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### The application of ISM model in evaluating agile suppliers selection criteria and ranking suppliers using fuzzy TOPSIS-AHP methods

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#### ABSTRACT

In the present competitive world, the organizations need to endeavor constantly so as to make progress as well as maintaining their current position through employing the appropriate strategies. Organizations surroundings have been undergoing rapid changes among which the different demands and the variety of customers are to be mentioned. The scarce and limited number of sources and facilities are also worth being cited as another example of an important restrictions placed on companies. One way to bring down these problems is employing agile suppliers and outsourcing appropriately. The current study results from two theses completed in the fields of agility and ISM. It begins with identifying the criteria to evaluate agile suppliers. Then these factors are ranked and categorized using the interpretive structural model. The results of this study depict that the delivery speed variable lays on the bottom level of the model outlet with quite high driving power. The delay reduction variable has the same characteristics. Next, using fuzzy hierarchical analysis method, the weight of the agility evaluation criteria of suppliers are measured and put as TOPSIS model input. Finally, six suppliers are rated using fuzzy TOPSIS method. The results of this study shows that the criteria with higher driving power and lower dependence have higher weight in AHP model. It is, therefore, necessary to focus on variables of the first and second level of model in order to increase suppliers' agility. In this study, the weight of data has been determined using hierarchical analysis so as to increase the efficiency of the results of fuzzy TOPSIS technique. At the same time, interpretive structural model has been also employed to interpret the effects of the criteria on suppliers. © 2015 Elsevier Ltd. All rights reserved.

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#### 45 1. Introduction

In the past, an organization's products including services or 46 goods used to be bought by customers, and organizations did not 47 have to show any concerns about making any changes or improving 48 their system. As a matter of fact, customers had no choice except to 49 purchase the goods available in the market. However, with the 50 number of manufactures and, as a result, competitors being 51 increased gradually, customers had more freedom to choose and 52 53 buy whatever suited their preferences among a wide variety of 54 products and organizations offering them. Rapid technological rev-55 olution, risk increase, globalization, and privatization expectations are of environmental features with which the current trading orga-56 nizations are dealing. To succeed in this environment, agility 57

http://dx.doi.org/10.1016/j.eswa.2015.02.035 0957-4174/© 2015 Elsevier Ltd. All rights reserved. creates a competitive advantage which can be preserved by being famous for innovation and quality. An agile organization makes processes and people compatible with new state-of-the-art technology and accommodates customer's needs based on its quality products and services in a rather short period of time. This certainly would occur when agility was considered a disciplined organizational value and a competitive strategy for managers. In this regard, organizations have to offer the products which can gain customer's satisfaction. Supply chain management and supplier selection process has been given a particular consideration recently. In 1990s a lot of factories were searching for a way to share with suppliers so that they can improve their management efficiency and competitiveness. The supplier and consumer relationship has been seriously considered. Supply chain of a company would be a strong and serious barrier against competitors if there were a long lasting relationship between these two items (Shahaei, 2007). With purchase and supply growth, purchase decisions have become of more importance and since current organizations are more dependent on suppliers, the direct and indirect consequence of feeble decision making appears more serious (De Boer, Labro, & Morlacchi, 2001).

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78 In most industries, the cost of raw materials and the constituents of 79 the product accounts for the main proportion of price of the fin-80 ished product (Ghodsypour & O'brien, 1998). In this regard, supply 81 section can play a key role in the performance and efficiency of an 82 organization and has a direct effect on cost minimization, profit 83 making, and flexibility of a company (Ghodsypour & O'brien, 84 2001). Supply chain is a network which includes all tasks pertinent 85 to goods stream and conversion from raw material to final product 86 stage as well as the corresponding information system. The materi-87 als and information are both flowing at the top and bottom of the 88 network and for the supply chain to have a good performance and 89 to gain customer satisfaction, a proper management is needed 90 (Farahani & Asgari, 2007). As a matter of fact, selecting an appropri-91 ate collection of suppliers serves a vital function for a company to 92 succeed, on which there has been great emphasis since a long time 93 ago (Zhang, Lei, Cao, To, & Ng, 2003). With the concept of supply 94 chain management having been introduced recently, a majority of 95 researchers, scientists, and managers have found selecting the 96 appropriate supplier and managing it a useful way which can be 97 used to improve supply chain competitiveness (Lee, Ha, & Kim, 98 2001). Considering a supplier as a supply chain network with the 99 ultimate goal of offering customer's expected product has been introduced and discussed since 2000 (Ali Ahmadi, Tajeddin, & 100 Fatola, 2003). Foreign suppliers contribute to cost minimization, 101 102 better delivery, and customer satisfaction; in other words, if a com-103 pany can get in contact with foreign suppliers, it would be one of 104 the most significant duties of the manager to select the supplier. 105 In 1974, Warfield introduced the ISM approach to identify interrela-106 tionships between factors from a recommended list (Jindal and 107 Sangwan, 2013; Kannan & Haq, 2007; Kannan, Pokharel, & Sasi 108 Kumar, 2009) This approach was also used to identify the influen-109 tial role of factors from a recommended list, and it suggested the 110 use of expert opinions based on various management techniques such as brainstorming, nominal technique, etc. to develop a contex-111 112 tual relationship among variables. Attri, Dev, and Sharma (2013) 113 summarized that the ISM technique was an interactive learning 114 process where a set of different and directly related elements are 115 structured into a comprehensive system model. In addition, ISM 116 is a better approach to solve the complexity of relationships with 117 many elements (Mathiyazhagan & Haq, 2013). Similarly, Ansari, 118 Kharb, Luthra, Shimmi, and Chatterji (2013) pointed out that ISM 119 enables individuals or groups to develop a map of the multiple 120 relationships between many elements involved in a complex situa-121 tion. Generally, ISM is a combination of three modeling languages words, digraphs, and discrete mathematics - to ensure a solution to 122 123 a structure of complex issues. This approach is used for an effective 124 decision making process. It is also used traditionally in manage-125 ment studies. The researchers selected this approach because of 126 its benefits; direct and indirect relationships between variables 127 based on situations are revealed far more accurately than individual 128 factors taken in isolation (Cagno, Micheli, Jacinto, & Masi, 2014). In 129 fact, ISM method states that how the factors being studied such as cost, supply chain, innovation, and etc are involved in a company to 130 meet its targets and how they are dependent. That is to say, these 131 132 features are agility drivers which have been introduced by several different researchers for years. According to the studies done, 133 achieving agility can guarantee the persistence and progress of an 134 organization. These features are explained in details in the agility 135 section. One important aspect of agility is the supply chain section 136 137 of an organization. If the management section can select the agile 138 and prominent supplier using the appropriate factors and methods, 139 it will be of great help for the organization to achieve its goals. 140 Interpretive structural model is capable of identifying the relation-141 ship between criteria which have individual or group dependence 142 on each other. Multi-criterion decision making is one of the 143 research areas in operational and management science which

considering various functional needs has been developed rapidly 144 during the current decade. Computers have helped decision making 145 techniques be quite acceptable in all steps of decision making pro-146 cess. Applying computers has had a considerable increase particu-147 larly in recent years; therefore, considering mathematical 148 complexities it has become very easy to use multi-criterion deci-149 sion making methods. Decision making is a way to find the best 150 choice from a set of existing choices. When several criteria are con-151 sidered in decision making problems, they are called multi-criter-152 ion decision making (MCDM) problems (Wang, Lee, & Lin, 2003). 153 Since making decision and selecting agile supplier by an organiza-154 tion is a decision making problem on which several criteria have 155 effect, one of the multi-criterion decision making methods called 156 analytical hierarchical process, AHP, is used in this study. Choy 157 and Lee (2002) introduced a decision making model for suppliers 158 in which the most important suppliers' task are defined in five sec-159 tions (Choy, Lee, & Lo, 2002). Sarkis and Talluri (2002) have offered a 160 model to evaluate suppliers which has ranked factors based on ana-161 lytic network process, ANP. Ravi, Shankar, and Tiwari (2005) evalu-162 ated and selected the suppliers of a computer network using 163 balance score card and decision making model based on ANP. 164 Ravi et al. (2005) determined eleven barriers to select suppliers in 165 car industry and used ISM methodology to analyze the interaction 166 of these barriers. The details of supplier's selection are introduced 167 by the scientists like Kannan, Haq, Sasikumar, and Arunachalam 168 (2008) and Pokharel and Mutha (2009). Kannan and Haq (2008) 169 used ISM and AHP in a certain environment to determine the rank-170 ing and the interaction of different criteria to select a supplier based 171 on his performance. 172

