

A CONCEPTUAL FRAMEWORK OF THE IMPACT OF THE IMPACT OF INTERORGANIZATIONAL RELATIONSHIP FACTORS ON THE NEW SERVICE DEVELOPMENT OFFERINGS OF THIRD PARTY LOGISTICS PROVIDERS

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ABSTRACT

Organizations are looking for ways to sustain competitive advantage. One method to gain that advantage is to have an efficient Supply Chain Management process using Third party logistics organizations. This study provides a conceptual framework for assessing the impact of relationship magnitude and relationship type on the new service development performance of third party logistics organizations with their clients.

INTRODUCTION

The roles of third party logistics (3PLs) organizations are evolving rapidly in the supply chain. 3PLs are a major component for manufacturers and suppliers in delivering goods and services to customers. 3PLs have expanded their presence in the area of new product development (NPD). This new role gives 3PLs opportunities to develop exclusive relationships with manufacturers and suppliers as they work to promote new goods and services to market. According to Lieb (2005), 3PLs have broadened their service offerings to customers since 1994. Lieb also states that new services are being offered by the 3PL firms through the acquisition of companies that offer services to the customers' desire, or through the developing operating alliances with companies that have the desired services.

Esper (2007) states that collaboration represents one of the biggest opportunities and challenges of managing supply chains. The challenges seem to outweigh the promise because of the high level of failed collaboration partnerships within the supply chain (Esper, 2007). One of the issues that may explain the failure rate is the role of people within the supply chain partnership. Manufacturers and suppliers rely on 3PLs to successfully manage relationships by offering services that provide them the best opportunity to deliver goods and services successfully in an efficient, cost effective manner. 3PLs attempt to provide these services through the development of exclusive relationships. This study will look at the role of people in relationships of supply chains.

RESEARCH OBJECTIVES

The study will look at the relationship of 3PLs offering new services to suppliers and manufacturers through a conceptual framework from the relational magnitude research of Golicic (2003). This will be examined through case studies of asset based and non-asset based 3PLs. The case studies will confirm the impact of relationship frameworks in determining the success of 3PLs offering new products and services to their collaborative partners.

References available upon request.