Table 1. Phases and activities in a third party-relationship. (Skjoett-Larsen, 1995, pp 24-25, translation from Danish)

Phase	Activities
Preparation	• Current logistics cost • Service level targets • Current service level assessment • Develop request for proposals
Selection	• Screening of TPL market • References • Pre-qualification round • Evaluation of hard and soft factors • Mutual visits
Contract	• Main contract • Working manuals
Implementation	• Establishment of team organisation • Interfaces between information systems • Staff exchange • Staff training • Joint problem solving • Frequent meetings
Improvement	• Continuous improvements • Fair risk-sharing • Fair gain-sharing • Education and training • Develop social contacts
Renegotiation	• Evaluation of the process • Assessment of changes in working environment • Contract revision • Expansions/Restrictions • New tendering round/Renegotiation

preparation

The first phase of TPL establishment is according to Skjoett-Larsen (1995) one that is mainly about the shipper doing their homework properly. As outsourcing logistics activities have widespread strategic and organisational consequences, it is important that any decision to outsource is preceded by an extensive analysis of the current

logistics system, costs, and service levels, as well as establishing cost service targets to be achieved through TPL. This is emphasised also by other authors, e g Lal *et al* (1995) and Boyson *et al* (1999). In addition, Andersson & Norrman (2002) stress the importance of specifying the scope and types of service that are to be performed by the provider in the future TPL arrangement. These activities are basically the same that Sink & Langley include in the second step of their buying process, i.e. *develop feasible alternatives* (see Appendix 3)

Sink & Langley and Bagchi & Virum offer process descriptions that differ from those of Skjoett-Larsen, in that these include a step or phase prior to preparation, *Identify need to outsource logistics* and *Need awareness,* respectively (see Appendix 3). The point offered is that the process of establishing TPL includes the events that lead to identifying TPL as the desired future state. Sink & Langley state that the buying process starts with an identified need to respond to a problem or an arisen opportunity. Common factors behind this are an initiative to enhance customer service, decrease fixed and variable cost, or to increase capacity. They also point at the emergence of a "change agent", who champions the idea of outsourcing logistics. Bagchi & Virum point at companies' macro and micro environments, such as developments in the European union, increased competition, higher customer expectations and increasing costs, in conjunction with the shipper's overall business vision and goals, as well as "organisational shake-up", for instance when a new CEO joins the company. Examples of influencing factors identified by other authors are an overall strategy of focusing on core business, a desire to ease implementation of structural change (most notably a centralisation of the distribution structure, at least in European firms), cost and investment reduction, and service improvement efforts (van Laarhoven & Sharman, 1994; Andersson, 1995; Skjoett-Larsen, 1995, 2000b).

The last activity in the first phase according to Skjoett-Larsen is the development of a request for proposals (RFP), an activity that is included in all the other descriptions as well. This is the activity in which, according to the authors, much of the work regarding service specification is carried out.

selection

With a detailed RFP ready, the shipper should identify potential providers, through using multiple sources of information. Financial strength and capability to provide the requested services are important factors for choosing candidates. Skjoett-Larsen proposes mutual visits and references from external actors as ways of gathering information for the final choice of provider, Sink & Langley also put forward the use of outside consultants. Bagchi & Virum suggest applying a quantitative tool such as the analytic hierarchy process[11].

[11] See e g Saaty (1990).

Andersson & Norrman however point out that in some instances, due to the complexity of the sought-after TPL arrangement, there might not be any providers that are capable of offering the services at all. Rather, the choice may very well be one of finding the candidate that is most apt for developing the necessary capabilities.

contract

When a provider is selected and the services to be included in the arrangement are specified, a contract between the parties is signed. Skjoett-Larsen suggests that a brief main contract is formulated, in which the main terms of the deal are specified. This should be complemented with detailed working manuals, in which tasks, service targets, and such are specified in detail. Sink & Langley state that routinely contract periods of one to three years are agreed upon, but longer periods might be required if suppliers are to undertake major investments for the specific arrangement, they also stress the importance of including an escape clause. Andersson & Norrman point out that negotiations and contracting are heavily dependent on the complexity and uncertainty of the arrangement. In some instances, service specification, negotiation of terms and contract formulation might take place during or after the fact, i.e. operations might commence before the formal contract is signed.

implementation

This phase includes transferring responsibility for provision of the included services from the shipper to the provider. The use of cross-functional teams with members from both organisations is common, as is exchange of personnel for training purposes. Skjoett-Larsen emphasises that the human factor is most decisive for the success of a TPL arrangement, and stresses the importance of transferring routines and competence between the parties. The parties should also be prepared that problems not only can, but will emerge underway, and that it is the responsibility of both parties to work jointly in solving these. This integrative approach is emphasised also by Bagchi & Virum.

Sink & Langley state that a strictly planned approach is required in order to smoothly implement the partnership; this should be manifested by the writing of a thorough transition plan in co-operation between the two parties. The written plan should contain directives for issues as comprehensive as the organisational structure of both parties, process descriptions and a timetable for events and activities. These authors also point out the embedment of certain activities in others in the TPL establishment process. Similar to Andersson & Norrman, they state regarding implementation:

While one might surmise that implementation begins at the date and time specified in the formal contract, this is not always the case. In fact, it often starts in the supplier selection stage and can play a prominent role in the final choice of a provider.

(Sink & Langley, 1997, p. 180)

improvement

When the transfer is completed and the provider has assumed responsibility for producing and managing services, the TPL arrangement moves on to the improvement phase. The main activities of this phase are, apart from the provider actually providing the service, are continuous evaluation and development. Education and training, risk and gain sharing, and further development of social bonds are important ingredients. These are basically the activities that Bagchi & Virum and Sink & Langley include in the last steps of their respective models (see Appendix 3), the latter however also point out that a TPL arrangement might have to be terminated due to unacceptable service levels or cost.

renegotiation

When the initial contract period comes to an end it is time for renegotiation. This should be started well in advance of the end of the contract period, as time for evaluating the process should be provided for, as well as allowing for the shipper to develop a new RFP and obtain bids from competing service providers.

an outline of the TPL establishment process

The reviewed papers offer a quite consistent description of the activities that make up the TPL establishment process, although the terminology varies, as do partly the order and scope of activities included. The starting point is when the shipper *recognises a need* to outsource logistics activities; this is closely linked to a *specification* of the services to be provided by the third party. Specification is either carried out solely by the shipper, or jointly with the provider; in the latter case this activity is probably also closely linked to *supplier selection* and *negotiations*. Depending on the objective that is to be achieved through TPL, the outsourced services may vary in scope and complexity, as well as in geographic coverage. A supplier of these services is *selected*, and an agreement is reached through *negotiations*, which ultimately may lead to a *contract* being signed between the parties.

At some point along this process the service provision commences. From the literature it is clear that this *transfer* might go on before, during and after several of the aforementioned activities, it may take place either gradually or through more dramatic shifts in quantum leaps. Regardless of how, at one point a state is reached where the provider carries out *operations* on behalf of the shipper. But the process does not end here, the operations can undergo changes in terms of altered scope of the services provided, i.e. the specification is altered, and *improvement* of those services that are included in the TPL arrangement may be made. Ultimately the contract period comes to an end, which necessitates renegotiations. The outcome of this activity renders three possible options; a continuation of the partnership, a shift to another service provider or a shift back to in-house provision or arm's length procurement of the services.

