



Collaboration in the Supply Chain Management: A Virtue-Ethics Analysis

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Abstract: Supply chain management have a significant role in the firms' business. In the modern time, collaboration with supply chain partner is very important to fulfil the requirement of customers. In this research paper, we will discuss the dichotomy among the trust building and the use of power in the collaboration of supply chain. In specifically, we find a kind of supply chain interaction we have called "dictatorial collaboration." This oxymoronic term refers to relationships of business in which one of the entities wields sufficient power "derived from its market position, size, system capabilities and strategic importance, etc.) to force over other companies in its supply chain to provide value added services or perform operational tasks that advantage the leading, dominant company without sharing the gain with the other companies. The results show that that problem of dictatorial supply chain behaviour has, to date, not been much discussed before in the ethics literature, it is our hope that our current performance of this issue gives the motivation for further research, investigation in future and grant, scholarship about the ethics of collaborative relationships in the supply chain management.

Keywords: Supply Chain Management, Collaboration, Dictatorial Collaboration, Oxymoronic

1. Introduction

In last 50 years, due to the development of affordable technologies, the operating environment of several companies, business has basically changed. Now all partners in supply chain including; supplier, manufacturer, distributor and retailer are working more closely as compare to 50 years ago. In starting of 20th century, companies like Ford Motor without having to possess in-house expertise beyond selected core competencies. And those companies are already able to avoid allegations of antitrust violations this overwhelmed vertically integrated companies.

The supply chain signals development, an expansion of focus by "classic" logistics outward to several suppliers' and customers' tiers. As well as, including numerous global companies. Ref. [1] right product, right place, right time and quantity this is the definition of the logistics. However broader than last concept e.g. physical distribution and material management, these "rights" logistics' definition emphasized activities within the boundary of the organization itself. But SC (supply chain) extends to the concept of

logistics from inside to outside of the company. About interactions with all downstream (customers) and upstream (suppliers), this focus completely over supply channel has given rise to a laymen's description of supply chain (SC) as well from the supplier's supplier to the customer's customer; and also activities including producing, distributing and customer service level etc. As per the SC (Supply Chain) perspective, organizations works with their immediate customers and suppliers because to satisfy and fulfil the requirement of consumers or end customers. One initiative, which can improve the whole supply chain's operations, is the information sharing, sharing of demand among all supply chain partners. Including those products, which are not very innovative and / or demand is stable as compare to innovative products. Traditional in the multi echelon channels, without sharing of demand information exhibit increasing to the variability of the order and variability in the whole supply chain further removed from the end consumer, user. And this phenomenon is called "bullwhip effect" due to the without sharing of information, companies only can view the orders that arrive from their immediate customers instead of viewing the end customer, user' demand (actual demand of

end customer) information that drives inventory replenishment [3-4]. Ref. [5] Information sharing among the whole supply chain's partners can ease some of the supply chain management inefficiency since every company can utilize the end customer, user demand information in its manufacturing and inventory management efforts.

IS (information sharing) is one of several techniques developed to make efficient and improve to whole supply chain's operations. As well as, all strategies somehow involve by some form of collaboration among firms in the supply chain. Collaboration can be on initial level (simple) or can be very high level, complex as when employees of the downstream company actually work in the facility of suppliers to consult over issues of design and monitor order and quantity of manufacturing statuses. However company have been able to build competitive edge in their markets by religiously managing supply chain, several companies have created now top level positions including; CLO –chief logistics officer, VP- vice president of supply chain, Director of supply chain and etc.) Acknowledge the significance of those operations to the company's competitive position. Cox, (2004) it is the relationship among the suppliers and buyers in networks of supply that is the basic building block of all transactions in the business.

Beside with the advantages of increased channel responsiveness and efficiency, the collaboration development of supply chain practices has built a host of ethical considerations as separate entities, firms are working closer than they ever have work before. Opportunities abound in the relationships for one party to use its power and / information either to capture the whole gain from coordination or to bully the other companies into arrangements that favour the dominant party at the expense of the others in the chain of supply. In the supply chain higher level of collaboration also required higher level of trust, and supply chain's partners willing to redesign their business processes in in terms to work together with mutual understanding.

