SUPPLY CHAIN MANAGEMENT PRACTICES, VALUE CREATION STRATEGIES AND PERFORMANCE OF MANUFACTURING COMPANIES: A CONCEPTUAL REVIEW

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Abstract
The performance of manufacturing companies in developing countries is reflected by their survival and competitiveness in the present dynamic business environment. Unfortunately, these companies are facing supply chain-related challenges which can only be solved by adopting appropriate supply chain management practices and value creation strategies. The major objective of this conceptual paper is to explore the effect of supply chain management practices (in the forms of strategic supplier partnership, customer relationship and level of information sharing) and the value creation strategies (in the forms of collaboration and integration) on the financial performance of manufacturing companies in Nigeria. The researcher employed a descriptive study using desktop review to identify features of supply chain management practices and value creation strategies and their importance in the perspective of organizational performance. An inclusive approach is used for designing an effective framework for the study using System and Dynamic capabilities theories. The major finding of the study points the significance of adopting the supply chain management practices and value creation strategies under the study for achieving high financial performance for manufacturing companies in Nigeria. The study recommends adopting the model as a guide for designing effective policies and strategies for achieving a well-integrated and value-added supply chain leading to better organisational performance. Also, future studies can be conducted using other supply chain management practices and value-creation strategies to achieve higher organisational performance and competitiveness in the dynamic business environment.

Keywords: *Supply chain management practices, value creation, collaboration and integration strategies, organization performance, manufacturing companies,*

1.0 Introduction

The performance of manufacturing is considered a critical factor for achieving economic growth of any country. This is because manufacturing companies serve as agents or catalysts for facilitating the economic performance of a country (Afolabi & Lasceinde, 2019). These companies use raw materials, components or parts to either manufacture finished goods for the end consumers or products that other companies use as raw materials (Christopher, 2016). These companies need to maintain a closely integrated and collaborative supply chain network to achieve high performance.

In the past, organizations were not aware of the importance of integrating and collaborating their processes and procedures for the effective and efficient achievement of their goals. There was no connection in terms of cooperation among the various functions of the organizations. This led to inefficiency, duplication of efforts and inability to achieve the optimum goals of the organization. This led to the evolution of the concept of supply chain management (Min, 2015). Supply chain management refers to the management of the movement of organizations' products, services and mechanisms towards improving its operational performance, suppliers' relations and establishing a coordinated strategy, which all lead to high organization performance (Hudnurkar *et al.,* 2014).

However, manufacturing companies in Nigeria have been facing supply chain-related challenges in in form of corruption, poor governance systems, fragmented supply chain relationships, currency devaluation and insecurity (Adams *et al*., 2019) as well as globalization and rapid changes in customer expectation and technologies. These are all making it difficult for companies to achieve financial stability and maintain a competitive edge (Pradabwong & Tannock, 2015). Adopting effective supply chain management practices (in the forms of strategic supplier relationships, customer relationships and information sharing) as well as value creation strategies (in the forms of collaboration and integration strategies) will play a significant role in establishing an effective supply chain management framework that will overcome the challenges facing the sector.

Several studies were conducted on the effect of adopting supply chain management strategies and practices on the overall performance and competitiveness of organizations (Guna, 2021; Lee, 2021; Jutamat *et al.* 2019; Gloria & Devika, 2021). But few studies focus on the value creation perspective of supply chain management and the performance of manufacturing companies in Nigeria (Evan & Maruko, 2018; Ojadi *et al.,* 2017; Adebanjo *et al.*, 2013). Also, there is a paucity of theoretical review studies on the concept of value-creation strategies in manufacturing companies for developing countries. Therefore, this conceptual paper attempts to explore the effect of supply chain management practices (in the forms of strategic supplier partnership, customer relationship and level of information sharing) and the value creation strategies (in the forms of collaboration and integration) on the financial performance of manufacturing companies in Nigeria. It also aims to develop a conceptual model of supply chain management practices and value creation strategies using System and Dynamic capabilities theories. A review of related literature on supply chain management practices of Strategic supplier partnership, customer relationship and level of information sharing, value creation strategies of collaboration and integration and the financial performance of manufacturing companies will be discussed in the next section.

