

10/22 Notes

Chapter 13 – Supply Chain Management

Internal integration – management practices that reflect a highly coordinated effort between supply chain firms or across business functions

Demand-supply integration (DSI) –

External supply chain integration

Relationship integration – ability of 2 or more companies to develop social connections that serve to guide their interactions

Measurement Integration – the performance assessment of the supply chain as a whole that also holds each individual firm or business unit accountable for meeting its own goals

Tech and planning integration – creation and maintenance of info technology systems that connect and through the firms

Material and service supplier – to link seamlessly to those outsiders that provide goods and services to them so that they can streamline processes

Customer integration – enables firms to offer long-lasting, distinctive, value-added offerings to those customers who represent the greatest value to the firm or supply chain

Integration – how excellent supply chain management works

Management processes – the objects in which firms, departments and people work together

Key processes of Supply Chain Management

1. Customer relationship management
 - Companies prioritize their marketing focus on different customer groups according to each groups long term value
2. Customer service management
 - Response system to the customer whenever complaints, questions, concerns are voiced
3. Demand management

- Aligns supply and demand throughout the supply chain by anticipating customer requirements at each level and create plans in anticipation to customer purchasing behavior
- 4. Order fulfillment
 - Ensure that orders are processed on time and properly
- 5. Manufacturing flow management
 - Ensuring that firms in supply chain have the needed resources to manufacture with flexibility and to move products through a multistage production process
- 6. Supplier relationship management
 - Supports manufacturing flow by identifying and maintaining relationships with highly valued suppliers
- 7. Product development and commercialization
 - Includes the group activities that facilitates the joint development and marketing of new offerings among a group of supply chain partner firms
- 8. Returns management
 - Enables firms to management volumes of returned product efficiently, while minimizing returns-related costs and maximizing the value of the returned assets to the firms in the supply chain

Logistical components of supply chain

- Supply management - reduce the costs of raw materials and supplies
- Inventory control - maintaining an adequate assortment of inventory
- Order processing - system whereby orders are entered into the supply chain and filled
- Production scheduling - focus and strategies regarding to production
- Warehousing and materials handling - moving inventory into, within, and out of
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