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Abstract

Presents a case study on quick response practices in a supply chain within the Australian textiles, clothing and footwear (TCF) industry, conducted as part of a government-led project aimed at improving the performance of the Australian TCF industry towards becoming more internationally competitive. Details of the Australian TCF Industry Quick Response Program are provided, which comprised six major activities: assessing company commitment and readiness; formulation of supply chain clusters; roundtable meetings; workshops and seminars; implementation of quick response techniques and technologies; and audits to assess improvements. The supply chain consists of Myer/Grace Brothers (retailer), Diana Ferrari (shoe manufacturer), Burrowes (shoe components supplier), and Packer Tannery (leather supplier). The activities undertaken within this supply chain are discussed and some of the key lessons learnt from this case study are highlighted.

Keywords

Response flexibility

Supply chain

Agile production

Australia

Case studies

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<https://doi.org/10.1108/01443570110390516>

Integrative Medicine, 2023

Publisher: MCB UP Ltd

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Introduction

During the early 1990s, a number of new concepts aimed at rapidly satisfying the needs of end consumers became popular (see, for example, Youssef, 1992). These include “agile manufacturing”, “quick response”, “speed-to-market” and “time-based competition”. Agile manufacturing is described as the ability of a company to thrive in a competitive environment of continuous and unanticipated change (Kasarda and Rondinelli, 1998). It is a system that has extraordinary capability of meeting the rapidly changing needs of the marketplace. An agile manufacturing system can shift rapidly among product models or between product lines, ideally in real-time response to consumer demands (Youssef, 1994). Agile manufacturing requires the adoption of new systems that make them more responsive to customer needs (Kasarda and Rondinelli, 1998).

The concept of “quick response” became popular within the apparel industry. Quick response is similar to agile manufacturing in many ways. Fisher and Raman (1996) describe quick response as an “initiative intended to cut manufacturing and distribution lead times through a variety of means, including information technology such as electronic data interchange, point of sale scanners, and barcoding, logistics improvements such as automated warehousing and increased use of air freight, and improved manufacturing methods, ranging from laser fabric cutting to reorganisation of the sewing process into modular sewing cells.”

The adoption of the total quality management (TQM) philosophy has had a dramatic impact on improving the quality of a firm’s products and services. Youssef *et al.* (1996) have argued that “TQM affects not only quality but also the ability of the firm to become a time-based competitor”. As domestic and international consumers continue to become more sophisticated and demanding, it is clear that manufacturers in the twenty-first century will need to adopt agile manufacturing and quick response strategies. A key component of the quick response strategy is the development of supply chain partnerships. Kasarda and Rondinelli (1998) highlight the importance of this, saying that “Companies of all sizes are developing strategic partnerships because so many different critical technologies are required to create today’s sophisticated products that no one company can maintain leadership in all of them”. They further conclude that “In an era of rapid, unanticipated change, the

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supply chain partnerships for quick response. These include

Blackburn (1991), Hunter (1994), Lawson (1995), Parker (1989), Pugh (1991) and Ward (1994). Hence, supply chain management or supply chain partnership must be considered a key component of a strategy based on agile manufacturing or quick response.

In this paper we present a case study of a successful vertically aligned supply chain in the Australian textiles, clothing and footwear (TCF) industry. The case study was conducted in the early-to-mid 1990s as part of a wider research project into customer-responsive practices in newly-formed TCF industry supply chains. The wider research entailed a background study of manufacturing practices, observations of workshops conducted through a government-run quick response program, a longitudinal study of manufacturing practices in companies aiming for improved responsiveness, and the development of a model of effective quick response practices.

The remainder of this paper is structured as follows. The next section briefly describes the Australian TCF Industry Quick Response Program. The various activities undertaken as part of this program are highlighted in this section. Next, a case study of a quick response supply chain cluster is presented. It describes the involvement of each of the four companies within the supply chain cluster and their achievements, individually and collectively. Conclusions are presented in the final section of the paper.

