SNC2</b>					<b>0.783</b>
<b>SNC5</b>					<b>0.902</b>
<b>OA1</b>			<b>0.858</b>		

The constructs measure the survey items as the design was made to measure and is ensured through the outer model analysis where validity and reliability is ensured. In PLS-SEM approach, there are two criteria for outer model evaluation i.e. reliability and validity (Binz, Hair Jr, Pieper, & Baldauf, 2013; Ramayah, Lee, & In, 2011). The results regarding the association between the constructs are based on the measures of reliability and validity. The individual item reliabilities are assessed for the outer model through composite reliability (CR). The relation between the individual constructs is measured through AVE (average variance extracted). Fornell-Lacker criterion and outer loadings indicators are used in discriminant validity. The relation between the observed and unobserved variables is reflected through the measurement model. All the items in the model are exposed to changes during the estimation of the measurement model see Table 2 below.

**Table 2: Reliability**

	<b>Cronbach's Alpha</b>	<b>rho_A</b>	<b>Composite Reliability</b>	<b>Average Variance Extracted (AVE)</b>
<b>CA</b>	<b>0.877</b>	<b>0.882</b>	<b>0.916</b>	<b>0.731</b>
<b>ISP</b>	<b>0.880</b>	<b>0.883</b>	<b>0.926</b>	<b>0.806</b>
<b>OA</b>	<b>0.816</b>	<b>0.816</b>	<b>0.891</b>	<b>0.731</b>
<b>OP</b>	<b>0.700</b>	<b>0.698</b>	<b>0.833</b>	<b>0.626</b>
<b>SNC</b>	<b>0.787</b>	<b>0.959</b>	<b>0.865</b>	<b>0.681</b>

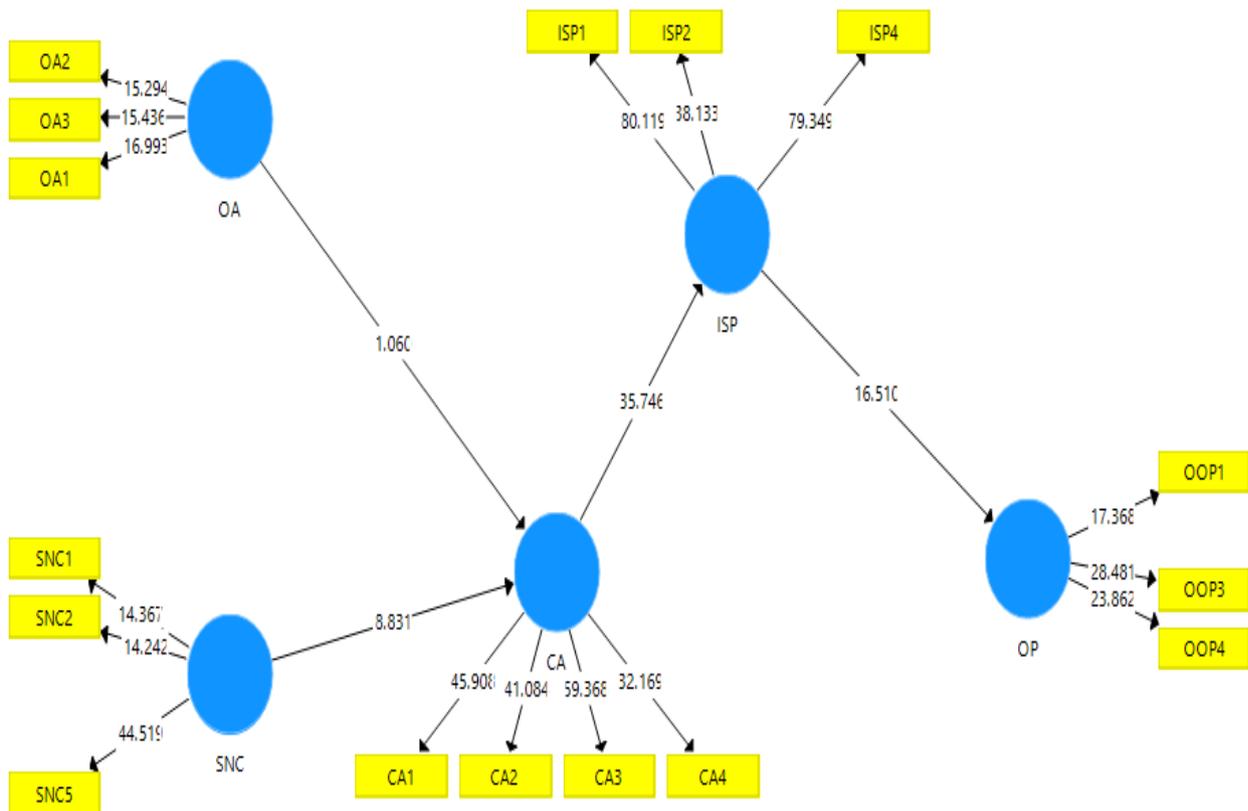
When a strong association exists between the variables, they are combined for developing a construct. The way in which the constructs are represented by the observed variables is confirmed through the validity of outer model. CFA (Confirmatory Factor Analysis) is used for estimating first and second order constructs. Each element is estimated separately through structural, formative, and reflective modelling. The criterion set by Fornell and Larcker (1981) of discriminant validity is used in research studies by research studies. The variables in the model are activated through discriminant validity. This has been used as a standard for the estimation of discriminant validity. The reliability value is expected to be equal to 0.70 or higher than this value. The similar values are attained for outer and cross-loadings. The existence of association between the constructs is determined through cross-loadings. The discriminant validity has been analyzed for the constructs and variables in this research, which are depicted in Table 3 below.