These activities constitute generic process components of TPL establishment; an illustration of a generic process is offered in Figure 1.

Figure 1. An outline of the TPL establishment process as portrayed in the literature.

In any given process all these activities exist to some extent. The duration of each varies from case to case, as does the causal relationship between them. In some cases the process might be distinctively linear and sequential, whilst for others several steps might be carried out in parallel or in another order than depicted (Andersson & Norrman, 2002). This is emphasised also by Sink & Langley:

> *In fact, the study data revealed that it is common for firms to cycle and recycle through the phases or even bypass one or more of them. In essence, no simple linear relationship exists between the stages of the third-party logistics purchasing process.*
>
> (Sink & Langley, 1997, p. 174).

I believe this is as far as it is possible to go in presenting the TPL establishment process on a phase- or step-basis. The pieces reviewed above are founded in different empirical observations, and have partly different theoretical underpinnings; nevertheless, although the authors sing slightly different verses, they all join in on the same refrain.

the outsourcing establishment process

What about the outsourcing establishment process then? It seems that the literature on outsourcing is mostly concerned with decision making, i.e. the *why* and *what* of outsourcing; this finding is supported by e g Brandes *et al* (1997) and Wasner (1999). In this sense, there is little difference between outsourcing literature and what is written on TPL. One functional area seems to be more extensively covered than others, that is outsourcing of information systems/ information technology (IS/IT).

Researchers have applied constructs from different theoretical fields to analyse, explain and issue prescriptions about outsourcing decisions. Cheon *et al* (1995) have assessed outsourcing literature and make a distinction between a strategic management and an economic view, a division to which Lee *et al* (2000) add a social view. Within the strategic management view resource-based and resource dependency theories are mentioned as the main fields, whereas in the economic view the main theories are transaction cost economics and agency cost. Power-political and social exchange theories are mentioned as the main constituents of the social view of outsourcing (Cheon *et al*, 1995; Lee *et al*, 2000).

Even though I have seen examples of the social view in outsourcing literature (e g Lee & Kim, 1999; Kern & Willcocks, 2000), I dare say that the strategic management and economic views dominate, and within these, resource-based theory and transaction cost economics are most commonly used.

Among the studied literature, I have identified a number of pieces that deal with the process of establishing outsourcing arrangements, the outsourcing process, for short. These are, in chronological order, Pagnoncelli (1993), Rothery & Robertson (1995), Corbett (1996), Lonsdale & Cox (1998), Greaver (1999), Wasner (1999), Zhu *et al* (2001), and Chen & Soliman (2002). However, with only one exception, these are of the same type as those that deal with the TPL establishment process. The authors suggest a number of phases or steps and, as in the TPL literature, the terminology and scope differs slightly, but the basic sequence and overall content are similar. Therefore I have chosen not to go into any detail on these here, as these pieces do not give what I sought for, i.e. knowledge on the establishment of outsourcing that could be useful for understanding establishment of TPL. I have opted to present the graphical illustrations and tables offered in the original pieces in Appendix 4, thus making it possible for the interested reader to make their own comparisons. But, as stated there is one exception, which I will go into in more detail on in the next section.

an exception in outsourcing literature

One author who assumes an alternate posture to the processual aspects of outsourcing is Wasner (1999), who finds existing descriptions of outsourcing to entail a view of outsourcing as a rational make-buy decision, followed by transfer of control over the outsourced activities, and appraisal:

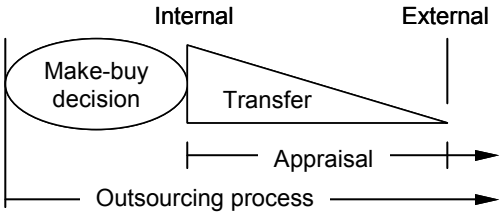

Figure 2. Illustration of the existing process view on outsourcing. (Wasner, 1999, p 26).

Wasner (1999) finds this type of process description incorrect. The sequence of a rationally conceived decision followed by transfer is consistent with a traditional view of strategic implementation, where a formulation of strategy precedes implementation (see e g Bourgeois & Brodwin, 1984). Wasner is critical to this view as it does not regard implementation as problematic, nor does it consider that intended strategies may evolve or change over time as they are implemented. There is also a lack of recognition that a decision may sometimes be a post-rationalisation of events, i.e. that implementation might very well have preceded formulation, nor does it take into account that individual behaviour and actions that indeed may have an effect on the process. Thus, inspired mainly by Normann's (1975) "process view"…

> *The process view is characterized by the absence of goals (formulated as future states intended to be attained), rather only a vision of a future state can be formulated based on the insights possessed momentarily. Based on the vision, a number of initial steps in a process can be formulated. Once the steps have been taken, experiences are to be appraised, the vision to be altered according to the new state of knowledge, and new process steps to be formulated.*
>
> (Wasner, 1999, p 31)

… Wasner instead suggests that the outsourcing process should not be conceived of as a rational make-buy decision followed by transfer. Rather, the process is likely to consist of a number of incremental decisions and activities, some of which that are very much entangled, others that are more or less independent. Also, as suggested by Mintzberg & Waters (1985), certain emergent factors might have such an impact on the process that the realised strategy might differ from what was originally intended.

Wasner concludes that existing outsourcing literature is *"...being set exclusively in the intended dimension"*, thus calling for a need to explore *"... whether outsourcing is sufficiently understood as a rational phenomenon"* (p. 33).

Based on an analysis of two extensive empirical cases, both from large Swedish companies engaged in outsourcing of manufacturing activities, Wasner concludes that the portrayal of outsourcing in literature is insufficient:

> *Based on the empirical findings and in response to the first research question, I suggest that outsourcing is inherently processual, i.e. it is not simply a matter of selecting a perspective, rather outsourcing is to my mind more correctly described as a processual phenomenon than as a static one.*
>
> (Wasner, 1999, p. 82)

This processual characteristic also implies that the dominating strategic focus in the literature fails to acknowledge the operational aspect of outsourcing. The following illustration of the outsourcing process is instead offered:

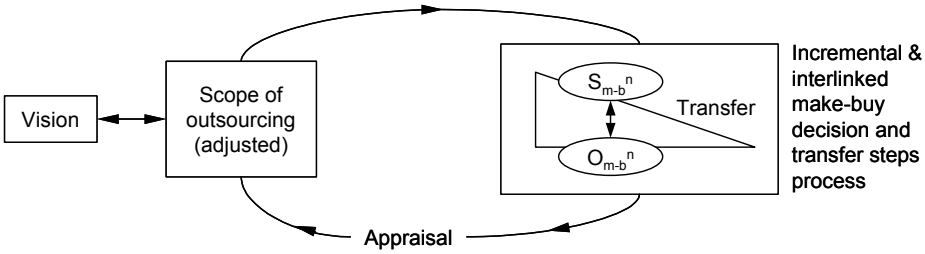

Figure 3. The intraorganisational outsourcing process (Wasner, 1999, p 84).

