

Qualitative Research in Logistics and Supply Chain Management

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Bayer halts nearly two-thirds of its target-validation projects because in-house experimental findings fail to match up with published literature claims.

An unspoken industry rule alleges that at least 50% of published studies from academic laboratories cannot be repeated in an industrial setting, wrote venture capitalist Bruce Booth in a recent blog post. A first-of-a-kind analysis of Bayer's internal efforts to validate 'new drug target' claims now not only supports this view but suggests that 50% may be an underestimate; the company's in-house experimental data do not match literature claims in 65% of target-validation projects, leading to project discontinuation.

http://blogs.nature.com/news/2011/09/reliability_of_new_drug_target.html

Empirical social science research—or at least non-experimental social science research—should not be taken at face value. Among three dozen studies I reviewed, I obtained or reconstructed the data and code for eight. Replication and reanalysis revealed significant methodological concerns in seven and led to major reinterpretations of four.

David Roodman

Senior fellow at the Center for Global Development

<https://www.openphilanthropy.org/blog/reasonable-doubt-new-look-whether-prison-growth-cuts-crime>



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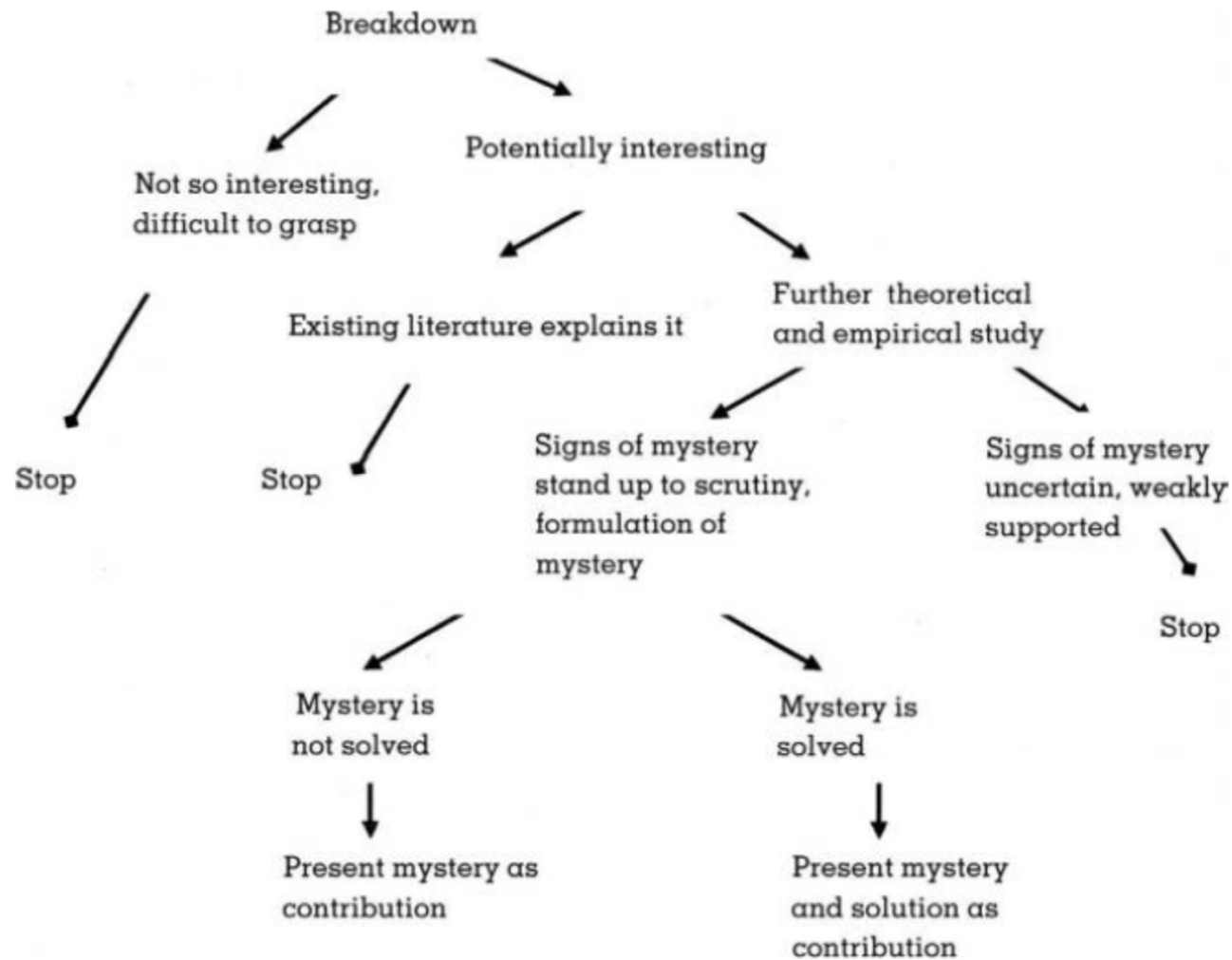
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Implementing mixed methods research in supply chain management