2.0 Literature Review

2.1 Supply Chain Management Practices

Supply chain management is an integrated management system that synchronizes a series of interrelated business processes with the sole aim of creating product demand; getting access to raw materials and parts; converting the materials and parts into finished goods; adding value to the goods; distributing and promoting these goods to retailers or consumers; and finally facilitating exchange of information among the supply chain players (Cooper *et al*., 1997b). Supply chain management emphasizes on enhancement of the operational efficiency, profitability, and competitive position of an organization and its supply chain partners (Cooper *et al,* 1996). It also emphasizes improving the organization's business performance and competitiveness through establishing strategic linkages among suppliers, manufacturers, wholesalers, retailers and the end consumers of the organization's products and services. This can only be achieved through effective and efficient integration, collaboration and strong cordial relationships among the supply chain actors of the organization. As supported by Ryciuk & Nazarko (2020), the performance of an organization mainly depends on the relationship among its entities along the supply chain. Aziziankohan *et al.* (2017) also add that effective supply chain management promotes organizational efficiency and synergy among the stakeholders of an organization.

Supply chain management practices are a set of approaches and practices that effectively integrate all supply chain players to improve the long-term performance of the business and the supply chain through product innovation, customer satisfaction, improved product quality and price, efficient delivery system and information sharing. These practices have a significant impact on the performance and competitive advantage of organizations (Guna, 2021; Lee, 2021; Jutamat *et al*., 2019; Gloria & Devika, 2021). Organizations need to ensure that their supply chain management practices and the types of products and services they are producing are in line with their long-term supply chain management strategies. This will establish high integration among the supply chain players leading to better organization performance. Although there are several types of supply chain management practices such as professional planning systems, internet leveraging, structure of supply connections, structure of distribution channel (Cook *et al*., 2011) maintenance process, quality planning and monitoring activities, human resources and administration management, product designing and development (Iranmanesh *et al*., 2019), this study focuses on the effect of strategic supplier partnership, customer relationship and information sharing on the performance of manufacturing companies. This is because these practices are carried out at both downstream and upstream levels of the supply chain (Jum'a *et al*., 2021). Sukati, *et al.* (2012) also observe that these supply chain management practices have a significant impact on the supply chain performance of an organization. Meanwhile, Chopra and Meindl (2007) further described these supply chain management practices as a set of approaches and practices that effectively integrate the supply chain players along the chain and strive to improve the long-term performance of the business and the supply chain. The supply chain management practices under the study are discussed below.

2.1.1 Strategic Supplier Relationship

Strategic supplier partnership as defined by Li e*t al* (2006) in Al-Shboul, *et al*. (2017) is the relationship between an organization and its suppliers which lasts for a long term. It strengthens and improves the capabilities of the participants leading to efficient mutual planning and problem-solving competence. It has a tremendous impact on product design and development, the selection of competent suppliers and the development of trust between the organization and the suppliers. Fauziah *et al*. (2019) also define a strategic supplier partnership as a contract between the supplier and buyer to share similar opinions regarding the production and demand of the products which eventually helps to increase the operations and supply chain performance. Meanwhile, Agus (2015) comments that strategic supplier relationship serves as the prospect of developing loyalty, trust, integration and collaboration between the supply chain actors, leading to long-term sustainable performance for the organization. Strategic Supplier partnership requires coordination between the organization and its suppliers which leads to long-term relationships with greater value creation (Li *et al.*, 2005; Li, *et al.,* 2006). Adopting this supply chain practice will play a significant role in improving the performance of manufacturing companies in terms making selecting suppliers based on the quality of their supplies, jointly solving problems, planning and setting goals as well as developing new products by the companies.

2.1.2 Customer Relationship Management

This is a supply chain management practice that is carried out by supply chain players to manage customer complaints, build a lasting relationship with clients and raise satisfaction levels (Claycomb *et al.,* 1999; Claycomb *et al.* 1998 in Li *et al.,* 2006). It is a very important supply chain management practice that leads to the highest level of sustainable competitive advantage and corporate survival (Day, 2000) and the successful implementation of supply chain management programs, product differentiation, customer loyalty and value creation for customers (Magretta, 1998 in Li *et al.,* 2006). Hussain *et al.* (2018) view customer relationship management as the management of customer satisfaction and customer complaints in the organization’s goods and services, which will lead to continued customer loyalty and meeting expectations. Wang and Kim (2017) comment that some organizations emphasize efficient customer relationship management to achieve high customer satisfaction and experience. Vickery *et al.* (2003) emphasize the importance of establishing a close customer relationship as a major practice of supply chain integration to enable organizations to respond faster to customers. Adopting this supply chain practice by the manufacturing companies will facilitate improvement of the performance of the companies through frequent interactions with their customers in setting reliability, responsiveness and standards for their products and services.

