



Activity Report 01/09/2014 - 31/08/2015

Kühne Foundation Chair of Logistics and Services Management
The Kühne Institute for Logistics Management

Prof. Dr. Carl Marcus Wallenburg

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Preface

The academic year 2014-2015 started just a few weeks after the Chair of Logistics and Services Management relocated to WHU's Düsseldorf Campus. My Chair is now one of four chairs that are establishing WHU's research orientation at the new campus.

Looking back, the recent year was again marked by several highlights that stood out during the "normal" course of activities.

After the start of the chair's lecture season in September (teaching both at WHU and the KLU in the fall) the first extraordinary event was the CSCMP annual global conference in San Antonio (USA). Here I served as conference co-organizer in charge of one out of the three research tracks.

The second highlight was the establishment of the WHU-Logistics Panel as a community of executive leaders of logistics companies. By end of October when the first yearly meeting of the panel was held in Vallendar, over 60 companies had joined the panel (www.whu-logistikpanel.de). This number already doubled to around 120 by the end of the academic year. This initiative aims to further extend the close collaboration with the logistics industry.

End of 2014 Handelsblatt published its tri-annual ranking of German-speaking Professors. My top-position in the rankings (No. 32 out of ca. 2,500 Management-Professors in terms of current research publications and Top 10% in terms of lifetime research publication output) is a reflection of the high quality research conducted at my Chair. But it is also a strong encouragement to continue this work in the future.

In March 2015 the WHU Dialog Days were held as a platform for exchange between WHU and the city of Düsseldorf. My chair contributed with a "Kinderuni"-session on lean management for children aged 6 to 10 years (the future of our logistics and SCM profession; cf. picture).



April was marked by a two-week stay at the Ohio State University dedicated to joint research projects. This was followed by me, again, being the co-chair of the CSCMP European Research Seminar in cooperation with the Journal of Business Logistics. This time the seminar was held at Copenhagen Business School (Denmark).

The summer months 2015 were especially research intensive and closed on a high note, when the entire Supply Chain Management group of WHU was ranked within the Top 10 among all universities worldwide and as the best in Europe in terms of journal publication output in leading global SCM journals.

It is clear that the activities of my Chair are a team effort. With outstanding initiative and commitment, each individual member played an important role in making the past 12 months successful. For that I am very thankful!

The whole team is deeply indebted to Prof. Dr. h.c. Klaus-Michael Kühne for his dedication to WHU and to his personal foundation for the very generous financing of my Chair. In today's uncertain world a long-term anchor to rely on provides the basis for continuously excelling in research, teaching, and transfer into practice. Continuing to do so also in the future is our clear objective!

Düsseldorf, September 2015

Prof. Dr. Carl Marcus Wallenburg

Team

Our team presently consists of twelve highly motivated colleagues (besides Professor Wallenburg and his Personal Assistant Mrs. Schneider, three Research Associates and six External Doctoral Candidates as well as one Student Assistant) with a broad mix of various competencies. With this the Chair is well positioned for successful work in research, teaching and education, and practice transfer.

New in our Team

- One new Student Assistant, Sarah Groß (European Media and Business Academy Düsseldorf), joined the team during the last year with the focus of supporting course preparation and research-related projects. A new Student Assistant, Florian Helbeck (TU Dortmund), will join the chair starting October 2015.

New Alumni

The Chair's alumni network presently consists of five former doctoral students from TU Berlin and three from WHU. One of the latter finished his doctoral degree this year:

- **Sebastian Fabel**  submitted his dissertation „Managing Strategic Alliances: Value Creation in the Post-Formation Phase“ end of 2014. He now continues to pursue his passion for strategy and works as strategy professional in the strategy department at the corporate headquarters of ThyssenKrupp, a global, diversified industrial company.

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Partners

Research, teaching, and practice transfer benefit from close cooperation with people who contribute different perspectives and knowledge. Therefore, an essential part of our successful work is the result of the Chair's network with national and international partners in research and practice.

Supply Chain Management Group of WHU

The Chair is part of WHU's Supply Chain Management Group. The Group is very engaged in all fields of activity.

This year, its supply chain research has been ranked as Top 10 worldwide among all universities and Top 1 in Europe in terms of journal publication output. In teaching, the Group facilitates that logistics and supply chain management is taught in all WHU programs, and in transfer from and into practice it engages in a wide range of activities from journal editorships to industry excellence awards.

The Kühne Foundation Network

The Chair is actively engaged in the network of the Kühne Foundation funded institutions.

Initiated 2013, the work group "Financial impact of Supply Chain Management" continued its activities in two areas: In the field of transfer, a joint SCM Executive Workshop took place at KLU on September 15th, 2014.



In the field of research, WHU and KLU are jointly active in the project "Performance outcomes of SCM involvement in strategic decision making",

which is conducted by Professor Wallenburg, Professor Hoberg and Niels Patschke, who is pursuing his doctoral degree at WHU, while working closely with different researchers at WHU and KLU.

