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Supply chain friends: The good, the bad, and the ugly

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Abstract The importance of firms developing close relationships with suppliers has been well recognized by supply chain managers. However, business relationships ultimately progress due to individuals within firms interacting over time. Our results from in-depth interviews with supply chain managers revealed that decisions made by managers within the supply chain can't be accurately explained or fully understood without accounting for the important influence of the friendships managers across firms develop with each other. This is of significant importance for senior managers since supply chain costs typically account for 60% to 90% of a company's total costs. In this article, we seek to shed some light on the implications of developing personal relationships with counterparts within the supply chain. We conclude by providing guidelines that upper management can follow to enhance the potential positive benefits associated with the inherent development of personal relationships/friendships and, equally important, mitigate the potential negative impact of such relationships.

1. Supply chain relationships: Friend or frenemy

The importance of firms developing close relationships with suppliers has been well recognized by supply chain managers. Similarly, the supply chain management literature highlights the key role and impact of positive buyer-supplier relationships (Autry & Golicic, 2010; Daugherty, 2011). Closer buyer-supplier relationships have been found to result in a variety of benefits for the parties involved, including superior levels of customer service (Vickery, Jayaram, Droge, & Calantone, 2003), lower overall cost (Carey, Lawson, & Krause, 2011), and increased trust (Delbufalo, 2012).

However, the majority of this research focuses on firm-to-firm level relationships and ignores the role of individuals. Despite calls for additional studies employing individuals as the unit of analysis, few

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supply chain studies investigate the critical role of managers as important decision makers within such firm-to-firm relationships (e.g., Gligor & Autry, 2012). Supply chain researchers have recognized this gap and have emphasized the need for a "deeper understanding of the behavioral complexities that emerge through the interaction between the buyer(s) and provider(s) of logistics services" (Marasco, 2008, p. 141). This is a limitation in the supply chain literature since business relationships ultimately progress due to individuals within firms interacting over time (Haytko, 2004). As managers interact across firms within a supply chain, some form friendships that can significantly impact the decision-making processes of the individuals involved. Psychology and sociology studies suggest that it is difficult for relationship participants to separate business decisions from the nature and quality of their friendships (Lian & Laing, 2007), which can lead to decisions being made that are not in the best interest of the firm. We make an important contribution in this area by offering a better understanding of how personal relationships/friendships impact managers' behavior in a supply chain context.

Aside from contributing to the supply chain literature, we primarily seek to shed some light for supply chain managers on the implications of developing personal relationships with counterparts across the supply chain. Thus, our primary audience is managers with some role and decision-making prerogatives within their firms' respective supply chains. To achieve this goal, we conducted in-depth interviews of 1 to 2.5 hours' duration with 26 managers from nine different firms. The Grounded Theory methodology was used for data collection, analysis, and interpretation.

Our results revealed that decisions made by managers within the supply chain can't be accurately explained or fully understood without accounting for the important influence of the friendships developed across firms. This is of significant importance for senior managers since supply chain costs typically account for 60% to 90% of a company's total costs. Consider these interview excerpts:

> *Excerpt 1*: "When I have a vendor that I really like, I'll give him more business if I have more of a personal relationship with him. The reality is that if circumstances allow it, we all want to do business with people we enjoy interacting with."

> *Excerpt 2*: "It's all about relationships with people. I've found that if people like you, they'll find a way to do business with you. We develop friendships with people we like, so the personal and business elements go hand in hand. It's hard to separate them. We're humans and most of us like to socialize."

> *Excerpt 3*: "People will do business with people they like and sometimes that matters more than the price."

Despite the benefits that come from close business relationships, our research shows that there are also negative consequences. Consider the manager who gives a second chance to a poorly performing supplier or the manager who divulges too much information to a supplier he or she wrongly trusted. There is a dark side to business friendships that can result in suboptimal business decisions. Understanding the personal relationships within which business relationships are embedded helps to explain why supply chain managers behave a certain way and can guide managers on reaping the benefits while avoiding the pitfalls that friendships can entail.

In essence, our study revealed that during the process of developing and maintaining friendships, managers engage in four distinct categories of actions leading to enhanced trust, communication, personal and business understanding, and business volume for the parties involved. Each of these categories also contains potential negative consequences that managers need to be careful to avoid. Therefore, we highlight both the positive and negative consequences of friendships.