Ref. [5] establishment of trust among the partners of supply chain is a major factor for the successful collaboration. Those firms whose only conduct arm's length transactions cannot expect to reap substantial advantages by collaborative efforts because off they will be unwilling to share information, and other some more sensitive data in order to fear of "miss use of their data by other supply chain's partner" as far trust building among the firms, they are willing to take bigger risks with each other- eliminating other sources of supply, collaborating over process design and integrating business processes etc. this increase the potential advantages from the relationship. Ref. [6] trust also facilitates incentive information sharing and alignment among the companies. Every party will more such as to believe that a trusted supply chain's partners will act in the best interests of the whole supply chain without requiring a litany of monitors and checks over sophisticated contracting mechanisms, and decision making

Ref. [6-9] many studies have established the significance of trust building in coordinating inter-firm actions. Ref. [10]

there are still many relationships among supply chain partners are weaker and lack of trust exists. In the research result, during the interviewed with senior managers; trust was abused and misused when describing inter-firm relationships. And interestingly several managers said that trust was lacking in-fact within their own companies. Clearly, companies must first ensure that trust infuses own organization culture before going towards focus outward to their relationships with other supply chain partners and firms.

In this research paper, we will discuss the dichotomy among the trust building and the use of power in the collaboration of supply chain. In specifically, we find a kind of supply chain interaction we have called "dictatorial collaboration." This oxymoronic term refers to relationships of business in which one of the entities wields sufficient power "derived from its market position, size, system capabilities and strategic importance, etc.) to force over other companies in its supply chain to provide value added services or perform operational tasks that advantage the leading, dominant company without sharing the gain with the other companies. And this type of relationship, "so called collaboration" should not be considered as collaboration, but in the literature review, these types of practices has been observed in supply chain, according to our definition above, collaboration between supply chain partners is close, and inseparable.

Our framework for investigating and analysing the ethical issues that have been created by supply chain collaborative practices is that of Aristotelian Virtue Ethics. In the book of *Nicomachean Ethics* VIII and IX, Aristotle finds the nature of friendship. And Aristotle examines the categorise and distinguishes them among three types:

- 1) Friendship of pleasure
- 2) Friendships of utility
- 3) Friendships of the good friendships / friendships of the perfect friendships

In this research paper, we have identify common characteristics in the relationships that businesses have with other businesses and compare those to Aristotle's formulation of friendship in term to present that the collaboration of a company with other companies along its supply chain resembles a kind of friendship of utility. Although we acknowledge the possibility of applying another system of ethic in evaluating collaboration of business, we will found the gain from applying Aristotelian ethics in certain.

This research, we have categorized in some sections. In the next section, we will discuss collaboration of supply chain in detail a uses an framework of Aristotelian to analyse the ethical implications of such initiatives. The section of Practical examples of collaboration gives examples of both sustainable and dictatorial supply chain relationships and identifies some of the problems posed by the former structure. And further advantage of a virtue ethics framework will explains why a consequentialist or utilitarian analysis might be insufficient for providing insight into the initial design of supply chain relationships & justifies the founding of supply chain partners that embody various aspects of

Aristotelian friendships in terms to rectify the problems of dictatorial collaboration in long term. In the last, concluding words and suggestions for future researcher will offer.

2. Supply Chain Management Relationships

In supply chain, several examples of successful collaboration efforts are dotted whole the business and popular press, a far bigger number of supply chain collaborative initiatives failed to understand, realize the higher expectations with which they were begun. Every failed collaboration certainly has some different reasons and backgrounds for its demise, but a common thread between all of them is the ex post facto lament that neither party realized how many resources were need to fulfil and manage the partnership effectively. The companies wanted to gain the advantages of establishing the partnership, but they were not ready to fulfil commitment to acting in each other's best interest in term to bring about the expected, preferred results.

It needs to understand that, supply chain relationships are not as simple as some companies think. The supply chain's relationship required a large investment of capital and resources usually for a long period of time over the part of all of the supply chain partners involved in term to be successful. Thus, companies do not and should not attempt to collaborate with all of their customers and suppliers. In-fact efforts of collaborative should be saved for only a strategic subset of channel members, those firms whose provide strategic services or products and purchase bigger quantities of finished products.

Ref. [11] finds an innovative taxonomy of strategic procurement that can be used to define type of the sourcing relationship, which is appropriate for a given transaction. The relationships are classified as per the two dimensions:

- 1) Focus of the buyer – proactive or reactive
- 2) Level of work scope with supplier – first tier

The first dimension shows the involvement of buyer with the supplier, and the second dimension shows signifies the extent to which the buyer helps develop capabilities of suppliers.

The many of business related transactions occur at an arm's length relationship in which the purchaser, buyer selected a direct supplier for a short period of time, short term commitment on the combination of quality, cost and time etc. Limited collaboration needs among the both parties, because the supplier knows that the purchaser, buyer will be soliciting bids for the contract again in a short term time period. In this scenario, it doesn't make any sense for any party to attempt collaborative efforts. Because neither has long term investment in their relationship. As buyer becomes more proactive and assumes leadership of sourcing decisions for a better portion of the supply chain, collaborative edges become more fruitful, when every party makes more of a commitment –long term and ties its future opportunities for the success of other supply chain partners.