In the field of teaching at the Kühne Logistics University, Professor Wallenburg is responsible for the foundational first semester course on Supply Chain Management for the "MSc in Management" program, which introduces the students to the core elements of SCM.

In the field of transfer, a joint Executive Education Program "Supply Chain Leadership" was developed

by Professor Wallenburg and Dr. Winkelmann from WHU and Professor Franklin and Mr. Berger from KLU. It will start in April 2016.

International Universities

A further pillar is the cooperation with other renowned international universities. Most notable is the longstanding cooperation with The Ohio State University (Columbus, USA), where Professor spent a two week research visit in April 2015 and also taught one class in Ohio State's MBA program.

Other joint activities include "LOTT – the Logistics Outsourcing Think Tank" together with Lancaster University (UK), John Carroll University (USA), Michigan State University (USA), University of Arkansas (USA), and The Ohio State University, the project "IT capabilities of logistics service providers" together with the University of Arkansas, and the project "Behavioral Supply Chain Management" together with Copenhagen Business School (Denmark).

Entrepreneurial Practice/Cooperation

The last but not least important subject is the Chair's cooperation with practitioners. Considering the practical focus of teaching and research, we work closely together with various national and international companies in different industries. One example is the joint insight project on digitalization in SCM together with the consulting company A.T. Kearney. A special focus lies on the cooperation with logistics service providers in the field of contract logistics and alliance management. Here, the chair hosts two institutional arrangements, the Fokusgruppe Kontraktlogistik", which includes the large LSPs in Germany, and the "Logistik Panel", which was initiated in 2014 and has a 124, mainly small and medium LSPs as members.

In addition we cultivate close contacts to national and international logistics associations, for example, the Council for Supply Chain Management Professionals (CSCMP) for which Professor Wallenburg serves on their Academic Strategies Committee.

Research

The research conducted at the Chair is driven by the idea of focusing on issues and problems that practice is currently facing or will face in the future when operating in modern supply chains.

In order to generate state-of-the-art findings, we cooperate with leading companies and international institutions. Depending on the respective addressee, our research findings are communicated via scientific journals as well as industry-oriented publications, in lectures, and in conference and company presentations.

Awards and distinctions

End of 2014, Professor Wallenburg was ranked by Handelsblatt as Top 2% in terms of current research publication output (No. 32 out of ca. 2,500 Management-Professors in Germany, Austria and Switzerland) and Top 10% in terms of lifetime research publication output, with only 20 researchers in front of him on this list that are younger than him.

Mid 2015, the entire Supply Chain Management of WHU was ranked Top 10 worldwide among all universities and Top 1 in Europe in terms of journal publication output in leading global SCM journals.

Our three core fields of research

The Chair focuses its research activities on three areas: Management of logistics services and logistics service providers, cooperation management, and logistics and supply chain controlling.

- **Management of Logistics Services**

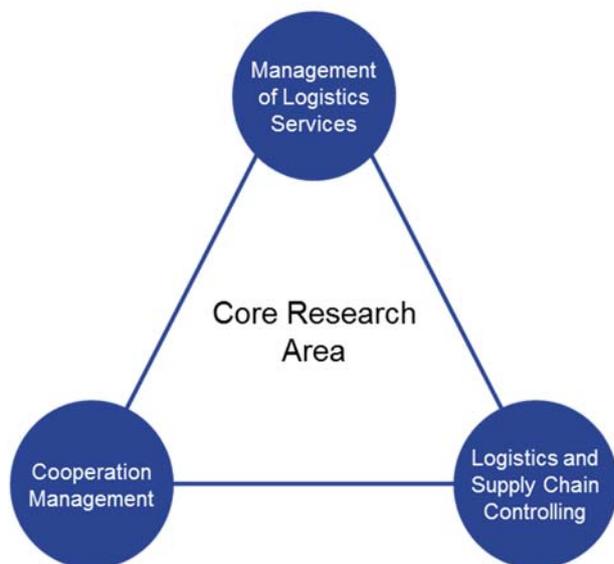
It is clear that logistics companies are of immanent importance in globally integrated economic systems. As the complexity of the corresponding logistics systems has risen, their challenges have grown considerably far beyond the traditional fields of transportation management.

Against this background new strategies and approaches have been developed continually by the Chair in order to optimize the management of logistics companies. Here, we mainly focus on a variety of fields, especially on innovation management and information technology, as well as on strategic alli-

ances and other forms of cooperation among logistics service providers (LSPs). Additionally, our research aims at providing insights into how LSPs' customers, like industry, retailing companies, or internet start-ups should contract with their LSP and can best implement and continuously improve the external logistics services provided with.

The research stream „Ko-LDL“ deals with the management of horizontal alliances among logistics service providers. It currently focuses on two areas: First, on how such alliances create value in their post-formation phase. Based on qualitative case study research this project sheds light into understanding two specific elements of alliance value creation that have been largely neglected in extant research (1) the role of the alliance head office and different ways how it creates alliance value and (2) the process how strategic alliances in general and logistics alliances in particular make strategic decisions. The corresponding research project is far advanced and is currently focusing on preparing the results for journal publication.

