

Impact of Fair Treatment of Supplier and Procurement Policies and Knowledge Sharing on the Firm's Supply Chain Performance in Manufacturing Companies of Pakistan

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ABSTRACT:

The rising interest of buyers in maintain long term relationship with their supplier in supply chain organizations to enhance the firm's performance has led the focus of new research in justice in the buyer's polices for supplier. Researchers had initiated an inquiry into the influence of justice on the buyer-supplier relationship. Despite of this increasing interest in studying the impact of fairness fewer studies have been carried out to examine the impact of knowledge sharing and trust on the relationship of buyer and supplier in context of fairness. Moreover, the real means of fairness are lessen defined in the previous studies. Therefore, to address this gap, the present study broadens the impact of fairness on the buyer and supplier relationship by defining it through procedural justice and distributive justice while assessing the mediating impact knowledge sharing on the relationship of fairness and firm's supply chain performance along with the impact of trust to moderate the knowledge sharing based on perceived fairness in the relationship. To test the framework, Smart PLS was employed on the 250 valid responses. The results of the current research reveals that perceived fairness between buyer and supplier positively impacts the firm's performance that was enhanced with the moderating role of knowledge sharing. Further it has also be seen that trust enhances the knowledge sharing based on the perceived fairness in the relationship.

Keywords: Fair treatment of suppliers; Procedural Justice; Distributive Justice; Trust; Knowledge sharing.

Introduction

In contemporary business practices, companies are increasingly focusing on the interests of stakeholders, encompassing both internal and external parties. Hult et al. (2004) define the supply chain network as a collaborative network of firms that are involved in the production and distribution of products, commencing with the procurement of raw materials. The ethical conduct of both the consumer and the supplier is the foundation of the relationship. The establishment of trust among the parties significantly contributes to the stability of the relationship. Some researchers, such as Reid et al. (2000), have indicated that the significance of extended associations amongst supply chain partners is minimal. However, the majority of studies recognize the importance of buyer-supplier relationships, as evidenced by the work of Ampe et al. (2020), and Khan et al. (2015). The significance of ethical behavior in businesses has been regarded as critical over the past two decades (Al-Ma'aitah, 2018). The success of the bond among the buyer and supplier depends on numerous factors, with ethical practices playing a critical role (Duffy et al., 2013).

Justice is essential for the establishment and preservation of enduring partnerships between purchasers and providers. Griffith et al. (2006) and Liu, Huang, et al. (2012) underscore the importance of justice in the buyer-supplier relationship, which ultimately cultivates enduring partnerships and improves performance. Procedural justice and distributive justice represent two fundamental dimensions of justice that significantly influence the buyer-supplier relationship (Duffy et al., 2013). Procedural justice pertains to the fairness of policies implemented by one firm as perceived by another firm. In the context of buyer-supplier

relationships, procedural justice refers to the perceived fairness of the policies implemented by buyers that affect suppliers. Distributive justice is defined as the perceived assumption of equity within relationships. Kumar et al. (2015) defined supplier procedural justice as the extent to which suppliers perceive fairness in decision-making and interactions with suppliers. Procedural justice ensures fairness in all buyer-related policies concerning the supplier (Luo et al., 2015).

Distributive justice is mainly focused on the concept of equity of the relationship itself. It means that rewards that both the parties are getting from the relationship is equally shared by them (Griffith et al., 2006). When a supplier considers that it is getting fair rewards from the relationship and the fairness in the reward distribution among other suppliers is also present, it tends to have a relationship with the buyer for a longer time and sometimes it is extended over ten years (Huo et al., 2016). When higher distributive justice is perceived by the supplier, the level of supplier confidence increases and both the supplier and buyer make conscious efforts to keep the relationship longer in terms of time and investment (Liu, Huang, et al., 2012).

Knowledge exchange constitutes a vital intangible asset for organizations. Knowledge sharing encompasses two dimensions: willingness and connectedness (Rashed et al., 2010).