Australian TCF Industry Quick Response Program

This four-year program was introduced and funded by the government in late 1992 in order to assist the Australian TCF industry raise its standards towards becoming more internationally competitive with the rest of the world. The program had two key objectives. One was to develop tight partnerships between clusters of retailer, manufacturer and suppliers in the TCF industry, and second, to assist supply chain companies to implement electronic data interchange (EDI) technologies for improved sales information flow.

In total, 50 companies were involved in this project, which was facilitated by a full-time "facilitator" appointed by the government to act as the leader of the project. Much of the success of this project has depended on the role played by the facilitator and the activities designed to develop close partnerships among the companies involved. Over the period of the project, six major activities were undertaken and these are discussed briefly below. Further details can be found in Perry (1997).

Assessing company commitment and readiness

Companies wishing to join the quick response project were initially

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Formulation of supply chain clusters

Clusters of companies were formed which typically involved a retailer, manufacturer and suppliers to the manufacturer. All the members of the cluster were committed to developing a close partnership and to improving the performance of the supply chain. Once this was completed, companies were asked to develop selfish “wish lists” which would be discussed at the first roundtable meeting of supply chain member companies. These “wish lists” were things that each company would like to see happen in the supply chain that would not only improve the performance and profitability of the individual company, but of all the members of the supply chain. These wish lists were circulated to supply chain member companies prior to the initial roundtable meetings.

Roundtable meetings

The purpose of the roundtable meetings was to establish an open environment in which member companies could share concerns and develop mutually agreed to solutions aimed at improving the performance of the supply chain. Many of the issues (wish lists) were shortcomings among the cluster members, or practices that had already been adopted by some member company but were recognised as being beneficial for the whole supply chain.

Roundtable discussion of the issues led to mutually agreed to “action plans” that would be implemented by the supply chain, which were seen as challenges by all member companies and were hence accepted for implementation.

Workshops and seminars

The workshops and seminars were aimed at education and training of supply chain member companies and were conducted with the help of consultants appointed to the project. These workshops and seminars were important in bringing about awareness among all companies that a range of shop-floor and organisational changes would have to occur to achieve the supply chain objectives and a cultural change in each company.

Implementation of quick response techniques and technologies

The adoption of key quick response techniques and technologies such as EDI was handled on a case-by-case basis for each member company in the supply chain. Implementation occurred steadily across all functions within each cluster company.

Audits to assess improvements

Audits of companies within each supply chain were conducted to assess improvements taking place. Data were collected from each

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- A 90 percent increase in product sales, although total annual sales had only increased by 20 percent.
- Finished goods inventory turnover doubled.
- Order completion by due date increasing by more than 70 percent.
- Lead time from order to delivery halved.
- A 16 percent reduction in product rejects.
- A significant improvement in employees' skills and competency, leading to multi-skilling.
- Annual labour turnover decreased from 27 percent to 18 percent.

These results indicate that the quick response program had been a success. The factors that contributed to this success are discussed in the final section of this paper. The next section presents the quick response supply chain case study.

Quick response supply chain case study

A qualitative analysis was made of the processes occurring within one supply chain cluster. This cluster comprised representatives from Myer/Grace Brothers (retailer), Diana Ferrari (shoe manufacturer), Burrowes (shoe components supplier) and Packer Tannery (leather supplier). In-company interviews were conducted with quick response program managers concerning quick response activities and progress. The quick response representatives from each of the above companies were interviewed separately to ascertain company moves towards quick response and to develop a cumulative picture of quick response in the entire supply chain. The positive results found within this supply chain cluster are fairly typical of the results in other clusters.

The Myer-Grace Brothers/Diana Ferrari/Burrowes/Packer Tanning group was a late entrant into the quick response program. However, in-house quick response initiatives had already started with Diana Ferrari as early as 1988, a process that Diana Ferrari had shared with supply chain companies, so there was a high level of understanding of and commitment towards the concept. Diana Ferrari had suffered a recent temporary set-back to its quick response plans with its move to a new premises, partly to cope with the changeover period and partly because of a large number of new employees.