Susan L. Golicic, Donna F. Davis (pp. 726 - 741)

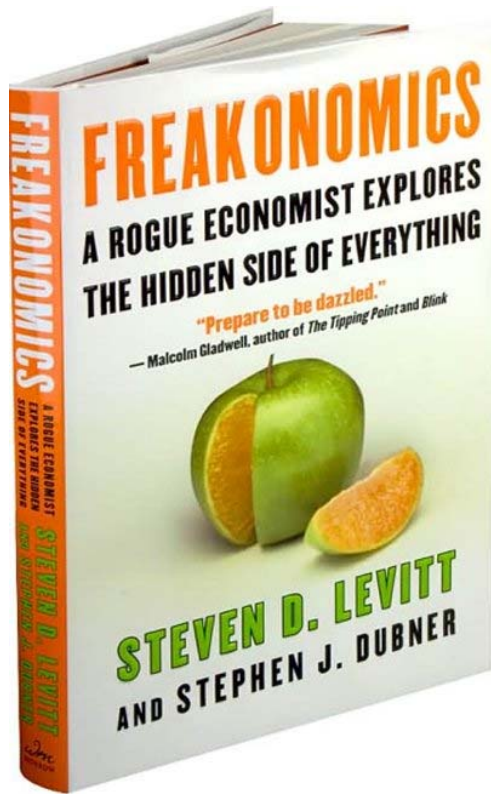
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Benedikte Borgström, (2012) "Towards a methodology for studying supply chain practice", International Journal of Physical Distribution & Logistics Management, Vol. 42 Issue: 8/9, pp.843-862.