Firms with higher performance are always involved in knowledge sharing among their various stakeholders. Knowledge sharing is regarded as a critical resource for organizations aiming to compete in the global marketplace. Knowledge sharing involves the distribution of valuable information and expertise among business partners, such as suppliers and distributors.

Knowledge sharing can occur through tactics exchanged between business partners (Ardichvili

& Wentling, 2003). The process involves disseminating expertise and technical knowledge among all stakeholders to enhance performance (Asrar-ul-Haq et al., 2016). Companies are inclined to share knowledge with one another only after establishing trust (Akrouf et al., 2016). This research examines the impact of distributive and procedural justice on supply chain performance, while accounting for the moderating role of trust and the mediating effect of knowledge sharing. This study seeks to fill a research gap in developing countries, given that most existing literature has concentrated on developed nations. The study's findings will assist supply chain managers in formulating policies and making decisions regarding buyer-supplier relationships.

Literature Review

Theoretical Orientation

The policies of an organization pertaining the ethical behavior of the employees and related to all the processes including procurement contribute towards establishing an ethical climate of the organization (Tseng & Fan, 2011). Otaye et al. (2019) have argued that the ethical environment is critical in the formation of fair policies and moral code of conduct of an organization. The code of conduct of an organization significantly influences employees' actions when navigating the complexities of buyer-supplier relationships (Galbreath, 2010). In buyer supplier relationship, the behavior and practices of the employees play a crucial role in creating a conducive environment (Schneider et al., 2017). Behavior of the employees is significantly influenced by the environment of the organization that includes all of their practices and procedures (Sherman et al., 2018). According to organizational climate theory, not just the environment affects employees, but the behavior of the managers and other employees also have impact on the policies and procedures of the organization (Ehrhart et al.,

2013). Sherman et al. (2018) has also argued that the effect of organizational climate is of much importance in the relationship with other companies / organizations. In this study, Organizational Climate Theory (OCT) has been taken into account as the impact of organizations' climate is significant on the employees and attitude of the employees towards fairness is dependent on the employees' attitude too.

Supply chain relationship can be defined as, a relationship between two parties that is based on the information sharing, trust, continues commitment, risk sharing and involvement in a relationship over a longer time period to achieve combined goals (Ampe et al., 2020; Kaufmann et al., 2018; Scuotto et al., 2017; Wu & Choi, 2005). Long Term Orientation (LTO) means that firms try to get long term advantages from the relationship with other partners in the supply chain rather than short term benefits and for this purpose they are focused in creating and keeping long term relations (Griffith et al., 2006). Justice plays an important role in making a relationship long term (Andrews & Kacmar, 2001). The commitment among the parties which are involved in a relationship to carry it over long period of time for their mutual benefits by sharing knowledge and rewards is the long term orientation (Bakhshi et al., 2009).

Hypotheses Development

In the current era of competition, it has become necessary for the organizations to be efficient in their operations for achieving the competitive advantage (Al-Ma'aitah, 2018). Due to this, the supply chain relationships have got much importance since last decades to enhance the competitive advantage, and to reduce the costs to achieve better performance outcomes of the firms (Bouazzaoui et al., 2020). In order to achieve a higher market share, a firm has to maintain good relationship with its suppliers as they can play an

important role in the business revenue generation (Kumar et al., 2015). Supply chain depends on many industrial steps, each of which affects the final product.

So the sustainability of the relationship among the buyer and supplier is most important in accomplishing these processes (Nassar et al., 2019). Due to inappropriate behavior of the supplier even the large players of the market can face problems like in 2013 Apple got in trouble due to unethical behavior of one of its suppliers (Garside, 2013).