The Myer/Grace Brothers representative had already been part of a number of successful quick response workshop groups and was able to pass on to the Diana Ferrari group the types of benefits that had occurred in the other groups. The Diana Ferrari group galvanised quickly and soon developed strategic goals for the group as a whole, and short-term goals for the member companies to achieve. A number of these goals had been met by the time this

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response workshop with all parties agreeing to reduce the colours.

Shared rolling forecasts was another highly beneficial outcome for the group, as was the on-going group sales planning and joint discussions of the upcoming range and range requirements. Increased communication, increased information and increased trust certainly paid dividends in this group, as it did in other groups.

Below, we present findings from each company in the cluster separately and then a group profile is developed.

Major retailer – Myer/Grace Brothers

Myer/Grace Brothers is the largest retail department chain in Australia. Myer and Grace Brothers merged in 1991. Its stores sell a wide range of middle-market and up-market goods. Victoria and some other states have a Myer department chain, whereas New South Wales has a Grace Brothers chain. In October 1993 Myer/Grace Brothers launched a new supplier relations policy. It was intended to develop closer relationships with suppliers, both large and small. The policy committed Myer/Grace Brothers to purchasing Australian-made products and dealing with Australian manufacturers, in preference to purchasing imports, wherever possible. The policy aimed at seeking long-term relationships with suppliers who could, among other things:

- respond flexibly, quickly and competitively to Myer/Grace Brothers' retail businesses;
- show commitment to ensuring their personnel provided quick and positive responses;
- show commitment to appropriate quality assurance programs; and
- provide advice and other services related to logistics, marketing and product development.

Diana Ferrari supplies to Myer/Grace Brothers all over Australia via the Melbourne-based buying office. The Myer/Grace Brothers representative in the workshops was the quick response manager who participated in a number of the quick response cluster workshops in the government program. He kindly provided the following information and provided some insights into successful quick response.

He explained that if local manufacturers can reliably supply a high quality at a better overall cost than importers then they will be selected as a Myer/Grace supplier. Importing can have certain cost drawbacks such as insurance, buyer trips, wrong deliveries and delays causing stock outs. According to the quick response manager, through quick response initiatives in the quick response program companies, new products are being developed and promotions arranged in conjunction with the manufacturer and supplier. More planning has resulted with suppliers "blocking in" production scheduling. Also, increases in sales of up to 30 percent

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Through the new Myer/Grace Brothers distribution centre in the Eastern Melbourne suburb of Scoresby all transactions are being made electronically through the scanning of European article numbering (EAN) standardised container and product barcodes. Myer/Grace Brothers is now starting to expect that sales data will be passed from manufacturer to supplier, and that there will be cross-sharing of information. Myer/Grace Brothers is changing its paperwork reporting system relating to sales data that are passed on to the manufacturer. Not so much sales information will be put on a page and more detail will be supplied on the manufacturer's products.

Lead times for replenishment orders have reduced, on time, in full delivery performance has improved and the number of queries on deliveries has reduced. An expansion of EDI documents will be made to cover the entire supply chain. Further reductions in lead times and re-engineering of the supply chain are also envisaged. According to the Myer/Grace Brothers quick response manager, there is a need for all parties in the supply chain to understand each other's businesses. He stated:

“ If we look at a manufacturer in isolation we may only have a part of the picture. We need to look at the entire pipeline and we need to open communication lines and engage in pipeline management. High fashion styles require more frequent communication than basics. Myer needs the support of its suppliers for 100 percent “as ordered” product, within a pre-determined time frame. This has so far been achieved with a few manufacturers. ”

A desired aim of Myer/Grace Brothers is to order on Mondays for replenishment that week. According to the Myer/Grace Brothers representative there were two ways in which the manufacturer could achieve this. One was to hold stock, which was costly and became built into the price the consumer paid. The quick response way was for manufacturers to adopt responsive manufacturing practices, with short runs and flexibility. To assist this process, the retailer needed to supply as much information as possible about future orders so that production scheduling and raw materials purchasing could be more accurate and effective. Each business needed to bring about changes in order to facilitate quick response. Cultural changes are invariably required. For the manufacturers, enterprise bargaining might be required if more shifts were necessary.