The companies will also be able to measure and evaluate the satisfaction of their customers which will help in taking measures for ensuring long-term customer loyalty, commitment and repeated sales.

2.1.3 Information Sharing

According to Moberg *et al.* (2002) & Monczka, *et al.* (1998) in Li *et al.* (2006), information sharing as a supply chain management practice has two aspects: information quantity and information quality. Information quality relates to sharing relevant information, of the right quality (accuracy), at the right time, of the right amount and credible nature between the organization and its supply chain actors (Moberg *et al.*, 2002 in Li *et al,* 2006). This supply chain practice has a significant impact on the supply chain management performance of an organization in terms of reduced cost of production, improved quality of products, reduced inventory and customer satisfaction, which will lead to a competitive edge and higher economic performance of the organization. The level of Information sharing is the extent to which an organization shares its critical, proprietary information with its supply chain actors along the supply chain. The information can either be related to the organization's strategies, tactical, logical, general, or customers. A high level of information sharing along the supply chain of manufacturing companies leads to strong supply chain relationships, integration and cooperation between supply chain players as a unified entity, adding value to the final product, meeting customer satisfaction and responding to their needs. These will lead to the achievement of high performance of the companies, as supported by Marinagi *et al.*, (2015) and Li & Lin (2006).

2.2 Concept Of Value And Value Creation In Supply Chain Management

According to Feller *et al.* (2006), in the value chain concept, the value reflects three characteristics: It is a subjective experience that depends on the context; it arises when needs are met through the provision of products, resources, or services – usually during some form of transaction or exchange; and it is an experience that flows from the giver to the receiver. Meanwhile, Min (2015) believes that a value chain can be interpreted in a narrow or broad sense. In the narrow sense, it constitutes of range of activities which are performed within a firm to produce a certain output. These activities form the 'chain' which links producers to consumers and each activity adds 'value' to the final product. In the broad sense, it is made up of all of the complex range of activities carried out by chain players (such as primary producers, processors, traders, and service providers) to push a raw material through a chain to the sale of the final product. The broad approach looks at the activities implemented by a single enterprise as well as all its backwards and forward linkages until the level at which the raw material is produced will be linked to the final consumers. Trienekens (2011) also believes that the value added is created at different stages, and by different actors, throughout the value chain and may be related to quality, costs, delivery times, delivery flexibility, and innovativeness.

The main objective of any organization is value creation. Many researchers have debated for whom the value should be created because an organization is composed of many stakeholders (ranging from employees, suppliers, owners as well the society at large). Cengiz *et al.* (2004) made the first attempt to propose a model of value creation in an organization. According to the proposed model by Cengiz *et al.* (2004), businesses fail when they cannot produce value for the owners, employees as well customers. Creating value for employees can take the forms of better salaries, bonuses or shorter working hours. Value for the owners can be created when higher profits are realized. Meanwhile, value is created for customers when better quality products are delivered at the lowest possible price. The examples of value creation for the stakeholders (owners, employees and customers) cannot be realized without destroying the value for one stakeholder at the expense of creating value for another. The model also proposes that the concept of value creation answers the question: 'For whom the value is created?' It also has three dimensions: Financial, Non-financial and Time perspectives.

The financial aspect of value creation can take the form of higher profits, an increase in the company's stock value or an increase in the net worth of the company. These can all be achieved through increasing work efficiency, quality of products or developing better products, that will lead to customer satisfaction and loyalty and finally, higher profits. The non-financial aspect involves providing a reliable source of income for employees, autonomy as well as pride of ownership of the company. Meanwhile, the time aspect of value creation can take the forms of financial security for owners, investment in new products, introducing innovation or establishing reliable long-term relationships with suppliers or customers. The concept of value creation in supply chains has been described by Borys and Jemison (1989) as the process of combining the capabilities of supply chain partners to achieve a competitive advantage for the supply chain relationship and improve one or more of the supply chain partners. They added that the competitive advantage can be achieved by integrating the organization's activities with that of its suppliers, in their production process, to improve product quality or co-operating through collaboration with the same suppliers, to achieve better logistics performance.