ISM analyzes the relationship between criteria by decomposing 173 them into different levels (Kannan et al., 2009). ISM can be used to 174 analyze the relationship between the features of several variables 175 which are defined for a problem (Jw, 1974). The study carried out 176 by Saxena and Vrat (1992) centers on the ISM function to analyze 177 the relationship between defined variables for cement factory in 178 India. Mandal and Deshmukh (1994) used ISM method to analyze 179 the most important criteria to select the best vendor and the 180 relationship between criteria. Also Sharma (1995) has hierarchi-181 cally analyzed necessary tasks for a sound production management. 182 Kannan and Haq (2007) have analyzed the criteria and sub criteria 183 needed to select supplier. ISM methodology has few limitations and 184 identifying the relationship between the variables usually depends 185 on the information and the decision maker's acquaintance with the 186 company being studied. Consequently, the individuals' judgment, 187 on the variables can influence the final result (Kumar, Kee, & 188 Manshor, 2009). Despite the wide and successful applications of 189 AHP in a lot of decision making problems, it has always been criti-190 cized for its inability in managing uncertainty resulting from relat-191 ing whole numbers to decision makers' understanding (Deng, 192 1999). The natural approach to confront the judgments or uncertain 193 decisions is to use fuzzy sets or fuzzy numbers in comparison ratios. 194 In this study, the given framework to analyze and evaluate the agile 195 suppliers includes a number of stages in part of which the fuzzy 196 AHP method has been used to weigh criteria. TOPSIS is a well-197 known technique for classic MCDM, firstly proposed by Hwang 198 and Yoon. The underlying logic of TOPSIS is ideal and negative ideal 199 solution. The ideal solution is the solution that maximizes benefit 200 criteria and minimizes cost criteria. To sum up, the ideal solution 201 includes all the best values of available criteria while the negative 202 ideal solution is mixture of the worst values of available criteria. 203 The best alternative is the one which has the shortest distance from 204 the ideal solution and the farthest distance from the negative ideal 205 solution. Considering the fact that TOPSIS is a well-known method 206 for classic MCDM, a lot of researchers use it to solve the FMCDM 207 problems. Some researchers have done dis-Fuzzy rates and weights 208 (Yu, 2002). While dis-Fuzzy lead to a loss of some data, some others 209

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- 210 (Anand Raj & Nagesh Kumar, 1999; Liang, 1999; Chen, 2000) and
- supposed that TOPSIS must be generalized in a fuzzy environment.
- The selection criteria has been evaluated independently and as definite magnitudes in researches thus far been carried out. In addition,
- certain ranking methods have been applied so as to rank suppliers
- among which one supplier is being studied.

In the past studies, the ISM model or other decision making methods were single-handedly used while their functions have not ever shown certainly. In the present study begins with leveling the suppliers' evaluation criteria using ISM method and then is followed by weighing each criterion using fuzzy AHP method and ranking the suppliers by TOPSIS method.

### 222 **2. Agile supplier evaluation criteria**

Following the scientific and executive experts meeting, a novel paradigm report entitled "Production Agent Strategy in the 21st Century: Industrial Experts Standpoint" was published and made public by Uacocca institute (Nagel & Dove, 1991). Soon after, the term "agile" came to a common use by all (Gunasekaran, Patel, & Tirtiroglu, 2001).

Several different studies have been conducted in order to iden-229 tify and to evaluate the organizational agility degree, one of whose 230 231 main factors is chain supply whose criteria are introduced and 232 explained subsequently. Goldman gives a brief definition of agility 233 in terms of three terms including strategic reaction, pervasive 234 changes, and dominant and outstanding system. He believes that 235 agility is a pervasive and complete reaction to the fundamental changes made in a system governing competitive trading in top 236 237 economies (Goldman, Nagel, & Preiss, 1995). In the study carried 238 out by Pandey and Garg (2009) entitled "Analysis of the interaction 239 among agile divers in supply chain", thirty six drivers adopted 240 from other studies are introduced, and put into twelve categories. 241 These twelve drivers, which are given for the supply chain to 242 achieve agility, are studied in terms of their interactive effects with 243 the goal of identifying the way these drivers are related. These dri-244 vers are as follows

- 245 1. Automation (automating or replacing manual production with CAM/CAD).
  - Buyer and vendor interactive reliability and relationship (Simchi-Levi, Kaminsky, Simchi-Levi, & Shankar, 2008).
  - Integration and contribution in production and purchase planning (Fliedner, 2003).
- 4. Processes integration (Mason-Jones & Towill, 1999).
- 252 5. The function of Information and communication technology means.
- 254 6. Logistic planning and management (Simchi-Levi et al., 2008).
- 256 7. agile production approach (Monden, 2011).

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- 257 8. Understanding instability (turbulence) of market (Fynes, De
   258 Búrca, & Marshall, 2004).
- 9. Agile and appropriate delivery (Milgate, 2001).
- 10. Cost minimization (Kumar & Brittain, 1995).
  - 11. Quality improvement (Yasin, Alavi, Kunt, & Zimmerer, 2004).
- 12. Customer satisfaction (Chan, Qi, Chan, Lau, & Ip, 2003).

In another study on CAM/CAD as a tool to achieve agility, carried out Vinodh, Sundararaj, Devadasan, and Rajanayagam (2009)
some of the abilities of agility are studied which have been already
noticed by other scientists. Studying the effect of CAM/CAD on
organizational agility, this article has introduced the following
abilities:

- 270 1. Fast production and improvement.
- 271 2. Restructuring production process dynamically.

- 3. Product improvement.
- 4. Making change for an improved product (Lee & Kim, 1998).
- 5. Delivery time reduction, product preservation, and response to various demands and new technology (Ismail, Snowden, Poolton, & Reid, 2006).
- 6. The capability of performing beneficial tasks continuously and replying to unexpected changes.
- 7. Low rate demands and rather short life cycle of a product (Elkins, Huang, & Alden, 2004).

Production criteria are also introduced in this study which are certainly extracted from other researchers' studies. They are as follows,

- 1. Production span reduction (Ismail et al., 2006, Onuh, Bennett, & Hughes, 2006)
- 2. Dynamic structured production process (Lee & Kim, 1998).
- 3. Production cost minimization (Onuh & Hon, 2001).
- 4. Restructuring product and minimum cost production (Vokurka & Fliedner, 1998), (Gunasekaran, 1999).
- 5. Quality improvement (Onuh & Hon, 2001).

## 3. A review of the background of ISM, AHP, and TOPSIS techniques

Collecting 15 variables to develop a framework to improve agility of supply chain, Agarwal, Shankar, and Tiwari (2006) used interpretive structural model (ISM). The identifying variables are as follows,

1. Market sensitivity.	299
2. Delivery speed.	300
3. Data accuracy.	301
4. Introducing new product.	302
5. Centralized and collaborative planning.	303
6. Processes integration.	304
7. Using information technology tools.	305
8. Lead time reduction.	306
9. Service level improvement.	307
10. Cost minimization.	308
11. Customer satisfaction.	309
12. Quality improvement.	310
13. Uncertainty minimization.	311
14. Trust development.	312
15. Minimizing resistance to change.	313
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ISM is a method by which the effect of each variable on other	315
variables can be studied. It is, in fact, a comprehensive approach	316
to improve the agility of supply chain based upon relation, and is	317
employed in order to develop the framework of the agility of sup-	318
ply chain so that the following objectives can be attained. In 2007,	319

ply chain so that the following objectives can be attained. In 2007, Kannan introduced a model called ISM to evaluate and prioritize suppliers. He mixed fuzzy ISM and TOPSIS methods to select suppliers in his study in 2009. The interpretive structural model can identify the relationship

interpretive structural model can identify the relationship with criteria which are interdependent individually or in group. It analyzes the relationship with criteria through decomposing the criteria into several different levels (Kannan et al., 2009).