Shoe manufacturer – Diana Ferrari

Diana Ferrari, in its current form, has been in operation producing

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track when it entered the program than were the other companies. Moves towards quick response in Diana Ferrari occurred in the late

1980s from the time of the implementation of the TCF Industry Development Plan, when it was realised that there would be increasing competition from imported shoes. The Technology Transfer Council, a local consulting company, convinced Diana Ferrari management to send 12 people on a “socio technology systems” course. An outcome of the course was the confirmation that the introduction of new technologies and approaches required commitment and change from all people.

The major thrust for Diana Ferrari’s future became total company restructuring towards quick response manufacturing. Strategic steps to this end have included: selecting a market niche, changing the culture of the workplace and implementing a range of manufacturing systems, processes and technologies. The manufacturing reforms have aimed at implementing quick response manufacturing to achieve low work in progress, low raw material stocks, low lead times and less paper work. Processes adopted have included just-in-time (JIT), EDI, socio technology systems, value-added manufacturing (VAM), modular manufacturing and the implementation of EDI for quick and accurate information flow.

Through applying their strategic quick response plan, Diana Ferrari not only survived the recession in the early 1990s, but actually increased its sales during that period. The culture change was not easy to achieve. Some staff left the company or were asked to leave because they did not wish to adapt to the new democratic *modus operandi*. In 1993 Diana Ferrari management realised that more space was needed for its expanding business and moved from its Preston location, just north of Melbourne, to bigger, more suitable premises in Fairfield. It took some time and many “shoe box meetings”, as it calls its regular employee team leader meetings, to obtain widespread employee support for the move. Following the move, orders increased and Diana Ferrari reverted much of its production to the traditional batch method, as opposed to the modular manufacturing formerly in place, in order to cope with the volume. It is the desire of Diana Ferrari management to gradually build up quick response production again and to run another quick response education program for the staff. Many new staff, including some senior staff, have been employed. Diana Ferrari is starting to retrain group leaders, push self-autonomous groups again and develop more modules for flexible quick response production.

More recent quick response practices being adopted include implementation of a weekly planning system rather than planning each day, delivery of components by ticket/day sheet in a JIT environment and the introduction of supplier seasonal forecasting. Partnerships formed have been, and are being, used to develop EDI purchase orders to suppliers and barcoding of deliveries. Modifications have been made to systems at the Diana Ferrari site and there has been a change of nominated freight carrier and

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Diana Ferrari has considerable successes through the Quick Response Program. These have involved flattened peaks and troughs in the production plan, fewer component stock outs, simplified planning procedures and paper flow and fewer work-in-progress days. Response time (in modules) shortened by two days and there has been a 10 percent unit cost reduction (one style only) with lead time days to retail customer reduced from 10.1 to 7.5. On time, in-full delivery performance to retailer improved from 96.2 percent to 98 percent and manifest errors per day reduced from 6 percent to 2 percent.

At the time of writing, approximately 80 percent of the following three major projects have been completed. The group is confident that once the projects are fully implemented, beneficial results will accrue for all supply chain members. The first project entails further computerisation and implementation of the end product development time line. This will show the critical path and hence inter-dependencies of actions in the development cycle chain. At the time of development of a style, a check list will determine the complexity and hence produce an appropriate time line for that product. The second project entails software changes to reduce paperwork and having components delivered by ticket. For future transactions at the supplier level, there are expected savings of up to two hours a day due to automatic transaction creation and transmission of purchase orders. The third project involves development of a national forecast that becomes meaningful to pass on to suppliers.

