



Contents lists available at ScienceDirect

Journal of Purchasing & Supply Management

journal homepage: www.elsevier.com/locate/pursup

Notes and Debates

The impact of evolutionary and developmental metaphors on Purchasing and Supply Management: A critique

John Ramsay^{a,1}, S. Croom^{b,*}^a The Business School, Staffordshire University, Leek Road, Stoke-on-Trent, Staffs, ST4 2DF, UK^b Supply Chain Management Institute, University of San Diego, 5998 Alcalá Park, San Diego, CA 92110, USA

ARTICLE INFO

Article history:

Received 14 September 2007

Received in revised form

6 April 2008

Accepted 29 April 2008

Keywords:

Purchasing

Strategy

Evolution

Development

Bias

ABSTRACT

A widespread consensus has emerged in the Purchasing and Supply Management (PSM hereafter) field arguing that purchasing and supply activities may be allocated to the categories of 'strategic' and 'non-strategic'. Whereas strategic activities are associated with higher inter-organisational status, non-strategic activities are regarded as generating low levels of status. Consequently, purchasing functions can obtain more intra-organisational status by focussing their efforts on strategic activities, and they should thus be encouraged to undergo this change, which may usefully be described as following an evolutionary or developmental path from a clerical to a strategic focus. The paper seeks to demonstrate the strength of the consensus surrounding these ideas by conducting a wide-ranging literature survey, challenges the validity of that consensus and empirically tests its influence on practitioner attitudes and behaviours. Abundant evidence is found to support the proposition that a consensus has emerged. The validity of this consensus is challenged in a variety of ways, particularly with reference to the distribution of large and small companies in the economy. The pilot study confirms that practitioners have absorbed the consensus view promulgated by academia. The undesirable effects of the bias against certain types of activity on functional and overall organisational effectiveness are considered, and recommendations are made for both practitioners and academics working in the subject area.

© 2008 Elsevier Ltd. All rights reserved.

1. Introduction—the problem

In 2005, in the process of constructing a model based on assumptions about attitudes within firms towards the role of the PMS function, Paul Cousins observed that:

...if a firm adopts a cost focused approach to its competitive position it will be unlikely to consider supply as a strategic process, because its competitive priority is to reduce cost... ✂ Whereas if a firm sees itself as a differentiator in the market place, it is likely to take a more strategic view of supply; supply will be seen as a source of competitive advantage through inter-organisation collaboration management. (Cousins, 2005, p. 422)

Logic would suggest that companies focussing on costs as their primary source of sustainable competitive advantage (SCA hereafter) would quickly identify the Purchasing and Supply Management (PSM) function as *central* to any strategic efforts. This is the

function through which up to 80% of the organisation's costs are pouring and whose continuous contact with large numbers of suppliers offers the possibility of generating many more strategically significant, cost-reducing innovations than any firm could hope to achieve from its internal resources alone. However, Cousins suggests that such companies will tend to regard the function as tactical or operational in nature only. We find this counter-intuitive, deeply puzzling and it raises the question of why such companies should fail to recognise the PSM function's potential for cost-based contributions to overall strategic survival. This paper seeks to offer an answer to that conundrum by identifying and subsequently challenging a widely held set of beliefs concerning purchasing activities, types of PSM function and that function's strategic contribution and status.

In planning this research the authors had three objectives in mind. Firstly a literature-based critique of models of strategic development and their relations with purchasing activities, secondly a pilot study to determine if the mistaken emphasis identified in the literature critique was reflected in practitioner attitudes and behaviour and finally a full-scale survey-based investigation of those attitudes and behaviours drawing on evidence from the pilot study. However, because the study attacks widely held beliefs in the field, the first stage of the study had to be an extensive, systematic and structured literary critique

* Corresponding author. Tel.: +1 619 260 2791.

E-mail addresses: j.ramsay@staffs.ac.uk (J. Ramsay), scroom@sandiego.edu, scroom@cox.net (S. Croom).¹ Tel.: +1782 416610; fax: +1782 294907.

(Tranfield et al., 2003). The paper will show that there is very wide support for the claim that some activities contribute little to an organisation's 'strategic' performance and therefore generate low status. In the PSM literature these have been labelled variously as 'clerical' or 'administrative' and the like (see Table 1), and include activities such as negotiation. Others, such as involvement in the generation of purchase specifications before orders are placed, are afforded the description of 'strategic' and assumed to generate high status. The paper will demonstrate the strength of, and lack of challenge to, this widely supported consensus in a variety of literatures, before critically assessing the validity of its assumptions. It is further argued that because metaphor constitutes one of the most powerful mechanisms for the transfer of ideas from academia to practice, the consensus is currently reinforced by the widespread use of the concept of the 'evolution' of the purchasing function and its supposed 'stages of development'. Both of these metaphors embody an assumed gradation of activities from low to high status and from clerical to strategic. It will be shown however, that there is no isomorphic mapping of activities and strategic contribution and that the existing allocation of a variety of purchasing activities into 'operational' or 'tactical' status-related categories is deeply misleading. Moreover, the evolutionary and developmental metaphors are themselves shown to be unhelpful. These conclusions are followed by an empirical pilot study designed to test the extent to which academic beliefs have penetrated practitioner attitudes and behaviours. The paper discusses the implications of the findings for PSM practitioners and academics alike. Finally, proposed 'next steps' for research arising from this paper are presented.