In term to manage relationships of supply chain, Ref. [12] suggest that senior managers can employ strategies with a range of two other dimensions.

- 1) The degree of operational integration involved in the business transactions; (one end of the spectrum is arm's-length relationship and other end consists of fully integrated operations).
- 2) The entities make decision in unity with the SC (supply chain) best interests.

Which relationship occurs in the arm's length is not especially worrying, troublesome for the supply chain parties involved regardless of each decision maker's motivation. Every company has limited exposure in the transaction because she understands that none of the companies involved has made a very significant investment in the relationship development, which could be finish, dissolved at any time. The relationship is effective, when it is really beneficial for every partner. In the supply chain, partnership which involves the integration of operations and information, generate additional business risk for all supply chain partners. Dictatorial collaboration occurs in a chain of supply, when one power wielding company profoundly influences over the decision making process and control decisions made by all of the other parties with the goal of maximizing only their own interests, usually on the direct expense of the other supply chain partners. And this runs conflicting towards the traditional objective of supply chain's collaboration, which is to coordinate operations and to use information for performance improvement of the whole channel. The non-dominating companies in the supply chain management adopt a larger degree of risk, and sometime extending as far as relinquishing their own operations towards the powerful entity's will. Ref. [12-14] define this relationship as an adversarial collaboration, but he is not consider the ethical implications of the practice. It is our argument that relationships of dictatorial are dominated both performance wise and ethically through truly collaborative supply chain initiatives, when the firm adopts a strategic planning horizon long term.

We have chosen to accept, adopt the Aristotelian conception of friendship as a means for examining the implications of collaborative efforts long-term. We identify that there is several other ethical systems, which might produce alike evaluations of collaborative supply chains. Though, we have chosen to employ a virtue ethics framework primarily because off the human action range the Aristotelian account of friendship affords us in making the distinction among effective collaboration, dictatorial collaboration and arm's length relationships. Before we are going towards evaluation this distinction, we first discuss what Aristotelian language makes this friendship helpful.

The philosophical approach of Aristotle to moral life is not programmatic; it does not offer specific instructions for achieving moral goodness through pointing to any certain, specially maxim or duty that guarantees right action. Somewhat, Aristotle describes the actions range available for the one wilfully acting, the agent. The moral values of the

action taken through the agent thus falls within a range as well the overall moral character of the agent is distinguished by the decisions and actions, which they habitually undertakes. By describing what the agent routinely and habitually does, overall moral character of the agent can be describe by one. Through using the conception of Aristotelian “conception of friendships” as a lens, one can view the habits of the business that are bad, or good in their certain situations. Part of applying an ethical framework (Aristotelian) is acknowledging that moral agents can fail in performing the right action morally; thus, we also attain the insight that there are agents that do habitually choose to perform right actions morally. The advantages of comparing Aristotelian friendships and supply chain partnerships is that the actions of members of specific businesses serve to analysis each other rather than the duties imposed by the philosophical theory performing the criticism. The evaluation of philosophical, a specific business does not call upon the representatives and, or employees of a business to do any specific thing in term to act morally. The actions took through the human beings, which make up the business are simply presents to be what they are, and corporate seniors are left to themselves to control the requisite steps in term to improve upon their operating conditions.

Entrenched in application of Aristotelian ethics to business partnerships is the assumption that businesses may be understood as portion of moral agency. As such, moral values of what any employee, member of a firm does as the representative of that firm is determined by what a firm are [15]. As per the Aristotle the company is not the moral agent, but the human being are the moral agent, only human beings and not inanimate conglomerates are capable of choosing the actions they perform. The ends of the human being are determined through what kind of a thing it is. Regularly, people choose the actions that are contrary to what they in fact are; and for Aristotle the human being is explained as the political and rational animal. In simple words, human beings can make decisions and have goals, and act in pursuit of those goals; yet those goals and means do not compulsory coincide with benefiting or improving their existence as a human being. As a moral agent, human beings regularly have purposes that are contrary to their own ends.

Here is some level of moral blameworthiness, when people fail to take or follow the decisions they make or fail to understand that, the decisions have no purposes which are in line with human ends or the end of other objects [16]. The summary of human moral agency and Aristotelian ethics is helpful because off it gives a model which supports considering companies as portion of human moral agency. Every business, company is himself part of any purposes, decisions authored by the people that compose the firms, for the reason that they are made up of human beings [17]. Since, the individual person, a business has its own end namely to make money for its own end-namely to make money for its ownership by providing a service or good and continue to do so far into the future. Business is not able to take decisions itself, or having purposes that may not or may

agree; the actions of any business is taken or performed by its member or employees. However, the collective as well intended purposes of a company, business’s employees should not be confused with the fact that, the business itself has own proper end apart from the purposes of its human constituents.