It is pointed out that the outsourcing process indeed is complex, since it involves two organisations, neither of which has complete control over the process, and since it is lengthy and can only be reversed to a limited extent, thus potentially having substantial long-term consequences. The intraorganisational process within the outsourcing company, which is Wasner's focal process, consists of make-buy decisions and transfer activities at both the strategic and operational level, these two parallel activity levels are interlinked and initiative may shift between the two as the process evolves.

Wasner's (1999) statements stand in stark contrast to the view in other literature, i.e. that the main concern with regard to outsourcing is a strategic one, and that the most important task is to conceive strategically wise decisions. Given the chosen perspective, Wasner is able to conclude that the outsourcing process is made up of not only activities on the strategic level, but also on the operational, and activities and decisions on both these levels need to be coordinated.

3 A change process perspective

The second initial question posed in the introduction is: *How are issues of change processes treated in the logistics literature?* The answer to this question is given in this chapter. As noted in the introduction Carlsson (2000)[12] concludes that logistics research has largely neglected the *how*-issue of change; emphasis has primarily been placed on *what* and *why* type questions. Researchers have met a business climate of a faster pace of change and increasing competition with development of knowledge on new solutions and concepts for mastering these challenges.

Carlsson's analysis of the logistics literature concludes that certain main themes are recurrent. The most dominating theme is that the content of different changes are presented, i.e. what has been done, and what effects the specific change has had. Also the driving forces behind certain change efforts are presented. Closely linked to the driving forces is the business context in which the changes have taken place, these are often presented as a backdrop for explaining why certain changes have taken place. Context is also discussed in terms of prerequisites for implementing a specific solution or concept. Advancements in information technology is also a major theme; in earlier logistics writings as a driving force for change, later as a factor making new, advanced logistical solutions possible.

Another conclusion of Carlsson's is that logistics researchers have identified that logistical change efforts of different sorts often face substantial difficulties in reaching substantial and fast impact in the organisation. Several authors have pointed out that managing the change process is important, but that little support is given in logistics literature. As Carlsson puts it:

> *The main pattern that emerges in the literature review is that it is the content of change that is in focus, and towards the end of the publication the authors conclude that implementation is difficult, but important for making the specific solution work. The authors express this in general management terms and often in the form of normative imperatives. The weakness is that systematic empirical and theoretical groundwork regarding the change process is missing. The contributions above all become accounts of practical experiences and necessities, but the theoretical contribution is weak since there is no scientific link between theory, empirical data and conclusion.*
>
> (Carlsson, 2000, p. 14, translation from Swedish)

[12] This is the concluding part out of a total of four comprising Carlsson's doctoral dissertation. Other constituents of the dissertation are Carlsson & Mårtensson (1994), Carlsson (1997), and Carlsson & Sarv (1997).

a model to study process

Carlsson thus assumes a stance regarding change that differs from what is common in the logistics literature. His work is founded in an approach to studying strategic change developed by Pettigrew and colleagues (see e g Pettigrew, 1987, 1990; Pettigrew & Whipp, 1991). Central in this approach is a basic model of strategic change, which is presented as a meta-level analytical framework that…

> *…offers analytical structure at a broad level but no over-restrictive theoretical web, and plenty of space to adjust research designs and study questions as one moves from one content area of change to another.*
>
> (Pettigrew, 1990 p. 283)

The basic model consists of three dimensions, *Content*, *Context* and *Process* (See Figure 4.) The *content* dimension deals with the *what* of change, in terms of changing strategies, structures, or business processes (Pettigrew, 1987). *Context* refers to the structures and processes in which the process is embedded. Pettigrew (1997) emphasises that a study of process cannot be undertaken without taking context into account; change is affected by, and affects, both outer and inner context, examples of the former being a firm's economic, political, and competitive environment, examples of the latter are the firm's structures and corporate culture. An analysis of context gives answers to much of the *why* of change (Pettigrew, 1987).

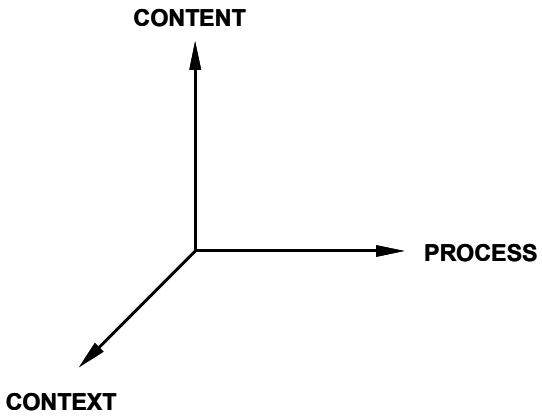

Figure 4. The basic model of strategic change.
(Adapted from Pettigrew & Whipp, 1991, p. 26)

A process is by Pettigrew (1987) defined as *"... the actions, reactions, and interactions from the various interested parties as they seek to move the firm from its present state to its future state."* (pp.657-8). Thus the *process* dimension encompasses the mechanisms at play among the actors that are affected in a change process, the *how* of change.

A contextual analysis involves studies of processes at different levels of analysis, as well as parallel processes at the same level. Both the external environment, e g changes on the business sector level such as shifting competition, and the internal process surroundings, e g driving forces behind a certain strategic choice must, according to Pettigrew, be studied and linked to the focal process:

> *Thus explanations of the changing relative performance of firms should be linked to higher levels of analysis (sector changes and alterations in national and international political and economical context), and lower levels of analysis (the drivers and inhibitors of change characteristic of different firms' culture, history, and political structures). There is also recognition that there are processes at different levels of analysis, (firm level of internationalization as well as sector level internationalization), and also multiple processes at the same level of analysis (firm level of strategy and technology development).*
>
> (Pettigrew, 1997, pp. 340-1)

Thus, depending on at which focal level the analysis takes place, any process might either be on the focal level, or above, below or parallel. The studied process might be part of a process on a higher level, or incorporate one or several other processes on lower levels. One could say that the analytical framework offers scalability to a research design in which it is adopted.

It is important to note here that Carlsson's (2000) study explicitly excludes the *external* context, it has only been taken into consideration when *"... it has influenced the change under study... ... thus limiting the possibilities to relate approaches to change to the context dimension"* (p. 18, translation from Swedish). This is not to say that context has been excluded altogether; the context of the change under study, what in the terms of the basic analytical framework would be referred to as *internal* context, has been taken into account.

a theory of change

But there is more to a study of change process than acknowledging different entangled dimensions and that these interact as the process evolves over time. Guided by statements made by Van de Ven (1992), Carlsson (2000) concludes:

> *The basic model is not sufficient for analysing and developing knowledge on the change process of operational development. It is also necessary to have a theory of change that underlies the analysis of the change process. …[quoting Van de Ven (1992)] … My interpretation is that a theory of change that explains why and how change comes about is necessary. It is this theory that drives and forms the basis of analysis of change processes.*
>
> (Carlsson, 2000, p. 55, translation from Swedish)

Based on a study of logistics literature, in conjunction with literature from the literature areas *strategic change* and *learning organisation*, Carlsson (2000) thus identifies three different *models of change*, defined as *"…basic assumptions about what change is and how change comes about"* (p. 33, translation from Swedish). One of these is what Carlsson coins the *linear* model, which is solution-oriented and according to which change processes are primarily concerned with rational decision-making and solution design. Implementation of the decided solutions is viewed as unproblematic exercises of issuing directives. But in the literature Carlsson also identifies the *processual* and *circular* models. The former is the model that is visible in the works of e g Pettigrew, which emphasises e g social and political processes, the latter stems from learning organisation literature and according to this model change is a circular learning process. A more thorough presentation of the models is given in a separate section below.

