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Christopher Rajkumar is a researcher in the field of Supply Chain Management. His research and teaching are primarily within the area of Supply Chain Management which includes sourcing, outsourcing, innovation, supply chain innovation, and supplier relationship management. He is affiliated with the research program 'Reduced Cost of Energy (ReCoE)' at the department of Entrepreneurship and Relationship Management, University of Southern Denmark. This multidisciplinary project aims to deliver solutions to reduce the Cost of Energy (CoE) in sustainable offshore wind power energy systems (including the wind turbine and the balance of plant (BoP)). The program is funded by SDU2020.

His thesis explores the strategic role of the sourcing function in creating innovative products, processes and/ or services (Sourcing Innovation). He holds a master degree in computer applications from the University of Madras, India. Christopher started his research in 2014 and obtained his PhD degree in 2017 from the Faculty of Business and Social Sciences at the University of Southern Denmark. Before starting his PhD, Christopher worked for several years in the Indian Business Process Outsourcing (BPO) industry.

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PhD Dissertation of

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at the Department of Entrepreneurship and Relationship Management, University of Southern Denmark

Towards a theory of Sourcing Innovation

Conceptualization, antecedents and performance implications

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# Towards a theory of Sourcing Innovation

## Conceptualization, antecedents and performance implications

The term sourcing innovation has become prevalent only in the recent years; therefore, researchers address the practice of sourcing innovation using various terminologies and there is no fixed definition in the extant literature for sourcing innovation. While there are several explanations and terms mentioned in the literature for the same concept, this research incorporates all the works related to sourcing innovation and synthesizes them under the umbrella 'sourcing innovation'. This research adopts Slowinski et al. (2009) definition of sourcing innovation as an 'affair between two firms' and broadens it in accordance with today's supply chain relationship perspective. This research is also an attempt to conceptualize and operationalize sourcing innovation, to understand and substantiate the different firm-specific antecedents as well as relationspecific antecedents of sourcing innovation and to explore the performance implications of sourcing innovation. Information technology also plays a vital role in various industries; understanding its importance, this research also examines the use of information technology in driving sourcing innovation. Therefore, this study formulates four research questions acknowledging these objectives and tries to answer the research questions through five papers.

#### **Research Questions:**

RQ 1: What is the theoretical conceptualization and operationalization of sourcing innovation? RQ 2: What are key firm-specific and relation-specific antecedents that drive sourcing innovation? RQ 3: What is the role of information technology in driving sourcing innovation? RQ 4: What are the performance implications of sourcing innovation?

#### Five Papers:

Paper 1: Sourcing Innovation: A systematic literature review

Paper 2: Exploring chief sourcing executives perception of sourcing innovation Paper 3: Sourcing Innovation: constructs, measurements and performance implications Paper 4: The firm-specific and relation-specific antecedents of sourcing innovation Paper 5: The use of information technology in sourcing innovation

This research employs a multi-methodological approach to gather data including systematic and in-depth literature review, exploratory study, and survey. While the objective of the systematic literature review is to underpin the theoretical factors of sourcing innovation, the in-depth literature is focused on examining the various antecedents such as firm-specific, relation-specific and information technology. The intention of the exploratory study is to relate the theoretical factors of sourcing innovation with that of practice with the help of chief executives from the sourcing department. In addition, this exploratory study is also an attempt to scrutinize the perceptions of the chief sourcing executives concerning the practical definition of sourcing innovation. The survey data was further used to not only empirically test the operationalization of sourcing innovation, but also substantiate the other proposed research objectives which includes antecedents (firmspecific and relation-specific), use of information technology and the performance implications of sourcing innovation.

The results of the exploratory cases as well as the survey, in general, show that sourcing innovation is crucial for firms to endorse intense strategic relationship among supply chain partners so as to achieve greater firm performance and sustainable competitive advantage. The results of the exploratory study show that firms do practice sourcing innovation; however, it is not effectively pursued; for example, not all case companies included in this study incorporate their supplier well before the design of the product is frozen. Therefore, this research insists that early supplier involvement and other first-order factors considered in this study are pertinent to ensure effective practice of sourcing innovation. The results of the survey provide stronger empirical evidence that a) the chosen factors are statistically significant and are key first-order factors that could operationalize sourcing innovation, b) firm-specific antecedents and relation-specific antecedents positively drive sourcing innovation, c) usage of information technology does support in driving sourcing innovation, and d) firm practicing sourcing innovation recognizes superior performance which includes innovation, market and financial performances.

In a nut shell, this research contributes to both theory and practice by increasing the understanding of sourcing innovation. This research is an initial step in coming up with a theoretical framework built on existing literature that could guide future researchers to pursue further empirical research on this key concept. This research offers constructive knowledge for practitioners to practice sourcing innovation by applying the proposed research framework to achieve superior performance. More importantly, by empirically evaluating the performance impacts of sourcing innovation, this research contributes to the understanding of the various success and failure formula within sourcing innovation.

### Department of Entrepreneurship and Relationship Management

The Department of Entrepreneurship and Relationship Management is located at the University of Southern Denmark, campus Kolding, and employs approximately 85 people. This location is central to the growth centres within the Triangle Region and offers a unique opportunity to close cooperation with the companies and public authorities in the region in respect to research and educational projects.

For several years the research of the department has been based on learning networks with companies and trade promotion institutions. In addition to this, the department has a long tradition of problembased cooperation across traditional business research areas and very often by means of external funding. The research of the department concentrates on two key areas: entrepreneurship and relationship management and originates from traditional research areas such as marketing, applied economics, accounting, operation management and organization.

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