Second, building on the previous cooperation research of this chair, a new project shifts the focus away from the individual alliance towards the interdependencies that arise from one LSP engaging in multiple LSP alliances (i.e., an alliance portfolio). Based on conceptual and survey research, the aim



of this project is threefold: (1) identifying performance implications from LSP engagement in one or more alliances, (2) identifying complementary and substitutive effects (i.e. portfolio effects) of different levels of portfolio diversity on the LSP's competitiveness; (3) identifying how different contingencies like firm strategy or environmental uncertainty impact how LSP can best utilize multiple alliances to their advantage. The research will contribute towards the theoretical understanding of the portfolio effect arising from horizontal alliances. On the practitioner side it will show how LSPs can achieve higher levels of competitiveness by making use of the portfolio effect and by configuring its portfolio of alliances in a way that fits their strategy.

The project "IT Capabilities of LSPs", builds on the acclaimed notion of the "logistics IT gap". The first element is to develop a conceptual model to structure and outline different elements of the increasing importance that information has within the value creation process by LSPs.

The second element, which is carried out in cooperation with the University of Arkansas (USA), is to identify the key IT capabilities of LSPs and to evaluate their role within logistics outsourcing processes and their impact on company performance. For this empirical data has been collected from 216 LSPs in 2014. After presenting first results from the analysis on the CSCMP's 2014 annual conference in San Antonio (USA) the findings are currently being processed for publication.

The research project "Online Retail Logistics" examines important success factors regarding the fulfillment activities of online retailers. During the last 10 years the number of start-up companies in the field of e-commerce has increased substantially. One of the largest challenges for young online retailers is to establish a good outbound logistics structure as fulfillment is part of the product in online retailing and the delivery is an essential part of customers' shopping experience. The research questions of this project are based on the life cycle of online retailers. First the foundation phase is considered to analyze how logistics structures of online retailers are planned. The focus is set on the role of business planning and the founders' previous knowledge and experience for establishing good logistics structures. Second it is analyzed how young internet retailers modify their logistics structure due to growth or even crisis. Planning processes for changes regarding the logistics structure and outsourcing deci-

sions are particularly examined. An interesting aspect is our focus on the founders' cooperation with logistics service providers.

The research project "Performance-based contracting for Logistics Services" focusses on contract management from the LSP and the customer perspective. In performance-based contracts, customers tie the payment of their suppliers or service providers to the achievement of certain customer-related goals (e.g., service levels). This facilitates the alignment of interests in the supply chain and provides potential for win-win situations. While the concept proved successful in other industry and service settings, within logistics services the application is scarce and results are mixed.

The research project sets out to provide an overview of performance-based contracting within the German logistics market. Furthermore, antecedents to successfully design and implement performance-contracts are identified. The research focuses in particular on the role of incentive intensity on the success of the business relationship between shippers and LSPs. Data has just been ended and first results will be available by the end of 2015.

Within LOTT, the Logistics Outsourcing Think Tank involving six international universities, we are currently working on two research projects. The first deals with knowledge gains and knowledge losses in and as a result of service outsourcing and their role in successfully managing business relationships between service providers and clients.

The second project "Tension in Organizational Implantation" investigates the placement of service provider employees at client locations and strives to identify success factors for both companies involved. Placing an employee in the midst of two organizations creates tension on this person as he/she may identify with both organizations and may be torn in his/her efforts towards potentially conflicting objectives. This research puts special emphasis on effects of such tension on individual employee behavior as well as on high-level company outcomes and draws on behavioral and organizational theories. The research will encompass a case study approach; first results will be available in summer 2016.

- **Cooperation management**

Referring to this research area, it is our concern to address problems that might arise in internal and external cooperation across companies, but also among company departments.

Regarding cooperation within companies, our focus lies on the cooperation of logistics, production, and sales. Regarding external relationships, our research focuses on cooperations both along the value chain (vertical cooperation) and across the value chain (lateral und horizontal cooperation). Many projects from the field of “logistics services and logistics service providers” entail a strong focus on cooperation management (especially with respect to vertical cooperation), but are listed in the above section.

Another research project related to the area of vertical cooperation deals with risk management in industrial buyer – supplier relations. Here, we aim at quantifying the influence of social expectations and industry standards on purchasing managers’ risk perception and the use of risk identification methods, filtered by corporate culture and managers’ personal characteristics. In cooperation with the Ohio State University we analyze how such risk perception and characteristics of business relations to other supply chain members influence the distribution of risks and, ultimately, the company’s performance. The empirical data for this project has been collected and is currently being analyzed.

The research project “The influence of Supply Chain functions on strategic decision making” aims to identify how different corporate functions should be involved with respect to key strategic corporate decisions that impact multiple functions of the firm. In particular the research focuses on the questions in which strategic decisions the Supply Chain function should be involved to what extent. It is carried out in cooperation with the Kühne Logistics University (Professor Hoberg).

The data will be collected using a large scale survey of Supply Chain Management professionals in late 2015. First results will be available by mid-2016.

