

# Network purchasing in developing countries: the case for Uganda

Category: Work-in-Progress

## Abstract

### Purpose of the paper

The paper is part of the PhD project on horizontal collaborative purchasing in developing countries, and particularly in Uganda.

There is no doubt about the contribution of networking and collaboration to the performance of organizations. The practice has been successful in most developed countries.

However, this significant performance is less for the developing countries, especially Uganda. Besides, the procurement discipline is new in developing countries, yet it contributes more to the economies. Much as the concept of networking is well grounded in other disciplines, there is need to tailor it to procurement, which after all saves more costs for the organization.

This paper will aim at looking at the social issues which don't seem to be the focus for most managers. It will specifically examine the place of trust and commitment in the establishment and operationalisation of horizontal purchasing collaborations in developing countries, with Uganda as the case study. It will recognize that inter cultural issues must be recognized as one applies the knowledge that socially affect relationships, and clearly show that social issues in developing countries are different from those in the developed world, and therefore justify need to apply locally developed theoretical and practical models.

### Literature addressed

Networking and collaboration cut across several disciplines. Therefore several literature sources will be considered to get an exhaustive view of the subject. These will include; social theory, networking theory, cooperative theory, alliance theory, transaction cost theory and resource based theory.

### Main contribution

#### *Theoretical*

Not enough literature has been documented about purchasing. Yet purchasing has a big potential for saving costs for the organization. Most of the constructs used are borrowed from the other disciplines like sociology, marketing, finance, accounting, production etc. These concepts wouldn't be exactly used in the same way when transferred to a different discipline. The concept of networking as documented in various sources is not linked to the purchasing function. Even in the IMP research, the previous emphasis has been on networking itself, without deliberate emphasis on what happens within this network.

This research will aim at finding out the dynamics involved in the networking arrangement (by looking at Trust and Commitment) in purchasing networks. This has largely been missing in current literature.

#### *Managerial*

The study will help practicing managers to appreciate the importance of networking in their business units. It will generate more practical knowledge including a procurement collaborative manual, and legal advice the developing countries legislature on how to carry out network purchasing.

## Introduction

The increasing strategic role of purchasing is well demonstrated. The purchasing function adds value to the current organization, in terms of financial value, influence on the organization's financial results, and reducing risks of not getting the right goods and services. Purchasing is a factor of strategic importance for an organization, rather than a merely administrative and operational activity; (Weele, 1997; Stekelenborg, 1997; Telgen, 1997). The amount spent on indirect purchases, which are not easily realized especially in government is increasing day by day.

Way back, Webster and Wind (1972) characterized organizational buying as a complex process rather than a single act. Today, the business environment is even more complex, and as such, there is greater need for communication, coordination and control amongst the participants in the buying process. It is not proper for an organization or firm to carry out its tasks alone. This requires networking, which involves a set of autonomous organizations that come together to reach goals that none of them can reach separately (Chisholm, 1998). Networking is the ability to develop and cultivate a large and diverse group of people who will gladly and continually refer business to one another. In recent years, the rise of the network form of organization has been dramatic. Even state and public organizations and departments, which were traditionally working on their own, have moved into the networking situation. Networking, once properly instituted, is a great key to purchasing performance of organizations; both in terms of efficiency and effectiveness.

Managers that hope to create value by bringing together different units must understand that economic action is embedded within a social structure in which issues of trust and commitment are vital. Collaborative operations are bound with contracts embodied by technological and social constructions, rather than by contracts that are imposed by legal authorities (Hadjikhani and Thilenius, 2005). Reynolds (1996), in relation to this, noted that there is a mood of change that encourages the extension of more human activities into market contexts. The social constructs like trust, commitment hold the actors in the collaboration together. There is inadequacy of studies expressing the theoretical tools that are social based, to explain why collaborations have not yielded results as literature suggests. Therefore, behavioral issues must not be left as mere constructs to be understood. Rather, they must be managed. Conscious decisions about them must be made.