Instead of adopting any one of these three fundamental logics of change, Carlsson chooses to adopt all three models and to test their explanatory power empirically. From this analysis emerges a conclusion that none of the models is by itself able to explain the mechanisms of any given change process. Rather, they have merit in complementing each other, as they can reproduce the mechanisms of different types of change.

In his literature review Carlsson concludes that there are few references within the logistics literature that deal explicitly with change processes, and that the dominating logic of change underlying most logistics literature is the linear model. Apart from the literature studied by Carlsson, I have come across other examples of clearly linear approaches to change in logistics literature in the form of those frameworks for logistics development offered in textbooks by Bowersox & Closs (1996), Taylor

(1997), and in the recent Swedish addition of Aronsson *et al* (2003). These all suggest a similar sequence of steps or phases that should be worked through in order to develop a logistics system. The starting point is an assessment of the current system, which is followed by development of alternatives. These alternatives should then be compared to the current state and eventually it should be decided which of the alternative paths to follow. The activities of these phases are entirely analytical. Once a decision has been reached, it is time to implement the design. The process ends with a follow-up assessment of achieved results.

Carlsson argues that the processual and circular models of change are not recognised in logistics literature. I have however found a few examples of recent works that differ slightly from the dominating, *what*-oriented, linear view, mainly by pointing at the importance of "human issues" in general. Skjoett-Larsen (2000a) points out that: *"In the end, it is the employees and not the systems and processes that will ensure solutions to the logistics tasks…",* making it necessary *"…not to underestimate the human and cultural aspects in the implementation of projects of change in the company"* (p. 386). Similarly, van Hoek *et al* (2002) argue that supply chain managers need not only technical capabilities, but also emotional, whilst Gammelgaard & Larson (2001) stress communication skills.

There are also a few authors who discuss organisational learning aspects in logistics, e g Drew & Smith (1998) and Ellinger *et al* (2002), thus drawing on the circular model of change. But both these articles discuss only logistics managers' learning, i.e. those whose task it is to design solutions and issue directives. This would be perfectly fine if every organisation consisted solely of logistics managers. To my mind, however, these papers give away that the authors still are fundamentally rooted in the linear mode of thinking, basically stating that "if logistics managers can develop their learning skills, they will be even better at designing good solutions". They also lack in the sense Carlsson points out regarding other logistics literature, in that the conclusions are not founded in systematic theoretical and empirical investigations of the change process as such. This is not to say that these pieces are of no value; indeed, I believe they underline the necessity of more research into the change aspects of logistics management.

the models of change

Carlsson (2000) concludes that two main phases exist in the *linear* model, *formulation* and *implementation*; these two are clearly separated from each other, the latter following the former, see Figure 5. During the formulation phase, logistics experts formulate solutions on the basis of thorough analysis and known concepts. The formulation phase eventually concludes with a decision on the solution to implement. Implementation of these decided solutions is then carried out through the formulation of directives to those who are to execute the new design in the organisation. An

analogy to construction work would be that architects and engineers are one group of actors, construction workers another. The latter, albeit skilled in construction work, are charged with the task of realising the schemes and designs conceived by the former. The building is first designed, and then erected.

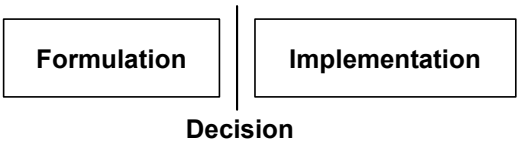

Figure 5. The linear model regards change as a rational decision-making process. (Carlsson, 2000, p. 56, translation from Swedish)

According to Carlsson's *processual* model, change is regarded as a social process among affected actors; actors interact and influence each other, and all to varying degrees partake in, and have influence on the process. Change is regarded as continuous, rather than divided into discrete episodes; these are one of the cornerstones of Pettigrew's theory of change (cf Pettigrew, 1987). In contrast to the linear model, formulating or designing solutions is not so much of interest as organisational *formation*, i.e. actions and behaviour intended at creating a momentum for change. There are political elements in the process, as it is recognised that decisions might not be taken solely on the basis of rationality, but rather that certain actors have been, or become, influential enough to gain approval for ideas. As Carlsson (2000) puts it: *"To be able to affect the course of events the actor has to be active on the 'strategic arena', where critical decisions are conceived."* (p. 41, translation from Swedish). Implementation is not viewed as unproblematic, nor clearly separated from formation, see Figure 6. Rather, at any given point in time, formation and implementation are likely to interact; in some instances implementation might in fact precede formation. This reasoning is in line with Mintzberg & Waters' (1985) statement that intended strategies are not always realised, and that realised strategy might in fact be a post-formulation of emergent strategy.

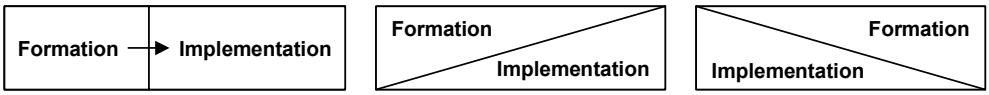

Figure 6. The processual model assumes interdependence between formation and implementation. The phases may be temporally separated, or integrated, and implementation may precede formation. (Carlsson, 2000, p. 57 & pp. 75-76, translation from Swedish)

The *circular* model differs from the other two, as change is not regarded as something separate from everyday life in the organisation. Rather, this model asserts that organisations must comply with an ever evolving environment through continuous learning. This is achieved through well-developed platforms for learning from

experience within the organisation, thus allowing actors to develop the system in which they are part. Change is regarded as a circular learning process, which in its simplest form is a continuous cycle of the activities doing and learning (Figure 7). Doing is not limited to carrying out the activities that constitute the work processes of the organisation, but also taking action in changing these, experimenting with new ways of carrying them out. The learning element is one of observing outcomes of actions and reflecting upon these, thus developing the actors' mental models of how the world works (cf Kolb, 1984; Senge, 1990).

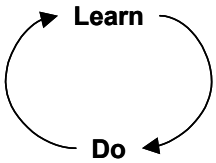

Figure 7. The circular model of change. (Carlsson, 2000, p. 57, translation from Swedish).

formation, formulation, and implementation

In the descriptions of the models of change offered above, it is close at hand to think of *formation* and *formulation* as mutually exclusive; this is however not how these illustrations should be interpreted. In the linear model of change formation takes place solely through formulation, and in the processual there is also formulation, but this is not the only aspect of formation. Formulation might also be part of *implementation*, as the content of change is shaped as the process evolves. Also in the circular model of change these two components are present, in that change is a continuous cycle of formation and implementation.