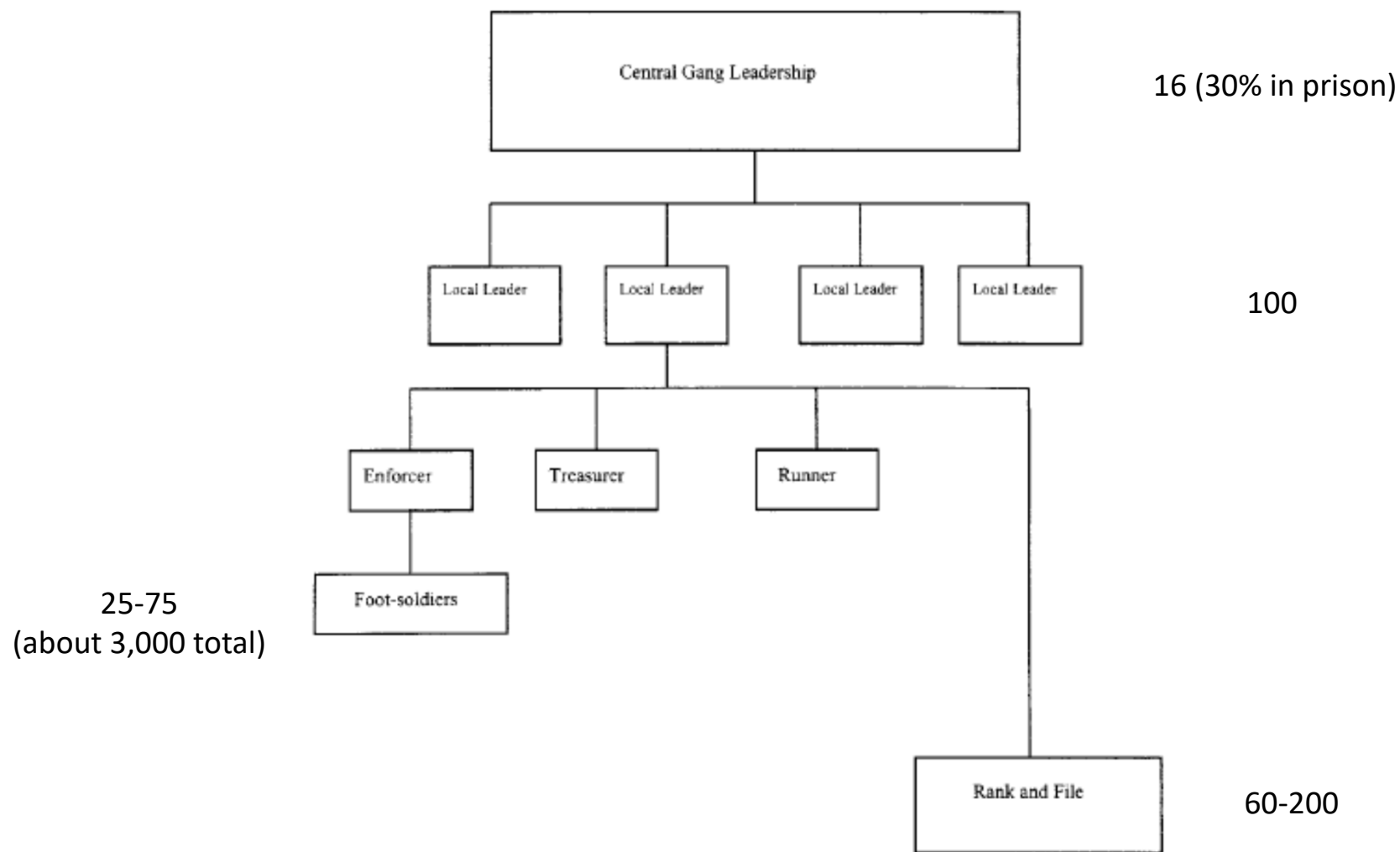


Sudhir Venkatesh

TABLE I
DEMOGRAPHIC, SOCIAL, AND ECONOMIC CHARACTERISTICS OF THE NEIGHBORHOOD

Variable	Gang's census tracts	U. S. average
Percent Black	99.6	12.0
Male unemployment rate (percent)	35.8	6.5
Female unemployment rate (percent)	19.8	6.2
Percent of children in poverty	56.2	18.3
Percent of children in single-parent families	77.6	21.5
Percent of children in families receiving public assistance	60.3	12.3
Median family income	15,077	35,225
Educational attainment (age 25+)		
Less than high school	49.3	24.8
High school	28.7	30.0
Some college	17.4	24.9
Bachelor's degree or beyond	4.7	20.3
Percent owner-occupied housing	10.4	64.2
Percent of housing units that are boarded up	15.3	0.4
Place of residence five years earlier (in percent)		
Same house	52.9	53.3
Different house, same country	44.2	25.5
Different county	2.9	21.3

Steven D. Levitt and Sudhir Alladi Venkatesh, An Economic Analysis of a Drug-Selling Gang's Finances, The Quarterly Journal of Economics, Volume 115, Issue 3, 1 August 2000, Pages 755–789.



Steven D. Levitt and Sudhir Alladi Venkatesh, An Economic Analysis of a Drug-Selling Gang's Finances, The Quarterly Journal of Economics, Volume 115, Issue 3, 1 August 2000, Pages 755–789.

Data

- The data were originally maintained by the leader in control of the gang, and they were updated each month by the enforcer, who compiled the information by hand.
- The data end abruptly with the arrest of the gang leader and other officers.

Data

- Although the source of the data assures us that is not the case, we nonetheless believe that it is prudent to view the revenue and profits as lower bounds on the true values for two reasons. First, the gang leader had substantial power to make financial arrangements “off the books.” For instance, during the time period examined the gang leader received an unknown amount of compensation from nongang members in return for the right to sell heroin on the gang’s turf. This income is not recorded in our data set. Second, the revenue reported reflects only that obtained by the gang, missing that fraction of the proceeds which is appropriated by gang members, either for their own use or for resale.

Revenue

- The gang sells perhaps 30 percent of the drugs to those living within the twelve-block area—most of the remaining purchasers come from a relatively limited geographic range. In this particular area, few buyers come from the suburbs.
- A bag contains an extremely small quantity of crack-cocaine (e.g., a few pebbles) and typically sells for about \$10 on the street. By our calculations, between 10,000 and 15,000 bags can be produced from one kilogram of powder cocaine, making the street value of a kilogram of pure cocaine converted into crack between \$100,000 and \$150,000.

TABLE II
GANG FINANCES BY YEAR
Monthly Averages in 1995 Dollars

Category	Year 1	Year 2	Year 3	Year 4
Total revenues	18,500	25,600	32,000	68,400
Drug sales	11,900	19,100	24,800	53,000
Dues	5,400	5,200	5,100	9,600
Extortionary taxes	1,200	1,300	2,100	5,800
Total nonwage costs	8,100	11,600	14,000	25,200
Cost of drugs sold	2,800	4,000	5,000	11,900
Tribute to gang hierarchy	3,200	4,400	5,000	6,000
Mercenary fighters	1,000	1,000	1,300	1,200
Funerals/payments to families of the deceased	300	1,200	0 ^a	1,100
Weapons	300	400	300 ^a	1,800
Miscellaneous expenses	500	800	2,400 ^a	3,200
Total gang wages	6,200	8,000	9,500	32,300
Officers	2,600	2,600	2,100	3,300
Foot soldiers	3,600	5,400	7,400	29,000
Net profit accruing to leader	4,200	6,000	8,500	10,900
Monthly wage per foot soldier	140	200	180	470
Price and quantity of drugs sold:				
Quantity	1,310	2,054	3,109	7,931
Price	8.64	9.18	8.00	6.69

Steven D. Levitt and Sudhir Alladi Venkatesh, An Economic Analysis of a Drug-Selling Gang's Finances, The Quarterly Journal of Economics, Volume 115, Issue 3, 1 August 2000, Pages 755–789.