In developing countries like Uganda, partners don't devote energy to sustaining the relationship. Even when there are associated inconveniences and costs, the relationships often break. Members do not feel they have obligations to keep in the relationship and build on generalized cultural expectations. Business units don't bother to identify with others. A recent case on the attempt to form the East African Community, where the individual manufacturers have not appreciated branding their products as those made in East Africa, preferring to brand them as being made in Uganda.

The trust levels in Uganda are below the published expectations. Every party in a relationship suspects the other. Betrayal is common. Honesty is rare. This is why there are frequent cases of betrayal in the commercial court. This situation gets even worse with purchasing transactions, where every one is looking for an opportunity to cheat.

Trust and commitment in developing countries like Uganda, take a different form, because other moderating factors affect them different from the way they do in developed countries. Such factors include weak or no organizational and administrative structures in developing countries, poor sharing mechanisms, weak governance systems, and a unique cultural context under which these networks exist.

The developed world originated documented literature and models may not adequately explain trust and commitment constructs in developing countries. According to Meyer (1997), models should be made relevant to African situations. This has also been a position for Sommer et al (1996), who said that the time to test behavioral constructs in non-western countries and make cross cultural comparison had come. A quick search of an emerald search of academic site, [www.emeraldinsight.com](http://www.emeraldinsight.com) and the various number of articles that simply refer to trust and commitment, shows that though 5565 journal articles have been documented on the constructs of trust and commitment, only 22 refer to Uganda.

Under such circumstances, the need to carry out an empirical study that reflects the developing world circumstances is timely.

## **Some literature review**

### ***Trust and collaboration***

Collaboration enables trust and cooperation to co-exist with competition. This reduces competition-associated costs and increases the level of efficiency. This is the same view with Lee and Billington, (1992), who says supply chain management is built on a foundation of Trust and Commitment. Trust is conveyed through faith, reliance, or confidence in the supply partner and is viewed as a willingness to forego opportunistic behavior. Trust is simply one's belief that the other partner will act in a consistent manner and do what he or she says he or she will do. Trust gives the confidence that the other party can be relied upon. It is both a precondition and an outcome of collaboration. Some threshold level of trust must be available for a collaboration to take off, and when the collaboration succeeds, more trust is even created. It should be noted that there are many moments in the purchasing process that tempt the actors, which requires emphasis on trust and commitment. Though trust is hard to build, effort must be put in to ensure it slowly builds up. Trust exists because the short run benefits from an opportunistic defection is outweighed by the long run benefit from continued cooperation. This is because it smoothens out the business relationship operations and ensures optimal purchasing performance benefits. Trust takes time to develop between parties involved. It is a necessary condition for commitment.

Trust takes time to develop between parties involved. It is a necessary condition for commitment. Trust and commitment only makes sense if tomorrow matters. Therefore the time dimension is crucial. However, most organizations in developing countries don't last long. So partners see no need to get committed. They don't plan for future, like is the case with the developed countries.

Trust is even more necessary for small business units like those in Uganda. Small businesses have a weak performance record and need trust as a device for convincing and reassurance to attract potential partners, investors and customers. Trust can help them leverage their less known profile which gives them a soft edge in being competitive. Even unknown business units get the legitimacy, an asset that can improve competitiveness. Through information sharing, trust provides a cushion against uncertainty.

The construct of trust is a fundamental ingredient or lubricant, and an unavoidable dimension of social interaction.

Despite its importance, the construct still lacks a thorough development and rigid base in terms of the mutuality of trust in business relationships.

According to Swan et al., (1985), and Swan and Trawick (1987); trust should be looked at in five dimensions; reliability, honesty, competence, orientation and friendliness.

