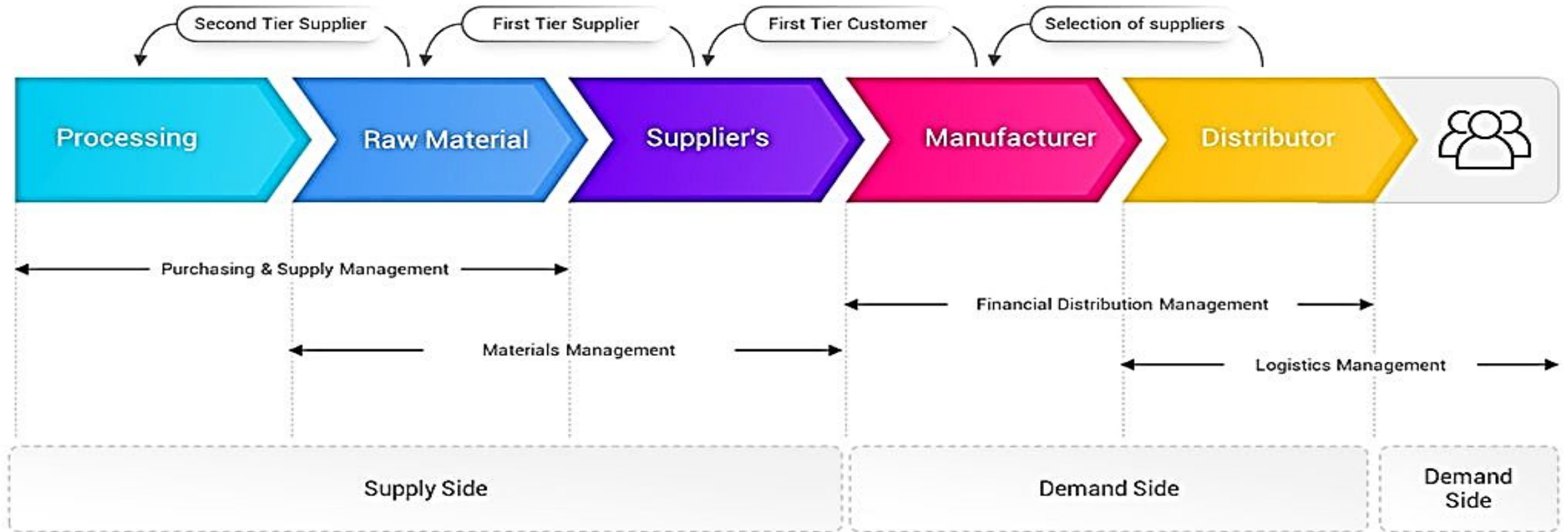


Demand and supply position of raw material.

What is Supply Chain Management (SCM)

