

1578 - THE ROLE OF NATIONAL INSTITUTIONS AND PRODUCT ARCHITECTURE IN JOINT DECISION-MAKING IN SUPPLY CHAINS

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Although evidence suggests that institutions and technology shape firms' behavior and organization, few efforts have been put on disentangling the effects of national institutions and product architectures in shaping firms' organizational decisions for their product development. In this paper, we explore this question empirically, by analyzing how the institutional setting along with product architecture influences firms' motivations to jointly define and change product design with their suppliers and customers. Using data from an international survey of 931 manufacturers, we find that joint decision on product design is more likely when product architecture is integral rather than modular. In addition, results suggest that joint decision-making on product design is associated with firms' efforts to compensate for weak national knowledge basis, as well as to compensate for weak rule of law.

Keywords : collaboration,product architecture