According to the part-owner representing Diana Ferrari in the Quick Response Program, the quick response workshops helped to coordinate developments which have taken place over a number of years in the supply chain, focussing on customer requirements. There is also a spin off to other suppliers and customers as a result of the learning process in this chain.

Shoe components manufacturer – Burrowes

Burrowes is located in Geelong (Victoria) and manufactures a wide variety of shoe components for Australian shoe manufacturers. Burrowes employs approximately 80 people and, because its business is expanding, runs continuous shifts.

The managing director explained that prior to the partnership being developed, Burrowes had been experiencing some difficulties in relation to order arrival, information flow and production planning. Sometimes numerous orders would be received in a day, requiring multiple colour ranges, sometimes for delivery the next day. Moreover, a considerable amount of order-related paperwork was handled with each order. The paperwork and related telephone calls and facsimiles generated a full-time secretarial load. There was

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writing, when Diana Ferrari receives orders from Myer/Grace

Brothers, Burrowes is also provided with orders on all the related component EAN numbers. EDI ordering has also started from Diana Ferrari.

The EDI ordering system has freed up a Burrowes employee to provide more personal service to Diana Ferrari. She is able to spend time checking that products flow smoothly to Diana Ferrari. Previous keying entries and errors in facsimiles have been eliminated. Burrowes has changed from a “get it out the door philosophy” to being closer to the customer and more confident of responding quickly. Now, through being part of a supply chain team, more emphasis is put on getting the product right in the first place. As a result of this emphasis, design, tooling and customer service have improved greatly. A big challenge is selling the idea of quick response to other people in industry. The next phase was to educate other manufacturers about its win/win benefits.

Leather products – Packer Tanning

In 1974, Packer Tanning, a Queensland-based company, had just 12 employees. By 1988, it had 135 and a turnover of A\$16 million a year. Approximately 80 percent of what the company now produces is fully tanned kangaroo leather and the remaining 20 percent is bovine leather. Today, Packer Tanning has 175 employees and expects a turnover of about A\$26 million this year. The director and technical director provided the following information.

About 60 percent of the company's revenue is from exports, a figure extremely high by Australian standards. The exports go to the European Community (EC) countries such as the UK, France, Germany as well as to Slovenia, USA, New Zealand, Korea, Taiwan, China, Japan, South Africa, Hong Kong and Indonesia. Packer Tanning's new “Computan” computerised process control equipment for tanning, retanning and dyeing enables round-the-clock processing. It has doubled the company's production of pickled and finished kangaroo fashion and sporting leathers, as well as fur skins. The company runs a considerable amount of in-house training, and employs a full-time training officer to coordinate and run a range of skill and knowledge improvement programs.

Earlier retail forecast data, converted quickly into leather forecasts by Diana Ferrari, has helped the company towards quick response production and delivery planning. Also, as a result of supply chain discussions, which drastically decreased the number of sample leathers required for pre-season shoe samples, related costs have been cut and production pressure eased. Lead times for shoe leathers delivered to Diana Ferrari reduced from 40 days in 1990 to 15 days in 1994.

From the tannery management perspective there is still a long way

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They would like the quick response partners to spend some time visiting the tanning plant in Queensland and discussing the processes to better understand the tanning industry.

Discussion – quick response developments in the supply chain

The Diana Ferrari representative, who was nominated by the cluster group as the quick response supply chain spokesperson, provided the following observations on what was happening in the supply chain. Changes to manufacturing practices, geared towards improved customer service, were occurring in the cluster companies well before the implementation of the quick response program. The changes, which included the introduction of team concepts, cultural change, modular production, CAD/CAM and computer applications, aimed basically at achieving lower work in progress and shorter lead times, had varying degrees of success. What was lacking, however, was the strategic coordination of those practices towards a common endpoint, that is, quick response supply chain management geared towards the customer.

