

Impact of Long-Term Orientation on Product Quality in Supply Chain: An Empirical Analysis

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Abstract : As the environments become increasingly uncertain, firms have attempted to achieve greater supply chain collaboration. Supply chain collaboration can generate significant benefits to its members, e.g., reducing risks and decreasing transaction costs. However, a strong relationship is often related to firm's culture (e.g., short-term vs. long-term interests). The objective of the study is to explore the effect of long-term oriented culture on product quality in a supply chain. Data was collected through a Web survey of U.S. manufacturing firms. Structural equation modeling (LISREL) was used to analyze the data. The results support the mediating roles of goal congruence and communication in the relationship between long-term orientation and product quality in the supply chain. Goal congruence partially mediates the relationship between long-term orientation and communication; communication completely mediates the relationship between goal congruence and product quality. Without high levels of communication, goal congruence cannot improve product quality in a positive way.

Keywords : communication, long-term orientation, product quality, supply chain

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