



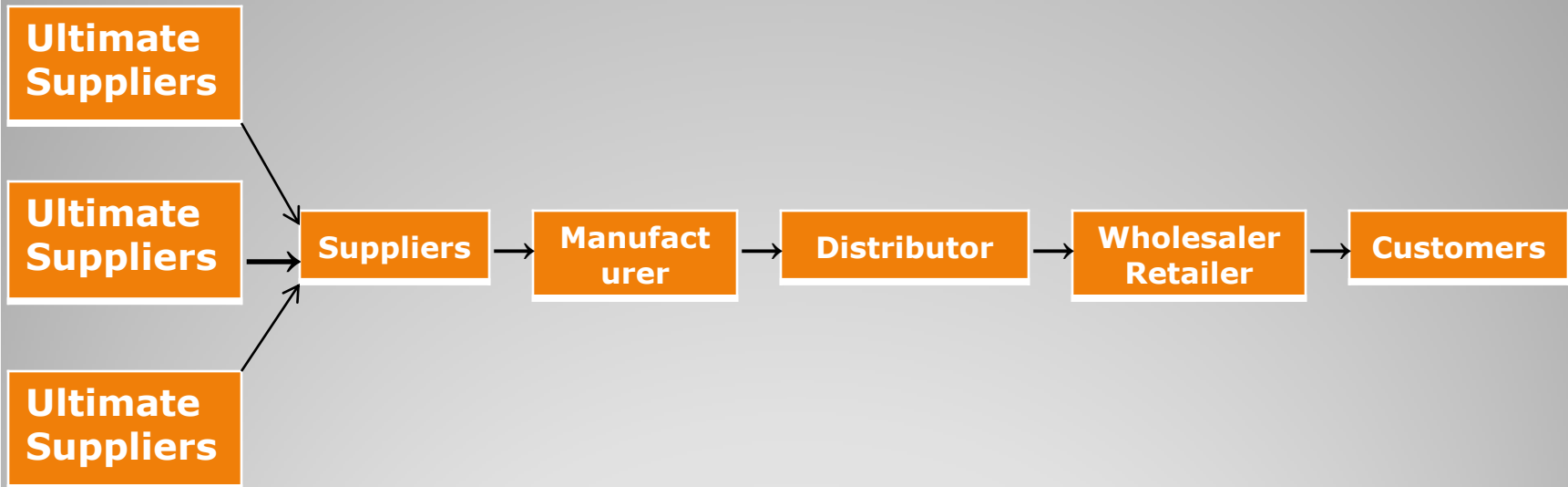
SUPPLY CHAIN MANAGEMENT

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DEFINITION

According to the **Supply Chain Council, U.S.A.**, “Supply Chain Management encompasses every effort involved in producing and delivering a final product or service, from the supplier’s supplier to the customer’s customer. Supply chain Management includes managing supply and demand, sourcing raw materials and parts, manufacturing and assembly, warehousing and inventory tracking, order entry and order management distribution across all channels, and delivery to the customer.”

Downward Flow (Raw material, WIP, Finished goods)