In the business, moral problems arise when the end of a business is treated as a purpose through its employees or owners to the extent that other aspects of human being as a moral agent are pushed aside. In some manners, a company might do quite well for some time, but other, few desirable consequences can arise. And these penalties, consequences might range from simply losing friends within a company to losing business partners from other company, business or in-fact to destroying the ability of the company to manufacture its service or goods. On the opposite side, if the end of the company is treated appropriately as a purpose (e.g. it is in line with the ends of human being as moral agent) not individually well performed morally, but the company can flourish as a moneymaking venture at the similar time. As a result, collaboration comparing among businesses along with Aristotelian friendships of utility and supply chain management, we are finding, how partnerships among businesses do not or do resemble friendships in so far as they are additions, extensions of human moral agency.

As a moral agency, the any business’s action fulfils the design and actions of the people that include the company, business. We will not examine how collaboration with supply chains in some ways looks like Aristotelian friendships of utility. Conversely, it is describing here that any relationships of business in terms of friendship potentially contradicts the business relationship’s definition. Ref. [17] noticed, the classical liberal understanding of commerce clearly distinct friendship from commercial relationships in term to protect and preserve the business’s efficiency by the sympathy and charity needs in personal associations. And Allan Silver remarks that this separation is because as a rejection of relationships understanding of utility as friendships. In the light of social thinker Hume and Smith, attending to commercial associations as friendships had, in their own experience strained either the company and or personal sides of relationships, when one aspect of relationship had soured. We hope to present in using Aristotle as a descriptive lens, this personal friendship and this separation of business is acceptable perfectly. When considering many business operations; but it’s not enough to explain, describe the issues involved in long term collaborations..

In friendships of utility (Aristotelian), association arises because off one values another for their ability to gives something useful. Whenever the utility ceases, it is likely that the association will cease. In some manners, services & goods are exchanged due to they are useful for someone acting as the representative others. In Aristotle explains friendships of utility as inherently “business-like” or “commercial”. In every business transaction, party exchanged goods or services for its own sake, but it must be valued by the receiver end party. Every part need explicitly

or implicitly want some sort of value or goodness upon another to gain what is in its own interest.

In the relationships of Arm's length business exhibit the clearest resemblance to Aristotelian friendships of utility within a chain of supply. Like relationships are characteristically ad hoc as long as the transactions themselves. Due to the exchanged of goods & services among buyer and suppliers does not need extended communications; the relationship is neither long term nor is it very close. Those business relationships neither required to be nor should be understood as a collaborative, as mentioned above. This relationship is the kind that can perfectly fit well within the enlightenment account of commerce. Contravention ties in the relationship of arm's length can be reasoned away as "just business". The transaction of arm's length neither gives time for personal relationships within the framework of business, nor do they needs any shared extensive personal communication or trust beyond the transactions themselves.

In the supply chain members' collaboration also embodies characteristics of friendships of utility. Offers that the express purpose of collaborative effort is the shared exchange of goods & services, it stands that any amount of common action that results in pleasure and or in the moral advantages of either business is purely incidental. The motivation and impetus for the collaboration is the utility that each company realizes from the relationships. Every company works with another supply chain due to each provides is of use for a period of time well into the foreseeable future.

In the research's introduction and external to our Aristotelian lens, we drawn three different conditions that make successful collaborations:

- a. Incentive alignment
- b. Trust
- c. Communications

Those three conditions are exactly what set efforts at collaboration apart from a standard, in the business transactions of arm's length. They are already what set collaborative efforts long term outside the enlightenment account of commercial relationship. Every representative of each company need to invest a great deal of resources and time into counteracting the practices of the other organizations along the supply chain the keep the association, relationships and collaboration more inefficient as evidenced by instances of the bullwhip effect. That is the basic problems for entering into a collaborative effort since it is the usefulness of the association that comes first for each firm. Yet, collaboration between the supply chain's members is a long-term relationship; the parties also look to keep the relationship, association alive from the standpoint of evaluating the purposes and ends of the other firms involved. In simple words, for efforts of collaborative to continue to remain collaborative (e.g. working and doing efforts together for a shared, common goal), every representatives of every company must recognize what is need and required to keep the other company invested into the relationship. When organizations work to provide for the well-being of the other

companies along the chain of supply every company profit financially in the short term by engaging in efficient partnerships. They also advantage through solidifying the continued involvement of partner firms in the supply chain as a long term. Information sharing, higher incentives alignment keep companies in the position, where the trust building and is easy and possible. And this tolerates the potential for beneficial business collaboration in the future for a long term.