Enter your sub headline here

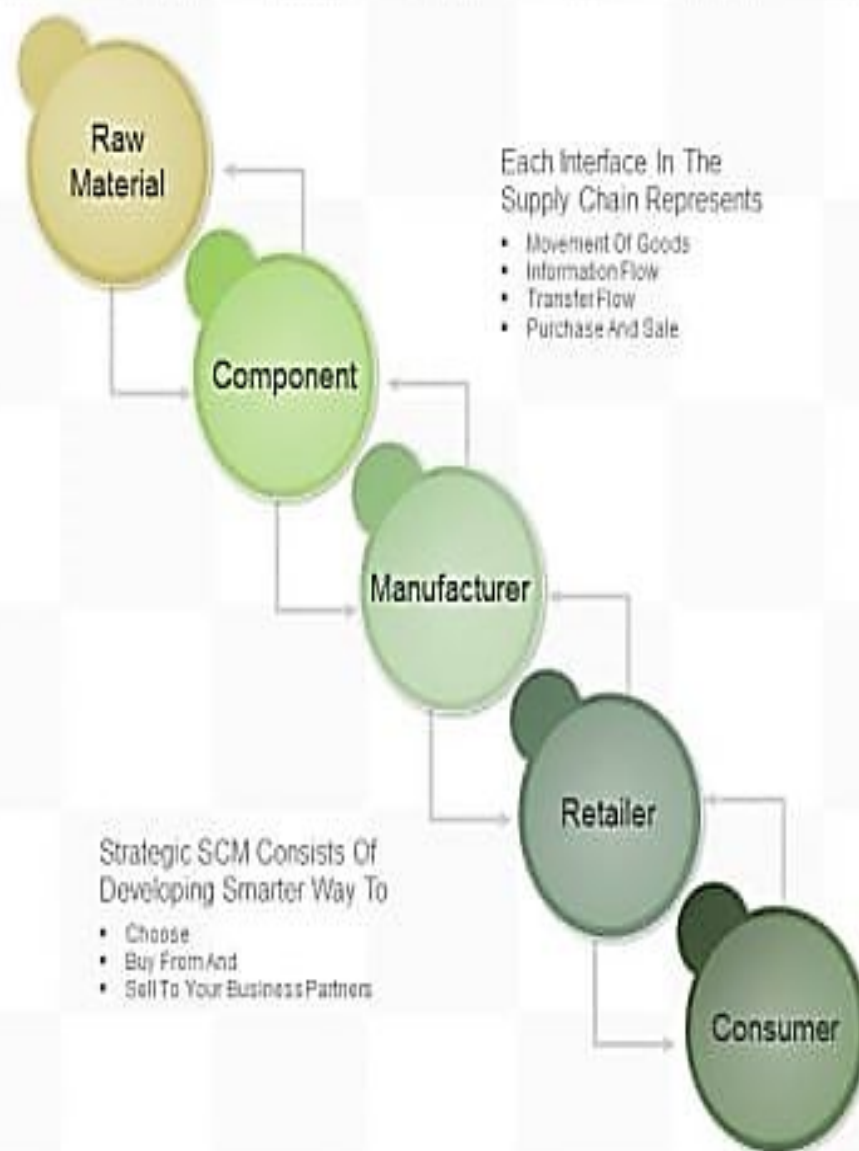


Supply Chain Defining Raw Materials Supplie...



Raw Material Component PPT PowerPoint Images

This slide is 100% editable. Adapt it to your needs and capture your audience's attention.



DEFINITION OF SUPPLY CHAIN

- According to Ganeshan & Harrison.

“A supply chain is a network of facilities and distribution options that perform the function of procurement of material transformation of these materials into intermediate and finished products, and the distribution of these finished products to customers.”

TYPES OF SUPPLY CHAIN.

- Raw supply chain.
- Ripe supply chain.
- Internal supply chain.
- Extended supply chain.
- Self monitored Supply Chain.
- Outsourced supply Chain.


FUNCTIONS OF SUPPLY CHAIN MANAGEMENT

- Supply chain management is a cross functional approach to manage the movement of raw material into an organization, certain aspects of the internal processing of material into finished goods, and then the movement of finished goods out of the organization towards the end consumers. As organization strive to focus on core competencies and becoming more flexible, they have reduced their ownership of raw material sources and distribution channel.

Five functions of supply chain management:

1. Purchasing
2. Operations
3. Logistics
4. Resource Management
5. Information workflow

ESSENTIAL FEATURES OF SUPPLY CHAIN MANAGEMENT.

- Integrated behavior- SCM incorporates integration of stakeholders from supplier to customers.
 - Mutually sharing information- For effective SCM mutually sharing information among channel members is required, especially for planning and monitoring processes.
 - Mutually sharing channel risk and Rewards- Effective SCM also requires mutually sharing channel risks and rewards that yield a competitive advantage. Risk and reward sharing should happen over the long term focus and cooperation among the supply chain members.
 - Co-operation- Co-operation among channel members is required for effective SCM. Co-operation refers to similar or complimentary co-ordinated activities performed by firm in a business relationship to produce superior mutual outcomes or singular outcomes that are mutually expected over time.
- 

- Focus on serving customers – Supply chain succeeds if all the members of supply chain have the same goal and the same focus serving customers. Establishing the same goal and same focus among Supply chain members is a form of policy integration.
- Integration of Processes – The implementation of SCM needs the integration of processes from sourcing to manufacturing and to distribution across the supply chain. The integration can be accomplished through cross functional terms, in plant supplier personnel and third party service provide.
- Partners to Build and Maintain Long Term Relationship – Successful relationships aim to integrates channel policy to avoid redundancy and overlap while seeking a level of co-operation that allow participants to be more effective at lower cost levels. Policy integration is possible if there are compatible cultures and management techniques among the chain members.