The rest of our article is structured as follows. We first present the actions that managers engage in during the process of developing and maintaining relationships, along with the potential consequences of such actions—both positive and negative. Then, we discuss several factors (i.e., gender, operations automation, and relationship asymmetry) that can impact the nature of relationships developed within the supply chain context. Finally, we conclude by providing guidelines that upper management can follow to enhance the potential positive benefits associated with the inherent development of personal relationships/friendships and, equally important, mitigate for the potential negative impact of such relationships.

1.1. Enhanced trust

Managers embedded in a friendship develop enhanced trust through relating/bonding, disclosing personal information, and being honest. First, while developing friendships, managers consistently look for ways to relate to each other, which in turn helps build trust. Having things in common and being able to relate to each other makes it easier to trust the other party in the supply chain. This is consistent with past studies suggesting that relating and bonding can be a source of trust in business exchanges (Granovetter, 1985). One of our interview subjects, Albert (buyer), described it well:

> I'm a big fisherman. . .I love to fish and I love cooking. If one of these managers who is visiting is involved in that as well, that's something we can bond over. I go: "Hey, I love fishing, this guy loves fishing." I can understand what he's talking about, that he's passionate about this as well. I can relate to that. As a result you can almost get off on a totally different tangent just talking about that. It somehow makes it easier to trust that person.

Second, in the process of forming a friendship, managers disclose personal information, which further helps build trust. Importantly, while some managers might have different personalities and not necessarily have things in common, disclosing personal information still helps build trust as it helps managers better assess each other's character. Consider the following example of James (supplier):

> We developed a friendship. In the process, I learned personal things about him and he learned personal things about me. We were very different: He was from a big city, and I grew up in a small place. However, we still developed a friendship. He could gauge the type of person I was, that I didn't accept failure, that I was tenacious. . .from a conversation about football! I think it initially [more easily] established a trust level.

Third, friendships make it easier for managers to be honest with each other, which in turn enhances the level of trust in the relationship. Friendships allow for a level of honesty that otherwise would probably not be possible. For example, Robert (supplier) described how the friendship with one of his customers made it easier to tell the truth:

> It's very important for us to have personal relationships with some of our customers. In this business, nothing's perfect. You're going to have missed appointments, so I think when you have a personal relationship with them, it's easier to tell them: 'Hey, we messed up, we missed this one; we'll get it scheduled,' instead of telling them the chassis had a flat tire [laughs]—the same old nonsense that they've heard a million times before. So, I think you can be honest with people. They don't expect you to be perfect. We're not perfect, they're not perfect, so the friendship really helps.

In summary, friendships allow managers to better relate to each other, disclose personal information, and be honest, which in turn contributes to enhanced trust.

1.1.1. The dark side of enhanced trust

While enhanced trust can have a plethora of benefits for the parties involved in the relationship, it can also have negative consequences. For example, because of enhanced trust, one of the parties could be taken advantage of. Previous studies indicate that a high level of trust can be used by suppliers to cut corners and get away with providing inferior products and services (Anderson & Jap, 2005). A manager may also trust a supplier to the extent of not checking facts, not finding a better deal through another supplier, or accepting a late delivery because he doesn't want his friend to lose business and he trusts the supplier when that person says it won't happen again.

1.2. Enhanced communication

Managers embedded in a friendship report increased ease of communication and increased sensitivity of business information exchanged, which further results in enhanced communication. First, friendships make it easier for managers to communicate and are more than a social lubricant needed for the completion of business transactions. In fact, friendships can provide a platform for brainstorming sessions and the generation of new business ideas, as expressed by Jake (supplier):

> I have business relationships right now that don't even scratch the surface of a personal relationship. I'm thinking of one individual in a different company that I'm dealing with. This fellow has a concrete wall around him: always strictly business, never personal. . . .and it's really uncomfortable. There's not a casual conversation taking place where ideas can be openly shared back and forth, so for that reason there's a ton of lost opportunity. To be quite honest with you, I don't want to jeopardize any business relationships, but. . . .there might be times when I have a great idea and I just don't share it with him because I know he's not going to listen to it. I know he's not going to put in the time to even have a conversation about it. It's so uncomfortable to talk to these people that sometimes. . . .you sort of want to jump on and off the phone. You want to deal with what has to be dealt with, and if it's not absolutely required

> communication, we don't communicate; and all those non-required communication opportunities have been responsible for a lot of new ideas and brainstorming sessions.