ISM steps are described below (adopted from Kannan et al. (2009) and Govindan et al. (2013a)):

Step 1: Variables (SSCM practices) considered for the system under consideration are listed.

Step2: From variables identified in Step 1, a contextual relationship is established among variables to identify which pairs of variables should be examined.

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Step 3: A structural self-interaction matrix (SSIM) is developed for variables, indicating pair-wise relationships among the variables of the system under consideration.

Step 4: Reachability matrix is developed from SSIM and the
matrix is checked for transitivity. Transitivity of contextual
relation is a basic assumption in ISM. It states that if variable
A is related to B and B to C, then A is necessarily related to C.
Step 5: The reachability matrix obtained in Step 4 is partitioned

into different levels. Step 6: Based on relationships stated in the reachability matrix,

a directed graph is drawn and transitive links removed.

Step 7: The resultant digraph is converted into an ISM, by replacing variable nodes with statements.

Step 8: The ISM model developed in Step 7 is checked for conceptual inconsistency and necessary modifications are made. The above steps are shown in Fig. 1.

351 This model can be used so as to analyze and identify the 352 relationship among specific variables which define a problem or an issue (Sage 1977; Warfield 1974). In the study carried out by 353 354 Saxena et al. (1992), the ISM method is applied to analyze the 355 relationship among the defined variables for the cement factory in India. Mandal et al. (1994) used the ISM method to analyze 356 357 the most important criteria to select the best vendor and to iden-358 tify the relationship among criteria. Also, Sharma et al. (1995) 359 has conducted a study on hierarchical analysis of required tasks 360 to achieve a sound production management. In 2007, Kannan 361 and Haq analyzed the criteria and sub-criteria to select the supplier using ISM method. ISM methodology has few limitations. 362 363 Detecting the relation among the variables usually depends on 364 the decision maker's knowledge and familiarity with the firm to be studied; consequently, the bias of the person who is judging 365 366 the variables man influence the final result (Kumar et al., 2009).

367 Decisions are categorized into two groups including decision 368 making based on several different criteria and decision making 369 based on several different objectives. The MCDM method is usually 370 used to select the best choice whose criteria may be in contradic-371 tion. The MODM, which stands for multi objective decision making. 372 can focus on several contradictory objectives simultaneously and 373 finds the best solution by mathematical planning method 374 (Farahani & Asgari, 2007). The MODM takes account of the relative 375 excellence of the objectives and their relationship to criteria (Yang & Hung, 2007). The MADM is employed to select the best choice 376 377 out of the proposed choices (Farahani & Asgari, 2007). The 378 MADM is a descriptive approach for its objective criteria. The 379 MADM method aims at selecting the best choice and at the same 380 time achieving the most satisfaction (Yang & Hung, 2007). The 381 mixed methods, the distance methods, and relative excellence 382 methods are among the common MCDM methods to be mentioned 383 (Pomerol & Barba-Romero, 2000). Belton and Stewart (2002) intro-384 duced a categorization in three groups; in first group, the criteria evaluation model is used based upon the multi criteria function 385 386 theory and analytical hierarchical process, AHP; the second group 387 is a non-ranking categorization in which the ineffective choices 388 are eliminated using non-ranking comparison; the third group is the selection technique model according to the most ideal TOPSIS 389 choice. Of the most outstanding MCDM methods, the AHP method 390 391 could be mentioned, which first estimates the relationship among 392 criteria weight and then total value of each choice based on the 393 obtained weight (Saaty, 1980, 1996). The AHP method, compared 394 to the other MCDM methods, is more widely used for multi-criteria 395 decision making, usually with better results (Saaty, 1996). TOPSIS 396 in another method of MCDM which selects the best choice based 397 on the minimum distance to the positive ideal and the maximum 398 distance to the negative ideal for each choice. See Yoon article 399 for any further details about TOPSIS method (Hwang & Yoon,

1981). The AHP and TOPSIS are able to give result, merely, in the 400 event that there are certain conditions with accurate information. 401 However, in case of not having access to accurate information, 402 comparative method is the best decision making method 403 (Farahani, SteadieSeifi, & Asgari, 2010). The AHP is one of the stron-404 gest decision making method to prioritize the criteria (Isiklar & 405 Büyüközkan, 2007). In one study conducted by Wu (2010) 406 TOPSIS method has been applied to rank an appropriate strategy 407 in the article, the ANP has been used to calculate input weights 408 (Wu, Lin, & Lee, 2010). The fuzzy AHP is one of the strongest deci-409 sion making methods to prioritize the criteria (Isiklar & 410 Büyüközkan, 2007). A great deal of numerical studies has been 411 done in which the fuzzy AHP is used to solve different manage-412 ment problems. Chou and Chang (2008) used the fuzzy analytical 413 process and judgment matrix to evaluate people's perception. 414 Pan (2008), applied fuzzy AHP method to select the appropriate 415 bridge construction. In 2008, Cakir and Canbolat proposed an 416 inventory classification system based on fuzzy AHP. Also, Wang 417 and Chen (2008) applied fuzzy linguistic preference relations to 418 construct a pairwise comparison matrix with additive reciprocal 419 property and consistency. Sambasivan and Fei (2008), evaluated 420 the factors and sub-factors critical to a successful implementation 421 of environmental management system. Sharma, Moon, and Bae 422 (2008) used the AHP method to optimize delivery network design. 423 Bana e Costa and Vansnick (2008), studied the priority vector in the 424 AHP method. Ali Khatami Firouzabadi, Henson, and Barnes (2008), 425 applied the AHP method in order to address the selection problem 426 from the point of view of an individual stockholder. Kuo, Tzeng, 427 and Huang (2007) proposed a solution to select the appropriate 428 location in fuzzy environment. In 2009, Gumus employed the 429 AHP and TOPSIS method for hazardous waste transportation. 430 TOPSIS views a MADM problem with m alternatives as a geometric 431 system with m points in the n-dimensional space of criteria (Sun, 432 2010) 433

This method selects the best alternative based on the concept 434 that the chosen alternative should have the shortest distance from 435 the positive-ideal solution and the longest distance from the nega-436 tive-ideal solution (Wang & Chang, 2007). It has often been difficult 437 for the decision makers to assign a precise performance rating to 438 an alternative for the attribute under consideration. In this case, 439 it is worthwhile to use fuzzy numbers for evaluation. TOPSIS 440 method has also been used based on fuzzy numbers (Kuo et al., 441 2007; Yang & Hung, 2007). Fuzzy TOPSIS method is convenient 442 for solving group and multi criteria decision making problems 443 (Sun, 2010). In using TOPSIS method, the mathematical correla-444 tions which are derived from the study conducted by Feyzioğlu, 445 & Nebol (2008) have been applied. In recent years, fuzzy TOPSIS 446 was developed for ranking different fields. In 2008, Lin and 447 Chang used fuzzy TOPSIS for order selection and pricing of supplier 448 when order exceeds production capacity. Chen and Tsao (2008) 449 also extended fuzzy TOPSIS based on interval-valued fuzzy sets 450 in decision analysis. Büyüközkan, Feyzioğlu, and Nebol (2008) 451 identified the strategic main and sub-criteria of alliance partner 452 selection and the best alternative using AHP and fuzzy TOPSIS. 453 Abo-Sinna, Amer, and Ibrahim (2008) employed multi objective 454 large scales nonlinear programming problem with block angular 455 structure to determine the order preference. Wang and Chang 456 (2007) used fuzzy TOPSIS to help the Air Force Academy in 457 Taiwan choose optimal initial training aircraft in a fuzzy environ-458 ment. In 2007, Li developed a compromise ration methodology 459 for fuzzy multi attribute decision making which is the best part 460 of decision making system. Using fuzzy hierarchical TOPSIS, 461 Kahraman, Çevik, Ates, and Gülbay (2007) proposed a model for 462 multi criteria evaluation of robotic industry. Benitez, Çevik, et al. 463 (2007) proposed a fuzzy TOPSIS approach to evaluate the dyna-464 mism of the service quality of three hotels in Gran Canaria 465

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Island. Wang and Elhag (2006) introduced the fuzzy TOPSIS based
on α level sets and linear programming solution procedures. Chen,
Lin, and Huang (2006) employed fuzzy TOPSIS approach in order to
select supplier in the supply chain system.