My interpretation of Carlsson's (2000) use of these notions is that there are two phases in any given change process, *formation* and *implementation* (see Figure 8 below). Formation encompasses all that leads to acceptance of a certain solution and thus all activities, actions and events that in any way affect this acceptance are part of formation. In the linear model acceptance is expected to come from rational arguments regarding a formulated solution, i.e. the formation activities are analytical and rational, and are the responsibilities of a group of experts. In a processual change approach formation encompasses more than merely formulation; in fact, rationally founded formulation might not be an important part at all. Other activities, intended to create conditions for change, might dominate the process. In the circular model formation is deemed to take place constantly given the assumption that there always is a better way to carry out operations; formulation is part of both doing and learning.

The other phase is implementation, which encompasses all activities, actions and events that lead to manifesting a certain change in operations. These two phases are

not always as clearly separable as what is conveyed by this description, and in certain instances implementation and formation take place in parallel. Implementation might even forego formation.

strategic and operative

Carlsson's work is concerned with operative change, i.e. changes in companies' operations. This does however not imply that the strategic level is disregarded; there is interdependence between the two. Decisions made at the strategic level are manifested in operative changes. Carlsson's most illustrative description of this dependence is offered in one of his descriptions of a change process carried out according to linear logic:

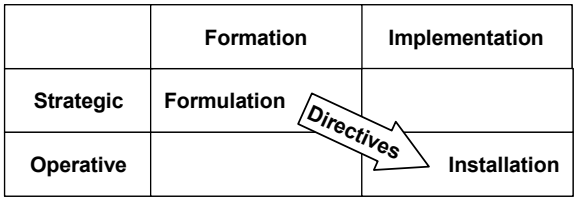

Figure 8. Change according to the linear logic.
(Carlsson, 2000, p. 72, translation from Swedish)

Apart from giving yet an illustration of change according to the linear logic, Figure 8 illustrates several important characteristics of change processes. There is the connection between formulation and formation, two notions that are used almost interchangeably by Carlsson. There is also a characteristic feature of linear logic, that when a certain design is implemented, the actors on the strategic arena view this as an installation of a specific solution.

The strategic arena is where the most influential decisions are made, those that have substantial impact on the system's development as a whole. But there is also the operative arena where there also is decision-making, and the actions and activities that actually manifest strategic decisions in operations are carried out. Certain actors have by virtue of their position in the organisation access to these arenas; some hold executive positions with responsibilities that are part of setting the company's strategic course, some have operative responsibilities and thus have an influence over the realisation of strategy in operations. But actors can also have, gain or lose access to arenas as the process evolves, by means of certain events or action or behaviour.

combining meta-model of process and theory of change

Carlsson concludes that the models of change are not mutually exclusive, rather they complement each other and several models might be at play in the same change process. There is not one single best way to manage logistical change; rather, the approach should be adapted to the content of change in order for the change effort to be effective. Carlsson has shown that a change process that is initiated and led by actors on the strategic arena can on an overall level be linear. But when solutions are formulated and it is time to implement, the change leaders can approach this according to a circular logic by arranging opportunities for learning among the affected actors, thus giving these opportunities to develop mental models in accordance with those of the leaders.

Regarding the relationship between the different models of change on the process dimension, and the content dimension, Carlsson (2000) writes:

> *In the logistics literature the linear model has dominated. The empirical patterns however show that this model can only reproduce the mechanisms of marginal changes. In the frame of reference two other models are identified, and by analysing the empirical material it comes to light that these are better suited for reproducing the mechanisms of more extensive change.*
>
> (Carlsson, 2000, p. 98, translation from Swedish)

Unfortunately Carlsson's research has not regarded the context dimension in relation to process in the same extent as the relation between content and process. Subsequently the formulations are rather vague, stating that in a stable context the linear model is likely to prevail, while as the context becomes more dynamic, the processual and circular models might come into play. Therefore extent of change is assessed along the content dimension.

A central notion that Carlsson has brought in from the literature is *mental models*, in short, an individuals' basic assumptions of how reality is constructed, assumptions that guide behaviour. Change can either be within existing mental models, i.e. not affecting the fundamental assumptions of reality, or it can be a change of the mental models as such, i.e. questioning and altering the fundamental assumptions of reality. Marginal changes are changes that take place within the boundaries of existing mental models, and are thus best reproduced by the linear model. As change becomes more extensive, and complexity increases, existing mental models gradually come under scrutiny, and perhaps new assumptions of reality, new mental models, are developed. In such case, the processual and circular models are better at reproducing the mechanisms of change.

The development of mental models is an issue of learning; marginal change means marginal learning, i.e. an adaptation of thoughts and behaviour within the domain of existing views of the system in which the actor is part. This type of learning does not involve changing the boundaries of this domain. More extensive change however means that another type of learning takes place; the boundaries are expanded, moved or perhaps altogether exchanged. Linked to the degree of learning, Carlsson offers the following, to my mind very illustrative, description of how the extent of change content and the models of change relate:

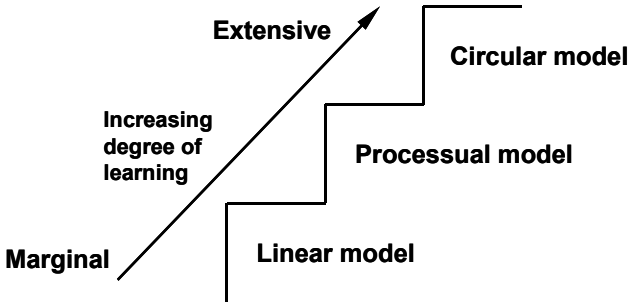

Figure 9. The link between change models and extent of change.
(Carlsson, 2000, p. 81, translation from Swedish)

It is important to note that the message is not that the change view that has dominated logistics literature is altogether wrong; rather, it should be regarded as insufficient. Carlsson is very clear that the linear model can reproduce the mechanisms of marginal changes quite well, and marginal changes may in fact be the case in some logistics change processes, but there is also evidence that the processual and circular models have more merit in reproducing more extensive change. The insufficiencies become apparent when extensive change is approached according to the linear logic.

It is also important to bear in mind that whether a certain change is marginal or extensive is a question of from which perspective it is appraised. Even though it is close at hand to think of the extent of change from an objective system-point-of-view, this is not how Figure 9 should be interpreted; the message is that change is subjective. As Carlsson puts it:

> *When considering a specific change, it is the affected organisational unit and the actors within that constitute the starting point for classification. This means that the assessment of whether a certain change should be regarded as marginal or extensive starts in the unit that is directly affected by the change. The reason for this is that it is the internal conditions and learning requirements of the actors directly affected by change that are of importance in the change process.*
>
> (Carlsson, 2000 p. 81-82, translation from Swedish)

The stairway analogy in Figure 9 also illustrates the interdependence between the models of change. If change is marginal, it is sufficient to dwell on the first step, but if change is more extensive, it is necessary to reach the processual and perhaps the circular steps. In order to do this, one must first tread on the linear step.