Fairness of Buyer Supplier Relationship

Among other factors that have substantial effect on the relationship of buyers and supplier in the supply chain, fairness is of key importance. There are many different dimensions of the fairness; but justice is the most significant among them and it has also been studied much by the researchers in different contexts (Huo et al., 2016). The changing competitive environment has diverted the focus of the organizations towards the supply chain relationships and these relationships are mainly influenced by the existence of justice in them. However, Luo et al. (2015) posited that perceived justice between buyers and suppliers can enhance the relationship by reducing opportunism, optimizing resource allocation, and fostering long-term engagement. Justice is categorized into two main categories namely structural and social justice. Where the structural justice is further divided into two dimensions i.e. distributive and procedural justice while the social facet of justice includes informational justice and interpersonal justice (Liu et al., 2019). Procedural justice has been defined in many ways by the previous researchers like Huo et al. (2016) who maintained that the procedural justice is mainly focused on the fairness of the processes and activities of the firms and also the control over it. In the same way

(Kumar et al., 2016) defined procedural justice as the balance among the suppliers that is maintained by organizations for upholding long term supply chain relationships. On the other hand, distributive justice represents the fair distribution of resources among the members. Adams and J Stacy (1965) explained distributive as the situation when it is assumed by a person that the outcomes of his inputs are equal to the outcomes that are received by the others.

Procedural Justice and Firm's Performance

Thibaut and Walker (1975) proposed procedural justice. They claimed that equality in organizational procedures influences people and that they view a process as fair if they control it. Procedural justice is the fairness in the processes and systems of an organization. It facilitates the commitment and knowledge sharing among the both parties i.e. buyers and suppliers. In supply chain, the commitment among the buyers and suppliers plays a key role in enhancing the performance of the firms (Huo et al., 2016). When the both the buyers and suppliers are satisfied about procedural justice, the relationship is consistent that leads to the better performance of the both parties (Ziaullah., et al., 2015). Ziaullah, Feng, Shumaila, et al. (2015) also found that procedural justice in supply chain relationships improves performance since both sides feel committed and share business expertise to profit from the relationship. Grounded on the above literature following hypothesis is drawn
H1: Procedural justice towards suppliers in the code of conduct of buyer's procurement policy positively impacts the firm's supply chain performance.

Procedural Justice, Knowledge Sharing and Firm's Supply Chain Performance

Using the sharing vision of loose coupling theory presented by Beekun and Glick (2001) the impact

of knowledge sharing can be seen in the buyer supplier relationship as an important factor. Knowledge sharing among the parties elaborates the mutual sharing of information between the two firms that can be technical information, like know how about the technology (Dyer & Nobeoka, 2000; Paulraj et al., 2008) or it can be market knowledge. When the presence of procedural justice is high in the relationship, both the parties try to share more knowledge; where this knowledge can be technical, financial or any other expertise, as the mutual benefits of both the parties are dependent on the performance of both parties (Thorpe, 2018). So the next hypothesis of the study is drawn as:

H2: Knowledge sharing between buyers and suppliers mediates the impact of procedural justice towards suppliers in the code of conduct of buyer's procurement policy on the firm's supply chain performance.

Procedural Justice, Trust and Knowledge Sharing

Trust is the belief of both the parties on each other that they are fair in their mutual relationship and that both will act for the mutual benefits of each other (Jain et al., 2014). In the current study, the procedural justice in the code of conduct of buyer's procurement policies is taken as base of the relationship. The impact of procedural justice can be enhanced with the presence of strong trust between the parties for making a firm's supply chain performance better. Liu, Huang, et al. (2012) has also discussed the importance of trust among the buyers and suppliers' relationship for enhancing the knowledge sharing so that it will influence the supply chain performance. According to their research when suppliers feel the presence of procedural justice on the buyer's end and trust is also built between the party's knowledge sharing becomes stronger and this thing brings more investment in the relationship. When the mutual perception of procedural justice is

developed in the relationship it enhances the coupling behaviour of the parties that means both the parties develop more trust on each other and become more closer in the relationship (Beekun & Glick, 2001). Wei et al. (2020) elaborated the impact of procedural justice on the buyer supplier relationship and firm's supply chain performance by quoting the example of Walmart China. Due to perception of high level procedural justice among the suppliers and Walmart China, the knowledge and information exchange processes were also developed and it also helped all parties in the improvement of their performance outcomes. A well-established mutual perception of procedural justice enables sharing of information and knowledge among the supply chain actors in the presence of the trust that helps in improving the efficiency of the operations and reduction in the costs (Frazier et al., 2009). Based on the above-mentioned literature, the moderating role of trust in the procedural justice and knowledge sharing relationship among the firms is included in this study and it helps in the drawing the next hypothesis of the study i.e.