#### 470 **4. Research method**

471 Choosing a research method depends on the objective and the nature of the research subject and its implementation facilities. 472 473 Therefore, the research method can be selected when the nature 474 of the subject as well as the objectives and its broadness is identi-475 fied. Mixed research method is frequently used in a study. Miller 476 believes that the research orientation layout can be distinctively 477 divided into three areas including fundamental, practical and 478 evaluation

479 The nature of a research subject means the researcher goes in search of the consequences of the solution to the social problems 480 481 or the outcome of the prevailing measures and the research objective is to conduct an accurate social study on the consequence of a 482 483 program which is applied for a social problem (Miller, Boehlje, & 484 Dobbins, 2001). In the current study library survey method are 485 applied to collect the required information. Data collection was 486 through the questionnaire about the study of the conceptual 487 relationship between attributes and the questionnaire about pair-488 wise comparison as well as the questionnaire about the evaluation of agility level of suppliers; the respondent community includes 489 the managers and the production heads of several industrial orga-490 nizations manufacturing polyethylene products and couplings. The 491 questionnaires on the evaluation of the agility level of suppliers are 492 493 also completed by experts in logistic and procurement sections of 494 the organization.

The current study is developmental. The research method in this survey is descriptive and analytical. This study begins with identifying the factors affecting the supplier selection and then is followed by leveling the factors using ISM model. Finally, the fuzzy TOPSIS and AHP methods are employed for the purpose of ranking suppliers.

#### 501 5. Contextual model of the research

502 The primary conceptual model of this research is created, as 503 shown in Fig. 5.1 based on the studies carried out and introduced here, based on which the variables of the evaluation of the agile 504 suppliers are derived using the research literature. Next, these vari-505 ables are rated by establishing a contextual correlation matrix and 506 an interaction matrix. Lastly, a digraph is presented. The first phase 507 known as ISM comes to the end here. In the second phase, the 508 weight of each factor is identified using pairwise comparison 509 matrix and the method which are interpreted in the corresponding 510 511 section and ranking of the suppliers are done through TOPSIS technique in the end. It is also worth mentioning that considering the 512 513 cited reasons, all calculations are performed in a fuzzy environ-514 ment (see Fig. 5.2).

#### 515 5.1. A review of TOPSIS and AHP, and fuzzy calculation

516 An explanation of the fuzzy number used here seems necessary 517 prior to studying ranking and weighting method. In the current 518 study, linguistic terms have been used instead of certain numbers 519 so as to determine the weight of variables as well as ranking alter-520 natives. The linguistic terms given in Table 5.1 are meant to com-521 pare the importance of the criteria.

In Table 5.2 linguistic variables denoting supplier preference toeach other are presented.

In the current study, fuzzy numbers are given in all stages in order to prevent any ambiguity caused by uncertainty in making decisions. Pairwise comparisons in AHP are used in Table 5.1 to show the result. A triangular fuzzy number, shown as  $\tilde{A} = (l,m,u)$ , has the following membership function. In the current study, the selected membership function for fuzzy numbers is shown in Fig. 5.1.

Two variables are used in triangular fuzzy numbers: confidence variable and optimism variable. The confidence variable,  $\alpha$ , indicates the decision maker confidence degree in his prioritizing and judgment. Having defined  $\alpha$ , the triangular fuzzy number is defined as follows (Ayağ & Özdemir, 2009):

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$$\mu F(X) = \begin{cases} 0, & \chi < \iota \\ \chi - \iota/m - \iota, & \iota \leq \chi \leq m \\ u - \chi/u - m, & m \leq \chi \leq u \\ 0, & \chi > u \end{cases}$$
(5.1)

$$\forall \alpha \in [0,1] M \alpha = [\iota^{\alpha}, u^{\alpha}] = [(m-\iota)\alpha + \iota, -(u-m)\alpha + u]$$
(5.2)

Also, the optimism variable,  $\mu$ , can be used to estimate the degree of success. The higher degree of  $\mu$  is an indication of the higher degree of optimism. As it is shown by the following formula, the optimism index is a linear convex combination (Lee & Adviser-Tonkay, 1995).

$$\tilde{a}_{ij}^{\alpha} = \mu a_{iju}^{\alpha} + (1 - \mu) a_{ijl}^{\alpha}, \quad \forall \mu \in [0, 1]$$
(5.3) 548

Therefore, the following matrix is obtained through pairwise comparisons.

$$= \begin{bmatrix} 1 & \tilde{a}_{12}^{\alpha} & \cdots & \tilde{a}_{1n}^{\alpha} \\ \tilde{a}_{21}^{\alpha} & 1 & \cdots & \cdots & \tilde{a}_{2n}^{\alpha} \\ \vdots & \vdots & \vdots & \vdots & \vdots \\ \tilde{a}_{n1}^{\alpha} & \tilde{a}_{n2}^{\alpha} & \cdots & \cdots & 1 \end{bmatrix}$$
(5.4)

After composing pairwise comparisons, the vector of indexes weight is calculated among which  $\lambda_{max}$  is largest value of the matrix:

$$Aw = \lambda_{max}w \tag{5.5}$$

After generating all matrixes of pairwise comparison between criteria and sub criteria, consistency ratio (*CR*) shall be calculated as:

$$CR = \frac{CI}{RI} \tag{5.6}$$

Consistency index (*CI*) indicates the offset degree from consistency which is obtained as following,

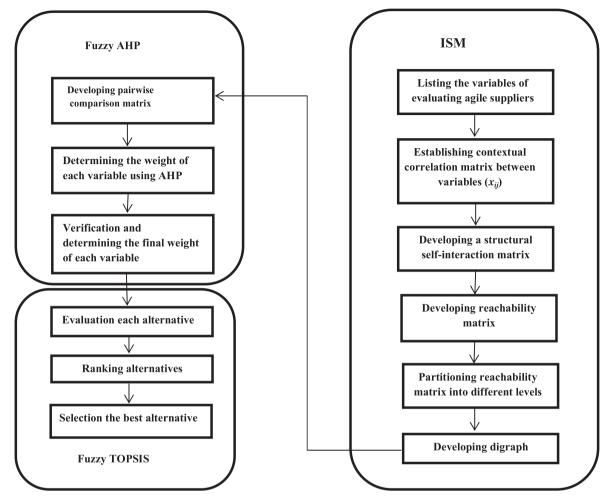
$$CI = \frac{\lambda_{max} - n}{n - 1} \tag{5.7}$$

where n is the size of matrix of pairwise comparison and RI is random consistency index or average weight index produced randomly which can be found from the corresponding table (Saaty, 1980). If the obtained CR is less than 0.1, the comparisons made will be acceptable. Otherwise, the comparisons must be drawn based upon more accurate data by more experienced people:

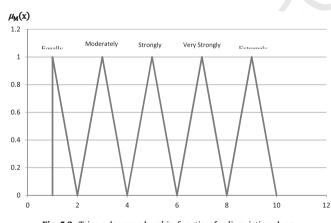
$$F_{1} \quad F_{2} \quad \dots \quad F_{j} \quad \dots \quad F_{n}$$

$$A_{1} \begin{bmatrix} f_{11} & f_{12} & \dots & f_{1j} & \dots & f_{1n} \\ f_{21} & f_{22} & \dots & f_{2j} & \dots & f_{2n} \\ \vdots & \vdots & \dots & \vdots & \dots & \vdots \\ A_{i} & f_{i1} & f_{i2} & \dots & f_{ij} & \dots & f_{in} \\ \vdots & \vdots & \vdots & \dots & \vdots & \dots & \vdots \\ f_{m1} & f_{m2} & \dots & f_{mj} & \dots & f_{mn} \end{bmatrix}$$
(5.8)

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After the weight of the criteria is calculated using the above-579 mentioned method, a matrix is formed comprised of *m* rows and n columns with each column denoting an evaluation index and each row a supplier. This matrix depicts the comparisons completed using linguistic variables in Table 5.2 as following. 584

Then the established matrix is normalized. There are different normalizing methods, two of which are given here. In the first method, the values are normalized through dividing each value by square root of value square summation whose formula (5.9), is given.

In the second method, each value in a column is divided by its 589 Maximum value. After normalizing the data, a normalized 590 weighted matrix is established for which the obtained data of the 591 matrix must be multiplied by the weight vector calculated by 592 AHP method. Assuming  $\boldsymbol{\omega}$  is the weight vector, the calculation 593 method is as shown in 10; 594 595

$$r_{ij} = \frac{f_{ij}}{\sqrt{\sum_{i=1}^{n} f_{ij}^{2}}}$$
(5.9)

(5.10) $v_{ii} = \omega_i r_{ii}$ 600

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The positive and negative ideal alternatives can be defined based 601 upon the obtained matrix, 602 603

Table	5.1

Linguistic terms for	pairwise comparisons	to show their impor	tance (Gumus, 2009).
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Fuzzy number	Linguistic variable	Fuzzy number scale
1	Equal	(1,1,1)
2	Weak advantage	(1,2,3)
3	Not bad	(2,3,4)
4	Preferable	(3,4,5)
5	Good	(4,5,6)
6	Very good	(5,6,7)
7	Fairly good	(6,7,8)
8	Absolute	(7,8,9)
9	Perfect	(8,9,10)

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Table 5.2 Linguistic variables for the rating of suppliers (Sun, 2010).

Linguistic variables	Corresponding triangular Fuzzy numbers
Very poor	(0,1,3)
Poor	(1,3,5)
Fair	(3,5,7)
Good	(5,7,9)
Very good	(7,9,10)

$$v_i^{*-} = \begin{cases} \max\{v_{ij}\} & (f_i \in F^2\} \\ \sup_{\substack{1 \le j \le n \\ min\{v_{ij}\} \\ 1 \le j \le n}} & (f_i \in F^1\} \end{cases}$$
(5.11)

$$\upsilon_{i}^{*+} = \begin{cases} \max\{\upsilon_{ij}\} & (f_{i} \in F^{1}\} \\ \underset{1 \leq j \leq n}{\min\{\upsilon_{ij}\}} & (f_{i} \in F^{2}\} \end{cases}$$

$$(5.12)$$

609 As it is shown in the above functions, the ideals can be calculated 610 using the maximum and the minimum of an index. However, in 611 some articles, the positive ideal is considered as weight matrix 612 and the negative ideal as zero. After the ideals are calculated, sep-613 aration measures of each alternative from ideal solution and the summation of distances are calculated. 614 615

$$D^{*+}(x_j) = \sqrt{\sum_{i=1}^{m} (v_{ij} - v_i^{*+})^2}$$
(5.13)

$$D^{*-}(\mathbf{x}_{j}) = \sqrt{\sum_{i=1}^{m} (v_{ij} - v_{i}^{*-})^{2}}$$
(5.14)

$$d(\tilde{a}, \tilde{b}) = \sqrt{\frac{1}{3} \left[ (a_1 - b_1)^2 + (a_2 - b_2)^2 + (a_3 - b_3)^2 \right]}$$
(5.15)

626 
$$C^*(x_j) = \frac{D^{*-}(x_j)}{D^{*+}(x_j) + D^{*-}(x_j)}$$
(5.16)

627 And finally, using the obtained values, CCj coefficient for each alter-628 native is identified based on which they are ranked.

As it is mentioned, the alternative with higher CCj is more 629 desirable. 630

#### 6. Findings 631

632 To conduct the current survey, the criteria to evaluate the agility of suppliers are derived using the literature and the experts' 633 views (this is done in the third writer's thesis). In this section, 634 635 the agile supplier evaluation criteria are briefly discussed.

- 636 6.1 Delivery speed from the perspective of market is defined as 637 the ability to quickly meet delivery target (Agarwal et al., 2006; Jayaram, Droge, & Vickery, 1999). Delivery speed 638 refers to the ability to deliver a product or a service faster 639 than other competitors. This definition includes the ability 640 641 to produce the new product, reducing time to bring new pro-642 duct to market, and delivery time reduction (Agarwal, Shankar, & Tiwari, 2007; Calantone & Dröge 1999). 643
- 6.2 Lead time reduction, time management is one of the most 644 important issues existing in an organization. Time manage-645 ment includes innovation improvement and increasing effi-646 ciency. Reducing the wasted time improves the performance 647 648 of an organization (Agarwal et al., 2007).

- 6.3 Cost minimization helps an organization be able to achieve a higher efficiency through appropriate methods. Cost management within an organization aims at finding appropriate solutions in order to reduce the cost with the help of suppliers and vendors (Agarwal et al., 2006; Cooper, Lambert, and Pagh, 1997). The traditional cost management system is unable to identify the proper methods for cost minimization due to not identifying intangible variables (Agarwal et al., 2006, 2007).
- 6.4 Quality improvement is the most important requirement of an organization to succeed in a competitive marketplace. This is the suppliers and customers who determine quality improvement criteria (Agarwal et al., 2006, 2007). Developing an efficient relationship between supplier and consumer is the most significant action taken regarding quality improvement by comprehensive quality management system (Agarwal et al., 2006; Gunasekaran & McGaughey 2003). As Ware et al. (1998) said, quality improvement can reduce cost and increase the efficient use of resources, and improve the process performance in supply chain.
- 6.5 Information technology tools are needed to transfer the appropriate data and information and to keep managers knowledge updated for convenient decision making. This technology has thus decreased errors and increased the managers' confidence in the existing data (Agarwal et al., 2006; Lee & Kim 2000).
- 6.6 Price is one of the most efficient factors in selection.
- 6.7 Minimizing uncertainty; organizations always encounter with a dynamic environment including customers' and raw material supplier's demand (Agarwal et al., 2006; Prater, Biehl, & Smith, 2001). In 1999, Mason-Jones, and Towill (1999) considered uncertainty minimization as the most important action that can be taken to increase the competitive advantage.
- 6.8 Logistic (procurement and transportation) is of particular importance to a supplier because it can greatly affect reaction speed and satisfaction.
- 6.9 Customer satisfaction, nowadays, plays an essential role in the success of organizations. The supply chain strategy must take action in terms of customer satisfaction, otherwise its action will be useless and costly (Agarwal et al., 2006; Gunasekaran & McGaughey 2003). The supply chain must be in close contact with customers to improve efficiency (Agarwal et al., 2006; Lee & Billington 1992). The customer satisfaction is defined based upon the expectation from purchased product (Agarwal et al., 2006; Agarwal, Erramilli, & Dev, 2003).
- 6.10 Data accuracy is one important factor which is defined as the accuracy of the data used by managers in making decision (Zhu, Toth, Wobus, Richardson, and Mylne, 2002). Data accuracy plays an effective role in predicting demands correctly because it leads to maintaining of product (Agarwal et al., 2006; Lee, Kim, Cha, Lee, & Kim, 1997).
- 6.11 First, a 10 by 10 matrix comprised of attributes was created to establish structural self-interaction matrix, after which the managers were provided with. The managers completed the matrixes based on the following principles.