Organizations are required to adopt appropriate supply chain management strategies so to maintain competitive advantage in the present dynamic business world of uncertainties. According to Green Jr., *et al.* (2008), an organization should choose a supply chain management strategy which will integrate and coordinate all the activities, parties and information. This will improve the performance of the supply chain members. Mason-Jones and Towill (2011) and Lewicka (2011) argue that the supply chain strategy must match organizational product and marketplace place and Fisher (1997) holds the opinion that an organization needs to consider the nature of the demand of its product which is either functional or innovative. According to the study conducted by Vonderembse *et al.* (2006), there are three types of Supply chain management strategies. The first one is the Lean Supply Chain Strategy which is adopted by the supply chain for standard players' abilities to carry out joint decision-making and problem-solving depends on the quality of information sharing along the supply chain. It can take the form of joint planning, goal setting, performance measurement and problem-solving (Soosay *et al.,* 2008). Dedicated Investment as a collaboration strategy among the supply chain players leads to strong commitment and economic cost. This adds value to the final product and ensures the achievement of high supply chain performance (Nyaga *et al.,* 2010).

2.2.2 Integration Strategy

Integration strategies for value creation are a set of strategies that can be employed by the supply chain players which will enable them to have ownership or control of vertically related activities (backward linkages) within the value chain. Stevens (1989) identifies that Supply chain integration involves information sharing, planning, coordinating and controlling of materials, parts and finished goods at strategic, tactical and operational levels. The supply chain members can add value to the final product through horizontal or vertical integration strategies. According to Humphrey (2005), a horizontal integration strategy involves coordination between the supply chain members at the same supply chain stage (level), to achieve the final goal of value creation. It entails the acquisition of related businesses through linking with other firms and combining resources. It offers value chain players excellent opportunities related to linking with large firms and improving the quality of products through increased access to inputs, better leverage in sales negotiations and greater ability to design initiatives.

Humphrey (2005), also views that vertical integration strategy involves ownership of the network of other supply chain processes. It is the strategy that can be employed by the supply chain members to have ownership or control of vertically related activities (backward linkages) within the value chain. This can be achieved between the upstream and downstream players. It is a very effective strategy for adding value to the final product as well as achieving effective and efficient supply and control of inputs, economies of scale and access to information. In vertical integration, a supplier of manufacturing input can vertically integrate his activities in the value chain by engaging in retailing activities of the supply chain, gaining direct access to the end consumer. This will help in adding value to the final product and boosting the profitability of the business. The value creation strategies when properly implemented, will ensure the survival of manufacturing organizations and competitiveness. This will finally lead to the achievement of high organizational performance in terms of market and financial performance.

2.3 Concept Of Organizational Performance

Tzokas *et al.* (2015) define organizational performance as the ability of an organization to achieve its market and operational goals. The market goals include: increasing brand awareness; generating leads of potential customers; becoming a thought lead or expert; increasing customer value; improving digital marketing technology; gaining a products and focuses on continuous improvement and elimination of waste along the chain. The second one is the Agile Supply Chain Management strategy which is adopted by the supply chain of innovative products and focuses on responding to rapid changes in the global market through dynamism and flexibility. The last one is the Hybrid supply chain management strategy which is adopted by a hybrid supply chain for complex products. It combines the capabilities of Lean and Agile supply chain management. The dynamic business environment is forcing organizations to adopt supply chain strategies and practices that will facilitate their chance of meeting the fast-changing customer demand or taste and guarantee their survival, competitive edge and high performance. This conceptual paper will focus on the role of value creation strategies of Collaboration and Integration in facilitating the effective implementation of supply chain management practices of Strategic supplier management, Customer relationship management and Information sharing on the financial performance of manufacturing companies in Nigeria. These are chosen based on the nature of the demand for the products of the companies (which are mostly functional) and the nature of their supply chain (which is a Lean Supply Chain) which will lead to high competitiveness and organisational performance as supported by Mason-Jones and Towill (2011).