Second, friendships also increase the sensitivity of the business information exchanged by allowing those involved to feel comfortable disclosing information that otherwise would not be disclosed. Importantly, this can have positive implications for both parties. Consider Ted's (supplier) story:

> With Randy, on the other hand, we trust each other. He might be able to tell me something about his business that's not even for public consumption yet so that I can start digesting that information behind the scenes and already be thinking and planning with him. Because he trusts me enough to share that information, it gets us off the starting block a lot sooner than we would otherwise. He doesn't have to wait until it's ready for public consumption to share it with me; he can share it in advance and trust that it's safe with me. We can work on our plan so that when it's time to go, we're ready and not just starting to plan at that point.

In summary, friendships increase the ease of communication and the sensitivity of business information exchanged, which combined result in enhanced communication.

1.2.1. The dark side of enhanced communication

Although enhanced communication has widely been recognized in the business literature as a desirable attribute of business relationships, it can also have negative consequences. For example, managers could disclose confidential information and actually hurt their respective companies. As Laura (buyer) explained:

> She'd say [paraphrasing the customer]: "I'm going to tell you something I don't tell all my other customers. We're having cutbacks and it's going to affect this and that, and our cost will go up." She'd let me know things they wouldn't dare tell other customers. I'm the first one to know a lot of things, inside sales and things like that. It is from developing that friendship with her.

Additionally, through enhanced communication and increased sensitivity of information exchanged, poor business decisions may be made. A manager may be more lenient with a supplier because he knows of the supplier's personal problems and wants to help out his friend. However, by continuously helping his friend, the manager may be negatively impacting the business he works for by looking out for the friend and not the company's best interest.

1.3. Enhanced personal and business understanding

Managers embedded in a friendship use friendships to assess the personal-related characteristics and business-related characteristics of their counterparts, which further enhances personal and business understanding. First, within the confines of friendships, managers can develop a better understanding of other managers' personal characteristics. This can have positive implications for the parties involved, as it can help eliminate ambiguity and misunderstandings from the communication process as managers learn about each other's personalities, senses of humor, and attitudes. Consider the following quotes from some of our interview subjects:

> *Samantha* (supplier): "You get to know their personality, their humor, their wit; and you're less likely to take something said in a business conversation in a negative way."
>
> *Aaron* (buyer): "When you [have] developed a friendship, there's no disguising feelings: You know exactly how someone is. It's just like the relationship with your wife. You know when she says 'No, I'm not upset' whether or not she really is. It has nothing to do with the words they say; it's how they act. . . .And you find out through that personal relationship. You understand when something is wrong; you can tell sorrow; you can tell when something got screwed up or missed. The personal relationship allows you to do that, and you can use that knowledge when conducting business."

Second, friendships allow managers to develop a better understanding of other managers' business needs. Managers consistently use friendships to better gauge their counterparts' business requirements. Friendships provide a valuable informal platform for better assessing the supply chain partner's business characteristics and needs. The following quotes describe this:

> *Michelle* (supplier): "Just by knowing Troy on a personal level I know what he expects from a logistics company, and I can better assess his business needs. The friendship that we share allows for the kind of interaction that helps me better gauge his business requirements and expectations."

Ernie (supplier): "Knowing Ron on a personal level makes it easier to understand what his company expects now and in the future. The relationship we share allows me to gain a deeper knowledge of his firm's business needs and therefore perform better."

In summary, friendships help managers better assess the personal and business-related characteristics of their counterparts, which results in enhanced personal and business understanding.

1.3.1. The dark side of enhanced personal and business understanding

While managers emphasize the benefits of superior personal and business understanding, potential negative aspects of such an understanding do exist. For example, managers can use enhanced understanding of the other party's personal characteristics to manipulate them.

In addition, friendships can allow managers to develop an understanding of the other party's business needs beyond the level desired by the respective supply chain counterpart. As such, one party could gain access to business information that the other party does not wish to share. This information could then be shared with competitors, either purposefully or accidently. A supplier may have a friendship with the competition and share the increased understanding—along with sensitive information—with the competition, at great cost to the company whose manager trusted the friendship of the supplier.

1.4. Enhanced business volume

Managers also use friendship to cultivate loyalty and reciprocity, which are further associated with enhanced business volume. First, friendships help managers cultivate mutual loyalty. Importantly, managers emphasize that friendships are not a means to an end. Rather, they highlight that friendships provide a platform on which mutual loyalty can be developed. In the case of Rick and Nelson, Nelson confirmed that his loyalty is to Rick, not Rick's company:

Rick (supplier): "I think friendships are very important in this business. There's camaraderie between Nelson and me. Ultimately, this is the only way I can protect my business long-term. You can always have somebody offer a lower price for the same service."