The research project "Behavioral Supply Chain Management" (BSCM) addresses the impact of human behavior in the context of cooperation management. Despite the importance of human behavior, the field of BSCM research is still in its infancy. Therefore, a pre-study was conducted with the aim to map out the current state of BSCM research and

formulate a new research agenda to derive new research avenues. These results are currently being summarized in a research paper to be submitted to a scientific journal. Building on this work, the research project sets now out to fill the most prevailing research gaps. In this vein, the next step is to study the impact of social preferences (i.e. subconscious algorithms that help to navigate humans in social settings) on collaborative supply chain planning processes by means of human subject experiments.

- **Logistics and Supply Chain Controlling**

This research area covers the concepts and usage of methods relevant in performance measurement and controlling of logistics activities. Here, besides controlling processes our research focuses on selected instruments and performance measurement systems. In order to meet the increasing challenges cross-company supply chain management has to deal with, controlling in cooperations is also analyzed.

The research project “goal conflicts and collaboration among logistics, production and sales” deals with the relationships at the interfaces of logistics, production, and sales in manufacturing companies. In doing so, it builds on earlier work at the Kühne-Center for Logistics Management at WHU. That tension and goal conflicts exist among the three departments are already known and transparent in the literature, but it is unclear how effective working relationships can be best facilitated in spite of conflicting goals. Here, this research project aims to identify influencing factors that ease the effects of objective goal conflicts and facilitates effective management by objective. As a basis for this case study interviews with managers from manufacturing companies have been completed and are currently analyzed and prepared for publication.

- **Other research**

Besides the engagement into our three research fields we completed a study with the management consulting company A.T. Kearney. In cooperation with this well partner we developed a research questionnaire which addressed leading practitioners working in the Supply Chain Management area across different industries. The study dealt with the increasing digitalization within Supply Chains and identified changes in comparison to the last three

years and recognized trends for the near future. The results reveal that supply chain managers of leading European companies expect the most important digitalization levers in the next three years to be rather traditional topics such as IT integration, more comprehensive use of data and paperless processes. Interestingly, newer technological advances such as 3D printing, robots, and smart labels are expected to be less relevant over the short term. A summary of the results was published in "Logistik heute". An extensive report of the study will be published within the next weeks.

Conferences

This reporting period saw a conference engagement of the chair at different occasions and in different roles - both as participants and presenters of our research and as organizers.

- **CSCMP Annual Global Conference, September 2013, San Antonio (USA)**

Professor Wallenburg attended this conference in various roles. As European Editor of the Journal of Business Logistics, he had several meetings related to the Journal and its future development. Further, he served as member of the program committee of the CSCMP Educator's conference and was the session chair for the General SCM research track. Within this track, he also presented the paper "The role of IT in selling and providing Logistics Services" authored by him, Simon Braun and Professor Hofer of the University of Arkansas.

- **11th CSCMP European Research Seminar on Logistics and Supply Chain Management, April 2014, CBS - Copenhagen**

The annual European Research Seminar on logistics and supply chain management took place on April 23th and 24th in its tenth edition. Professor Wallenburg served as Co-Chair of the conference as in the previous years. Further, he presented the paper "Performance measurement in horizontal alliances" authored by him and Dr. Schäffler.

The conference was conducted in cooperation with the Journal of Business Logistics and the Council of Supply Chain Management Professionals (CSCMP). More than 50 renowned researchers from Europe and North America discussed forward thinking research projects in the field of supply chain management with a focus on conceptual and empirical studies. The participants emphasized the high

quality of discussions and the seamless organization of the conference.

- **Sommertagung of the WK Logistik, January 2015, University of Duisburg-Essen - Duisburg**

Professor Wallenburg attended this conference in his role as vice chairperson of the committee.

The Chair served as host to the community of logistics professors in the German-speaking countries. The conference was characterized by a broad mix of topics ranging from transportation to supply management and involving both empirical and mathematical approaches.

Scientific Publications in Academic Journals

As noted before, the numerous past publications of Professor Wallenburg led to an excellent ranking by the Handelsblatt in December 2014. The Chair managed to continue its publication success.

Bellingkrodt, Silvia; **Wallenburg, Carl Marcus** (2014): The role of customer relations for innovativeness and customer satisfaction: A comparison of service industries, *International Journal of Logistics Management*, 26(2), 254-274



This article provides insights into commonalities and differences of service innovation across different industries. The compared sectors are logistics service providers and IT service providers (SPs). The data was collected from 778 SPs via an online survey

and structural equation modelling was used to analyze the empirical data.

Based on Miozzo and Soete (2001) service innovation concept, this research shows that both types of SPs benefit from close customer relations in terms of innovativeness and customer satisfaction. However, ITSPs rely more on a large number of customers to be innovative than logistics service providers (LSPs), further, LSPs can evoke a higher level of customer satisfaction when being innovative.

Academic Commission Logistics

In summer 2014 Professor Wallenburg was elected deputy chairman of the Academic Commission Logistics of the Association of professors in business administration (Verband der Hochschullehrer für Betriebswirtschaftslehre). Together with the chairman Professor Large (University of Stuttgart) he steers this academic commission and is cooperating with the executive board of the overarching association.