The quick response workshops were helping in this focus. Effective results had been seen, particularly between the component supplier, Burrowes, and Diana Ferrari, with spin-offs to the customer. The leather supplier, Packer Tanning, had a particularly difficult problem because of the nature of the product and the lead-time required to obtain the raw material. Together, the economy, eating habits, climate and government policy affected the purchase of hides around the globe; and recent circumstances had led to a lack of the right raw materials. While the workshop group was focusing on more of the downstream issues, it would have to come to grips with this area and ensure that forecasting down to the supplier was meaningful and beneficial.

The workshop group had met five times. Usually it had been difficult to get attendance from all the players at the same time, but it was necessary to get the group together and start the process of communicating. The government department had coordinated the discussion until the group had a more concrete path to steer. The meetings involve 10 to 12 people at a time. Basically they were senior members of each organisation as it was important to have them involved with the quick response concept so that they could more effectively drive it to a conclusion. Consultants were involved with two of the companies to assist in the development of the program to help establish and quantify the starting points. Monetary assistance was available to offset the cost of consultants for the Victorian-based manufacturers.

When the workshop group began, each organisation produced a

statement of current status and future goals for the cluster.

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The cluster group spokesperson provided a comparison of the status of the supply chain before and after the quick response initiatives, outlining some major benefits. He explained that prior to quick response initiatives occurring there was little real commitment to any suppliers, and consequently guesswork played a large role in the forward purchasing of raw materials. To overcome the variable production plan, high levels of stock and/or inefficient production runs were required at the supplier end, with frequent tooling changes per day.

There was no long-term forecast or commitment from retailers other than a 13 week EDI forecast in the basics, and similarly, the forecast to the suppliers was short term, and even then it changed continually. A forecast could therefore not be trusted. Inaccurate forecasting hurt the tannery in particular as lead time for leather is long and if forecasts are not realised a large amount of material/production space goes to waste. The recording of supply deliveries at Diana Ferrari was slow, cumbersome and sometimes inaccurate and thus any figures on stock holding or outstanding deliveries subsequently sent to the supplier were dubious, to say the least. The items were entered manually into a computer system well after receipt of the goods.

In general, paperwork was overwhelming and a hindrance to good procedures, particularly between the manufacturer and component supplier. Lead-time for product development was not only slow, but linear rather than dynamic. It invariably required continual re-doing to correct previous mistakes both in the componentry/tooling and the leather development areas. On the delivery side the lead-time was too high and orders were sometimes not being delivered complete. Furthermore, Diana Ferrari was experiencing many lost-in-transit claims, resulting in poor customer service.

[Table I](#) shows that the overall results were positive in that significant improvements occurred in a very short time, mainly through previous inefficiencies being addressed and overcome to a large extent through the workshop discussions. For Diana Ferrari there was a reduction in lead-time days for delivery to Myer/Grace Brothers of 2.6 days (from 10.1 days to 7.5 days) and delivery performance to Myer/Grace Brothers improved 2.1 percent (from 96.2 percent to 98.3 percent). For Burrowes there was an impressive 100 percent reduction in stock (from 800 units to nil units) and an improved delivery performance to Diana Ferrari that rose from 53 percent to 79 percent. Packer Tanning similarly saw improvements with a decreased quantity of raw material stock-on-hand (unspecified) and the whole group benefited from a halving of supply chain throughput time from tanner to retail shelf, from 70 days to 35 days. It is evident that there is also room for improvement in the supply of raw materials. There is an average wait of between eight and nine weeks for orders to be filled.

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factor greatly decreased levels of order guesswork and led to improved fill rates and ultimately increased sales. Moreover, some

inefficient practices, such as invoice paperwork, had been eliminated. The group was working towards group goals and long-term quick response strategies. Further improvements were planned, including refinements to EDI systems in operation and a future retailer visit to Packer Tanning in Queensland. Consultants were working with Diana Ferrari and Burrowes to develop the infrastructure and technological changes required to improve quick response in the long term.