H3: Trust positively moderates the impact of procedural justice towards suppliers in the code of conduct of buyer's procurement policy on knowledge sharing between buyers and suppliers.

Distributive Justice and Performance

In organizational context, the meaning of distributive justice is the fairness of the rewards given to the employees for all their efforts that they make to achieve the organizational goals (Andrews & Kacmar, 2001). But in context of the buyer supplier relationship, it is the fairness of the gains that both the parties achieve from the combined relationship (Liu, Huang, et al., 2012). In other words, it can be explained that it presents the fairness of the earnings that both the buyer and supplier earn from their relationship and also the degree of fairness in the profit distribution

(Andrews & Kacmar, 2001). The perception of gains from a relationship that both buyers and suppliers have is the concept behind distributive justice. In the buyer supplier relationship, the perceived fairness of both the parties may be different from each other. Mostly the price fairness of the buyer is different from what a supplier takes as a fair price (Huo et al., 2016). Presence of distributive justice in the buyer-supplier relationship, ensures that supply chain partners will have equity in the benefits that makes them more confident in the relationship to have a relationship with better investment (Griffith et al., 2006).

H4: Distributive justice towards suppliers in the code of conduct of buyer's procurement policy positively impacts the firm's supply chain performance.

Distributive Justice, Knowledge Sharing and Firm's Supply Chain Performance

Knowledge sharing is characterized in the secondary literature as the dissemination of information and expertise related to the execution of tasks (Asrar-ul-Haq et al., 2016; Ferdinand & Dwiatmadja, 2018; Tseng & Fan, 2011). In general, businesses are not willing to share their expertise with any other business. But when the mutual perception of distributive justice is developed that means both the parties think that the gains from the relationship are justified, they become willing to share the knowledge (Martinez-Conesa et al., 2017). Knowledge sharing helps supply chain actors succeed.

Knowledge sharing can be done in form of expertise and other information like market situation, demands of the customers and other operational processes. The mutual perception of distributive justice enhances the mutual knowledge sharing among the parties and that improves the commitment in the relationship (Liu,

Xianbing, et al., 2012). Knowledge sharing is the phenomena of sharing relevant information and knowledge in the relationship by the parties to make the performance better and it is possible only when the both the parties feels that gains from the relationship are fair enough especially when supplier compares itself with other supplier of the firm (Oyedijo et al., 2018). Thus in light of the above argumentation, we propose our next hypothesis as:

H5: Knowledge sharing mediates the impact of distributive justice towards suppliers in the code of conduct of buyer's procurement policy on the firm's supply chain performance.

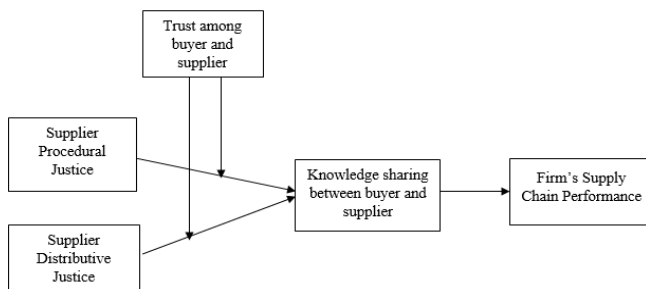
Distributive Justice, Trust and Knowledge Sharing
The code of conduct plays an important role in the buyer supplier relationship. When the distributive justice is present in the code of conduct of procurement policies of the buyer, it develops the high level of trust on supplier's side that makes knowledge sharing stronger (Liu, Huang, et al., 2012). The example of Carrefour China shows that the mutual perception of distributive justice among the suppliers and Carrefour China, developed trust among the parties and supplier were ready to invest more in the relationship that made the operational and financial performance of the company better than its competitors (Chuang et al., 2011). When distributive justice prevails in any relationship it brings the perception of fairness that ultimately helps to build trust among the supply chain actors (Zailani et al., 2012). Zailani, Jeyaraman, Vengadasan, and Premkumar (2012) have argued that when a supply chain actor feels the presence of distributive justice in the relationship, it puts more investment in the business that develops more trust in the relationship. Thus, based on this, the moderating role of trust in the relationship of distributive justice and knowledge sharing among the partners is