2.2.1 Collaboration Strategy

A collaboration strategy is a strategic plan of an organization that enables the supply chain players at both vertical and horizontal chain levels to work together in pursuit of a common goal. Cao and Zhang (2011) believe that collaboration activities among the supply chain players in the past were simply focused on achieving a competitive edge by developing their internal and external opportunities and entry into new markets. Soosay *et al*. (2008) believe that these collaboration activities take the form of improving functional efficiencies in the procurement, planning, manufacturing and distribution markets of the organization. However, Liu *et al.*, 2020 hold the view that there is a need for a sophisticated set of collaboration activities due to the high level of competition, uncertainty, changes in customer taste and needs, globalization and fast-developing technologies. According to Simatupang and Sridharan (2008), collaboration activities represent supply chain players' willingness to maintain relationships and exchange over time. Ade *et al.* (2021) believe that information sharing, joint relationship effort and dedicated investment as collaboration activities which create value and are used for achieving competitive advantage and high organizational performance. Information sharing as a supply chain management collaboration strategy involves sharing critical information in activities, such as product design, book opening, cost sharing, product development plans or joint supply and demand forecast (Kembro & Näslund, 2014). It is a critical factor for achieving organizational performance and competitive advantage in the long run (Li & Lin, 2006). Joint relationship effort is a very important collaboration strategy that allows supply chain partners to plan, coordinate activities, and resolve problems together (Nyaga *et al.*, 2010). Min, *et al.* (2005) believe that the supply chain social media presence and increasing conversion rate or website visitors. The operational goals of an organization are related to the everyday running of an organization and they include profitability, product quality, management performance, and innovation capability. Organizational performance is best measured in terms of productivity (measure of output to input) which is in most cases a result of low cost of production and high profit margin (Hussain *et al.*, 2018). It can also be measured based on competitive position, market share and return on investment. Financial metrics are also used to measure organization performance (Holmberg, 2000). Stock *et al.* (2000) state that the ultimate objective of any organization (including its supply chain) is to enhance its performance. Organizations are adopting innovative abilities for efficient production to improve their performance (Al-Weshah *et al.*, 2019). The organization's performance in this study will be measured in terms of market and financial performance.

2.3.1 Financial Performance

This is a subjective measure of how well an organization can use assets from its primary mode of business and generate revenue. It is a general measure of an organization's overall financial health over a given period, its economic health and how effective its management is performing. Based on the fact that an organization is composed of many stakeholders and each one has his interest in tracking the financial performance of the company, there is no general financial measure. It simply identifies how well an organization generates revenues and manages its assets, liabilities and the financial interests of its stakeholders. It also relates to measuring performance in terms of profitability (such as gross profit margin or net profit margin); liquidity (such as current ratio); efficiency (such as inventory turnover); valuation (such as earnings per share); and leverage (such as debt to equity and return on equity). Financial performance measures have been commonly used for comparing and evaluating the performance of companies (Karimi & Rafiee, 2014).

2.4 Proposed Conceptual Framework

Manufacturing organizations of developing countries cannot achieve high performance in terms of market and financial measures, which guarantees their survival and competitiveness without paying attention to the external and internal environmental components of their supply chain environment. This can only be achieved through the adoption of appropriate Supply chain management strategies and practices. As supported by Frigo (2003), most firms face survival challenges as a result of neglecting the important role of their external processes while paying more attention to their internal processes. Organizations are required to effectively and efficiently link, coordinate and integrate their supply chain flow of material, people and information for optimum achievement of their organizational goal of customer satisfaction. This flow of activities requires high interaction and exchange among the upstream and downstream players, supporting the assumption of System theory. System theory proposes the need for organizations to closely interact with their vertical chain players (from suppliers to the ultimate consumer in the same vertical position of the supply chain) and horizontal chain players (the supply chain players at the same horizontal link) for their survival and achievement of optimum organizational goals, competitive edge and high organizational performance. Value creation is the primary goal of Supply chain management and can best be achieved through effective coordination and integration efforts of the supply chain players as demonstrated in Figure 1.0.

