

Abstract

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linking supply chain operations' performance to the company's financial strategy: a case study of an egyptian natural bottled water company

abstract purpose: this paper aims to propose a method to link supply chain operations' performance to the priorities of the company's financial strategy. research approach: according to the proposed method, supply chain operations' performance is measured based on supply chain operations reference-model (scor) standard performance metrics, while the company's financial performance priorities are determined based on du pont ratio analysis. to link supply chain processes' performance to the financial performance priorities, fuzzy analytical hierarchy processes (fahp) technique is used. to demonstrate the applicability of the proposed approach, a case study of an egyptian natural bottled water company was conducted. findingsignality: this paper develops a method to link supply chain processes' performance to company's financial strategy using fahp approach. according to this method, the priorities of the supply chain performance measurement attributes are determined with respect to the priorities of the financial performance drivers. research impact: the proposed method focuses on the performance of both processes the outputs of processes. supply chain performance metrics measure the performance of processes in terms of reliability, responsiveness, agility, cost, asset management based on the scor model standard performance metrics, while financial performance metrics measure the performance of the outputs of these processes in terms of efficiency profitability based on du pont ratio analysis to identify the focus areas for improving the company's financial performance. using the fahp technique, the relative importance weights of supply chain processes performance measures will be determined with respect to the priorities of the company's financial strategy consequently, supply chain strategy will be set based on these priorities. finally, du pont ratio will be measured again after applying supply chain operations' strategy to test the impact of supply chain operations' performance on enhancing the company's overall performance. practical impact: applying this method, enables companies to set the supply chain strategy based on the priorities of the financial performance drivers (profitability efficiency). since the financial performance evaluation reflects the contribution of each of the financial performance drivers highlights driver that need improvement, setting supply chain strategy with respect to the priorities of these drivers can contribute to enhancing the overall financial performance. keywords: supply chain financial link, scor model, du pont analysis, fuzzy ahp