Nelson (buyer): "If Rick were to leave company X and go over to company Y, that would probably make a big impact on how the southeast region looked. I'll be like: 'Well, Rick's over there now and he took care of us in the past with his previous company, so I know he'll continue to do that with his new company.'"

Second, friendships also allow managers to cultivate reciprocity. Within the confines of the friendship, managers will at times exchange favors: "You scratch my back, I'll scratch your back" (Sophie/supplier). For example, Brandon (buyer) described how friendships help reach the stage where business favors can be traded:

I think in business as a whole, reciprocity is a very, very big and crucial part of having any follow-up business, because when you have a customer, you want to be able to help them out and at the same time have them show the same loyalty back to you. So, relationship building does become a very intrinsic part of conducting business. My friendship with Will allows us to do that, and it benefits both of us.

Similarly, Will's (supplier) observation provided support for Brandon's perspective and highlights how mutual loyalty can lead to increased business volumes between the parties involved in the relationship:

I built a very good personal relationship with Brandon, so if any new business comes up, I'm probably the first person he calls. There's a mutual commitment, and we've gotten a lot of business because of that. Any new business, it's mine to lose in a way. Our company has gone from having a pretty small stake with his company to finally being its number one carrier, and I believe that has a lot to do with the friendship Brandon and I share.

In summary, friendships help managers cultivate loyalty and reciprocity, which can lead to increased business volume for the parties involved.

1.4.1. The dark side of increased business volume

Increased business volume exchanges can have positive implications (e.g., volume discounts) for the parties involved. However, they can also have negative consequences. Increased business volumes with specific partners can lead to dependence on a limited pool of suppliers. This can hurt the buyer's supply chain resilience. If anything were to happen to the buyer's suppliers, the buyer might have a difficult time replacing the suppliers in a timely manner. As such, the buyer could incur significant disruptions to its supply chain, which can have negative financial implications. In addition, firms might become complacent and not actively consider/seek other suppliers that might offer superior prices and services. This can hurt the buyer's competitiveness and result in increased cost and inferior quality as compared to competitors.

2. Factors that impact supply chain friendships

2.1. Gender

In our study, six of the 26 respondents were females. According to several relatively recent accounts, women make up as little as 11% to 25% of the supply chain industry (Ostby, 2013). Due to the lack of availability of women colleagues and connections, it is not surprising that many of the friendships found in the supply chain are between men. Even so, men seek out other men to form work-related friendships regardless of the availability of women; women, however, seek relationships with men for advice and influence but turn to women for information and emotional friendships (Ibarra, 1997). Therefore, although they occur, men-women friendships within the supply chain are not as common. Same-sex friendships are much more likely. The two genders relate differently, and this impacts the benefits of having a relationship.

According to past research, women are predisposed more than men to trust someone (Feingold, 1994). This is consistent with our findings. While no study will suggest one gender communicates better than the other, a significant relationship does exist between gender and communication differences (Wilkins & Andersen, 1991). For example, women communicate on more content levels than men: Men typically communicate through topical conversations whereas women communicate through topics, relationships, and personal stories (Davidson & Duberman, 1982). Maybe it is because supply chain relationships tend to be between men that we see friendships benefiting the workplace goals by moving the relationship beyond topical conversation into deeper levels of trust, communication, and understanding. Women already have increased trust and communication; men need the friendships to enhance these. It may be that these emotional mechanisms facilitate the benefit of increased volume. However, it is important to emphasize that because of the limited number of female respondents as proportionate to their presence in supply chain positions, future research should further explore gender differences to generate additional insights.

2.2. Operations automation

Supply chain initiatives are seeing a pull toward automation and robotics (e.g., Amazon drones). The initial concern is that automation takes away personal interaction, but it does not have to. Automation can offer flexibility, speed, and reduced cost (Duclos, Vokurka, & Lummus, 2003)—all of which can lead to increased volume and further enhance the benefits found through friendships. The concern becomes real when automation cancels out relationships altogether and the potential benefits from supply chain friendships are missed entirely. Additionally, what if due to the automation, managers move personnel around and friendships are lost and customers lose their connection to the supplier, or vice versa?

If one of the managers in a supply chain friendship is moved to a different position due to automation, upper management of the other manager in the dyad could consider reassigning her/him to a different position to be closer to her/his friend. Allowing the two managers to continue working together can ensure that potential benefits derived from the supply chain friendship would not be lost for the two firms. However, before proceeding with the reassignment, upper management should check whether the new position is desired by the reassigned manager and compatible with her/his skills and career objectives so it does not become a negative experience.