taken in this study.

H6: Trust moderates the positive influence of distributive justice towards suppliers in the code of conduct of buyer's procurement policy on the knowledge sharing between buyer and supplier.

Thus, in the present study, our main objective is to explore the impact of fairness in the procurement policies of the buyers on the supply chain performance by assessing the impact of knowledge sharing as mediator and trust as moderator. The theoretical model is shown in Figure 1.

Figure 1: Theoretical Model



Research Methodology

Research Design

This study employs the survey design approach, and data were collected using a questionnaire. The data have been collected from the manufacturing firms located in Pakistan for assessing the hypothesis. The population for this research is the manufacturing industry of Pakistan. More specifically, the manufacturing firms operating in major cities like Lahore, Rawalpindi, Faisalabad, Sialkot, Gujranwala, Islamabad and Karachi are taken as a sampling frame for this research. For this study the unit of analysis was organizations while the unit of observation was taken as the individuals working on the managerial posts of the selected firms. General managers, procurement managers and operational managers were approached according to the availability of posts in

the organizations. Each individual was given a brief introduction to the research and questionnaire. One questionnaire was filled by a single person. Sampling is done on the basis of probability sampling technique. The probability sampling technique gives equal chances of selection to the all the firms included in the population (Ollerenshaw & Creswell, 2002). Initially 327 manufacturing firms were selected and the questionnaires were sent to these organizations. But 250 questionnaires were finally used in the analysis as some of the organizations didn't response to the requests and some other

questionnaires were not included as they were either not filled properly or had a lot of missing data.

Instrument development

Questions related to the procedural and distributive justice related to the code of conduct on the procurement policy of the buyer were adopted from

(Son et al., 2019). While the questions of knowledge sharing were adopted from (Wang & Hu, 2020). Questions for the research were adopted from (Ambrose et al., 2010; Svensson, 2001; Swan et al., 1988). Firm supply chain performance was taken as dependent variable in this research. Questions to measure the supply chain performance were adopted from the research of (Lawson et al., 2009; Schoenherr & Swink, 2012; Wong & Kuan, 2011). AMOS was used for SEM. AMOS is also used for drawing the path diagram for the variables using SEM. This idea was taken from the recent research of Mustafa et al., (2020).

Data Analysis and Results

This research utilized SPSS-23 for data file preparation and preliminary data analysis, including data screening and descriptive statistics. Following the initial data analysis, AMOS-23 was utilized for hypothesis testing via structural

equation modeling (SEM) methodology.

Multi-Collinearity:

Multicollinearity is a significant problem that typically arises when variables exhibit a high degree of correlation. This matter can be assessed by analyzing the values of variance inflation factors (VIF) and tolerance levels (Diamantopoulos & Winklhofer, 2001). A VIF exceeding 10 signifies a substantial degree of multicollinearity, but the tolerance threshold must surpass 0.10 (Hair et al., 2010). Table I indicates the absence of multi-collinearity concerns in this investigation.

Model	Coefficients	
	Collinearity Statistics	
	Tolerance	VIF
(Constant)		
PJ	.801	1.248
DJ	.650	1.539
KS	.553	1.810
TR	.926	1.080

a. Dependent Variable: SCP

Sample Demographics

Majority of the respondents were male (62.8%) while remaining were females. Most responders were over 40. As the respondents of this study were managers, they had certain professional experience. For instance, majority (53.3%) of the respondents in this study had experience of 4-6 years while 40 % had experience of more than 7 years.

