

Leading Change at Simmons (E)

Stages of Supply Chain Management

- Fundamentals
- Core business terms
- Integrated enterprise
- Extended supply chain
- Supply chain connectivity

Implementing a Global Supply Chain

- Why implement integrated Supply Chain Management (SCM)?
- What is Supply Chain Management (SCM)?
- How to implement SCM? (Strategic, Operational, Tactical)
- SCM Implementation Challenges



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Global Supply Chains

- The network of organizations, people, information, material, and financial resources involved in moving goods and services from suppliers to customers across organizational boundaries and international borders.

Evolution of the Global Supply Chain

TECHNOLOGY

Supply Chain Metrics

The Tools

Careers



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Supply Chains

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A supply chain is a network that connects the end user to the original supplier.



Them?

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The 5 Elements



YouTube

A supply chain connects to a supplier.

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Why Do We Need Them?

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1. Serve as a tool to handle globalization
 - The world is one big supply chain
 - Assist the building of strategic partnerships
 - Influence gas prices
 - Raise issues on environmental concerns

2. Provide competitive advantages

Customer service Advantage

- Ensure the right product assortment and

Thecasesolution The 5 Elements

1. Production

- In this element, the focus is what customer wants and the market demands.
- Answers the questions, how many products to produce, and what, if any, parts or components should be produced at which plants or outsourced to capable suppliers.
- These strategic decisions regarding production must also focus on capacity, quality and volume of goods, keeping in mind that customer demand and satisfaction must be met.
- Operational decisions focus on scheduling workloads, maintenance of equipment and meeting immediate client/market demands.

2. Inventory

- Quantity of product in-hand
- A delicate balance exists between inventory, which can cost 20 and 40 percent of their value in inventory to meet market demands.
- Optimal levels of stock are needed to ensure customer satisfaction as demands fluctuate.
- Control policies must be implemented to correct levels of supplier points.

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Customer service Advantage

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2. Provide competitive advantages

Customer service Advantage

- Ensure the right product assortment and quantity are delivered in a timely manner to the right place
- Supply chains include after-sale customer service

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Improve bottom line

- Expedited deliveries can lead to a healthy increase in cash flow

3. Can help level the playing field for smaller businesses

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Improve bottom line

- Expedited deliveries can lead to a healthy increase in cash flow

3. Can help level the playing field for smaller businesses

- The internet allows all to bring their products to the market

4. Creative business designs

- iTunes music delivery

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Them?



Thecasesolutions.com The 5 Elements

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2. Inventory

- Quantity of product in-house.
- A delicate balance exists between too much inventory, which can cost anywhere between 20 and 40 percent of their value, and not enough inventory to meet market demands.
- Optimal levels of stock at each location to ensure customer satisfaction as the market demands fluctuate.
- Control policies must be looked at to determine correct levels of supplies at order and reorder points.

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3. Location

- Strategic decisions must focus on the placement of production plants, distribution and stocking facilities, and placing them in prime locations to the market served.
- Once customer markets are determined, long-term commitment must be made to locate production and stocking facilities as close to the consumer as is practical.
- In industries where components are lightweight and market driven, facilities should be located close to the end-user.
- In heavier industries, careful consideration must be made to determine where plants should be located so as to be close to the raw material source.
- Decisions concerning location should also take into consideration tax and tariff issues, especially in inter-state and worldwide distribution.

4. Transportation

Strategic transportation decisions are closely

5. Information

Effective supply chain management requires

2. Inventory

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