### ***Commitment and collaboration***

Commitment is the belief that the trading partners are willing to devote energy to sustaining this relationship. That is through commitment, partners dedicate resources to sustain and further the goals of the network. Commitment is the willingness of the partners to adapt and it implies that the partners view the relationship as being important enough that is worth the effort of ensuring that it will endure indefinitely (Zineldin and Jonsson 2000). It comes from the belief that the relationship between the actors is so important as to warrant maximum efforts at maintaining it; that is, the committed party believes the relationship endures indefinitely. According to Brennan and Turnbull (1999) high levels of trust lead to adaptations to accommodate a partner (commitment), and that this commitment leads to increased collaboration. Several researches have recently supported this view that trust leads to commitment. According to Morgan and Hunt (1994), when both commitment and trust, - not just one or the other, are present, they produce outcomes that promote efficiency, productivity and effectiveness. It is reported that the biggest stumbling block to success of strategic alliance formation is the lack of trust (Sherman, 1992) and subsequently the trust is perceived as a cornerstone of the strategic partnership (Spekman, 1998). Information sharing reduces uncertainty, which increases trust. Cunningham (1982) had also noted that a collaborative strategy creates long-term trust and relationship quality. This atmosphere of trust, loyalty and cooperation doesn't allow the bad practices to come up in a collaborative relationship.

Trust and commitment serve to offset the risks of opportunistic behavior.

## Differences in trust and commitment between collaboration in developed and developing countries

### Initial conditions for collaboration

Collaboration models in developed countries can not exactly apply to develop collaborations in developing countries especially Uganda, because the initial conditions for such collaborations have different dimensions of trust and commitment. These attributes are as follows:

**Partner attributes**, have a lot to do with alliance performance (Beamish, 1987; Luo, 1997) Scholars also contend that the differences between the partners are the culprit responsible for the failure of collaborative failures. While organizations in developed countries share the same cultural backgrounds, this is different for the multi cultural developing countries organizations. Netherlands for example has one common language, and one cultural administrative set up. Uganda has many tribes, and if organizations are located in various districts, they will have different beliefs and values, different languages (which becomes a hindrance to communication between such collaborations). These greatly affect the levels of trust and commitment between such would be collaborations.

**Relational attributes** like interfirm trust, commitment, reciprocity, largely determine the success of collaboration. This is even more important with horizontal collaboration where most of the parties are at the same level, with more freedom of being independent. Levels of trust in developing countries are low, compared to the developed countries. This is evidenced by the frequency of betrayal cases in the commercial courts. The 'ownership' tendency, where an individual organization feels comfortable operating alone despite the perceived benefits is very common. This greatly affects the collaboration efforts.

**Alliance structure**, which serves the purpose of control in alliances, which is critical because of the shared nature of alliance governance (Fryxell, Dooley and Vryza, 2002). This takes care of the sharing of the benefits of the collaboration. Because of lack of trust and commitment, there is an inherent problem of sharing in the developed countries compared to developed ones. One major cause to this has been not having enough to share, compared to the developed organizations that make more proceeds to share. Organizations don't trust that the individual members will be treated fairly.

**Impact of external environment**, like technology, industry structure affects the dynamics of a collaboration (Das and Teng, 1998). Whereas there may be a collaboration enabling law in developing countries, these are non existent in developing countries like Uganda. Partners can come in and leave at will. Because of low levels of trust and commitment, they find it normal to leave the relationship. Technology also may affect the collaboration efforts. Developing countries are still below average technology standards. For example there is no frequent communication between the collaborating members. Yet it is communication that would step up the levels of trust and commitment of the members to the relationship.

## **The role of trust and commitment in appreciating the need to collaborate**

### ***Information sharing***

Information sharing is a very important aspect in any collaboration. In today's knowledge intensive economy, an organization's available knowledge is becoming an increasingly important resource. The resource based view of the firm puts knowledge in the lead position, and a strategic resource (Pettigrew and Whip, 1993). The effective management of such resource is a major challenge to the developing countries. If not done well, individual knowledge will not be transferred to organizational knowledge.

According to Smith and McKeen, (2002); organizational or ethic cultures can influence the extent to which and the way in which knowledge is shared. For someone to give out something in expectation of another, especially intangible information, the levels of trust must be reasonably be high. This is what is missing in the developed countries like Uganda. Every one wants to do things individually. There is suspicion among the partners, which puts the commitment of collaborating parties to question. This could largely explain the few joint ventures in Uganda. Literature shows this is different with the successful developed countries.