Structural Equation Modeling (SEM)

SEM comprises of two steps. Initially, the researchers validate the measurement model by confirmatory factor analysis (CFA), followed by the validation of the structural model.

Discriminant Validity (DV):

DV refers to the degree to which one measure is totally different from the other. There are multiple

ways for determining the DV. The research can examine DV by comparing the sq. of the inter-

Table IV Discriminant Validity Model – constructs

	CR	AVE	PJ	DJ	KS	SCP	TR
PJ	0.702	0.521	0.721				
DJ	0.777	0.628	0.113	0.792			
							18
KS	0.731	0.589	0.056	0.597	0.764		
SCP	0.724	0.566	0.074	0.189	0.256	0.752	
TR	0.771	0.626	0.056	0.145	0.192	0.601	0.402

Note: Note: Procedural Justice (PJ); Distributive Justice (DJ); Knowledge Sharing (KS); Firm supply chain performance (SCP); Trust (TR)

construct correlations between the constructs with

The AVE values should exceed the common variance between conceptions (Fornell & Larcker, 1981).

Common Method Bias (CMB)

CMB refers to the variance caused because of the measurement method instead of the study constructs (Podsakoff et al., 2003). The use of same measurement method may bring CMB which might impair the validity of the measurer’s relationships and conclusions (Podsakoff et al., 2003). Thus, different techniques have been employed to overcome CMB like procedural and statistical remedies. Collecting data from multiple data sources can reduce the negative impact of CMB (Podsakoff et al., 2003). The present research collected data from multiple sources like the respondents belonged to different age groups from totally different cities and areas of Punjab. The participants were working at different managerial positions. Thus, employing this technique can reduce the presence of CMB present study. The present research opted for circulating the questionnaire among the respondents along with a cover letter explaining the current research aim and clearly conveying

them the purpose and objective of the research. CMB effects can be reduced if the respondents are confident that their responses will only be used for academic (Podsakoff et al., 2003).

Direct Hypothesis Testing

The study hypothesized that procedural justice (PJ) affects business supply chain performance. The study found a substantial positive correlation ($\gamma = 0.74$, $p < 0.05$) between PJ and SCP. The study also hypothesized that distributive justice (DJ) affects company supply chain performance. The study found a substantial positive correlation ($\gamma = 0.76$) between DJ and SCP ($p < 0.05$).

Table V Direct Hypothesis Paths

Hypothesis	Structural Path	β	T	P
H1	PJ → SCP	0.74	2.81	***
H5	DJ → SCP	0.76	1.98	***

Mediation and Moderation Hypothesis Testing

This study examined mediation and moderation utilizing the Preacher and Hayes (2012) process technique (5000 bootstrap) with 95% confidence interval. The indirect regression results (Table 13) imply that knowledge sharing (KS) partially mediates the relationship between procedural fairness (PJ) and business supply chain performance. PJ and SCP had a strong relationship, even after mediation. Both confidence intervals' lower and upper bounds (LLCI, ULCI) are positive, indicating a strong association. Indirect regression shows that knowledge sharing (KS) partially mediates the relationship between distributive justice (DJ) and firm supply chain performance (SCP) (Table 14). DJ-SCP association was strong even after mediation. Both confidence intervals' lower and upper bounds (LLCI, ULCI) are positive, indicating a strong association.