Editorship

Since 2011 Professor Wallenburg has been European Editor of the Journal of Business Logistics (JBL).

The Journal of Business Logistics is a scientific journal that has been published for more than 30 years. It is considered one of the most prestigious journals in the field of "Logistics and Supply Chain Management" and the second highest impact in field. JBL has an interdisciplinary focus on the further development of the management of value creation processes and networks. It publishes contributions from the leading researchers in the fields of supply chain management, operations management, logistics and procurement.

As part of this commitment Professor Wallenburg, is acting as co-chair of the European Research Seminar organized together with CSCMP in cooperation with the JBL. This year's seminar was held in April at Copenhagen Business School in Denmark. Together with Professor Gammelgaard of Copenhagen Business School he leads the program committee. They serve as joint Editors-in-Chief for all submissions to the Research Seminar.

Editorial Boards

Since long Professor Wallenburg has been a member of the Editorial Review Board of the Journal of Supply Chain Management and the Editorial Advisory Board of the International Journal of Physical Distribution & Logistics Management. Additionally, mid-2013 he was chosen to join the Editorial Board of the Journal of Management Control. Further, he served on the program committees of the conferences Logistikmanagement 2015 and the 8th scientific symposium of the BME.

Review Activities

Professor Wallenburg served as reviewer for the following journals: International Journal of Logistics Management, International Journal of Physical Distribution and Logistics Management, Journal of Business Logistics, Journal of Management Control, the Journal of Purchasing and Supply Management, Journal of Supply Chain Management, Scandinavian Journal of Management, and Transportation Journal.

Additionally, Professor Wallenburg reviewed papers for the SCSCMP Educator's conference and the 7th scientific symposium of the BME and served on the CSCMP Doctoral Dissertation Award committee.

Teaching Activities

The Chair takes an active part in WHU's teaching activities and offers several lectures and seminars for students in all different programs. The main focus lies on foundational and advanced elements of logistics and supply chain management.

All of our courses combine a profound theoretical foundation with a practical approach, including case studies and guest lectures. Next to a solid introduction to scientific methodology, the discussion of the applied concepts with our students forms an essential part of our teaching activities. Our goal is to not only provide our students with the knowledge to pass their exams, but to enable them to sustainably comprehend the use as well as the interrelation of differing concepts and levers relevant in a supply chain context.

Courses

During the reporting period the Chair offered courses in the BSc, MSc, MBA, part-time MBA, and PhD program of WHU, as well as at MSc program of the Kühne Logistics University (KLU) in Hamburg.

- **BSc Program**

The lecture „Logistics and Supply Chain Management“ addressed the 3rd semester BSc students.

The lecture is compulsory to all bachelor students, ensuring that WHU students are familiar with the basic concepts and levers of logistics and supply chain management.

The course gives an overview over relevant (future) topics and basic concepts in supply chain management. Thus, how to efficiently design a supply chain and a distribution network was taught as well as different concepts of choosing inventory and transportation strategies. A special focus lies on future challenges that logistics increasingly will have to cope with: starting with increased customer focus and localization of products, as well as shorter product life cycles and growing vulnerability of supply chains, up to a stronger consideration of sustainability aspects. To further support the application to hands-on management issues, two guest speakers (Frank Schuenemann from Kühne + Nagel and Sascha Tilli from LGI) provided insights on how logistics service providers deal with the mentioned challenges.

The course “Applied Supply Chain Management” was offered in both the fall and spring semester to 4th and 5th semester bachelor students. The aim of this course is to bridge the gap between conceptual models and frameworks on the one hand, and the complexity and detail of the real world on the other hand. For this reason, the students were turned from case users into case producers: in groups, they were required to find partner companies and work on a practical problem these companies were faced with in their different business fields of purchasing and logistics. The groups were responsible for the collection of all necessary data and information from the partner companies and received intense topic-related and methodological support from the Chair to prepare their first teaching case study and corresponding teaching material. In addition to the application of theoretical concepts to real-life managerial problems, the course offers an opportunity to interact closely and independently with a partner company. In both semesters, this course received particularly positive student evaluations.

- **MSc Program**

As part of the Master of Sciences Programs the course “Service Excellence” held the second time. This course encouraged students in understanding the key challenges of service companies and enabled them to design solutions to create truly excellent services and service companies. Participating students obtained profound knowledge in aspects of new service development from a product and process perspective, organizations' significance of managing the service encounter to achieve customer satisfaction and the vital role that information technology plays in enhancing the service firm's competitiveness. To achieve the intended objectives the course consisted of several relevant service case studies, a final exam and, to balance theory and practice, a field analysis part that complementarily emphasized the nature of the service in contemporary businesses.

- **MBA and part-time MBA Program**

The WHU Full-Time MBA Program aims at qualifying participants for strategic leadership positions. Part of this qualification is the lecture “Logistics and Supply Chain Management” in the second year of

the program. Students are demonstrated that logistics goes far beyond a pure functional character focusing on transportation and warehousing. In modern supply chains, logistics is an enabler of global value networks. In this regard, stock levels and inventory allocation along the supply chain play a key role.