Revenue

- Although the revenue numbers may appear low, “back-of-the envelope” calculations suggest that they are reasonable. Using these revenue figures and average dollars per sale of \$10, we estimate that the number of sales per hour by a drug-selling team ranges from five to twelve over the sample. That frequency of sale is consistent with self-reports of the participants as well as recent observational data we have collected in similar neighborhoods.

Price

- The rise and subsequent fall in prices in our data roughly matches the city-level street price estimates based on data collected by the Drug Enforcement Agency.

Remuneration

- Gang leader retains between \$4,200 and \$10,900 a month
- The officers each earn roughly \$1000 per month
- Official monthly payments to each foot soldier are low: only \$200 per month

TABLE III
GANG PARTICIPATION AS A TOURNAMENT

	Estimated hourly wage including only official income sources			Estimated hourly wage including both official and unofficial income sources		
	Average wage for all gang members	Gang leader wage	Foot soldier wage	Average wage for all gang members	Gang leader wage	Foot soldier wage
Year 1	\$4.80	\$25.20	\$1.70	\$ 5.90	\$32.30	\$2.50
Year 2	\$5.90	\$36.00	\$2.40	\$ 7.40	\$47.50	\$3.70
Year 3	\$5.60	\$51.00	\$2.20	\$ 7.10	\$65.90	\$3.30
Year 4	\$8.70	\$65.40	\$5.60	\$11.10	\$97.20	\$7.10

Steven D. Levitt and Sudhir Alladi Venkatesh, An Economic Analysis of a Drug-Selling Gang's Finances, The Quarterly Journal of Economics, Volume 115, Issue 3, 1 August 2000, Pages 755–789.

TABLE IV
THE IMPACT OF GANG WARS ON GANG FINANCES
Monthly Averages in 1995 Dollars

Category	Preexpansion		Postexpansion	
	Gang war	No gang war	Gang war	No gang war
Total revenues	17,100	25,600	54,500	76,900
Drug sales	10,900	19,000	44,500	58,900
Dues	5,300	5,300	10,000	10,000
Extortionary taxes	900	1,300	0	8,000
Total nonwage costs	10,200	10,600	30,400	24,500
Cost of drugs sold	2,800	3,900	11,300	12,800
Tribute to gang hierarchy	1,400	5,000	5,800	5,900
Mercenary fighters	3,600	0	5,000	0
Funerals/payments to families of the deceased	1,000	300	2,300	800
Weapons	600	300	3,000	1,600
Miscellaneous expenses	800	1,100	3,000	3,400
Total gang wages	7,900	6,600	25,600	37,600
Officers	1,500	2,900	2,300	3,800
Foot soldiers	6,400	3,700	23,300	33,800
Net profit accruing to leader	-1,000	8,400	-1,500	14,800
Monthly wage per foot soldier	220	130	370	540
Price and quantity of drugs sold:				
Quantity ("bags")	1,442	2,019	7,556	8,563
Price (per bag in 1995 dollars)	7.12	9.54	5.90	6.86

Steven D. Levitt and Sudhir Alladi Venkatesh, An Economic Analysis of a Drug-Selling Gang's Finances, The Quarterly Journal of Economics, Volume 115, Issue 3, 1 August 2000, Pages 755–789.

Wars

- “Ain’t no way nobody gonna come ‘round here looking for their rock {crack} if they know they gonna get shot. People got too many options, man, they got too many n----- that they can buy they s--- from, so why come to us if we can’t keep s--- safe for ‘em?”
- “Wars is bad for everybody, so you just gotta deal with it, take the loss. Cats, when they start using, they need their s--- {drugs}. They can go all over to get what they need if you ain’t selling. So you take care of them. Sometimes we just give them something free so they come back when s--- quiets down.”

Wars

- “We try to tell these shorties {footsoldiers} that they belong to a serious organization. It ain’t all about killing. They see these movies and s---, they think its all about running around tearing s--- up. But, its not. You gotta learn how to be part of an organization, you can’t be fighting all the time. Its bad for business.”

Risks

- Gang members who were active for the entire four-year period had roughly a one in four chance of dying. Furthermore, there was an average of over two nonfatal injuries (mostly gunshot, but some due to knives or fists) per member, and almost six arrests. The risks associated with selling drugs in this sample are astonishing. By comparison, homicide victimization rates for black males aged 14–17 in the United States are roughly 1 in 1000 per year, about 1/80 the rate we observe in this sample.