There are benefits and negative consequences to both full automation and complete absence of automation. Therefore, we recommend that managers seek a balance of automation and personal interaction to allow for the benefits of both, which consequently can negate some of the negative side effects of each. A buyer-seller relationship that performs in an automation–personal interaction hybrid allows for enhanced communication, trust, and understanding but also leaves less interaction time for too much knowledge sharing, gaining unfair advantage (prices are set and orders are repeat purchases), or manipulation. Automation can also establish limits for the buyer and seller so that the relationship does not become harmful to one manager and beneficial to the other.

2.3. Relationship asymmetry

Buyer-supplier relationships are typically asymmetrical and, according to the extant literature, buyers tend to have more power in the relationship

(Caniëls & Gelderman, 2007). Primarily in commoditized industries with low profit margins, such as the transportation industry, suppliers have little power and thus recognize personal relationships as a potential source of competitive advantage. As articulated by Rick (supplier): "Ultimately, [personal relationships are] the only way I can protect my business long term."

Because of this relationship asymmetry, buyers are more likely to initiate and pursue such relationships; although, as our findings indicate, buyer-supplier relationships have the potential to benefit all parties involved. A buyer is just as likely as the seller to enjoy enhanced trust, communication, and business understanding from the relationship. However, we urge buyers to pay close attention to ensure that the balance of benefits is not significantly tilted toward sellers. It is possible that some sellers would go the extra mile to cozy up to buyers with the explicit goal of drawing business-related benefits. Therefore, buyers should constantly evaluate the nature of such relationships to ensure they are not initiated and used by sellers simply as a means to an end.

3. How to promote the good and eliminate the bad

3.1. Assess and monitor

Firms should assess and be cognizant of the nature of the relationships their employees form with other managers in the supply chain. Upper management should encourage supply chain managers to disclose if they have formed friendships with their supply chain counterparts. Importantly, this should not be done in a threatening way because friendships, as shown herein, can have positive outcomes for the parties involved. Some respondents indicated that personal relationships are occasionally frowned upon by upper management, as some managers perceive them as time-consuming or unproductive activity. However, a number of benefits can result from managers forming or maintaining friendships. Even casual conversations that on the surface might appear as an unproductive activity can serve as a platform for business brainstorming sessions. Therefore, it should be made clear to employees that such relationships are normal and acceptable, and the reason for disclosure is increased transparency.

Companies should monitor such relationships to ensure they don't usher in the dark side of close relationships. Although friendships could provide the platform for generating mutual benefits, over time they could also be the source of suboptimal decisions. Therefore, it is important to continually monitor such relationships to ensure they are a source of benefits for all involved, or at the very least, don't become a source of suboptimal performance for one of the parties in the relationship. Past studies indicate that relationships that were once mutually beneficial can deteriorate over time and become the source of one-sided benefits and conflict (Anderson & Jap, 2005). There may come a time when the relationship is no longer beneficial to the company. As upper managers assess and monitor relationships with suppliers, they should end relationships that are no longer in the company's best interest.

Monitoring can be carried out in several ways, depending on the company's culture and size. Employees can be asked to periodically (e.g., when selecting new vendors) fill out a disclosure form to report any potential conflict of interest. This self-reporting method is based on trust and can help upper management better understand whether a specific relationship could be a cause for concern. The managers' supervisors can also play an important role. They can directly observe and evaluate the outcome of the managers' business dealings to ensure no firm is being taken advantage of within the confines of the personal relationship. We recommend that supervisors on both sides use specific metrics to continuously measure the performance of the business transactions conducted between supply chain friends. This method of monitoring can be used to ensure that both companies benefit from the relationship and the dark side of close relationships does not creep in.

3.2. Coach and discipline

Upper management should coach supply chain managers on the importance of personal relationship building in the process of developing closer business relationships. This coaching should be done to communicate specific guidelines needed to protect against agency problems and potential suboptimal decisions. When managers interact on a daily basis, they will develop some sort of relationship. As Phillip, a buyer of logistics services, described it: "When you're doing business, it kind of opens up other things. If you're dealing with them every day, you do follow in the lines where you actually do get to meet up and sometimes develop friendships." Whether or not it is acknowledged by the firm, managers will develop a relationship. Therefore, coaching on specific behavioral guidelines and norms is important.

Many companies have policies in place regarding appropriate interactions with outside businesses. If a company does not have such a policy in place, it should make every effort to establish one. Employees should then be made aware of the policy, ideally during employee orientation so they can start out understanding the boundaries of relationships with friends from other companies.