### ***Sharing gains of the collaboration***

Sharing the benefits of collaboration is a very important factor in the successful operation of a collaboration. The situation could even be worse when losses result out of the collaboration, as every member would want to avoid them. In developing countries, where organizations are usually small in size, the issue of economies of scale needs to be considered in the allocation of the benefits of collaboration (Schotanus, 2004)

Choosing a gains allocation concept will provide financial clarity to organisations in a purchasing consortium. It helps in negotiations, by reducing the fear of other organisations benefiting parasitically and it can help by enhancing the stability of a consortium. By enhancing trust and stability, commitment to the consortium can improve, which for a purchasing consortium is highly important for success ( Heijboer 2003).

### ***Disclosure***

Disclosure is about providing information to the outsiders about the organization. This includes corporate social disclosure. This is where the society wants to know what it gets from the business for supporting it. It is when the society and other third parties see such benefits that they see the organization as legitimate. Whereas developed countries have disclosure measures, the developing countries like Uganda don't have the culture of disclosure. No ends of year accounts are shown! Even banks that should as emphasis display their financial statements don't do so! In 1998, Greenland Bank Ltd, and Cooperative Bank Ltd closed by Bank of Uganda, without any sign of financial weakness being known by the customers. This has created suspicion among the would be collaborating partners in any other business. There is lack of trust and commitment.

### ***Negotiation***

Negotiation is a very important aspect in collaborations. This is where opportunisms comes in. Members of different collaborating entities tend to have different perceptions of the desirability, direction and consequences of change and cooperation. Some may feel strongly about certain issues. Old debates, clashes of personality divisions within the boardroom may be brought up.

This legacy of mistrust and misunderstanding in developing countries tends to be common. Some partners harbour suspicions that particular groups are seeking to benefit from changes at the expense of others. Some feel they are being asked to absorb an unfair proportion of costs.

There is a clear difference between the nature of negotiations in developed countries and that in developing countries. In Uganda, everyone is suspicious of the other. For example in a market, no one wants to disclose the offer price first. Every one looks at the other as an exploiter. Asking too much is often interpreted as mistrust! One wouldn't want to negotiate with a stranger. Every one is handled with caution. This is different with European systems, where individuals are relatively more direct, honest, straightforward, and negotiations are handled with less hidden agendas. This is why it must be handled with a different approach for developing countries, especially Uganda.

### ***Dependence***

Dependence is the reliance on actions of another party to achieve certain goals or gratification (Emerson, 1962). Because the dependence causes the dependent party to change its behavior in favor of the party depended upon, exercising the inherent power is normally not necessary (Provan and Gasseheimer, 1994)

When parties invest more into their relationship, their dependence increases. The extent to which one party is dependent on the other is directly proportional to the level of difficulty faced in gaining access to alternative sources of valued outcomes (Cadotte and Stern, 1979). To the extent that valued resources and outcomes are available outside of the established relationship, dependence is minimized and partners are more easily pulled away from the relationship. Collaboration leads to dependence of knowledge, therefore reducing capacity for own future challenges (Fine and Whitney, 1996). It may also be risky relying on the other party during a turbulent environment (Singh and Mitchell 1996), and the dependent partner may look for the alternative sources of supply, willing to defect as soon as a window of opportunity opens up.

Unlike in the developed countries where this research was done, the developing countries score low on dependence. This is because of low trust and commitment. Individual units suspect each other. Most contracts made are not adhered to. There are many cases of betrayal in the commercial courts in Uganda. This leads to less commitment of partners to the contracts made. This has kept collaboration in the developing countries low.

### ***Communication***

It is very clear that communication influences the way in which organizational effectiveness will be achieved in a collaborative arrangement. This will even be more serious with the continued advancement of virtual organizational setups. Collaborating organizations must have an efficient communication system to work.

