

# **IMPACT OF OPERATIONAL AND STRATEGIC ALIGNMENT AT THE PURCHASING-LOGISTICS INTERFACE**

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## **Abstract**

Practitioners report a stark lack of alignment between the purchasing and logistics functions of their internal supply chains, leading to substantial negative consequences for their businesses (American Shipper, 2016). Although logistics management has long emphasized operational alignment across supply chain areas as an important driver of logistics performance (Prajogo and Olhager, 2012), logistics' relationship with purchasing has received scant attention (Van Hoek et al., 2009; Ashenbaum and Terpend, 2010). Purchasing management, meanwhile, has focused heavily on strategic alignment with top management priorities as central to purchasing performance (Cousins, 2005). This paper investigates the performance impact of both strategic and operational alignment using survey data from 185 purchasing and logistics managers. Results indicate that purchasing's operational alignment with logistics substantially improves purchasing performance metrics, whereas strategic alignment with top management priorities does not. Conversely, logistics' alignment with top management priorities drives logistics performance, while operational alignment with purchasing does not. These findings run counter to conventional thinking in both purchasing and logistics management, suggesting the need for additional theory development and testing on the relationship between these functions.