

Title:

Supply Chain Management : Sounds Geekish, but is very much commonsense

Word Count:

444

Summary:

Supply chain management (SCM) is the combination of art and science that goes into improving the way your company finds the raw components it needs to make a product or service and deliver it to customers.

Keywords:

Consignment agency business, Pan India cold chain company, Pioneers in cold chain logistics, Frozen and chilled transportation

Article Body:

Have you heard of Just-in-time, TQM, The rise of Toyota as a powerful global player in the automotive industry, even surpassing the gaping mouths of the big three in the United states? You would have certainly come across the term 'Supply Chain Management' - It sounds like jargon, doesn't it? Well, it isn't so difficult to understand and it is something most manufacturing ( even services!) industries indulge in today. Supply Chain management basically means that the process of managing the whole process of finding a suitable raw material, processing it and converting it into something valuable or useful that could be sold to the market.

The better a company is in managing its resources, the process of locating its raw materials, processing them, working on them, the entire production process, the out put, the packaging and even the labelling might constitute a simple supply chain management case study.

According to the CIO Magazine,

Supply chain management (SCM) is the combination of art and science that goes into improving the way your company finds the raw components it needs to make a product or service and deliver it to customers. The following are five basic components of SCM.

Supply Chain Management has a lot of visible and also invisible elements to it. The glamorous parts might probably be the vendor management and the like. It is

the invisible parts of the supply chain that attain the status of primary importance. Things like labor management, procurement, warehouse management, Order processing, fulfillment and delivery.

The importance of supply chain management has been growing steadily over the recent years and more so because of the fact that the companies have been growing larger and larger in size. Due to this enormous increase in size, the companies gain more cost efficiency when they outsource some of the functions that they ought to do themselves to other specialized service companies that do the needful. This enables the larger companies to be more flexible, focus more on their core competencies and create more value for their customers, while retaining profits by reducing costs at the same time. The ubiquitous, simple to use, nature of the Internet has made it possible to automate some of its supply chain management elements with the help of robust supply chain management software ( Though it is always not so easy to do the implementation and execution part!).

The extended supply chain - the vendors and their vendors network, has always become a critical link in the new era of Modern supply management theory and has taken it to another realm where everything boils down to cost cutting such that the whole process can create value for the customer.