If a manager notices one of his/her own employees acting inappropriately within a personal relationship, the manager needs to take action and address the situation. Perhaps the employee is a seller taking advantage of a buyer's friendship by promising shipment times that are not fulfilled. Or, it may be that the employee is a buyer harming her/his own company by giving her/his supplier friend deals inconsistent with the company's guidelines. Whatever the scenario, the manager must take action when necessary. The action may be informal or formal, depending upon firm culture and severity of the situation.

3.3. Establish safeguards

Coaching managers on how to approach and manage friendships with other parties in the supply chain is important but not sufficient. Upper management should establish safeguards to protect against the agency problem. For example, all business relationships with suppliers should be periodically reviewed to verify that the rates are competitive and the quality of service and products received meets the firm's expectations. In addition, firms can consider temporarily rotating employees to allow a fresh set of eyes to analyze contracts of current service providers. Allowing managers to return to their permanent position after the rotation would ensure that the firm can still reap some of the benefits derived from the manager's relationship with his/her respective supply chain counterpart. This recommendation should be implemented with caution and careful consideration on a case-by-case basis, as in some situations, rotating managers can actually deprive the firm of potential benefits derived from relationships between buyers and sellers.

Automated systems can help ensure that supply chain friendships don't become harmful to one party in the relationship. Safeguards can be set by establishing automatic key performance indicators for recording and reporting performance. These systems provide objective metrics such that neither side of the relationship receives an unfair advantage or abuses the relationship. Furthermore, they can help preserve the relationship by giving both sides timely and accurate information. A balance of automation and personal interaction helps the flow and speed of routine transactions, allowing the buyer and seller to communicate on a deeper level about the business relationship.

3.4. Promote

Upper management should advise employees of the importance of personal relationship building in the process of developing closer business relationships. Perhaps some managers approach clients solely from a business perspective to gain/keep/increase a new account, neglecting the personal aspect. The absence of personal relationships can actually have a negative business impact. As Bill (manager) noted: "If you're not at least. . .a little personable, you're going to cost yourself business, because people will do business with people they like and sometimes that matters more than the price." The impact of personal relationships was emphasized in our study by both suppliers and buyers of logistics services. Consider Ray's (supplier) statement:

> It's all about relationships with people. I've found that if people like you, they'll find a way to do business with you. We develop friendships with people we like, so the personal and business elements go hand in hand. It's hard to separate them. We're humans and most of us like to socialize.

Ray's perspective was also shared by Mary (buyer): "When I have a vendor that I really like, I'll give him more business if I have a personal relationship with him."

The development of personal relationships can be equally important for buyers and suppliers. For example, in the trucking industry, reduced capacity and an anticipated driver shortage indicate that "it is going to be all about relationships and carriers having the luxury of choosing who they do business with" (CSCMP, 2011, p. 12). The shift in power will increase the need for buyers of logistics services to pursue the development of close relationships with logistics service providers in order to ensure business continuity.

3.5. Maintain and nurture

There are a number of benefits associated with the development of closer personal relationships within the context of the supply chain, such as enhanced trust, communication, personal and business understanding, and business volumes. As such, if the steps recommended in this article to protect against agency problems and potential suboptimal decisions are implemented, friendships developed between supply chain members can be a source of competitive advantage for the parties involved. Therefore, upper management should provide support for supply chain managers to maintain and nurture such relationships. This can result in a source of competitive advantage for firms that is not easily replicated by competitors.

A number of actions can be taken to maintain and nurture personal relationships. For buyers, upper management should ensure that the manager has the liberty and incentive to provide fair treatment to the seller in her/his business dealings. For example, upper management should give the buyer the liberty to offer the supplier a competitive rate and not constrain the buyer to obtain a better rate via her/his personal relationship with the supplier. Similarly, for suppliers, upper management should ensure that managers are provided the resources to supply buyers with a competitive product or service and not constrain them to cut corners because the personal relationship with the buyer could lead the buyer to accept suboptimal supplier performance. Furthermore, as mentioned earlier, upper management should carefully evaluate the potential positive and negative consequences of rotating employees when these employees have established a personal relationship with their supply chain counterpart and this relationship is mutually beneficial for the parties involved. Allowing supply chain managers to interact with supply chain counterparts they enjoy can also lead to higher employee satisfaction. As summed up by Mary (buyer): ''The reality is, that if circumstances allow it, we all want to do business with people we enjoy interacting with.''

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