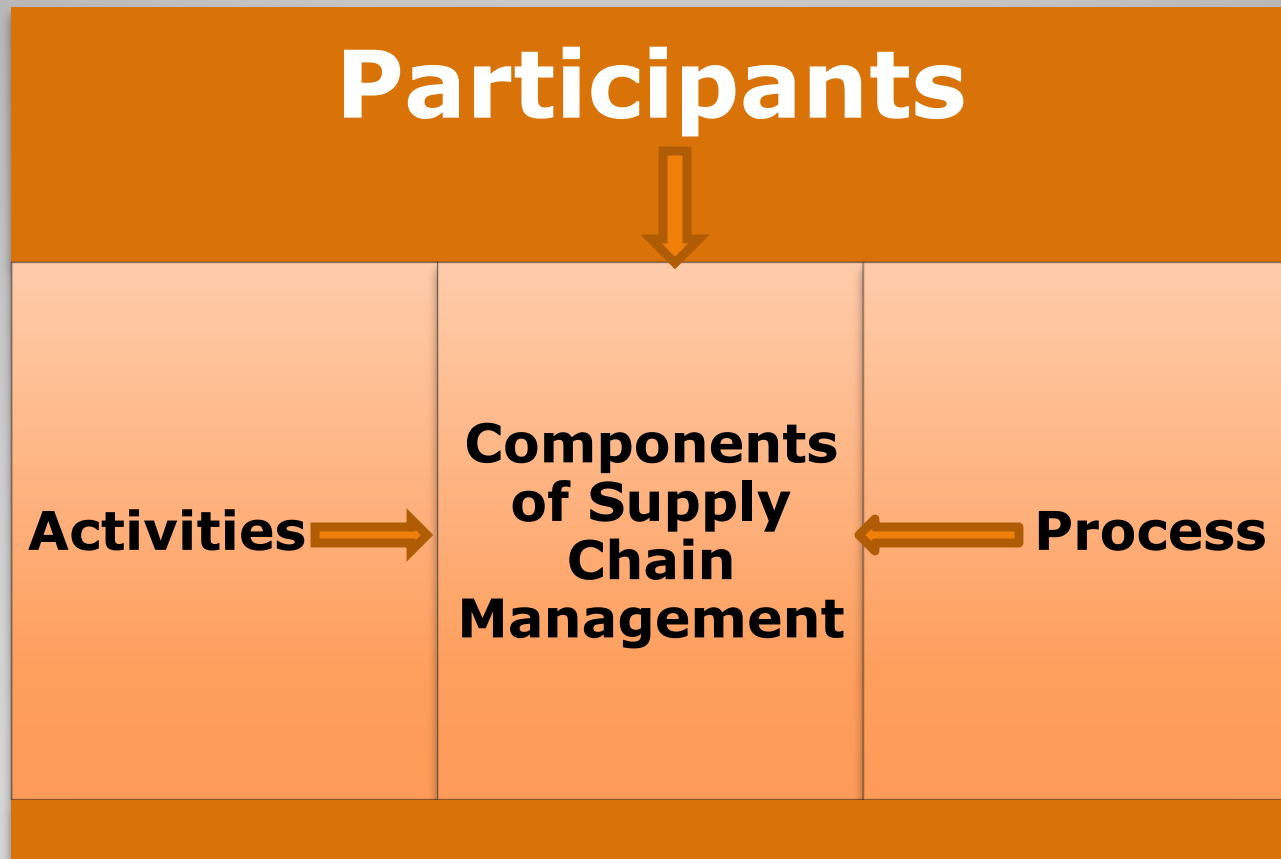


Upward Flow (Money and Information)

Characteristics of Supply Chain Management

- 1. Focus on customer**
- 2. Responsible for multiple flows**
- 3. Participants**
- 4. Multiple activity**
- 5. Ensures coordination of participants**

Components of Supply Chain Management



A. Participants in Supply Chain Management

- 1. Supplier**
- 2. Manufacturer**
- 3. Distributors**
- 4. Wholesalers**
- 5. Retailers**
- 6. Customers**
- 7. Supply Chain Service Providers**

B. Process of Supply Chain Management

- 1. Planning**
- 2. Sourcing of Material**
- 3. Manufacturing**
- 4. Physical Distribution**
- 5. Return**

C. Activities / Functions of Supply Chain Management

- 1. Demand Forecasting**
- 2. Purchase Material Handling**
- 3. New Product Design**
- 4. Inventory Management**
- 5. Logistic Management**
- 6. Packaging**
- 7. Marketing**
- 8. Distribution**
- 9. Customer Relationship Management**

Advantages of Supply Chain Management

1

- Reliable Forecasting

2

- Reduction of Supply Chain Cost

3

- Increased Customer Satisfaction

4

- Reduced Investment in Inventory

5

- Shorter Lead Time

6

- Minimized Delay

7

- Better Communication amongst participants

8

- Ensures smooth flow of Work

Thank
You