approaches to logistics change

The models of change presented above are the theoretical cornerstones of Carlsson's theory of change, these are however rather abstract. But Carlsson (2000) also discusses different approaches to change in conjunction to the theoretical models, approaches that *"... can be regarded as operationalisations..."* of the models of change (p. 91, translation from Swedish). The point offered is that there are different ways to approach change, and that the choice of approach is – or should be – contingent on the context of change, but also that change is presumably approached by means of a combination of these three ideal approaches. The nomenclature and characteristics of the three approaches is presented in Table 2 and the following paragraphs. The text in the remainder of this chapter is in its entirety based on pages 91 through 94 of Carlsson (2000):

Table 2. Three approaches to operative development.
(Carlsson, 2000, p. 92, translation from Swedish)

Approach	***Solution-driven***	***Programmed process***	***Learning approach***
Model of change	Linear	Processual	Circular
Fundamental logic	Solutions produce results	Processes produce results	Conditions are decisive
Change management	Implementation	Formation and implementation	Learning by doing
Focus	Structures	Actors	Structures and actors
Actors	Passive	Engaged	Actively creating
Leadership tools	Directives, instructions	Messages, goals	Dialogue
Key role of leader	Expert	Motor	Constructor

Each approach is founded in one of the three models of change; these are fundamentally linked to the underlying logic of what it is that renders good results of change. The *solution-driven* asserts that results stem from designing good solutions, the better the solution, the better the result. As designing good solutions is the prime task of any change effort, change is characterised by rational decisions followed by rational action; once the solution is decided it is implemented. Focus is on designing structures, guided by a logic, which asserts that new structures will render behaviour. Experts are deemed best skilled in designing structures, why these actors dominate the change process. The actors in the structure that is undergoing change are thus passive, and are expected to follow the directives and instructions that are issued by their leaders.

The middle approach is the *programmed process*, which is founded in the processual model of change. Rather than emphasising solutions, this approach is centred around processes, asserting that a good process will render good results. Thus in its purest form, this approach is the direct opposite of the former. Change management is concerned with creating good conditions for change, by creating opportunities for the affected actors to partake in solution design, thus encompassing both formation and implementation. Actors are focused instead of structures; it is assumed that social processes among the actors will give the structures. Following this, the experts' role are not as protruding, as leaders are aware that achieving change results through formulation of directives is difficult, instead leadership is exercised through formulation of goals and visions. The leader's role is one of a motor of the process, not formulator of instructions.

The last of the three is the *learning approach*. Similar to the programmed process, change management is concerned with creating good conditions, but according to this approach these strivings are concentrated on prerequisites for learning. A fundamental assumption is that there is always a better way of carrying out operations, which is why individual solutions are less important than systematically supporting processes of learning by doing. Development of both structures and actors are integrated in this approach, in the sense that development of the actors' knowledge of the system in which they are part is essential. The role of experts shifts from one of designing solutions to one of designing learning processes. System actors are regarded as actively creating, thinking individuals. The approach requires a well-functioning dialogue between system actors and external experts.

4 A comparison

In the preceding two chapters, I have reviewed two portions of logistics literature. Both of these look at processes of change, however from different angles. The first portion is concerned with a specific application area, the establishment of TPL, whilst the second covers logistics change processes in general. Even though the authors of the reviewed TPL works do not explicitly claim to discuss a *change* process, establishing a TPL arrangement involves substantial change, and the authors do in fact issue some prescriptions for how to manage the change process. Therefore one could expect that the descriptions offered by these authors, and the descriptions of logistical change processes as offered by Carlsson, would display an array of similar characteristics. They do, but only to a limited extent. In this chapter I clarify the similarities and differences, and identify what I believe are the underlying reasons for the latter.

Looking at my review and summary of the pieces that deal with the TPL establishment process, the attentive reader will have noticed that the way in which I have reproduced the process descriptions in the second chapter is not only in a *descriptive* manner, but also *prescriptive* to some extent. This is a deliberate choice of mine, since this is how the process frameworks/models are put forward by their originators. The prescriptions in this body of text are thus not mine, but those that are given in the original publications. In the summary offered in the section *An outline of the TPL establishment process* I have however assumed a purely descriptive stance, but the content is still based on the original authors' contributions.

Carlsson (2000) concludes that logistics researchers have identified critical success factors and barriers for change, and that these often are related to people. Therefore I have analysed the existence of prescriptions regarding such issues in the reviewed TPL establishment literature. All the reviewed pieces except Andersson & Norrman (2002) issue prescriptions about how to manage "people issues" in the shipper's organisation during the TPL establishment process, see Table 3.

Table 3. Prescriptions regarding "people issues" in reviewed TPL establishment literature.

Paper	Prescriptions regarding "people issues"
Skjoett-Larsen (1995)	- Exchange staff temporarily / Provider should take over staff permanently / Combination of these - Education / training - Establish horizontal organisation forms on all levels; appoint contacts in both organisations - Establish cross-functional teams in which all affected functions are represented - Human resources and attitude towards cooperation decisive for success
Bagchi & Virum (1996)	- Ensure understanding and acceptance of objectives through disseminating objectives clearly and involving stakeholders early in process - Top management must signal importance of outsourcing in order to achieve commitment - Use cross-functional planning teams and reference groups - Ensure mutual understanding of processes, organisational structure, goals, strategy, and market situation on company-function- and individual level in both organisations. - Stimulate formation of inter-firm team - Develop a learning organisation; Install and maintain continuous improvement process - Communicate development frequently to all affected parties - Plan changes in working conditions, staffing, and training; Top management of both firms must agree on plan - Ensure that people are well-trained, motivated, dedicated to produce excellent service, and empowered to act - Monitor interorganisational relations - Train front-line employees in problem-solving techniques and empower them to identify and solve problems - Generate understanding of objectives and reasons for outsourcing by communication with all functions and individuals through entire outsourcing process

Table 3 continued.

Bagchi & Virum (1998)	- Ensure consensus and cooperation through letting every department that will be directly or indirectly involved with the third party take part in decision-making - Manage coordination between employees of alliance partners; Keep lines of communication open - Be sensitive to human and organisational issues - Have provider employees stationed full-time at shipper's facility, treat them as own employees - People are most important assets for success, make sure they are well-trained, motivated and empowered to act
Sink & Langley (1997)	- Form cross-functional buying team, which involves managers from several organisational levels - Communicate with line management regarding purpose and intentions of the third party logistics option - Include line management early in buying process - Solidify organisational commitment by obtaining executive approval of outsourcing as management alternative - Issue training to management at both sides of the TPL relationship

In this sense, i.e. the fact that they are normative regarding the process, they do not differ from Carlsson's writings. Looking at the table above, certain main themes can be identified:

- Responsible managers should *communicate* with, and *inform* employees to *ensure understanding* regarding rationale behind outsourcing. Communication across organisational borders in the shipper-provider dyad is also important.
- *Involve those that are affected* by outsourcing in the shipper's organisation early in the process.
- Shipper's *top management must commit* to outsourcing undertaking, and signal its importance.
- *Training and education* is important to ensure well-functioning processes and routines at both sides of arrangement.