OBJECTIVES OF SUPPLY CHAIN MANAGEMENT

- Service Orientation.
- System Orientation.
- Competitiveness and Efficiency.
- Minimizing the Time.
- Minimizing Work in Progress.
- Improving Pipeline Visibility.
- Improving visibility Demand.
- Improving Quality.
- Reduces Transportation Cost.
- Reduces Warehousing Cost.

- Competitiveness and Efficiency – Supply chain is a business organization. It provides value to the customers while being competitive. Competitiveness is essential for it to healthy sustain itself in order to be able to provide increasing value to its customer. Efficiency is an important element of competitiveness.
- Minimizing the time – efficient supply chain is an organization reduces the time required for converting orders into cash. So there is minimal time lag and increase in productivity of the organization.
- Minimizing Work in Progress- supply chain minimizes total work in process in supply chain.
- Improving Pipeline Visibility – efficient supply chain improve the visibility of each one of the activities of the supply chain by each one of the partner.
- Improving visibility Demand- Efficient supply chain improves visibility of demand by each one of the partners.
- Improving Quality- Efficient supply chain management helps in improving the quality of operation of the organization. TQM has become a major commitment throughout all facet of industry. Overall commitment to TQM is one of the major commitment throughout all facets of industry.

COMPONENTS OF SUPPLY CHAIN MANAGEMENT

- Procurement.
- Processing.
- Distribution.

FACTORS INFLUENCING SUPPLY CHAIN MANAGEMENT

- Consumer Demand.
- Globalization.
- Competition.
- Information and communication.
- Government Regulation.
- Environment.


FUNCTIONS OF SUPPLY CHAIN MANAGEMENT

◦ Strategic level

- Strategic network optimization, including the number, location, and size of warehousing, **distribution centers**, and facilities.
 - **Strategic partnerships** with suppliers, distributors, and customers, creating communication channels for critical information and operational improvements such as **cross docking**, direct shipping, and **third-party logistics**.
 - **Product life cycle management**, so that new and existing products can be optimally integrated into the supply chain and capacity management activities.
 - **Information technology** chain operations.
 - Where-to-make and make-buy decisions.
 - Aligning overall organizational strategy with supply strategy.
 - It is for long term and needs resource commitment.
- 

FUNCTIONS OF SUPPLY CHAIN MANAGEMENT

○ Tactical level

- Sourcing contracts and other purchasing decisions.
 - Production decisions, including contracting, scheduling, and planning process definition.
 - Inventory decisions, including quantity, location, and quality of inventory.
 - Transportation strategy, including frequency, routes, and contracting.
 - **Benchmarking** of all operations against competitors and implementation of **best practices** throughout the enterprise.
 - Milestone payments.
 - Focus on customer demand and Habits.
- 

FUNCTIONS OF SUPPLY CHAIN MANAGEMENT

- **Operational level**
- Daily production and distribution planning, including all nodes in the supply chain.
- Production scheduling for each manufacturing facility in the supply chain (minute by minute).
- Demand planning and forecasting, coordinating the demand forecast of all customers and sharing the forecast with all suppliers.
- Sourcing planning, including current inventory and forecast demand, in collaboration with all suppliers.
- Inbound operations, including transportation from suppliers and receiving inventory.
- Production operations, including the consumption of materials and flow of finished goods.
- Outbound operations, including all fulfillment activities, warehousing and transportation to customers.
- Order promising, accounting for all constraints in the supply chain, including all suppliers, manufacturing facilities, distribution centers, and other customers.
- From production level to supply level accounting all transit damage cases & arrange to settlement at customer level by maintaining company loss through insurance company.