At first, students are introduced to the basic concepts of logistics and supply chain management and provided with insights to successfully develop an appropriate logistics strategy. Subsequently, students are taught in principles of inventory management. All theoretical concepts are applied to practical problems by means of several case studies and in class discussions. Further practical reference is provided by an excursion to Amazon's fulfillment center in Rheinberg.

A corresponding lecture was offered as a compulsory course in the Part-Time MBA Program by Professor Wallenburg. During three presence days at the WHU Düsseldorf Campus, the following modules were discussed: role of logistics and supply chain management for value creation, fundamental SCM concepts and inventory management principles, supply chain strategy and design, and LSPs and logistics outsourcing.

- **PhD Program**

As part of the WHU PhD program, the seminar „Theories in Supply Chain Management“ was offered by Professor Wallenburg. The course presents and facilitates discussion of theoretical concepts relevant in supply chain related research. Next to the introduction to several relevant theories, their application in different research designs was an essential part of this seminar.

A further important element in the education of doctoral students is the monthly doctoral colloquium of the Chair, in which all internal and external doctoral students of the Chair at WHU took part. It offers the opportunity to present and discuss potential new research areas as well as concrete problems and results related to ongoing research projects.

In June 2015 the colloquium was held off-campus in Ahaus. Next to intense discussions on research projects, joint teambuilding activities were a vital component to maintain the already existing culture of close cooperation and open communication at the Chair and extend it to the new doctoral students.

- **KLU**

In the autumn of 2014, Professor Wallenburg was responsible for a course Supply Chain Management in the “MSc in Management”, offered by the Kühne Logistics University (KLU). The course helped the students understand fundamental concepts and strategies in the logistics and supply chain management context. Furthermore, students learned to design and optimize production and distribution networks in order to conceive efficient logistics structures.

The structure of the lecture was properly balanced between lectures, discussion parts, and exercise sessions. Further a company visit to Kühne+Nagel and its facility in Obergeorgswerder and a presentation by the logistics company LGI were integrated into the course to give complementing practical insights.

Examination Performances

- **BSc Program**

The Chair was supervisor for the below listed ten bachelor theses at WHU. Here Professor Wallenburg served as first supervisor and the Chair's research associates as second supervisor.

- Maximilian Horst Uwe Charlet: Flexibility of internal operations management in Times of Global Volatility – Applicable Instrument or Philosophical Concept?
- Jan Christian Horstmann: Implications of agency theory on performance-based contracting of service
- Jessica Caroline Junghans: The reduction of returns in online retailing: A practical analysis about factors that influence the order itself
- Lia Knörrer: Application of service-dominant logic for performance-based contracting of logistics services
- Jannick Koch: Store or print: An empirical analysis of 3D printing vs. storage in the automotive spare parts supply chain
- Victoria Nowak: Implementing performance based contracting for logistics services

- Kathrin Rasch: Preventative returns management in online retailing
- Michael Christian Schöneberger: Customer Loyalty Concepts in Logistics and Other B2B Service Settings
- Philip Jonas von Wedel: The reduction of returns in online retailing: A practical analysis taking the post-purchase perspective
- Daniela Zellner: Employee Role Ambiguity of Company Implants at logistics companies

- **MSc Program**

Professor Wallenburg advised two MSc theses:

- Justus Friedrich Alexander Vogel: Increasing Operating Room Productivity via Planning and Scheduling of Hospital Surgeries
- Eva Neugebauer: Last Mile Delivery Solutions for Online Food Retailing in Urban Areas

- **MBA Program**

Professor Wallenburg advised two MBA thesis:

- Katharina Riss: Outsourcing of fulfillment: What are its main drivers in internet-retailing and pattern concerning their outsourcing decision?
- Jiaqing Zhong: Preventive returns management in online retailing: A literature review of drivers and measures affecting the return rate

- **Part-time MBA Program**

Professor Wallenburg advised one Part-time MBA thesis:

- Stephanie Kreuz: How outsourcing decisions in service management are influenced by the strategic objectives of a corporation

- **Doctoral Program**

During the reporting period Professor Wallenburg was advisor to the following nine doctoral students at WHU in their research projects:

- Bastian Böltz: Managing alliance portfolios of logistics service providers: A contingency perspective
- Simon Braun: Information technology capabilities of logistics service providers: A conceptual development and analysis of antecedents and consequences
- Lukas Einmahl: Preventive Returns Management
- Nik Frodermann: Target conflicts between production, logistics and sales
Niels Patschke: The Financial Impact of Supply Chain Management
- Niels Patschke: The Financial Impact of Supply Chain Management
- Florian Sander: Tension in Organizational Implantation: Origins and Effects on Implant Behavior and Implantation Outcomes
- Timm Schorsch: Behavioral Supply Chain Management
- Maurizio Singh: The logistics organization of young Internet retailers – an examination of its development in the early stages of the company
- Torsten Steinbach: Performance-based contracting for complex logistics services: Conceptual foundation and empirical