Table VI Mediation Analysis

Direct effect of PJ on SCP					
Effect	SE	t	p	LLC	ULCI
.2710	.0881	3.0749	.0023	.097	.444
Conditional indirect effects of X on Y:					
Indirect Effect: PJ → KS → SCP					
KS	Effect	SE	LLCI	ULCI	
4.0000	-.1633	.0530	-.2752	-.0676	
4.5000	-.1205	.0456	-.2186	-.0404	
4.7500	-.0990	.0444	-.1955	-.0224	

Table VII Mediation Analysis

Direct effect of DJ on SCP					
Effect	SE	t	p	LLC	ULCI
.293	.0764	4.179	.0014	.078	.643
Conditional indirect effects of X on Y:					
INDIRECT EFFECT: DJ → KS → SCP					
KS	Effect	SE	LCI	ULCI	
4.00	-.237	.0350	-.764	-.0586	
4.50	-.173	.0764	-.861	-.3424	
4.75	-.0870	.0349	-.947	-.0574	

Structural equation modeling (SEM) was used for the analysis of mediation and drawing the path diagram of the variables with AMOS. The use of SEM was introduced by (Bagozzi & Yi, 1988). For this purpose, Fig 3 of the thesis represents the outputs from SEM and in the table 13 the results are extracted by using Preacher and Hayes (2012). The results of Fig 3 and table 13 are slightly different because of some reasons. First of all, both the results shows that mediation exists. Secondly for using Preacher and Hayes (2012) Process MACRO was used with SPSS and it doesn't allow to interpret mediation with more than one independent variables.

Table VIII Moderation Analysis

Model Summary						
R	R-sq	MSE	F	df1	df2	p
0.433	0.1875	0.6698	18.9259	3	246	0

Model						
	Coeff	SE	t	p	LLCI	LCI
Constant	-1.0659	1.2367	-0.8618	0.3896	3.5018	1.3701
PJ	1.4297	0.317	4.5097	0	0.8053	2.0542
TR	0.9674	0.2723	3.5531	0.0005	0.4311	1.5036
Int_1	0.2421	0.0707	3.4257	0.0007	0.3813	0.1029

Product terms key:

Int_1 = PJ x TR

Test(s) of highest order unconditional interaction(s):

	R2-chng	F	df1	df2	p
X*W	0.0388	11.7352	1	246	0.0007

Focal predict: PJ (X)

Mod var: TR (W)

Conditional effects of the focal predictor at values of the moderator(s):

TR	Effect	Se	t	p	LCI	ULCI
4	0.4612	0.0613	7.5249	0	0.3405	0.582
4.5	0.3402	0.0539	6.3142	0	0.2341	0.4463
4.75	0.2796	0.0584	4.7875		0.1646	0.3947

Discussion and Conclusions

Discussion of Results

This study examines how fair treatment affects buyer-supplier relationships. The relationship was further examined concerning the effects of both distributive and procedural justice. The study examined the effects of procedural and distributive justice on the firm's supply chain performance, revealing a positive relationship. The findings align with the earlier research conducted by Huo et al. (2016) and Liu et al. (2019). The findings indicate that the presence of these justice aspects significantly influences the supplier-buyer relationship, ultimately affecting the buyer's performance. The study's results align with prior

research regarding the influence of justice on supplier-buyer relationships and firm performance (e.g., Al-Ma'aitah, 2018; Bouazzaoui et al., 2020; Duffy et al., 2013).

The mediating role of knowledge sharing in the relationship between buyer justice and suppliers' supply chain performance was also examined. The findings indicate that both dimensions of justice have a significant and positive impact on knowledge sharing. That means the presence of these dimensions of justice enhances the buyer's firm performance and this impact is mediated by the presence of knowledge sharing. Due to knowledge sharing, when expertise is shared among the parties, the performance of the buyer's firm gets improved. This result is also consistent with the findings of Ferdinand and Dwiatmadja (2018); Martinez-Conesa et al. (2017) and Barnes (2014). This is also consistent with the studies of Liu, Huang, et al. (2012) and Asrar-ul-Haq et al. (2016) who also showed that the presence of procedural justice in the supplier and buyer relationship is important, and it enhances the knowledge sharing among the parties. In a similar vein, the results of these hypotheses are also consistent with the previous studies which also showed the knowledge sharing can make the firm performance better (see e.g. Barnes (2014); Martinez-Conesa et al. (2017); Xizheng et al. (2018); Wong and Kuan (2011)).

