The Impact of Small Firms’ Characteristics on the Requirements of Integrated Logistics with Large Firms

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EXECUTIVE SUMMARY

To date, there is a dearth research on the survival and success of small firms. Linking this topic to logistics integration and supply chain management, this research paper focuses on the small firms’ characteristics that might be favorable or unfavorable to integrated logistics with large firms along the supply chain. The findings indicate the key role played to integrate with large firms is the manager’s role. A manager having all the required characteristics (democracy, swift response and sustainability objective) along with a strategic vision will position his small firm in a very competitive place along the supply chain. Governments are encouraged to undertake reforms in policies mainly education system, training and finance support to enable small firms to understand their position along the supply chain and thereby integrate logistically.

Keywords: Supply Chain Management, Logistics integration, Small firms, Small to medium sized enterprises, QFD, House of quality

ABSTRACT

Adaptation to the demands of logistics integration is as true for large firms as for small firms, which must adjust to the needs of their customers to preserve their market shares and to assure their growth. The research is concerned with examining the characteristics of small firms that may be favorable or unfavorable to integrated logistics with large firms. The research aims at better understanding the nature of the integrated logistics function in small firms, which often can be translated into a sustainable competitive advantage and to spot lights on the points of weaknesses and strengths in small firms that can be either unfavorable or favorable to logistics integration.