Furthermore Professor Wallenburg is co-advisor of the following nine doctoral students at WHU in their research projects of which two were completed:

- Stefan Grunwald-Delitz (Institute of Management Accounting and Control): Interorganizational routines – the role of agency in distributed routines
- Daniel Jeschonowski (Institute of Management Accounting and Control): Ausgestaltung des Kostenmanagements im organisationsübergreifenden Kontext: Eine empirische Analyse
- Alexander König (Kühne-Foundation Chair of Logistics Management): Supply Chain

Risk Management of Logistics Service Providers

- Silke Malina (Kühne-Foundation Chair of Logistics Management): Management of Supply Chain Complexity: A Study in the Drive & Control Industry
- Johan Rauer (Chair of International Business & Supply Management): Multinational Enterprises' Corporate Social Responsibility in an International Business Context. (Disputation, April 2015)
- Christian Rudolf (Kühne-Foundation Chair of Logistics Management): Supply Chain Risk Management in Large Scale Projects
- Sebastian Schmidt (Institute of Management Accounting and Control): Influence of top managements' characteristics on the design and use of management control systems
- Barbara Wichmann (Chair of International Business & Supply Management): Determinants of cross-functional commitment for environmental projects within a social network context
- Jens Woloszczak (Institute of Management Accounting and Control): The influence of top managers' personality on the design and use of management control systems. (Disputation, October 2014)

Practice Transfer

WHU Logistics Panel

In an effort to connect even closer with practitioners in the field of logistics and transportation services, the Chair has founded the WHU Logistics Panel in fall 2014. The Panel targets Managing Directors of transportation and logistics service providers with at least 10 employees or € 1M in revenues in Germany. It serves as a platform for logistics service providers and promotes an active exchange with one another as well as with the Chair.



As part of the Panel, members participate in biannual surveys to collect logistics-specific KPIs and benchmarks and to discuss current trends and topics. The results of the surveys are made available to members in a comprehensive management report. Furthermore, the Chair hosts an annual symposium for all Panel members to present and discuss survey results, hold workshops on current topics, and provide a platform for active networking. Finally, all members benefit from a junior management workshop, where a promising employee participates in a daylong event with presentations, workshops and networking opportunities tailored to young talents.

While members benefit from up-to-date benchmarks and market insights as well as networking events, the Chair gains valuable insights into current logistics-related topics and trends, connects

closely with practitioners and builds long-term partnerships with logistics service providers.

As of October 2015, the Logistics Panel had a member base of 125 companies. Comprehensive information about the Panel can be found at www.logistikpanel.de (German language only).

Education

• Academic Strategies Committee of CSCMP

Professor Wallenburg is serving for a three year term on the Academic Strategies Committee of the Council of Supply Chain Management Professionals (CSCMP). This Committee headed by Professors Stanley Griffis is responsible for devising the academic and educational strategy of this globally active association and additionally organizes the academic sessions at CSCMP's annual conference.

• NetloP-Seminar of the Kühne Foundation

In Fall 2014 once again the attendees of the Executive Training of the Kühne-Foundation were guests on WHU's campus in Vallendar. This time the two day seminar of Professor Wallenburg and his team focused on the currently much-discussed issues of online retailing and 3D printing. During presentations and workshops the basics of the topics were addressed. Afterwards, possible implications for logistics today and in near future were discussed in workshops and discussion rounds. The two days were complemented by a visit to two distribution centers: the Koblenz fulfillment center of Amazon and the German DC of dm Drogeriemarkt in Meckenheim, where the participants got impressive insights into different approaches of running a very large DC.

Events

• Focus Group

The focus group „Contract logistics of the future“, co-founded by Professor Wallenburg 11 years ago and now managed solely by him, has been significantly expanded in the last years. Today it consists of about 30 representatives of logistics companies ranging from medium size (e.g. Zufall, LGI and Hüttemann) to large companies (e.g. Kuehne + Nagel, DB Schenker, Schnellecke). The group meets twice a year in order to discuss contemporary topics in the field of contract logistics.

The meeting in November 2014 was hosted by Dr. Heimann at a Rhenus location in Nottuln. Focus of the presentations and discussions were the topics innovation, customer loyalty and revenue growth. As part of the meeting, the site operated for reverse logistics was presented.

In April 2015, members of the focus group met in Heilbronn at a distribution center operated by DSV. Topic of the meeting was HR management and recruiting. External speakers from specialized firms as well as members of the focus group presented cutting-edge insights on leadership, personnel development and recruiting topics.

The next focus group meeting will take place in November 2015 in Göttingen at the company Zufall. Focus of the meeting will be the ramp-up phase of projects and related pitfalls and best practices.

• WHU Logistik Symposium

This year's WHU Logistik Symposium took place on October 31st at the university campus in Vallendar. The event was organized in two parts, in the morning participants heard three stimulating presentations before actively engaging in workshop sessions in the afternoon.