For each ((i,j)), the relationship between this two variables is studied in the following framework.

- V: variable *i* will helps to achieve the variable *j*
- A: variable *i* will be achieved only by the variable *j*.
- X: both *i* and *j* help will help achieve each other.
- O: variables *i* and *j* are unrelated.

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If the (i,j) entry is V in matrix SSIM, then in the reachability matrix the (i,j) entry will become one and (j,i) entry will become zero. If the (i,j) entry in SSIM is A, the in the reachability matrix the (i,j) entry will become zero and the (j,i) entry will become one. If the (i,j) entry is x, then in the reachability matrix the (i,j)entry will become one and the (j,i) entry will become one. If the (i,j) entry is O, the in the reachability matrix the (i,j) and (j,i)entries will become zero (see Table 6.1).

Reachability matrix is composed using structural self-interaction matrix as it is shown in the following table. If the correlation is as V, the (i,j) = 1 and (j,i) = 0; If the correlation is as A, then (i,j) = 0 and (j,i) = 1; If the correlation is as X, then (i,j) = (j,i) = 1; If the correlation is as O, then (i,j) = (j,i) = 0. Using these correlations, the reachability matrix given in Table 6.2 is composed.

Having composed the reachability matrix, reachable and antecedent sets are defined and then their intersection is obtained. That is, reachable set is a set in which the criteria of rows are one and antecedent set is a set which the criteria of columns are one. Based on transitory in mathematic logic, if (i,j) = 1 and (j,k) = 1, then (i,k) = 1. That is to say the criteria having indirect impact on other criteria are considered and the two variables which are correlated after applying this logic are shown as \*1.

737 In Table 6.3 considering transition relation, if *i* and *j* are related 738 and *j* and *k* are also related, then *i* and *k* are related. Therefore, some elements will become \*1. Also the obtained matrix will be 739 partitioned into different levels and antecedent set will be 740 obtained for each criterion. Having composed the reachability 741 742 matrix, reachable and antecedent sets are defined and then their intersection is obtained. That is, reachable set is a set in which 743 the rows are the criteria transitory having obtained the intersec-744 745 tion of these sets, the next column of the table will be filled. The elements for which the reachability and intersection sets are the 746 747 same are the top-level elements.

The reachability set consists of the element itself and other ele-748 ments, which it may help to achieve, whereas the antecedent set 749 consists of the element itself and other elements, which may help 750 achieving it. Then the intersection of these sets is derived for all the 751 752 elements. The elements for which the reachability and intersection 753 sets are same are the top-level elements in the ISM hierarchy. The 754 top-level elements of the hierarchy would not help to achieve any 755 other element above their own level in the hierarchy. Once top-756 level elements are identified, it is separated out from the rest of 757 the elements. Then, the same process is repeated to find the next level of elements. In Table 6.4 the element 8 (transportation) and 758 759 element 10 (data accuracy) are found at level 1. Thus, they will 760 be removed in Table 6.5.

After removing elements 8 and 10 from Table 6.5 next table is obtained in which reachable and antecedent sets and their intersection are determined. By comparison, the interact column and reachable set in second level, prioritization of elements including element 7 (uncertainty minimization) and element 9 (customer

Table	6.1
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Structural self-interaction r	matrix (	criteria	comparison	matrix)
Structural Sen-Interaction I	IIdliiA (	CITCIId	companson	IIIdli IA )

bulacte										
1	2	3	4	5	6	7	8	9	10	JI
-	0	V	V	0	0	V	Х	0	0	1
-	-	V	Х	Х	Х	V	Α	Α	Х	2
-	-	-	V	0	Х	V	Х	0	0	3
-	-	-	-	V	V	Х	Х	Х	0	4
-	-	-	-	-	0	Х	0	0	0	5
-	-	-	-	-	-	V	V	V	V	6
-	-	-	-	-	-	-	V	0	V	7
-	-	-	-	-	-	-	-	0	0	8
-	-	-	-	-	-	-	-	-	V	9
-	-	-	-	-	-	-	-	-	-	10

Table 6.2	
Reachability	Matrix

wa	liat	ıπτ'	y 1v	au	

10	9	8	7	6	5	4	3	2	1	J I
0	0	1	1	0	0	1	1	0	1	1
1	0	0	1	1	1	1	1	1	0	2
0	0	1	1	1	0	1	1	0	0	3
0	1	1	1	1	1	1	0	1	0	4
0	0	0	1	0	1	0	0	1	0	5
1	1	1	1	1	0	0	1	1	0	6
1	0	1	1	0	1	1	0	0	0	7
0	0	1	0	0	0	1	1	1	1	8
1	1	0	0	0	0	1	0	1	0	9
1	0	0	0	0	0	0	0	1	0	10

Table 6.3

Modified reachability matrix (final reachability matrix).

10	9	8	7	6	5	4	3	2	1	J I
*1	*1	1	1	*1	*1	1	1	0	1	1
*1	*1	*1	1	1	1	1	1	1	0	2
0	*1	1	1	1	*1	1	1	0	0	3
*1	1	1	1	1	1	1	0	1	0	4
*1	*1	*1	-1	*1	1	0	0	1	0	5
1	1	1	1	1	0	0	1	1	0	6
1	0	1	1	0	1	1	0	0	0	7
0	0	1	0	0	0	1	1	1	1	8
1	1	0	0	0	0	1	0	1	0	9
1	0	0	0	0	0	0	0	1	0	10

Table 6.4

The first iteration to determine top level in hierarchical ISM.

Level	Intersection	Reachable set	Reachable set	Element
	1, 8	1, 8	1, 3, 4, 5, 6, 7, 8, 9, 10	1
	2, 4, 5, 6, 8, 9, 10	2, 4, 5, 6, 8, 9, 10	2, 3, 4, 5, 6, 7, 8, 9, 10	2
	3, 6, 8	1, 2, 3, 6, 8	3, 4, 5, 6, 7, 8, 9	3
	2, 4, 7, 8, 9	1, 2, 3, 4, 7, 8,9	2, 4, 5, 6, 7, 8, 9, 10	4
	2, 5, 7	1, 2, 3, 4, 5, 7	2, 5, 6, 7, 8, 9, 10	5
	2, 3, 6	1, 2, 3, 4, 5, 6	2, 3, 6, 7, 8, 9, 10	6
1	4, 5, 7	1, 2, 3, 4, 5, 6, 7	4, 5, 7, 8, 10	7
	1, 2, 3, 4, 8	1, 2, 3, 4, 5, 6, 7, 8	1, 2, 3, 4, 8	8
1	2, 4, 9	1, 2, 3, 4, 5, 6, 9	2, 4, 9, 10	9
	2, 10	1, 2, 4, 5, 6, 7, 9, 10	2, 10	10

satisfaction) are done the process is repeated for seven times till Table 6.6.

Using these levels, a diagram called "developed ISM model to improve supply chain agility" will be drawn in such a way that elements 8 and 10 characterized as the top level are put at the first level of diagram and other elements are likewise put in the other level of the diagram. This diagram is shown in Fig. 6.1.

Considering the above tables and figures and using prioritized levels of elements and reachability matrix, the driving and dependence digraph in reachability matrix is obtained. That is first level is attributed to the largest and last level to the smallest number.

The clusters in Fig. 6.2 are defined as follows

First cluster includes the variables that have weak driving power and dependence. These variables most likely separate from system because they weak links to that system.

Second cluster includes the variables that have weak power but strong dependence. Uncertainty minimization (7) and transportation (8) fall into this cluster.

Third cluster includes the variables that have strong driving power and dependence. Cost minimization (3), quality improvement (4), information technology tools (5), price (6) which are called linkage variables fall into this cluster.

