FINANCIAL INFORMATION SHARING AND COLLABORATIVE BEHAVIORS IN SUPPLY CHAIN MANAGEMENT– A SYSTEMATIC LITERATURE REVIEW

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ABSTRACT

The paper investigates in the relationship between supply chain management, financial information sharing and collaborative behavior to find out if there is any information sharing between different companies in a supply chain on the financial level and what could be the benefits from financial information sharing for the whole supply chain. The used method is a systematic literature review to answer the research question. The main findings show a strong relationship between information sharing on the financial level along supply chains and a positive impact on competitiveness and financial performance of the involved companies. Information sharing in supply chains has also a positive impact on the collaborative behavior of the companies and the level of trust, whereas the quantity of information sharing is not that relevant but the quality of shared information is much more important. Further research is recommended to find out if there are any differences in the research-results related to the position of the company it has in his supply chain, whether is it an original-equipment-manufacturer or a first-tier supplier or a raw-material supplier.

Keywords: *Supply Chain Management, Financial Information Sharing, Collaborative Behavior*

1. INTRODUCTION

During the last years our economy is strongly influenced by the development towards global supply chains and increased relationships between different companies shaping complex global business networks (Sharma, et al., 2021). A supply chain is often defined as a dynamic and complex global network across a large number of different companies interacting with each other (Vijayasarathy, 2010). Supply chain management is the most widespread management concept that was developed during the last decade to respond to these growing and upcoming challenges helping a focal company to manage all its supply chain partners (Fynes, et al., 2008) (Sambasivan, et al., 2013). Supply chain management can be seen as a set of activities shown in Figure 1 with the aim to manage the three common flows in a business network: the flow of material, the flow of information and the flow of finance between a focal company and its partner companies in the supply chain (Mentzer, et al., 2001).

The major construct of supply chain management is based on the integrated and collaborative behavior and mutually sharing information between companies in a supply network with a strong commitment and trust-based relationship between a buyer and a supplier company (Paluri & Mishal, 2020). Trust and commitment are a pre-condition for an integrated behavior of partners in a supply network.

Mutually sharing information between network companies is in the meanwhile more or less standard for daily logistic data like customer demand, order status or delivery time, whereas information sharing on the financial level is often restricted and only for internal use (Chiang, et al., 2021). Open book accounting is an inter-firm accounting technique that allows to achieve more cost-transparency in a supply chain, but it is also often linked to a potential risk for giving to much information to a buying company that may use these data during price negotiations and weakening the position of a supplier (Windolph & Moeller, 2012).

This systematic literature review addresses the importance of these three subject areas: supply chain management, financial information sharing and collaborative behavior. An analysis of existing scientific research papers has revealed that the current research literature and results touches just the interface of only two out of the three topics (Schachner, 2021). The motivation for this research is to investigate and