Organizations that engage in good communication and incentive alignment along their supply chain in an effort for trust building can be seen to show several of the habits that are fairly specific characteristics of utility friendship. However, attributes are more same the activities that Aristotle associates with the actions of a virtuous agent within a friendship. Incentive alignment needs active and mutual efforts at sustaining the benefits of supply chain as a whole. However, alignment of incentive is done out of self-interest, the result is common action toward a goal that is not immediately apparent as beneficial to the organization and their employees, but give advantages to the partnership (in the long term is possibly only). These are unlike the live and act together for the good of the relationship because it is in the interest of each. The high levels of communication are consonant with friendships, because they need each company to know what is of value for the others. Such as friendships between honourable people, every company representative must know which benefits they offer, and which and what benefits offered by other companies. In Lastly, such friendship between the virtuous, collaboration need time to engender trust, which solidifies and prolongs the relationships.

It should be noted that what keep collaborative efforts resembling mere friendships of utility is the relative ease with which any supply chain can fail. Yet this type of failure cannot be happened as easily as compare to arm's length relationship because of the trust level, communication and information sharing involved, as well incentive alignment. The account commerce (enlightenment) criticize the business treatment as friendship because business relationships quite often continue well beyond the arrangement of utility, when the relationship is treat as a friendship. Though, as examples will present, the problem with dictatorial collaboration is exactly the opposite: treating collaborative efforts as "just business" undermines the goal of collaborative supply chain. That harms otherwise productive business nature relationship and / or personal ones far in advance of achieving the potential usefulness of the association. The assumption beside the Enlightenment separation of business and personal relationships are the interest of every type of relationship will tend to compete with each other if they are conjoined. In the next stage, we inspect different collaboration's examples in term to present that long term collaboration is a viable possibility and that those examples exhibit numerous of the qualities that we have drawn as part of Aristotelian friendship.

2.1. Examples of Collaboration in the Supply Chain

In this part, we show various examples of dictatorial

collaboration to explain the complicated dynamics that can exist in the relationships of supply chain. These two examples in the starting have a commonality in which the dominant entity in the buyer-supplier transaction is the buyer. Certainly, collaboration of dictatorial occurs naturally in these sorts of interactions. Whenever the suppliers have the power, he has less of an incentive to improve his performance on the expense of buyer. Any type of operational coordination, which can benefit the supplier in this relationship, is usually in accordance with the interest of the whole supply chain. When supplier uses their power, generally they do so either to overpower competition or to dictate some facet operations of their distributors as the final examples present.

The example of Wal-Mart's RFID initiative, whenever anybody mentions the term of "powerful buyer", the first firm that comes into the mind of many people is Wal-Mart. The Bentonville, AR, mega-retailer has become the symbol of supply chain efficiency in the last two decades, but many of his success was on the expense of his suppliers. Nowhere was this exercise of power more evident than in Wal-Mart's June, 2003 order that several of its suppliers use RFID tag over their item, products before they dispatch to distribution centres of Wal-Mart starting the year of 2015. The advantages of RFID to warehousing are potentially astounding: efficient receiving operations, real time inventory controlling, as well reduction in distribution cycle time.

Wal-Mart's ruling was met with negative pushback from many suppliers' community; by the way RFID has also potential to improve supplier's operation as well. The RFID tag is very expensive, that was the primary objection from the supplier community side. Wal-Mart's RFID adoption project also treated all of its consumer items the same. Consequently, low cost items in the hand of suppliers, like toothpaste etc. were held to the same adoption standards as electronics suppliers. As such there is no price of RFID tags (the unit as opposed to pallet level) that makes them a profitable proposition for suppliers of these low cost items. And last criticism is that several suppliers and analysts of industries believed that the RFID technology was still not very ready for use on the big level, widespread adoption. Because accuracy rates of scanning were still very low to produce many exceptions, and some items themselves such as baby lotions and wipes were incompatible with the current technology because off they absorb radio waves [18-19].

It is without question that Wal-Mart's RFID initiative has been a hardship for various suppliers. While they will likely advantage in the long run from adopting these latest technology, Wal-Mart pressure have appropriated to their autonomy, to decide the best course of actions for his business, as well it has forced suppliers to expend resources that might have been directed elsewhere for the advancement of the whole supply chain. Further retailers have also encouraged to their suppliers to adopt RFID technology, but they gave more suggestions to their suppliers than necessities as Wal-Mart did. Ref. [20] that inter-company dynamic in Wal-Mart's supply chain is replicated in various supply

chains with leading buyers, whose market power puts smaller suppliers in a somewhat imprisoned position of dependence for their existence. State that dependence may be so severe that suppliers are compelled to manufacture products unprofitable in the short run in term to sustain the relationship with the leading purchaser, buyer.