At a glance, these seem quite reasonable from a common sense point of view, even though the guidelines are merely of "headline" character, i.e. there is no substantial support for how to achieve e g good communication and information spreading, how to achieve true employee involvement, or how to handle training and education. Looking at the first three of these themes, they display some of the features of the

processual model of change; ensuring understanding of rationale and early employee involvement are definitely not children of the linear model, but give away that organisational formation for change is required. Signalling importance is a means to induce an awareness in the organisation that change is necessary, i.e. yet another trait of the processual model. The last theme also tells us that issuing directives is not enough to make change happen; the actors who are to work in the new system must be given the support they need to develop the necessary skills. This theme thus acknowledges that there are learning requirements on the affected actors.

Similar patterns can be seen in the literature dealing with the process of establishing other outsourcing arrangements. But there is as mentioned previously an exception – Wasner (1999) – who in essence concludes that the linear model does not hold true for the outsourcing process. He instead depicts the process as continuous iterations of a cycle of make-or-buy decisions and transfer activities on both the strategic and the operational level. Wasner's writings differ from other outsourcing literature in acknowledging activities at the operational level, and he is clear on the iterative nature of the process, but there is still no guidance regarding the change process. To my mind there must be more to the outsourcing process than a cycle of decisions and transfer activities. In this sense, Wasner does in fact not really do away with the rational school as he claims, since the two activities *decision* and *transfer* are in fact the two that constitute the process view he himself criticises.

Wasner's thesis is in my opinion a good contribution to the body of knowledge on outsourcing in that it acknowledges some operational aspects of outsourcing, but I did not find the support I was looking for. Concluding that there are activities and decisions also on the operational level is a first step, but the *how* question still remains largely unresolved.

Thus far this comparison between the two bodies of literature has concerned *what* the respective pieces tell us regarding change processes, in this aspect there are both similarities and differences. The main theme in the literature that I have studied is that TPL establishment is an issue of deciding if TPL is the strategically wisest decision, and to decide with which provider to partner.

But obviously the authors of the above papers have seen something more than decision-making in their studies; after all, the papers are with the exception of Andersson & Norrman (2002) based on empirical findings. Yet, the prescriptions are shallow and of the normative imperative character Carlsson & Mårtensson (1994) discuss. I argue that the underlying reasons for this lie in the adopted theoretical foundations and research approaches, the *how* of these studies. In the following sections, these issues for each of the focal works of this comparison are presented in some detail, in order to present the basis of reasoning that underlies my own research.

Skjoett-Larsen's phases and activities in a third party-relationship

In Skjoett-Larsen's (1995) paper, the purpose is formulated as:

> *... give a brief account of the notion third party logistics and relate it to similar concepts ... bring in theoretical perspectives, which can be used for analysing form, content and dynamics in third party relationships ... present three cases of third party logistics ... establish guidelines for choice of third party provider and for implementing the relationship.*
>
> (Skjoett-Larsen, 1995, pp. 1-2, excerpt translated from Danish)

The purpose is obviously multi-faceted, but one part is concerned with what I define as the TPL establishment process. This part of the purpose is normative, but also conveys the message that the focal parts of the process are supplier selection and implementation.

Looking at the theoretical foundations, apart from some TPL literature, the author suggests that *transaction cost economics*[13] and the *network perspective*[14] are possible areas to draw upon in future TPL research. Neither of these is however used for developing the TPL establishment process model in the paper. Rather, this seems in its entirety to be a condensate of Skjoett-Larsen's findings among the studied cases. No guidance is however given regarding methodological considerations, eg how cases were selected, how data collection was carried out, etc.

Bagchi & Virum's logistics alliance formation model

Moving on to the works of Bagchi & Virum, the 1996 paper is intended to:

> *... understand the motivation for logistics alliance formation, study the management process involved and identify the characteristics that are essential for a successful partnership. ... This research focuses on the "why and how" of logistics alliance formation and management.*
>
> (Bagchi & Virum, 1996, p. 94, excerpt)

The formulation in the 1998 article is quite similar:

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[13] Eg Williamson (1975)
[14] By this the author denotes what is sometimes referred to as the "Uppsala School", eg Johanson & Mattsson (1987)

> *... investigates the process involved in forming logistics alliances ... understand the rationale, the steps involved, the obstacles faced, the effect of the alliance on the shipper and the provider, and what makes these alliances successful. ... capture the changes in logistics systems ... develop a framework for logistics alliance formation. We hope this model can be a guide for prospective alliance seekers.*
>
> (Bagchi & Virum, 1998, p. 193, excerpt)

A little later, the authors also write: *"We wanted to understand the process of selecting partners and administering the partnership"* (p. 194). The latter paper is of a more explicitly normative[15] character than the former, as the authors want to, like Skjoett-Larsen, guide companies that are considering TPL. But this is not the only similarity between the two, as can be read above Bagchi & Virum put some emphasis on partner selection, which in the case of TPL and given the definition thereof is basically the same as selecting a supplier. Theoretically, the 1996 paper explicitly is founded in literature that deals with *"... generalized strategic alliance models looking at the process of alliance formation..."* (p. 94) as well as general TPL literature. Even though that is not stated explicitly, the literary foundation seems to be the same in the 1998 publication.

Methodologically, the two papers by Bagchi & Virum are based on what seems to be quite an extensive empirical material, the first covers some seven shippers and five providers, for a total of twelve cases, whilst the more recent piece contains data from ten cases; part of the cases seem to be shared between the two publications. Data has been collected by conducting interviews with *"... at least two senior logistics executives"* (1996, p. 94) and also on-site visits, and in some instances verifying the shippers' stories with their providers (1998). No detail is given on how analysis has been conducted, more than that *"... results were validated through discussions with half a dozen experts and professionals who have an intimate knowledge of the marketplace"* (1996, p. 95).

Sink & Langley's third-party logistics buying process

The next paper to undergo this examination is that of Sink & Langley (1997). These authors have strived to fulfil an overall purpose to *"... provide a managerial framework for the acquisition of third-party logistics"*. There are also five specific objectives of the paper listed, of which one is to *"... present a conceptual model of the*

[15] In fact, the authors refer to the eight-step process as *"the process of **successful** logistics alliance formation"* (p. 208, emphasis added), why this is perhaps the most normative of all the reviewed papers.

third-party logistics buying process" (p. 164). Here is an example of the prescriptive-descriptive confusion I touched upon earlier; the overall purpose is normative and when looking at the process description that is offered there is a lot of prescriptions mixed with descriptions. The specific objective related to this process model, *"present a conceptual model"* is however descriptive as I interpret it.

Another specific objective of this paper is to: *"Discuss the goals and methods of an empirical study designed to gain insight into key issues relating to the acquisition of third-party logistics"* (p. 164). Similar to the works discussed above, Sink & Langley view the process as one of purchasing/procuring a set of services. Therefore, the chosen theoretical base, which is explicitly mentioned in the paper, is formed with literature from the areas of *"Strategic decision making ... Industrial buyer behavior ... Transportation purchasing ... Supplier selection ... Logistics relationships"* (pp. 167-169). In the presentation of the first four of these areas it is clear that these focus on decisions, whereas the last area is concerned with the whys and wherefores of TPL, thus being closely linked to decision-making in the sense that a main theme is the driving forces behind a decision to seek a TPL solution. Looking at Sink's (1995) dissertation, which is the basis for the 1997 article, this interest in decision making appears even more clearly; in discussing the questions needed to fulfil the research objective related to the buying process, Sink writes: *"... provided a detailed explanation of the process used by firms to select a supplier and adopt contract logistics ... also allowed insight into two key areas; namely, 'Who is involved in the decision process,' and 'How is a supplier selected.'"* (Sink, 1995, p. 128).