**Table 3:** Discriminant Validity

	CA	ISP	OA	OP	SNC
CA	0.855				
ISP	0.860	0.898			
OA	0.285	0.339	0.855		
OP	0.677	0.694	0.388	0.791	
SNC	0.491	0.529	0.671	0.403	0.825

The relation among the variables is estimated after assessing the reliability and validity. Simultaneous equations can be estimated for all the developed variables through SEM-PLS, which cannot be done by other techniques. The direct as well as indirect impact of the variables is analyzed through the approach for structural model see Figure 2 below.

**Figure 2.** Structural Model



To estimate the indirect impact, the role of moderator is incorporated in the estimation. The method of bootstrap is involved in the research based on 1000 observation. The significance level of p-value is less than 0.05. The p-value is significant for all the hypotheses except H<sub>2</sub>, as

p is less than 005. Except the one hypothesis which predicted the relationship between OA and CA, all hypothesis are accepted significantly.

**Table 4:** Direct relationship

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics ( O/STDEV )	P Values
CA -> ISP	0.860	0.860	0.024	35.746	<b>0.000</b>
ISP -> OP	0.694	0.694	0.042	16.510	<b>0.000</b>
OA -> CA	0.081	-0.076	0.077	1.060	<b>0.289</b>
SNC -> CA	0.545	0.545	0.062	8.831	<b>0.000</b>

This leads to the hypotheses being accepted. The impact of moderation created by customer response of the relation of external performance of SC and agile SC is shown in Table 4 above. The results of moderation show that the p-value and t-value is significant for the second hypotheses, as p-value is less than 0.05 and t-value is greater than 1.96 see Table 5 below.

**Table 5:** Indirect results (Mediation)

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics ( O/STDEV )	P Values
OA -> CA -> ISP	-0.070	-0.065	0.066	1.065	<b>0.287</b>
SNC -> CA -> ISP	0.469	0.469	0.057	8.229	<b>0.000</b>

The power of prediction of the independent variables is revealed through R<sup>2</sup>, which is the coefficient of determination. When the value of R<sup>2</sup> is closer to 1, it is regarded as strong. When the value is average, the predictive power is also average or moderate. The value closer to 0 reflects weak predictive power of endogenous variables. Therefore, it lies in the range of 0-1. In this study, the value of coefficient of determination are 0.245, 0.740, and 0.482, which means that the endogenous variable explains 24.5, 74 percent and 48.2 percent of variation in dependent variable as depicted in Table 6 below.

**Table 6:** R-Square .

	R Square
CA	0.245
ISP	0.740
OP	0.482

## Conclusion and Discussion

In this research, the influence of competencies at individual and organizational level has been identified on the practices and performance of supply chain management. Very few studies were conducted on this aspect as determined by the literature study. In previous studies, the importance of competencies for achieving competitive advantage was studied at the organization and individual level. Moreover, collaborative awareness is positively influenced by competency of supply network at organizational level. There is a positive and significant association between investment and collaborative awareness which supports the proposition that inter-organizational competencies are crucial. Another source of competitive advantage highlighted in this research is human capital (Chiou, Chan, Lettice, & Chung, 2011).

Organizations work at improving the skills and competencies of their employees to achieve competitive advantage. There is need for more investigation on identification of the role of human resources in supporting the development of relations in supply chain. The model developed in this research is in line with previous studies, which found that competitive advantage could be attained by individual competency in supply chain relations. The efforts of an organization for collaboration are based on the knowledge, skills and competency of its human resource or employees in sustaining competitive advantage. Organization awareness was taken as an individual competency measurement which is based on the understanding of managers in supply chain about the functions of business, resolving issues through collective approach and collaboration.

A crucial role is played by human resource in creating value through improving individual competencies and sharing of knowledge in the organization with reference to supply chain and operations management. There is need for a shift in inter-organizational association from individual to collective level as claimed by supply chain researchers (Lettice, Wyatt, & Evans, 2010). The concept of competency has been expanded by incorporating the concept of competencies within organization which is one of the important contributions of this research. In promoting inter-organizational competencies, sharing of information, collaboration, problem solving is considered important in supply chain relations. Further, the relation is built on trust when partners are involved in decision-making and formulation of strategic goals. This results in enhanced efficiency, which leads to fulfilment of customer requirements in product development.

It has been shown by this study, in line with the existing literature related to strategic partnership, that value of a firm can be created by developing strategic partnerships. The cross-functional ability and interaction within an organization can be improved by working on strategic partnerships. This results in growth of performance by improving the performance of suppliers through coordination. Firms are able to improve processes as per the changes in the



market by coordinating with other independent firms including retailers, manufacturers, suppliers of raw material, etc. The operation performance can be affected because of lack of or poor coordination among the members of supply chain. There are negative aspects to lack of or poor coordination which include delay in delivery of products, high cost of transportation, inventory cost, risk of damage and loss and decline in customer satisfaction.

Important insights are contributed by this research in its revelations regarding collaborative awareness as a mediator in the relation of competency, organizational awareness and strategic relations among partners. It is proposed that the competencies at individual and organizational level are based on the competencies of inter-organization which influence the strategic partnership. Collaborative awareness totally defines organizational awareness while supply in network competencies is partially based on it. There is social and teamwork interaction and communication in strategic partnerships which make it highly complex if it is to result in clear knowledge development among the partners. Therefore, strategic partnerships are developed at individual and organizational level when there is commitment and level of trust among the partners.

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