2.2. Food Industry of the UK

In the UK, the grocery industry is extremely consolidated; in-fact 75 centres of distribution supply more than 50% of grocery purchases. Ref. [21] the Tesco and a few remaining large retailers exert an enormous degree of power on their suppliers. The conducted face to face interviews with representatives of retailers, vendors and food regulators authority to gain a deep understanding; collaboration of industry, and in the results of interviews found that's the bigger influence over vendor is not from the government and regulation authority but from their retailers anything the retailers dictate must be followed to. The regulatory bodies' representatives noted the retailers were doing everything; they could to drive down the margins for their vendors in term to gain those benefits for themselves. In the results, found that's the supplier sometime use inferior ingredients to get some degree of profitability. Because retailers pushed too much over the price of the products; thereby minimizing the quality of products as a whole. However, the fallout from collaboration (dictatorial) in the industry is not created by suppliers but created by society as a whole.

3. The Powerful Manufacturer

However, most of the examples about dictatorial collaboration involve an over-zealous buyer; leading suppliers can also use his power to extract benefits from his contracted dealers. Usually one influence over distributor is to be an authorized reseller, contracted with the producer and sell only that manufacturer product; and avoid to selling competitors' product. Those controls are usually demanded, though over retailer operations instead of information sharing or supply chain operations. According to the John Deere edited his dealer contract to need the dealers to disconnect any retailer operations for another companies' item [22]. And this is primarily needs the dealers to be dedicated, John Deere- exclusive resellers. Ref. [23] Snap-On Tolls faced a dozen lawsuits from his dealers during the mid of 1980s as a result of its very demanding rules and policies. Complaints ranged by Snap-On needs a dealer to separate his area, territory with other reseller to dumping, use promotional tools over dealers without an order and forcing to them to pay for the unwanted merchandise with the promise of supplying future orders conditional upon the payment.

3.1. Sustainable Collaboration

While undertaking initiatives to improve their operations of supply chain, various companies truly adopted collaborative, with their supply chain member win-win

partnerships, thus exhibiting characteristics of healthy Aristotelian friendships of utility. They have been rejected the choice of taking benefits of the other companies to realize small and short term benefits, gain; on the contrary, they have been spend a lot of time and resource in helping to the other company perform the functions that advantage to the whole supply chain. This create trust among the solidifies and companies the long term feasibility of the relationship.

3.2. Automakers of the Japan

Honda and Toyota, the product system of lean enabled Honda and Toyota to glean market share at the expense of the big three (Ford, Chrysler and GM) during the half of the 20th century. In term for the Japanese manufacturer to run with only a subsistence level of inventory, they need to prompt flawless deliveries and quality from suppliers. Toyota is definitely only as demanding of its suppliers as Wal-Mart, but it has chosen to establish the collaborative relationship instead of dictatorial relationship. Both of the automakers struggle to understand operations of their suppliers, and they use their own resources to support and help to the manufacturers meet their substantive demands [24]. For example Honda sent his engineers to work in the facility of Atlantic Tool and die for a period of time and suggest them about improving operation of factory. Obviously these improvements gives advantaged Atlantic, but the Honda realized gains as well from better quality in the parts, components, timely deliveries. Unlike Wal-Mart's RFID initiative or Tesco's mandatory cost concessions, Honda used its massive pool of resources to help the supplier meet their objectives. Ref. [25] the vendors invited by Honda and Toyota, to work in their manufacturing facility and give suggestions about operations and design standards, which can fulfil to the requirements and capabilities of both supplier and manufacturer. As well close working relationship also minimize and reduce to the waste in different meaning such as waste of inventory in order of excess inventory, waste of time and etc. [26].

3.3. Fair Trade Coffee

Usually big companies find lower prices from farmers, and several coffee roasters have developed a business model known as fair trade that struggle for equitable sharing of earnings between all supply chain's members. The basic of this model is the above-market wholesale price guaranteed to farmers, those farmers who are members of fair trade certified cooperatives. The farmers are able to earn healthy money to support expenses and their families. As well some roasters give financial loans and short term loans to the farmers for survival and for investment in their field. The fair trade roasters advantage from the relationship by purchasing directly from the cooperative instead of through layers of distributors as larger roasters do, in the chain of supply, the elimination of links, the fixed and stemming cost from double marginalization for the whole channel. The fair trade business model shares these savings among the roasters and

the farmer cooperatives. The roasters also guarantee that they will have the top priority whenever the coffee supply is shortage, scarce. However, they pay to the farmers a premium over the price of market [27]. Several of the fair trade roasters more increase their collaborative efforts by sponsoring farmer education programs and also closely working with retailers / customers to launch special fair trade sections in the stores.