The research design these authors – or rather Sink (1995) – have adopted is one of extensive empirical investigation. A focus group interview with eleven logistics executives, a multiple-case study of some eight cases, and a mail survey with a total of 116 responses are combined to produce the results. In the article, no detail is given as to how the case studies were carried out, but in the dissertation (in which five cases are included) it is stated that only executives have been interviewed, and among these only those who have been directly involved in decision making and supplier selection. Analysis was conducted by condensing the material from the focus group interview, and with this as a foundation a number of initial propositions regarding the process were formulated. These were then pattern matched[16] against the case study findings. The mail survey seems not to have been used to develop the process model.

[16] Sink (1995) here refers to Yin (1989).

Andersson & Norrman's purchasing process for logistics services

The most recent piece that discusses the process aspect of TPL establishment is that of Andersson & Norrman (2002). This is an almost entirely conceptual piece in which the authors…

> *... describe and compare the purchasing process for logistics services for companies following either the trend towards outsourcing of more advanced logistics services, which will be emphasised here, or the trend towards leveraging the internet as a tool in their buying of basic services.*
>
> (Andersson & Norrman, 2002, p. 3)

The theoretical foundation is drawn from some general TPL literature, some of the pieces discussed above, and literature that deals with service procurement. Most notably concerning the purchasing process, the authors conclude that in general a purchasing process contains certain steps, and concludes that this is basically the same message that has been put forward by Skjoett-Larsen (1995) and Sink & Langley (1997). A general purchasing process outline is used to discuss differences between purchasing of basic and advanced services, and two cases are used to illustrate the length of the process. These cases are however only used as an illustration, which is why a discussion of the methodological aspects of this paper would be irrelevant.

Carlsson's approaches to logistics change

Switching focus to the works of Carlsson, the overall purpose of his dissertation is to *"Develop knowledge about how logistics change can be made more effective"* (Carlsson, 2000, p. 3). Effectiveness is here two-fold. It is a question of reaching the intended results of change, and being productive in the sense that the quota between the achieved results of change and consumed resources during the process is high.

The theoretical foundation is brought in from areas which Carlsson denote *Strategic change* and *Learning organisation*. From the former stems the basic three-dimensional meta-model which serves as a framework for the entire study; there is also a theoretical input to the formulation of the theory of change, i.e. the models of change. This input comes from both the two stated areas as well as the implicit theory of change that according to Carlsson underlies the vast majority of logistics research and the "rational school" of strategic change.

Carlsson's (2000) account of methodological considerations starts with a discussion of the overarching methodological approach, which is denoted, *"actors in a system context"* (p. 19-21). Logistics as a discipline has its roots in an analytical perspective, which gradually has evolved towards a systems perspective[17]. Carlsson deems it necessary to take a step away from tradition, as neither of these perspectives in the form they customarily are applied in logistics research acknowledges actors in the systems under examination. But since actors', i.e. individuals', willingness to partake in learning and change is of importance for the results thereof, the research is subsequently designed to acknowledge the actors in the system.

a question of perspective

Looking at Carlsson's works, he is very clear about the research approach, the assumptions of reality guiding the research. The phenomena under study are processes of change, and from the theoretical underpinnings Carlsson concludes that an approach that acknowledges actors is indispensable. The reasoning behind this is actually quite simple and logical: Change is about altering behaviour and actions, and individuals' actions and behaviour are inextricably linked to the operations and performance in the systems and organisations of which the actors are part. Thus an actor-oriented approach becomes necessary.

Given this approach, Carlsson is able to explore the mechanisms of the studied change processes, and conclude that any assessment of change must be undertaken from the perspective of the actor, as a certain change that for one actor is in line with this actor's mental models, might be a change that is totally opposite to what another actor might find rational or most effective, given that actor's mental models.

Looking at the pieces that deal with TPL establishment from this angle, in none of them do the actors of the studied systems ever really become issues. Well, the authors who have been explicit about data collection have in fact told us that they have interviewed executives, who of course are actors in the system under study, and they do issue prescriptions as for how companies ought to handle "people issues" when establishing TPL.

But when looking at the research objectives of these authors, they are primarily concerned with decision making; whether to outsource logistics or not, which services to include in the arrangement, and who to partner. The theoretical foundations of these studies are subsequently taken from literature that deals with decision-making, supplier selection and such, and research designs that are adapted to studies of decision-making are adopted. Therefore it is not surprising that the authors have

[17] For a discussion of these perspectives, see eg Arbnor & Bjerke (1997).

conducted their studies from the perspective of decision makers, and that the writings mostly display characteristics of the linear model of change.

And this goes also for most of the outsourcing literature I have studied. Most of it has, as concluded earlier, dealt with the decision to outsource as such, and the dominant theoretical foundations – resource-based and transaction cost theory – are areas that deal exclusively with *what*- and *why*-type questions. As this literature survey did not render the support I was looking for initially, the literature dealing with outsourcing will be disregarded throughout the remainder of this thesis.

To summarise, I claim there is a mismatch between *what* is written regarding the change process of TPL establishment in literature, and *how* these conclusions are drawn. This mismatch is illustrated in Figure 10:

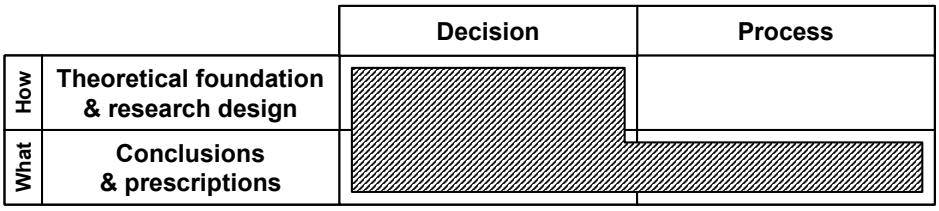

Figure 10. There is a mismatch between foundations and conclusions in TPL literature.

TPL literature has mostly concerned issues regarding the decision to establish TPL, but there are also some writings regarding the process of establishing TPL arrangements. These writings are however not founded in studies of process, but of decision-making.

and now for something completely different?

Does this mean that I, informed primarily by the works of Carlsson, wish to reject the work that has been done on the TPL establishment process? No. What is needed is elaboration, a supplement to the current knowledge base, not altogether new knowledge. Given that logistics knowledge creation, manifested in literature, has during a couple of decades regarded change as directive-controlled implementation of rationally conceived designs – or in a sense has disregarded change altogether – it may very well be that corporate executives indeed have approached TPL establishment in this manner; the dependence might be bi-directional. TPL research has, as mentioned earlier, been very empirical in character, which indicates that managers indeed have may have approached the change to TPL linearly. But managerial action is also in part guided by prescriptions stemming from research findings, at least to some extent. Therefore the writings in TPL literature may very well have affected logistics