Research on the Cooperation Behavior of Chinese SMEs from the Perspective of Suppliers

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\textbf{ABSTRACT}

The COVID-19 disease has caused great damage to global economy, and the global economic downturn has brought challenges to all aspects of business operations. (International Labour Organisation [ILO], 2020) The business risk of enterprises has increased significantly, and the problem managers currently facing has changed from "how to develop faster" to "how to survive" (Bvuma & Marnewick, 2020). In this context, many peer companies in the supply chain have chosen the strategy of diluting competition and enhancing cooperation, hoping to avoid risks by grouping together. It is true that an effective cooperation model can reduce transaction costs between enterprises, improve information utilization, and enhance enterprises' ability to resist risks. However, some scholars also pointed out that cooperation based on purely economic interests is highly vulnerable. A simple cooperation may not necessarily benefit the enterprise, and it may even deteriorate into “Avalanche effect” (Rui et al., 2010).

\textbf{Keywords:} Risk Perception; Trust between Organizations; Decision Preference; Cooperation Behavior.