3.4. Medrad Manufacturer

A manufacturer of a medical device in Indianola, achieved in the year 2003, Malcolm Baldrige National Quality Award, and the committee of award said the supplier relationship of Medrad and their importance to the company's overall quality performance. Medrad is constantly looking for new opportunities to more strength his relationships with their suppliers. So annually they have supplier meetings at which they solicit suggestions from their vendor; with the first six months of implementing these ideas, 300,000 dollar savings Medrad has realized. Whenever a vendor finds to be a supplier for Medrad, he knows quickly that collaboration is not only a slogan. In the long term relationships involve frequently visits of their suppliers by cross functional teams, as well representative from their suppliers working one day in every week together at the Medrad facility to share and learn to each other ideas. These relationships can escalate to formal monthly design reviews, in a case, a employee's of supplier working full time at the Medrad facility. The efforts of collaborative supply chain have enabled Medrad to gives 99.9% on timely deliveries to customers (a world class leader in quality) and suppliers and customer was loyal with Medrad's products.

4. Problem Posed by Dictatorial Collaboration

Sustainable collaboration, as we have explained in the last section, might be viewed as a special case of utilitarian friendship. Firms enter into these kinds of long-term relationships, association with the express purpose of betterment, improving own earning by improving the all utility of the whole supply chain. Tesco and Wal-Mart have instituted policies that certainly do improve their earning and the supply chain's utility for them. But to what extent does other supply chain members' advantage by doing business with a powerful buyer that orders, dictates shipping practices, prices and inventory related procedures?

In scenario, where the purchaser uses its power as a high volume retailer, the dictatorial nature of purchaser's association with its supplier leads to results that are harmful to the whole supply chain. Ref. [18] the practices of Wal-Mart's RFID and Tesco's control on wholesale pricing, suppliers who gives otherwise inexpensive or reliable products are pushed into complying with a policy that becomes an added cost of business with the buyer relatively than an advantage. If those practices are compulsory,

enforced over suppliers who are supposedly associating with the purchaser on a long time period, the suppliers are often to minimize their own operation cost. It is in-fact likely that the suppliers will retaliate opposite the powerful buyer by competing directly, forming alliances with other dominated suppliers, and, in extreme cases, taking legal actions. In this situations, however the initial purpose of the purchaser's policy is a high profitability as well in the utility of the supply chain, the long-term result of the policy can be the degradation of the supplier as a partner. Over a period of time, the relationship is no useful and as experiential evidence shows us, the nature of the relationship either becomes adversarial, weaker to exist altogether.

In the same way, in the scenario where the supplier uses his power on retailers, the retailer can lose his ability to gain benefits from selling the items. In the case of Snap-On Tools, dealers chose to sue the supplier because off they could not afford to pay for inventory that they did not need and want. As an alternative of developing trust based over a foundation of effective communication, dealers resorted to finding justice from legal authority. Whether the dealers acted imprudently or not, there was no implicitly mutual understanding of the nature of the relationship that prevented the dealers from filing the lawsuits.

The basic reason of engaging in collaboration is to increase commercial benefits by engaging in long-term relationships that increase the efficiency of the whole supply chain. Once the relationship exists it has its own end. As well its own defining character that sustains its identity, as we have discussed before, sustainable collaboration needs the each firm's representatives engage in knowing what is useful for other firms beside the supply chain in term to advantage the whole chain of supply. The Japanese automakers' example clearly shown this type of characteristic Honda and Toyota took the responsibility to recognize how they could support their suppliers meet their fundamental requirement.

In collaboration of dictatorial employees of the powerful firms appear to incorporate the supply chain as an extension of their firm rather than the supply chain having its own end. The finding is that the means and purposes that are employed in the relationship are completely or largely those of the dictatorial company. In all friendship of utility, this is issue and problematic, in-fact though most friendships of utility are short term they at least need that every party understands how to give advantage to the others in the transaction process. Also, collaboration is like a friendship of utility that needs several perspective of virtuous friendship. In addition, communication, trust, and acting with a common objective that agrees with interest of all partners. Dictatorial collaboration involves employing means or purposes that engender none of these qualities. The common action and communication that real collaboration needs and employs is too lost to the self-interest of only a party. Dictatorial firms' representatives, in an effort to streamline a chain of supply, either explicitly or implicitly take the supply chain to be property of the organization as well not a joint, communicative venture. The powerful buyers or suppliers'

dictatorial actions do not help collaborative relationship with a supply chain precisely because off they are dictatorial. The objective for the association remains complete, but the relationship itself does not because off the dictatorial partner fail to employ means that are in line with the nature of the ends of the collaboration.