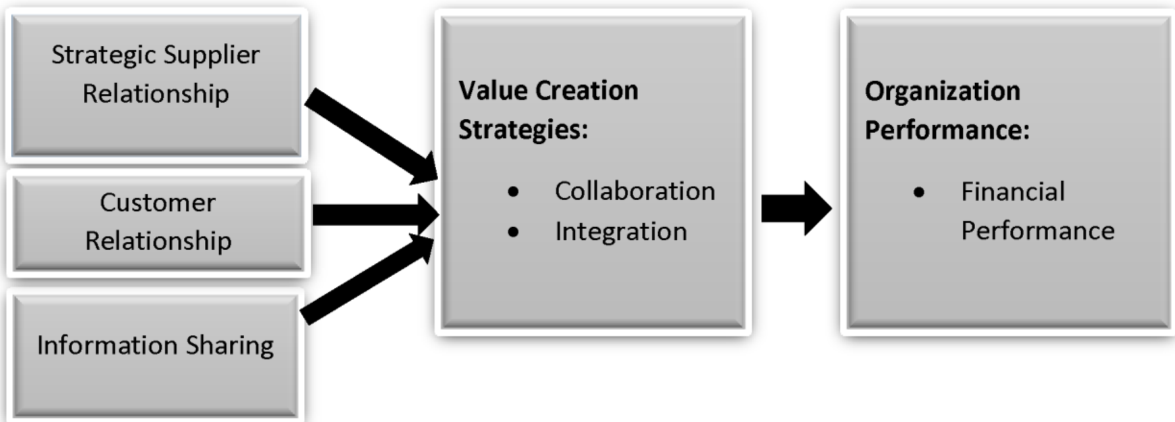

Fig 1.0: *A conceptual model showing the relationship between supply chain management practices, value creation strategies and organization performance.*

2.5 Theoretical Underpinning Framework

The survival and achievement of high financial performance by organizations can also be viewed from the theoretical perspectives of System and Dynamic capabilities theories. The theoretical analysis of theories from the perspectives of Supply chain management practices, value creation strategies and the underlying assumptions were discussed as follows:

2.5.1 System and Dynamic Capabilities Theories

System theory views organizations as systems of interrelated components that transact with a larger environment. They have the characteristics of being embedded within a larger system; the ability to avoid entropy; act as open systems; are regulated by feedback; and finally, they are bounded (Hayes, 2002). Yourdon (1989) developed general system theory principles which he applied to Information systems from the work of Miller (1978). These principles include: the more a complex system is, the less adaptable it is to the changing environment; the larger a system, the more resources it needs to support it; a system often contains other systems and may in themselves be components to the larger system; and lastly, the system grows in size and complexity. These principles apply to the field of Supply chain and Supply Chain Management as supported by Ian *et al.* (2007). For example, the more levels a supply chain (complex) is, the less agile it will be to change (Rigby *et al.*, 2000); the more an organization outsources its function, the more management and administration activities it requires; a supply chain is made up of suppliers, manufactures, distributors as well as customers who need consistent interaction and collaboration, to achieve overall organizational goals; finally as an organization grows, the number of goods, services, products, information and knowledge exchange through the chain may also grow (Ian *et al,* 2007). Thus, the supply chain of manufacturing companies comprises vertical and horizontal players. The vertical players are the supply chain players in the downstream section (that is where the final product is sold to the end consumers) such as customer service staff, distributors, and retailers or in the upstream section (where the input is supplied for production) such as suppliers and all the parties involved in between (that is from purchasing input to delivering the final product to a customer). Meanwhile, the interaction between the supply chain players of similar manufacturing companies is carried out by horizontal players. Each of these supply chain parties is required to effectively interact, share information and collaborate to achieve better performance for the company.

The Supply chain value creation strategies can also be explained from the perspective of Dynamic Capabilities theory. As explained by Teece (2007) and Teece and Shuen (1997), Dynamic capabilities theory is derived from Resource Based View theory (Barney, 1991, 2001; Werner felt, 1984, 1995), a theory of competitive advantage that assumes that an enterprise is a bundle of resources that needs to be deployed strategically to add value (Werner felt, 1984; Barney, 1991) and it achieves competitive advantage by acquiring and assembling these unique resources towards optimum achievement of overall organizational goals. Resource Based View Theory has been extended to dynamic RBV theory (another name for Dynamic Capabilities theory) which assumes that firms can secure a competitive edge by matching their strategic resources to changing market conditions (Helfat & Peteraf, 2003). Such capabilities can take the forms of Supply Chain Management, Supply Chain Collaboration or Supply Chain Integration and the performance of firms which are influenced by market changes (Forkmann, *et al.* 2018). Thus, Dynamic Capabilities theory assumes that an organization's vertical and horizontal supply chain players can extend, modify and refigure their unique capabilities to achieve improvement and competitive edge under conditions of instability. This is supported by Peteraf & Verona (2013). Also, Dyer and Singh (1998): Sambasivan and Abidin-Mohammed (2009) added that the performance achievement of such an organization cannot be achieved when the players are in isolation. Organizations need to establish collaborative relationships through long-term alliances and mutually beneficial relationships (Madhok & Tallman, 1998; Cao & Zhang, 2011). The vertical and horizontal players have unique competencies which add to the competitive value of the final product, leading to higher organizational performance. These are the underlying assumptions of System and Dynamic capabilities theories as applied to the concepts of Supply chain value creation strategies.