Professor Wallenburg presented the results of this year's Herbststudie focusing on relevant financial indicators, innovation of logistics service providers and relevant aspects of logistics alliances. Next, Simon Braun discussed the results of the WHU study on information technology competencies for logistics outsourcing. Finally, Markus Holzmüller from PSI Logistics presented an innovative system solution for efficient warehouse management facilitation.

During the second half of the day, two workshops were conducted with active engagement of all participants. First, the topic benchmarks and key performance indicators was discussed. Results of the workshop will be reflected in future benchmarking studies of the WHU Logistik Panel. During the second workshop session, implications of performance-based contracts for logistics service providers were discussed and lessons learned shared among participants.

Feedback of the participants was overall very positive and Professor Wallenburg highlighted the open and interactive character of the Symposium.



• Logistik-Nachwuchsführungskräfte-Workshop

For the first time, the workshop for high potentials from the logistics industry took place at the WHU university campus in Düsseldorf. The concept of the workshop is to engage partner companies who cooperate with WHU for various research topics (such as the Logistik-Panel members) and offer them a compelling one-day training for young professionals with promising career ambitions.

All participants worked for at least two years at their current employer and either successfully completed an apprenticeship or relevant studies in the broader field of management and logistics.

The young professions were trained not only in relevant core logistics principles but also engaged in active workshops on current topics of the industry such as 3-D printing and implications for logistics services. Furthermore, the development of soft skills is a vital element of the Nachwuchsführungskräfte-Workshop and participants were trained in

effective communications principles and presentations techniques.

The workshop was overall a great success and is planned to be conducted in a similar format over the next years at WHU in Düsseldorf.



- **Campus for Supply Chain Management**

Professor Wallenburg is the Academic Director of Campus for Supply Chain Management, which is organized by WHU students and is aimed at both students and practitioners. On March 13th and 14th 2015 the congress took place for the 12th time on the WHU Campus in Vallendar.

“Supply Chain 2025 – Expect the Unexpected?” – this year’s two day congress concentrated on possible future developments in the Supply Chain Management. In this context well known corporate and academic speakers gave valuable insights in their approaches and practices to handle the upcoming challenges. The conference was structured into three main topics. One of them was the increasing complexity of supply chains due to globalization which addressed the increased extension and fragmentation of supply networks as well as growing diversification of customer needs. The other two main topics dealt with the increasing importance of emerging markets and the arising “war for talents”.

The congress provided an exciting variety of presentations by practitioners and researchers, panel discussions and interactive workshops. As part of the congress the chairs of the Kühne foundation organized corporate workshops which not only allowed the participants to get new insights into supply chain management but also gave them the opportunity to interact with other experts from academia and practice.

The organizers were very pleased with the high attendance and the participants used the opportunities to learn and to network very intensely.

- **Kinderuni @ Campus Düsseldorf**

The third week of March WHU dedicated to its Dialog Days, which is a forum for exchange between WHU’s Düsseldorf campus and the city of Düsseldorf and its companies and inhabitants.

As part of the Dialog Days, Professor Wallenburg and his team engaged in the Kinderuni, which was target at children aged 6 to 10 years. In the session on Lean Management the children learned how optimize their assembly of Lego toy bears in different steps. Everybody was amazed how the children could increase their output by more than the factor 5 through easy steps like creating order (5S), collaboration, and work leveling.



Complete Publication List

Bellingkrodt, Silvia; **Wallenburg, Carl Marcus** (2015): The role of customer relations for innovativeness and customer satisfaction: A comparison of service industries, *International Journal of Logistics Management*, 26(2), 254-274

Wallenburg, Carl Marcus; Bühler, Andreas (2015): How to optimize Logistics and Supply Chain KPIs, *Controlling and Management Review*, 59(1), 8-16.

Schmidt, Bernd; Rutkowsky, Sven; Petersen, Ingo; **Wallenburg, Carl Marcus, Einmahl, Lukas**, (2015): High Expectations on Digitalisation, *Logistik Heute*, 26-27.

Wallenburg, Carl Marcus; Braun, Simon (2014): IT-Capabilities in Logistics Outsourcing

Wallenburg, Carl Marcus; Sander, Florian; Steinbach, Torsten (2014): WHU Logistics Panel Study – Benchmarking and KPIs, Innovation, and Alliance Management

In bold letters:

Current or former members of the Kühne-Foundation Chair of Logistics and Services Management

Reporting on Sustainability

In our daily work, the Chair aims to reduce the use of natural resources in many ways, for example, by minimizing printing volume. Further, our teaching activities are designed to develop a socially responsible and resource-conscious behavior of the students, which in turn drives sustainability as the students will become socially and environmentally responsible managers in the future.

In addition, we conduct research with the aim to foster economic, environmental, and social sustainability. For example, the research project “Performance-based contracting for Logistics Services” focuses on sustainable logistics partnerships between industry customers and LSPs, the research “Tension in Organizational Implantation” focuses on sustainability both in outsourcing relationships and in the employer-employee relationship, and the research project “Preventive returns management” aims at increasing sustainability in online retailing by reducing product return rates and with that avoiding many unnecessary shipments.

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