Where as there is a relatively well developed communication system in the developed countries, this remains a problem to the developing countries, specifically Uganda. There is virtual environment necessary in creating avenues and opportunities for collaborating partners to have the level and depth of dialogue necessary to create a shared future. Social interaction reduces conflict frequently through compliance and compromise. In Uganda, there is no specific time allocated to discuss collaborative issues amongst the members. As a result, there is no commitment to the collaboration. Even when one member has an interesting issue to share with the others, there is no forum to bring it up; after all, there is suspicion of each other!

Lack of humour, ritual and ceremony in bonding group members is common in Ugandan communication practices. All these lead to lack of trust and commitment and greatly affect the performance of a collaboration especially in Uganda.

### ***Structure of collaborations***

The structure of the collaboration has a great impact on its success. These include the reporting relationships, and the power and authority possessed by the different levels of the administration in the collaboration.

Whereas Developed countries have formal collaboration arrangements, most of those in developing countries are informal. This means they lack order. There is no specific allocation of specific tasks to a particular administrative unit.

There are informal agreements between the different parties. This means any party can get out at will. There are no costs to leaving a collaborative arrangement. Uganda Manufacturer's Association, a collaborative arrangement between the manufacturers in Uganda, has suffered this problem. Government departments and ministries have such informal agreements, and have a common problem of a particular ministry falling out of certain specific dealings where it feels it is not benefiting. This is as a result of lack of trust amongst the parties. There is no commitment to the collaboration.

There are no withdrawal penalties in Uganda. A member can enter at will and leave at will. There are no laws in place by the Public Procurement and Disposal of Public Assets Act (PPDA) 2003. The ministry that loses trust leaves the relationship, and since there is no forward looking culture, such a member does not bother to build the relationship before opting out.

The developed countries organizations tend to adopt the flat organizational structure governance system. There are fewer hierarchical levels in the organizational hierarchy. Lower workers can talk easily to the top bosses. This reduces on the bureaucratic tendencies, since decisions can be easily implemented. It certainly motivates the lower subordinates, because they feel empowered. The subordinates tend to accept what has been agreed upon. They cant fight their own decisions, even if they eventually turn out to be unfavorable.

They develop trust in the system and get more committed to their cause. This is very different in the developing countries. Most of the collaborations have hierarchical relations, where one or a few units take full control of others' assets and coordinate actions by the ownership rights mechanism. Individual units struggle to progressively increase their power, which can be achieved through an extended control over resources or activities. In Uganda, hierarchy is respected, especially in the public service like ministries. There are many hierarchical levels. Communications is a problem. Decisions are made far from where they take place, and with minimal consultation with those they will affect. This makes the subordinates looses trust in their bosses. They can't trust that their views have been genuinely represented. They feel let down because they are not consulted. They will not be committed to their tasks.

### ***Competition***

Partners in a competitive relationship can create new value by reducing the transaction cost, the uncertainty and the level of the financial and practical risks associated with the purchase or joint investment. In such a relationship, there is a great opportunity to gain access to vast information about common needs, aspirations and plans, which provides a substantial competitive advantage by strengthening strategic cooperation:

For mutual benefits and interests to be achieved, it is imperative that competitive partners communicate, co-operate and compete in an atmosphere of frank debate, trust, interdependence, and mutual positive expectation:

Sherman (1992) stresses that the biggest stumbling block to the success of competitive relationships is lack of trust. According to the classic view, trust is a generalized expectancy held by an individual or an organization that the word of another individual or organization can

be relied on. Confidence on the part of the trusting party results from the belief that the trustworthy party is reliable and has high integrity, which is associated with such qualities as consistency, competence, honesty, fairness, responsibility, respect, helpfulness, and benevolence.

It is possible for the developed countries to have competition within the collaborative relationship, because competition is based on principle, and a sound level of trust and commitment. There is strong hope for the future outcomes of the collaboration.

This is different with the developing countries. Competition is not healthy. In Uganda, even when all ministries belong to government, and therefore same goals are expected to be aimed at, they still out compete each other and struggle for the meager resources. There have been reported complaints of budget allocation amongst the ministries that belong to the same government! Besides, resources in developing countries are never enough, compared to the developed countries. This increases the level of opportunism (Williamson 1995). Individual ministries don't trust others will be fair while sharing the benefits of the collaboration.

