

Strategic choice theory or sct

Science



Kochan (1984) describes the strategic choice theory as that which takes into consideration the forces coming from the external environment that may affect the entire organization. Generally, it is through these external forces that employers are encouraged to make adjustments in their strategies in order to ensure their competitiveness within their own field. Agency Theory or AT Eisenhardt (1989) describes the agency theory as something that concerns the relationship between two parties wherein the first one delegates the work to another.

This is generally appropriate in solving problems that arise from this particular relationship: the first one being the unparallel work of two parties within the relationship; and the second, the idea of risk sharing that these two groups must be accountable for.. Institutional Theory or InT According to Richard (2004), institutional theory is concerned with the deeper and more resilient aspects of the social structure. In general, it analyzes the processes that influence social behavior (i. e. schemas, rules, norms, routines, etc).

Basically, this theory looks into how the aforementioned are influencing the practices of certain organizations in respect to their adoption of practices of supply management. Systems Theory or ST The systems theory is then concerned with the study of the complex systems present in nature, society and science in order to efficiently analyze how groups work hand in hand to produce the same result (Bertalanffy, 1968). Generally, it is under this theory that the researcher would analyze how organizations, their suppliers and other groups within their supply chain network work hand in hand to achieve a specific business goal.