**🌍 The Supply Chain Makeover: Nike Inc.**

**Team A — Global Brand: “Reimagining Nike’s Human-Centered Supply Chain”**

**1. Brainstorm & Research – Company Selection**

**Chosen Company:** Nike  
**Industry:** Sportswear and footwear manufacturing  
**Current Context:**  
Nike’s global supply chain spans over 500 factories in 40+ countries. Historically, it has faced **criticism for:**

* Sweatshops and unsafe working conditions
* Gender inequality and harassment in supplier factories
* Child labor in parts of the subcontracted supply chain
* Low wages and long hours for factory workers

**2. Team Introduction – Roles & Responsibilities**

| **Role** | **Team Member** | **Responsibility** |
| --- | --- | --- |
| Supply Chain Analyst | Maria | Maps current supply chain, identifies social gaps |
| HR & Ethics Lead | Jamal | Designs fair labor & diversity policies |
| Community Engagement Officer | Li | Develops local community initiatives |
| Data & Metrics Manager | Sara | Designs Balanced Scorecard & performance tracking |
| Presenter / Designer | Alex | Creates visual supply chain diagram & presentation |

**3. Whiteboard Prep – Execution Plan**

We’ll redesign Nike’s supply chain using **SSCM principles** across **three levels:**

1. **Internal HR (inside Nike & owned facilities)**
2. **External HR (suppliers, logistics partners, communities)**
3. **Measurement & continuous improvement (Balanced Scorecard)**

**4. Presenting the Idea – “Nike Social Impact Supply Chain”**

**⚙️ Current Supply Chain Flow:**

Suppliers (Raw Materials) → Factories (Manufacturing) → Distribution Centers → Retail → Customers

**💡 Makeover Plan – Social Sustainability Upgrades**

| **Supply Chain Stage** | **Problems Identified** | **Sustainable Solutions** | **SSCM Concept Applied** |
| --- | --- | --- | --- |
| **Raw Material Suppliers** | Child labor, unsafe mining (e.g., cotton, rubber) | Certified ethical sourcing, supplier audits every 6 months, blockchain transparency | *External HR & Supplier Ethics* |
| **Factories** | Unsafe conditions, unfair pay, gender discrimination | Fair Wage Policy, Safety Certification Program, Gender Equity Training | *Internal HR & Worker Well-being* |
| **Logistics/Distribution** | Overworked transport workers, carbon emissions | Ethical logistics partners, “Driver Safety & Rest Hours” initiative, carbon-neutral shipping | *External HR + Environmental Social Balance* |
| **Retail & Consumers** | Lack of community engagement | “Community Sport Fund” (1% profits), employee volunteering programs | *External Social Engagement* |

**🧠 SSCM Balanced Scorecard – Key Metrics**

| **Perspective** | **Metric** | **Target** | **Social Impact** |
| --- | --- | --- | --- |
| **Financial** | Cost savings from efficient & ethical sourcing | +10% margin over 2 years | Reduces waste, improves brand reputation |
| **Customer** | % of customers aware of Nike’s “Fair Made” label | 70% | Builds consumer trust |
| **Internal Processes** | Supplier social compliance audit pass rate | 100% | Ensures ethical production |
| **Learning & Growth** | Employee satisfaction & diversity index | +20% | Encourages inclusive culture |

**📊 Measurable Outcomes**

1. +20% **worker satisfaction** within 2 years
2. **0 labor violations** in audited suppliers
3. **100% supplier transparency** using digital traceability

**⚖️ Challenges: Balancing Social Goals with Profit**

| **Challenge** | **Impact** | **Solution** |
| --- | --- | --- |
| Increased production cost due to fair wages | Short-term margin dip | Long-term brand loyalty & premium pricing |
| Supplier resistance to audits | Compliance delays | Partner training & incentive contracts |
| Measuring social impact consistently | Data reliability issues | Balanced Scorecard dashboards & quarterly reports |

**5. Reflections & Key Takeaways**

* **People are as vital as products** — supply chains must prioritize worker dignity and community well-being.
* **SSCM isn’t charity** — it’s a **strategic investment** in long-term brand health.
* **The Balanced Scorecard** bridges the gap between ethics and profit by **quantifying social goals**.
* A socially sustainable supply chain **builds resilience, trust, and innovation**.

**🧩 Visual Supply Chain Flow (to draw on whiteboard)**

Suppliers → Factories → Logistics → Retail → Customers

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Fair Labor Safe Work Ethical Transp. Community Fund

+ Audits + Diversity + Green Miles + Local Sport