3.0 Methodology

The current study was carried out as a desk study. The literature review and field sampling programme was designed primarily as a descriptive study to provide baseline information on the existing literature on value creation, supply chain management practice, and organization performance status of the area under investigation. The choice of this method is based on the fact the researcher benefits from collecting the needed data while using the existing resources which have low cost and require less time for collection. In addition, essential information needed for the research process can easily be assessed. The online desk research method is used to obtain the information. The literature review method is employed to minimize the risk of using ineffective data collection techniques.

The study employed the empirical research approach suggested by Ramdhani, Ramdhani and Amin (2014) in the literature review and related aspects of the study. These include: choosing a review topic related to supply chain management, value creation strategy and organization performance; using the Google search engine to search and select appropriate journal articles in the study area which are published in reputable journals from 1980 to 2022. This has the advantage of providing the best and most current source of information, according to Cronin *et al.*, 2008. The published journals from the period of 1980-2022 are chosen on the basis that although the supply chain management concept was introduced in the 1980s and gained popularity (Oliver & Webber, 1992), there was an increase in publication in the reputable journals in the supply chain management areas and topics related to manufacturing, distribution, marketing, customer management, transportation and integration since its introduction (Habib, 2011) and the years that follow.

Finally, the analysis and review of related literature provided the background information on supply chain management practices, value creation strategies and organization performance of the area under study. The literature review demonstrated the importance of supply chain management practices of strategic supplier partnership, customer relationship management practice and level of information sharing on the market and financial performance of manufacturing companies as well as the mediating relationship of value creation strategies of collaboration and integration on the supply chain management practices and organization performance. As supported by Cronin *et al.* (2008), the findings of the study will provide the rationale for future studies and the current knowledge in the area.

4.0 Discussion

Conducting studies related to the performance of organizations is very important because it is used as the basis on which the organizations make strategic decisions, and draft relevant policies and strategies for achieving desired outcomes in the organizations, as supported by Silvestro (2014). Likewise conducting studies on the performance of manufacturing companies in terms of supply chain management practices of strategic supplier partnership, customer relationship management and information sharing will facilitate meeting the current needs and expectations of their customers, establishing long-term cordial relationships with their key suppliers as well as establishing open and clear communication process. These will all have a significant positive impact on the survival, competitiveness and financial performance of the companies.

Supply chain management practices and value creation strategies discussed from the perspectives of System and Dynamic capabilities theories will play a significant role in tackling supply chain challenges facing Nigerian manufacturing companies and achieving high performance by regarding them as resources to be exploited. As discussed earlier, System theory presumes that all supply chain players at both downstream and upstream levels of the supply chain need to be closely integrated to achieve maximum synergy, which will lead to optimum achievement of the organizational goals and improved performance. Also, a manufacturing company that has strong Dynamic Capabilities should focus on improving its knowledge of competition and changes in the market because it will improve its capabilities for effective and efficient performance, as supported by (Daneshgari and Moore, 2016). Monczka and Morgan (1997) also added that such supply chain resources can be utilized to achieve better market position and competitive advantage by engaging in the following ways: gaining a better understanding of the needs of the present and future customers at both national and international levels; understanding the core competencies of suppliers in meeting customer needs; identifying the areas of redundancies and inefficiencies within the supply chains that relate to competitive needs for the current and future periods; and developing relationships and alliances with suppliers who possess key competencies that will promote and enhance internal core competencies at both national and international levels.

5.0 Conclusion

This study is a conceptual review of related literature which discusses the theoretical framework for supply chain management practices, value creation strategies and organization performance of manufacturing companies in Nigeria. The review of the literature for the study indicates the contributions from various sources of literature and the discussions of the findings. System and dynamic capabilities theories were used to analyze the importance of adopting Strategic supplier partnerships, customer relationship management and Information sharing practices through value-creation strategies of integration and collaboration to achieve higher financial performance of the manufacturing companies. The paper has contributed to existing literature in the area of supply chain management practices of manufacturing companies in Nigeria. The paper has also explored the theoretical impact of value creation strategies of the supply chain members for the improved performance of manufacturing companies in a dynamic business environment. As supported by Stevenson (2002), this study will assist researchers with additional knowledge in the area of the study which will significantly help in achieving better operations, efficient outsourcing, higher profit, improved customer satisfaction, higher quality outcomes as well as effective tackling of competitive pressure, increasing globalization and increasing complexity of supply chains of the organizations.

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