

Corporate Decision-Making: The Increasing Importance of Supply Chain in Strategic Decision-Making

NICOLESCU Ana-Cristina, West University of Timișoara, Faculty of Economics and Business Administration, (ROMANIA), cristina.nicolescu@e-uvt.ro

BURTA Florina-Simona, West University of Timișoara, Faculty of Economics and Business Administration, (ROMANIA), simona.burta@gmail.com

Abstract

Emerging complex demands from internal and external company stakeholders have significantly altered the corporate strategic decision-making process. In our paper, we analyse the shift in strategic decision-making that stems from the ongoing and forecasted changes in the supply chain function. With a closed loop perspective on supply chain, including the functional areas of production, operations and customer service, we have included relevant studies to outline the most significant implications for decision-making. Starting from this comprehensive literature review, in our case study we create a framework to highlight the synergies and connections between supply chain functions and other corporate functions. The functions assessed are: human resources, accounting and finance, marketing and advertising, information technology, purchasing and legal. The resulting framework is a summarized depiction of the points of connection between these functions and supply chain. The value added of our paper consists of a forward-thinking approach to implications of supply chain developments and how they will further affect the relationship with other functions. The lack of empirical data to construct an empirical model for demonstrating what correlations are most significant represents the limitation to our research. Further research should outline clear metrics for assessing the relationship between functions and analyse their degree of correlation in order to have a demonstrated model for what impacts corporate strategic decision making.

Keywords: supply chain, corporate strategy, management