### ***Change management***

Collaborations need thoughtful and continued attention. Along the way, a lot of changes are bound to happen, which requires flexibility. Members are supposed to meet regularly and share the vision of the relationship, as it is likely to be affected with the changes. Members must also adapt to changes in membership and leadership of the individual members and the collaboration itself.

Most change initiatives in Uganda have been characterized by exclusion of front line participants, moreover whom such decisions are going to directly affect. Change agents that are key are transferred before the change processes is finalized, and besides, the change agents don't fully get involved in the actual implementation of such changes. The effect is that even the little collaboration that would exist can't proceed because of the sudden changes and lack of sustained effort.

Therefore the lack of such long lasting, relationships doesn't build trust and commitment. Yet unlike developed countries, the developing countries lack regular reviews, to check on the collaboration practices.

### **Some methodological issues**

The study will consider trust and commitment in inter ministerial networks in Uganda. The different networking ministries will be identified.

This research will take a methodological pluralist approach using both quantitative and qualitative designs (Creswell, 1994). Both advocates of both positivist and naturalist research methods should declare "...rhetorical cease-fire".

The case study method is appropriate for the study. This is because the method is intensive and is needed to capture all relevant network features in sufficient detail (Henrikki, 1998).

Both in-depth and questionnaire designs will be applied.

Qualitative data analysis will be a cyclical process. Text coding, memoing, intuition, and casual networks will be used. The SPSS package will be used for the quantitative data

To ensure reliability, for qualitative data, multiple raters and triangulation will be used while a Cronbach alpha of 0.7 will be the target for quantitative data.

Trust will be operationalised in five dimensions: dependable/reliable, honest/candid, competent, partner orientation and likable/friendly (Swan and Trawick, 1987). Commitment will be operationalised as Instrumental commitment (Gilliland and Bello, 2002), normative commitment (Brown et al, 1995), and affective commitment (Brown et al, 1995; Porter et al., 1974; Allen and Meyer, 1990).

## Conclusion

Collaboration is inseparable from social interactions. It becomes even more critical when dealing with different cultural, economic and geographic contexts. Issues of trust and commitment can largely explain why collaboration in developing countries like Uganda is taking a slow pace to be felt, despite the well publicized benefits the developing countries have realized from it.

The initial conditions for the establishment of a collaboration relationship, and later on the operationalisation of the collaboration must be different for the developed and developing countries, because of among others, the underlying differences between the social constructs of trust and commitment amongst them. These need to be well understood, and relevant models developed that will help government ministries in developing countries realize the benefits of horizontal collaboration.