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**Table 6.5**The second iteration in hierarchical ISM.

Level	Intersection	Reachable set	Reachable set	Element
	1	1	1, 3, 4, 5, 6, 7, 9	1
	2, 4, 5, 6, 9	2, 4, 5, 6, 9	2, 3, 4, 5, 6, 7, 9	2
	3, 6	1, 2, 3, 6	3, 4, 5, 6, 7, 9	3
	2, 4, 7, 9	1, 2, 3, 4, 7, 9	2, 4, 5, 6, 7, 9	4
	2, 5, 7	1, 2, 3, 4, 5, 7	2, 5, 6, 7, 9	5
	2, 3, 6	1, 2, 3, 4, 5, 6	2, 3, 6, 7, 9	6
2	4, 5, 7	1, 2, 3, 4, 5, 6, 7	4, 5, 7	7
2	2, 4, 9	1, 2, 3, 4, 5, 6, 9	2, 4, 9	8

Fourth cluster include the variables with strong driving power
and weak dependence. Delivery speed (1) and lead time reduction
(2) are of key variables which are at the lowest level of diagram.

#### 791 7. Ranking using fuzzy TOPSIS and AHP

After using ISM, effective factors will weigh by AHP. To do so, a 792 793 10 by 10 matrix was established whose row and column include 794 the identified variables in this survey. Then, the managers did pair-wise comparison using the matrixes. The pair-wise compar-795 ison values are obtained using the values given in Table 5.1 in 796 the fuzzy form. Finally, all matrixes became a single equivalent 797 798 matrix so that the geometric averages of all values were calculated 799 and the resulting matrix was used for the rest of calculations. Next, 800 the average geometric values of each row was calculated and using dis-fuzzy or BNP, each variable was weighed. These calculations 801 are shown in Table 7.1. 802

#### 803 7.1. BNP = [(U1 - L1) + (M1 - L1)/3] + L1 (Sun et al., 2010)

As shown in Table 17.1 delivery speed variable is of the greatest 804 importance. It is worth mentioning that the consistency compar-805 ison matrix of this matrix was analyzed in order to verify the accu-806 racy of the results. In this method, using eigenvector which is 807 proposed by Saaty (Asgharpour, 2006), the data transfer matrix 808 was composed, eighth of which had the considered properties. 809 810 Then, using this matrix, the values of maximum element, consis-811 tency index (CI), consistency rate (CR), and random index were obtained from Saaty Table. The vector of the calculated weights 812 are given in Tables 7.2 and 7.3 using eigenvector and calculated 813 814 values

As the obtained value of *CR* is less than 0.1, it can be said that comparison matrixes are of good consistency (Asgharpour, 2006). As shown in the table above, the obtained weights using eigenvector also rank indices as former methods; however, these weights are more precise.

Table 6.6	
Levels of agility variables of supply	chain.

Level	Intersection	Reachable set	Reachable set	Element
7	1, 8	1, 8	1, 3, 4, 5, 6, 7, 8, 9,	1
			10	
7	2, 4, 5, 6, 8, 9,	2, 4, 5, 6, 8, 9, 10	2, 3, 4, 5, 6, 7, 8, 9,	2
	1		10	
6	6, 8, 3	1, 2, 3, 6, 8	3, 4, 5, 6, 7, 8, 9	3
5	2, 4, 7, 8, 9	1, 2, 3, 4, 7, 8, 9	2, 4, 5, 6, 7, 8, 9, 10	4
4	2, 5, 7	1, 2, 3, 4, 5, 7	2, 5, 6, 7, 8, 9, 10	5
3	2, 3, 6	1, 2, 3, 4, 5, 6	2, 3, 6, 7, 8, 9, 10	6
2	4, 5, 7	1, 2, 3, 4, 5, 6, 7	4, 5, 7, 8, 10	7
1	1, 2, 3, 4, 8	1, 2, 3, 4, 5, 6, 7, 8	1, 2, 3, 4, 8	8
2	2, 4, 9	1, 2, 3, 4, 5, 6, 9	2, 4, 9, 10	9
1	2, 10	4, 5, 6, 7, 9, 10, 1,	2, 10	10
		2		

In the next section, six suppliers are ranked from agility perspective using obtained weights by AHP method for each index. In this regard, a matrix is first established whose first column includes evaluation criteria of agile suppliers and whose row is comprised of six agile suppliers. It should be mentioned that polling about these suppliers is done using fuzzy numbers in Table 5.2. Therefore, a couple of managers who are in contact with the suppliers have filled these matrixes and the geometrical average of their views is then calculated. The next step is normalization of the obtained data using Saaty method. Then, the weighted normalized matrix is established using the obtained weight vector which is shown in Table 7.4.

The next step will be defining positive ideal and negative ideal vectors. In this survey, weight vector is considered as positive ideal vector and zero vector as negative ideal vector because while normalizing data, coefficient vector is multiplied by a value less than one and as a result has a smaller value. Subsequently, matrix of closeness to positive and negative ideal is composed and ranked by using those alternatives. It is worth mentioning that calculation of the distance to ideal value was done once through the calculation approach for non-fuzzy data and another time through the calculation approach for fuzzy data (Amiri 2010; Dağdeviren, Yavuz, & Kilinc, 2009). In using non-fuzzy data, the corresponding data are subtracted from the ideal value and finally ten obtained values which are non-fuzzy are summed. In case of fuzzy data, each parameter corresponding to the fuzzy number is subtracted from the ideal value to obtain ten fuzzy numbers for negative ideal. Then, using fuzzy number method the summation of these numbers is calculated which a non-fuzzy number is. The results of calculation shows that the relative distance to ideal value gives different values for the alternatives in both methods but their ranking in both fuzzy and non-fuzzy methods provides the same values. The final results from non-fuzzy and fuzzy calculations are given in Tables 7.5 and 7.6.

In Table 7.6, the distances to ideal value are calculated by fuzzy distance method while in Table 7.5 they are calculated by normal and discontinuous fuzzy number method. As it is seen, the values of ranking are the same and this proves that if a value becomes non-fuzzy, then again its results can be reliable.

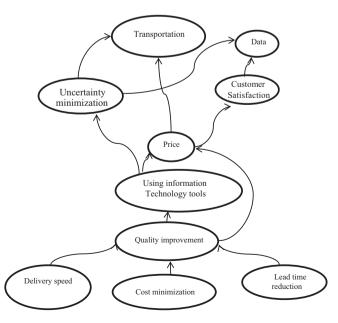


Fig. 6.1. ISM base model of the variables for improving supply chain agility after removing indirect link.

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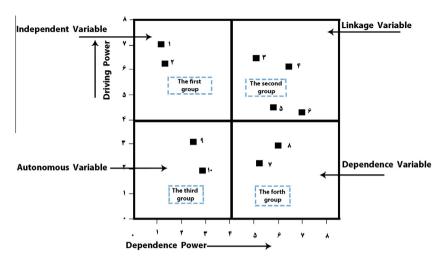


Fig. 6.2. clusters of variables for improving supply chain agility.

Table	7.1
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The values of calculated weights in AHP method.

Ranking elements	The weight of each variable (w)	Numerical weight	BNP	Ranking
Uncertainty minimization	0.045, 0.062, 0.091	0.069	0.066	9
Customer satisfaction	0.054, 0.075, 0.105	0.081	0.078	7
Lead time minimization	0.063, 0.092, 0.128	0.098	0.094	4
Cost minimization	0.100, 0.151, 0.215	0.162	0.155	2
Delivery speed	0.133, 0.198, 0.287	0.216	0.206	1
Data accuracy	0.049, 0.069, 0.100	0.076	0.073	8
Price	0.093, 0.139, 0.211	0.155	0.148	3
Transportation	0.042, 0.061, 0.089	0.067	0.064	10
Information technology tools	0.054, 0.076, 0.114	0.085	0.081	6
Quality improvement	0.054, 0.078, 0.113	0.085	0.082	5

Table	7.2
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The indices of consistency calculation.