According to the Kent Brittan, VP (vice president of supply chain management) of United Technologies Corporation, understand the significance of using their firm's resources to create supplier's capabilities and competencies. "We cannot be very successful as a corporation unless we have a supplier base that is not lean as we are. As well building that will take a time, reallocation of resources and larger amount of efforts". Ref. [28] of-course this is not a dictatorial way that puts the responsibility for improvement solely over the suppliers. He understands that his company required to gives some of its resources into supporting the improvement of their suppliers' operations and that this will give the many advantages to his company in a long-term as well [29-30].

5. A Virtue-ethics Framework: Further Benefits

As per the our assessment that sustainable collaboration needs a concerted attempt to work with knowing and fulfilling the objectives of other firms with the supply chain, the task may be raised that a utilitarian model for explaining collaborative efforts can prove only as supportable as an Aristotelian method.

In other words, I might appear that, claim May also be defined, explained in order of subordinating a firm's self-interest to the supply chain's common good. The subordination of a firm's self-interest to common good would reflect treating every of the means that a firm chooses as contingent on a real advantage for the whole supply chain. Such an advantage may be improving the overall efficiency of the supply chain and also minimize to the bullwhip effects.

On the other hand, an example like Wal-Mart's RFID implementation proves to be more complex to evaluate in Utilitarian terms. Wal-Mart's continued enforcement of RFID tags using has, so far we can say, not had a terribly opposing effect over the efficiency of the whole supply chain. The Wal-Mart's considerable clout might be great enough that the cost of execution his requirements can never outweigh the advantage of doing business with such a large retail company. For the Utilitarian, there appears to be nothing that would indicate a approach of collaborative as being more beneficial than the dictatorial approach that Wal-Mart already works. In the scenario, if utility and morality with a common end are strictly bound together, there appear to be nothing which makes incentive sharing, fostering communication, and trust worthwhile means of being in business with a particular supplier.

In Aristotelian approach, to this difficulty, what separates sustainable collaboration from collaboration of dictatorial is

that the relationship's character is not determined by the purposes agreed upon, however the means employed from the very start. For Aristotle, means are morally determined through the end toward which they aim. However, they also need evaluated as if they itself could be ends. As per have presented before, what identifies sustainable collaboration are the means is the businesses work that resemble personal friendship including; communication, sharing of incentive, trust. These means recognize a collaborative effort in contrast to a dictatorial one because they are activities that are, from an Aristotelian perspectives, choice worthy in and of themselves apart from meeting the more objective of the effective and efficient supply chain.

The purpose of this research, we have evaluated before, real life examples of relationships in supply chain in term to concretize the distinction among collaborative and dictatorial business behaviour. In the analysis, a Utilitarian method can prove only as helpful as the one we have adopted. While, the Aristotelian understanding of choosing means is support-able and helpful insofar as evaluating means is not merely beneficial only in retrospect. The dictatorial means & real collaborative means are not simply determine-able after the association has already taken place. The real collaboration's result occurs because off specific means that create trust and communication are choice worthy despite the self-interested eye with the whole supply chain efficiency. In our Aristotelian lens of particular value is that the means for entering in to a supply chain partnership can be ethically evaluated beforehand, whereas such moral determinations are not conclusive under a Utilitarian lens until after objective are missed or met. Additionally, our sustainable collaboration's example show, selecting means that raise trust and communication prove to be only as useful in the partnership of supply chain as the dictatorial means that member of powerful channel can works. In summary, our research Aristotelian evaluation is very supportive and helpful because-off it can clarify how the extra money and time spent in initially development of trust based collaboration may be a better a priori strategy than employing dictatorial means.

6. Conclusion

The aim of this research was to emphasize in the chain of supply, problem of not practically or morally separating power driven dictatorial behaviour in SC (supply chain) from more sincerely engagements of collaboration on the basis of trust and communication. More exactly, it is our argument that Aristotle's language of friendship is cooperative and helpful in that his utility friendships and friendships between the virtuous, good display actions and attitudes that are useful for investigative, examining analogically similar scenario in the partnerships of supply chain. Above all our method advice that, even the big challenge of initiating collaborative efforts –trust based, like relationships can be productive and sustainable over the period of time, whereas power driven dictatorial approach are usually unstable and more impulsive

on similar time frames.

In the concluding remarks, we would like to highlight that in the supply chain collaboration, evaluation of dictatorial practices should not end here. However, we have given some in-depth and detail explanation and defence of our specific means of diagnosing the issues of dictatorial collaboration, we identify; there are perhaps other ethical contexts, which can prove useful as well. On the other hand, we have also found that problem of dictatorial supply chain behaviour has, to date, not been much discussed before in the ethics literature, it is our hope that our current performance of this issue gives the motivation for further research, investigation in future and grant, scholarship about the ethics of collaborative relationships in the supply chain management.

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