## References

- Beamish, P.W. (1987). Joint ventures in LDCs: partner selection and performance, *Management International Review*, Vol.27 No.1, pp.23-37.
- Brennan, R. and Turnbull, P.W. (1999). Adaptive behaviour in buyer-supplier relationships. *Industrial Marketing Management*, 28(5), September, 481-495.
- Cadotte, E., Stern, L. (1979), "A process model of interorganizational relations in marketing channels", in Sheth, J. (Eds), *Research in Marketing*, Vol. 2.
- Chisholm, R.F. (1998), *Developing Network Organizations*, Addison-Wesley, Reading, MA, .
- Creswell, J.W. (1994). *Qualitative Inquiry and Research Design: Choosing Among Five Traditions*. Thousand Oaks, CA: Sage Publications.
- Cunningham, M.T. (1982), "An interaction approach to purchasing strategy", in Håkansson, H. (Eds), *International Marketing and Purchasing of Industrial Goods*, John Wiley & Sons, New York, NY, .
- Das, T.K. and Teng, B.S. (1998). Between trust and control: developing confidence in partner cooperation in alliances, *Academy of Management Review*, Vol.23, pp. 491-512.
- Emerson, R.M (1962), "Power-dependence relations", *American Sociological Review*, Vol. 27 No.1, pp.31-41.
- Fine, C.H., Whitney, D.E. (1996), "Is the make-buy decision process a core competence?", research paper, MIT, Cambridge, MA, .
- Ford, I.D. (Ed), (1990). *Understanding Business Markets*, Academic Press, London.
- Frexell, G.E., Dooley, R.S., and Vryza, M. (2002). After the ink dries: the interaction of trust and control in U.S-based international joint ventures. *Journal of Management Studies*, 30: 865-886.
- Hadjikhani, Amjad, Thilenius, Peter, 2005, *The impact of horizontal and vertical connections on relationships' commitment and trust*, *Journal of Business & Industrial Marketing*, 20/3 (2005), Emerald Group Publishing Ltd, pp. 136-147.
- Heijboer, G. (2003). *Mathematical and statistical analysis of initial purchasing decisions*. Enschede, University of Twente.
- Henrikki, T. (1998). The network approach in analyzing international marketing and purchasing operations: a case study of a European SME's focal net 1992-95 *Journal of Business & Industrial Marketing*. Volume 13 Number 2 1998 pp. 109-131
- Lee, H.L., Billington, C. (1992), "Managing supply chain inventory: pitfalls and opportunities", *Sloan Management Review*, Vol. 33 No.3, pp.65-73.
- Luo, Y. (1997), "Guanxi and performance of foreign-invested enterprise in China: an empirical inquiry", *Management International Review*, Vol. 37 No.1, pp.51-70.
- Morgan, R.M. and Hunt, S.D. (1994). The Commitment-Trust Theory of Relationship Marketing, *Journal of Marketing*, (58:3), 1994, pp.20-38.

Pettigrew, A., Whipp, R. (1993). *Managing Change for Competitive Success*, Blackwell, Cambridge, M.A.

Provan, K.G., Gassenheimer, J.B. (1994), "Supplier commitment in relational contract exchanges with buyers: a study of interorganizational dependence and exercised power", *Journal of Management Studies*, Vol. 31 No.1, pp.55-68.

Schotanus, F. (2004). *Enhancing Trust and Stability in Purchasing Consortia: Fair Allocation of Gains*, IPSERA conference proceedings, Catania.

Sherman, S. (1992), "Are strategic alliances working?", *Fortune*, Vol. September pp.77-8.

Singh, K., Mitchell, W. (1996), "Precarious collaboration: business survival after partners shut down or form new partnerships", *Strategic Management Journal*, Vol. 17 No.7, pp.99-115.

Smith, H.A., Mc Keen, J.D. (2002) *Instilling a knowledge sharing culture. Proceedings of the third European Conference on Organizational Knowledge, Learning and Capabilities*, ALBA, Athens.

Spekman, R.E., Kamauff, J.W., Myhr, N. (1998), "An empirical investigation into supply chain management", *International Journal of Physical Distribution & Logistics Management*, Vol. 28 No.8, pp.630-50.

Stekelenborg, R.H.A. (1997). *Information Technology for Purchasing: how to use the power of information technology in present-day purchasing*, PhD Thesis, Eindhoven University of Technology.

Swan, J.E. and Trawick, I.F. (1987). Building customer trust in the industrial salesperson: process and outcomes. *Advances in Business Marketing*, vol 2. pp. 81-113

Zineldin, M., Jonsson, P. (2000), "An examination of the main factors affecting trust/commitment in supplier-dealer relationships: an empirical study of Swedish wood industry", *The TQM Magazine*, Vol. 12 No.4, pp.245-65.

Swan, J.E., Trawick, I.F. and Silva, D.W. (1985). How industrial salespeople gain customer trust. *Industrial Marketing Management*, vol.14, pp.203-11

Telgen, J. (1997). *De ontwikkeling van de inkoopfunctie*, presentation. Stichting De Baak, September 1997.

Webster, F.E. Jr, Wind, Y., (1972). *Organizational Buying Behavior*, Prentice-Hall, Englewood Cliffs, NJ.

Weele, A.J.(1997) *Inkoop in strategisch perspectief: analyse, planning en praktijk*, Samson.

Williamson, O.E. (1985), *The Economic Institutions Of Capitalism*, The Free Press, New York, NY, .