Maximum Landa	10.58976086
CI	0.065528985
RI	1.49
CR	0.043979184

#### Table 7.3

Calculated weights using eigenvector in AHP, method.

Ranking indices	Weight of each index
Uncertainty minimization	0.06459449
Customer satisfaction	0.075821798
Lead time minimization	0.092518029
Cost minimization	0.147319998
Delivery speed	0.193196094
Data accuracy	0.068830476
Price	0.140281657
Transportation	0.062017105
Information technology tools	0.077245555
Quality improvement	0.078174799

#### 8. Discussion and conclusion 859

In the knowledge age, the successful organizations are the ones 860 861 which rapidly run novel strategies based on competitive advantages, and learning from market and customers they modify and 862 improve their processes and customers if necessary. In the current 863 864 study, first, the factors influencing agile supplier are given in different levels using interpretive structural model and then are given in a driving power and dependence graph.

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The result of this process helps suppliers choose a more efficient 867 way to increase the degree of their agility and competitive ability. 868 In 2009, Kannan et al. has conducted a research which is relatively 869 similar to this study but with different results; this could be possi-870 bly because of using AHP. ISM method results show that delivery 871 time and lead time minimization variables are of the most impor-872 tant factors influencing suppliers' agility. There is cost minimiza-873 tion factor in the next level. With taking a look at the graph of 874 agility variable clusters, it can be seen that delivery time and lead 875 time minimization variables are of high driving power whereas 876 customer satisfaction and data accuracy variable have the mini-877 mum driving power and dependence. Also, the variables in linkage 878 cluster have both high driving power and high dependence degree. 879

Delivery speed is among the factors, which was given the most 880 importance in evaluating suppliers in the study by Agarwal et al. 881 (2007), and accordingly, placing this variable in the first level of 882 a JSM Model and its strong driving power depicts the significance 883 of this index in terms of suppliers' agility in the present study. 884 The same is true of the variable of delay reduction time or JIT, 885 because Muduli, Govindan, Barve, Kannan, and Geng (2013) 886 pointed out the vitality of this variable in distinguishing the excel-887 ling supplier in their study in 2007. Similarly, the result of this 888 study shows that this variable is placed in the first level of ISM 889 and is of particular significance. The customer satisfaction and 890 uncertainty minimization variables, which were introduced in 891 the studies carried out by Gunasekaran (2003) and Prater et al. 892 (2001), are considered as dependent variables in higher levels in this study. Correspondingly, the results of those studies which

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Table 7.4

Weighted normalized fuzzy decision matrix.

	First supplier	Second supplier	Third supplier	Fourth supplier	Sixth supplier	Seventh supplier
Uncertainty minimization	0.013, 0.033, 0.078	0.017, 0.038, 0.076	0.017, 0.037, 0.074	0.015, 0.034, 0.071	0.014, 0.033, 0.068	0.014, 0.033, 0.068
Customer satisfaction	0.021, 0.046, 0.088	0.026, 0.053, 0.096	0.018, 0.042, 0.093	0.026, 0.052, 0.096	0.024, 0.050, 0.092	0.025, 0.051, 0.094
Lead time minimization	0.029, 0.065, 0.119	0.019, 0.047, 0.094	0.029, 0.063, 0.115	0.020, 0.049, 0.097	0.021, 0.051, 0.099	0.024, 0.055, 0.104
Cost minimization	0.057, 0.118, 0.215	0.049, 0.108, 0.201	0.055, 0.117, 0.213	0.038, 0.090, 0.176	0.038, 0.091, 0.176	0.053, 0.113, 0.184
Delivery speed	0.064, 0.139, 0.265	0.039, 0.098, 0.204	0.068, 0.144, 0.271	0.062, 0.135, 0.259	0.046, 0.112, 0.225	0.059, 0.132, 0.253
Data accuracy	0.015, 0.037, 0.074	0.022, 0.039, 0.078	0.015, 0.036, 0.074	0.017, 0.039, 0.078	0.025, 0.050, 0.094	0.018, 0.041, 0.081
Price	0.049, -0.13, 0.204	0.029, 0.073, 0.156	0.035, 0.083, 0.172	0.045, 0.097, 0.193	0.041, 0.092, 0.186	0.051, 0.106, 0.207
Transportation	0.017, 0.037, 0.074	0.018, 0.033, 0.068	0.018, 0.038, 0.076	0.016, 0.037, 0.073	0.017, 0.038, 0.075	0.019, 0.040, 0.079
Information technology tools	0.019, 0.043, 0.090	0.018, 0.042, 0.089	0.024, 0.042, 0.089	0.029, 0.058, 0.112	0.023, 0.049, 0.099	0.027, 0.055, 0.108
Quality improvement	0.023, 0.050, 0.098	0.015, 0.039, 0.080	0.020, 0.046, 0.091	0.020, 0.046, 0.091	0.028, 0.057, 0.108	0.021, 0.046, 0.092

#### Table 7.5

Ranking of alternatives by non-fuzzy calculation method.

ССј	First	Second	Third	Fourth	Sixth	Seventh
	supplier	supplier	supplier	supplier	supplier	supplier
Value	0.6676	0.6547	0.7230	0.7117	0.6988	0.7344
Ranking	5	6	2	3	4	1

### Table 7.6 Ranking of alternatives by fuzzy calculation method.

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ССј	First	Second	Third	Fourth	Sixth	Seventh
	supplier	supplier	supplier	supplier	supplier	supplier
Value	0.6682	0.6533	0.7206	0.7103	0.6977	0.7330
Ranking	5	6	2	3	4	1

presented these variables as that of suppliers' optimism and eval-uation, proves the validity of results in this study.

897 In increasing suppliers' agility through developing these variables their degree of independence must be considered. This is to 898 say that with a partial increase in one of these variables, no change 899 can be seen in suppliers' agility. These variables must change at the 900 same time with other variables from the same cluster and indepen-901 dent variables. Therefore, ISM model firstly focuses on delivery time 902 and lead time minimization variables. In what follows, AHP method 903 is used to determine the weight of each index so that it would be 904 905 possible to categorize several suppliers from agility perspective 906 using TOPSIS method. Upon considering decision making as a wide 907 issue, fuzzy environment is used in this study.

After providing pairwise comparisons, their consistency is 908 evaluated which proves that the value of 0.043 is true for certain 909 rate of the consistency of pairwise comparison matrix. 910 911 Considering the obtained weights and ranking these factors in 912 terms of their weight, it could be seen that delivery time index is 913 of higher weight and importance in this method. The second vari-914 able in this method is cost minimization. Weight ranking resulting 915 from AHP method is similar to results from ISM ranking. Then using 916 fuzzy TOPSIS, six suppliers are ranked and the results were given. In 917 this ranking, two methods known as fuzzy calculation and ideal distance, and non -fuzzy calculations are used with the same ranking 918 919 results. In this regard, it can be said that in this study mathematical 920 calculations in a non-fuzzy environment for the purpose of ranking 921 does not have considerable impact on the result with the distance to the ideal value being calculated different. Considering the stated 922 results, it can be seen that organizations can use the above method 923 in order to select supplier and concentrate on driving power vari-924 925 ables derived in interpretive structural model to increase the sup-926 pliers' efficiency and agility.

It is worth mentioning that the results of AHP model confirms
those of ISM model inasmuch as the values of weight for each variable implies its importance which is to some extent shown in ISM
model.

#### Future recommendations:

- 1. In future studies, ISM model can be also used in fuzzy manner and all calculations can do using fuzzy method.
- 2. This study has been carried out in a manufacturing company, and it may lead to different results if performed for service organizations.
- 3. In the present study, indices were selected according to experts and quality methods while the Meta-heuristics method must be employed for data collection in order to reduce the experts and decision makers errors.

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