Our study posited that the presence of trust facilitates mutual willingness between parties to share knowledge. H4 and H6 were employed to examine the moderating effect of trust on the relationship between justice and knowledge sharing. The findings indicate that the influence of perceived justice in supplier-buyer relationships on knowledge sharing is moderated by trust. This finding is corroborated by the studies conducted by Akrouf et al. (2016), Jain et al. (2014), and

Peppers and Rogers (2020).

Theoretical implications

The current research will enhance the literature on accountability within the context of supplier-buyer relationships. Previous research has primarily focused on the inter-organizational perspective of justice, including team management and employee relations, at the expense of the role of justice in enhancing supplier-buyer relationships and the resultant effect on firm performance.

Moreover, majority of research had concentrated on assessing the direct relationship between different types of justice with supply chain firm's performance. This study contributes to the existing literature by exploring the previously unexamined mediating role of knowledge sharing in this relationship. Besides, in the current study, trust is used as moderator that effects sharing of knowledge between two different firms (i.e. buyer and supplier). The current research will contribute to the existing literature on supply chain management. Applying organizational climate theory, long-term orientation, and coupling behavior as theoretical frameworks highlights the significance of the buyer-supplier relationship in supply chain management and performance. This also addresses the request by Ketchen Jr and Hult (2007) to incorporate organizational climate theory in analyzing the relationship between supplier-buyer dynamics and the performance of supply chain firms. This study adds to buyer-supplier literature by include reciprocal judgments of procedural and distributive justice in the model and emphasizing trust and knowledge exchange.

The exchange of knowledge and trust serves as determinants of coupling behavior. The presence of justice in the relationship enhances coupling behavior, leading both parties to willingly share knowledge founded on established trust. This study shows that when performance improves, integrity in the supplier-buyer relationship fosters

long-term partnerships.

Managerial Implications

This study holds considerable importance for those in managerial and decision-making roles involved in supply chain operations. The determinants of performance are crucial for all organizations. This study examines the influence of justice within the buyer-supplier relationship and its effect on firm performance. When the perception of justice is elevated, both parties are inclined to pursue a long-term relationship. The long-term relationship significantly enhances firm performance. The findings of this investigation suggest that when suppliers perceive the procurement policies of buyers as fair, they exhibit boast commitment to the firm and a greater willingness to share knowledge and participate in the affiliation. So, the managers should focus on the fair treatment of the supplier it will enhance their performance. The suppliers get attracted more towards the firms that are fair in their treatment to the suppliers. Second along with the perception of justice, this study highlights the role of mediator, i.e. knowledge sharing and moderator, i.e. trust in the buyer-supplier relationship. This means that, along with the direct impact of justice, managers should also focus on the trust and knowledge sharing that enhances the performance in a more efficient way. So, managers must also focus on developing strategies that encourage knowledge sharing and strive towards development of trust among the parties in order to enhance the performance of the supply chains.

Limitations and Future Research

This study identifies particular constraints that could open up multiple avenues for subsequent exploration. The sample employed for evaluating the proposed model was limited to manufacturing sectors situated in prominent urban areas of Pakistan. Future studies ought to broaden their

scope to encompass additional countries, especially developed ones, utilizing a more extensive sample size to explore the possible impact of context on the suggested relationships. Second, this study concentrated exclusively on the manufacturing sector, with potential for future exploration into additional industries. Third, this study was cross-sectional; it can be expanded to a longitudinal approach that will contribute new insights to the findings of this research work. This study considers two dimensions of justice: procedural justice and distributive justice. Additional investigation could involve incorporating other dimensions of justice, such as inter-personal justice, to deepen the understanding of how justice influences the relationship between suppliers and buyers, as well as its effects on firm performance. The analysis of the mediation effect of knowledge sharing was conducted in this study. It is recommended that additional investigative efforts could be undertaken by incorporating further mediators such as commitment, ethical climate, and others.

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