

can involve issues related to pricing, distribution, quality, communication, and more.

- Why does conflict happen?

1. **Differing Objectives:** Different entities within the supply chain may have conflicting goals. For instance, a manufacturer may want to reduce costs, while a retailer may focus on maximizing sales and customer satisfaction. These conflicting objectives can lead to disagreements over pricing, order quantities, and more.
2. **Communication Breakdown:** Lack of clear and timely communication can result in misunderstandings, misinterpretations, and misinformation. This can lead to errors, delays, and ultimately, conflict between parties.
3. **Power Imbalances:** Power dynamics within the supply chain can contribute to conflict. Larger, more influential entities may try to exert control over smaller ones, leading to resistance and disputes.
4. **Resource Constraints:** Limited resources, such as raw materials or production capacity, can lead to competition among supply chain partners, causing conflict over who gets priority access.
5. **Uncertainty and Risk:** Supply chains are exposed to various risks, such as disruptions in supply, demand fluctuations, and geopolitical issues. When these risks materialize, they can trigger conflicts as entities try to shift blame or find solutions.
6. **Competitive Pressures:** In situations where supply chain partners are also competitors, there can be conflicts over market share, pricing, and market strategies.
7. **Quality and Performance Issues:** Poor quality products, delays, and deviations from agreed-upon standards can lead to conflict between parties responsible for different stages of production.
8. **Lack of Alignment:** When supply chain partners have different understandings of roles, responsibilities, and expectations, it can lead to disagreements and conflicts over who should do what.
9. **Economic Factors:** Economic pressures, such as cost-cutting initiatives or demands for higher margins, can strain relationships and lead to conflict as parties try to protect their interests.