Power and conflict in Russian agri-food supply chains

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Main results and conclusions

Main results
• According to the results of the study coercive, reward and legitimate power turned out to have positive effects on conflict. Therefore, their use in supply chains should be avoided.
• On the other hand, expert, informational, and referent power had negative effects on conflict and are more appropriate for facilitating conflict resolution.

Main conclusions
• Therefore, power can have a positive effect on conflict resolution in supply chains and can be used as an effective tool for correcting organizational problems.
• In order to successfully resolve conflicts in supply chains the knowledge of different power types is essential. Depending on the type of power, its effect on conflict may be completely different.
• Our recommendations can help managers to understand different interactions of these factors, and to design their management practices to successfully manage conflicts in supply chains.

Research hypotheses, data, method

Research hypotheses
We developed the theoretical model on the role of power for managing conflict in supply chains and formulated the following research hypotheses:

H1: Within a supply chain network, the use of coercive power will positively affect conflict.  
H2: Within a supply chain network, the use of reward power will negatively affect conflict.  
H3: Within a supply chain network, the use of expert power will negatively affect conflict.  
H4: Within a supply chain network, the use of informational power will negatively affect conflict.  
H5: Within a supply chain network, the use of legitimate power will negatively affect conflict.  
H6: Within a supply chain network, the use of referent power will negatively affect conflict.

Data and method
The data was collected during 89 interviews with foreign food retail and processing companies with at least 10% of foreign direct investment capital in Russia (response rate 8.9%). The survey was conducted from the 31st of March till the 17th of June 2010 via telephone. To test our model, we used the Partial Least Squares (PLS) technique of Structural Equation Modeling (SEM).

Partner, project duration, funding

Partner
Geisenheim University

Project duration
Since April 2007

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FIGURE 1: Graphical representation of the model in SmartPLS

TABLE 1: Results of the assessment of the measurement model