1.1. Purchasing activity category beliefs—evidence from the literature

The arguments and explanations that unfold in this paper rest partly upon the claim that the beliefs described are sufficiently widely held to constitute a consensus on the subject of the contribution of different purchasing activities to an organisation's strategic objectives. In support of this contention, what follows is an extended exploration of the relevant literatures that draws upon a larger and more wide-ranging selection of references and quotations than might normally be expected in a paper of this kind.

It may be argued that the PSM and related literatures embrace a widespread acceptance or belief that the PSM function in many companies has still not attained the status that it deserves, and that some activities are capable of generating perceptions of high status for the function performing them, whilst others support perceptions of low status. Because of a supposed connection between certain types of activity and their contribution to SCA, high-status activities are frequently, but not exclusively, linked to the word 'strategic', whilst the supposed generators of low status are frequently associated with the term 'non-strategic'. In the 'non-strategic', 'low status' category can be found activities also labelled variously as 'administrative', 'clerical', 'reactive', 'tactical', 'non-integrative', 'short-term' and 'routine' in nature. It will be demonstrated that these beliefs are so long-standing and well established in the PSM and associated literatures that, to use Galbraith's elegant phrase, they constitute a 'conventional wisdom' in the field (Galbraith, 1977). Thus in the strategic purchasing literature:

These stages of development move purchasing from a clerically oriented function within a firm to a strategic contributor. (Reck and Long, 1988, p. 3)

Elsewhere, Leender et al. (1994) focus on 'routine' and 'operational activities'; Ellram and Carr (1994, p.10) highlight the terms 'administrative' and 'strategic'; Watts et al. (1992, p. 3) summarising attitudes in other publications, compare 'overall corporate competitive strategy' with 'lower level operating function', whilst White and Hanmer-Lloyd (1999, p. 30) argue that few of the function's 'administrative' tasks generate 'strategic' advantage. Similar references can be found in the Marketing field where Gebauer and Zagler (2000, p. 102) repeat the negative use of the term 'operational' in their description of purchasing functions and their activities. Murray (2001, p. 407) echoes the theme in the public purchasing literature, while in the HR field, Humphreys et al. (1998, p. 3) add the adjective 'tactical'. In the general management literature Moody (2001, p. 18) employs the concept of 'short-term'. One possible indicator of the point at which a general agreement on a subject matter transforms into a conventional wisdom is when it begins to appear in both the introductions to papers, thus Goffin et al. (1997, p. 422) and their abstracts (Pujawan, 2004, p. 1). Perhaps most tellingly of all, the clerical-strategic vocabulary with its implicit status allusions has been appearing for the last quarter of a century in those ultimate repositories of generally accepted opinions on subject matter—standard PSM textbooks (Aljian, 1982, p. 15; Scheuing, 1989, p. 364; Steele and Court, 1999, p. 1; Lysons, 1996, pp. 1–9; Gadde and Håkansson, 2001, p. 11; Burt et al., 2003, p. 26; Van Weele, 2005, pp. 93–6). Illustrative examples of expressions of the conventional wisdom from all of these sources are shown in Table 1.

An examination of the various authorities cited above indicates that the word 'strategic' is used in at least two different manners. Firstly to refer to activities that may enhance the intra-organisational status of the purchasing function, and secondly to activities likely to contribute to overall organisational competitive advantage. In the interests of clarity, in what follows we shall distinguish between the two ideas by referring to the former meaning as contributing to 'intra-organisational status' and the latter to 'strategic advantage'.

To justify being described as the basis of a 'conventional wisdom' it is essential that the publications offered in evidence are mainstream and widely read. An indication of the respect paid by the PSM field to the works listed above is provided in Table 2 which shows the frequency with which each work has been cited by other authors.

The consensus on the desirability of avoiding 'clerical' activities is taken to its logical conclusion by authors who suggest that in the longer term the function may move away entirely from activities such as order placing, that are believed unlikely to improve its intra-organisational status, and delegate them to user departments and suppliers through such mechanisms as purchasing cards and outsourcing. Ultimately, they argue, the PSM function may become a small, specialised department focussing more or less exclusively on make-or-buy decision-making and specification generation—see for example Cox and Lamming (1997) and Cavinato (1999). Carter et al. (2000) meanwhile, introduce the phrase 'tactical procurement' as a short-hand expression for clerical activities, and offer empirical evidence that PSM professionals agree with these predictions:

The future will hold tremendous changes in tactical procurement in purchasing activities and how they are accomplished. Focused strategic purchasing organizations will be a major contributor to their businesses. Key activities will continue to include supplier evaluation selection and development including cross-functional and cross-enterprise teams. However tactical purchasing activities such as ordering, quoting, expediting and so forth will be automated and/or outsourced

متن کامل مقاله

دریافت فوری ←

ISIArticles

مرجع مقالات تخصصی ایران

- ✓ امکان دانلود نسخه تمام متن مقالات انگلیسی
- ✓ امکان دانلود نسخه ترجمه شده مقالات
- ✓ پذیرش سفارش ترجمه تخصصی
- ✓ امکان جستجو در آرشیو جامعی از صدها موضوع و هزاران مقاله
- ✓ امکان دانلود رایگان ۲ صفحه اول هر مقاله
- ✓ امکان پرداخت اینترنتی با کلیه کارت های عضو شتاب
- ✓ دانلود فوری مقاله پس از پرداخت آنلاین
- ✓ پشتیبانی کامل خرید با بهره مندی از سیستم هوشمند رهگیری سفارشات