In summary, the quick response supply chain workshop process brought beneficial results for the group. Ongoing updated forecast and sales data information being shared in the workshops was of major benefit to all the companies in the group. Of significant benefit, too, was the ongoing group sales planning and joint discussions about upcoming range and range requirements.

Conclusions

The results presented above clearly confirm the importance of frequent supply chain meetings coupled with group planning, joint product development and frequently relayed and timely sales/forecast information. The development of trust between the members of the supply chain was obviously a key success factor. The case study also highlights the need for an open communication channel across the supply chain to facilitate streamlined product flow, as well as the use of product bar coding to enable full use of POS and EDI data transference from the retailer. Other important features identified relate to having control over stock at the retail end and implementing in-house quick response manufacturing systems and process. The barcoding of shipping containers was also viewed as important for product tracking from supplier to manufacturer to retail destination.

The importance of supply chain communication was confirmed through this case study. Of particular importance was the sharing of forecast and sales data, as was joint product and sales planning. The increased communication, information flow and trust certainly paid dividends, as it did in other groups participating in the Quick Response Program. Stuart (1997, p. 541) reiterates this finding when he stresses that "commitment and trust" must be key features of a supply chain partnership. Morgan and Hunt (1994) also refer to the importance of commitment and trust for supply chain effectiveness. They link these values closely with open communication, relationships, shared values and opportunistic behaviour. Stuart (1997, p. 541) adds the important point that in order for a supply chain to remain a cooperative unit over time, the dominant party must refrain from the overuse of power. In the quick response program, the power issued was significantly allayed through the participation of a non-aligned facilitator appointed by the government

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demanding as virtually no or very little communication had existed

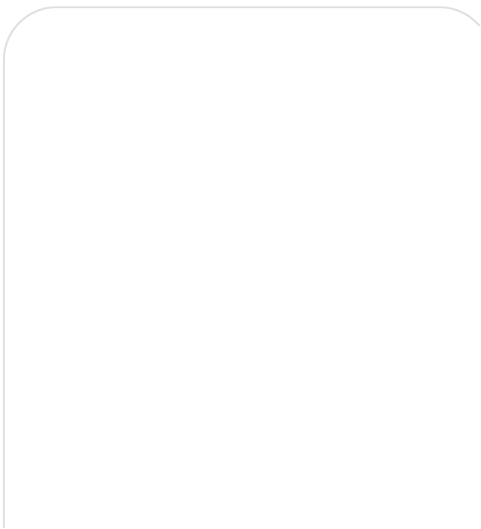
between the supply chain companies prior to the roundtable meetings. The leadership provided by a neutral facilitator was a major factor in the success of the supply chains and the overall Quick Response Project.

Spekman *et al.* (1998, p. 53) indicate that supply chain partnerships are becoming a strong competitive force in industry: “We are witnessing a transformation in which suppliers and customers are inextricably linked together throughout the entire sequence of events that bring raw material from its source of supply, through to the ultimate customer.” As has been demonstrated in the case study presented in this paper, a supply chain partnership can only be successful if each member company is fully committed to meeting the objectives of the partnership and the free flowing of information across the supply chain. From the case study presented it is clear that partnership strategies need to be supported by the range of flexible and innovative in-house practices (Gassenheimer *et al.*, 1996, p. 113) that typify an agile manufacturing plant, or indeed, an agile supply chain.

Implications for managers and academics

The challenge for managers in the twenty-first century is to recognise that their customers will continue to demand more and more and that competition will continue to increase from all parts of the globe. Co-operation between companies within a supply chain will become a necessity rather than an option. The implications of this will be the extension of teamwork from within the organisation to the whole supply chain. Developing high levels of trust and synergy among managers from different companies will be an important factor in developing a successful supply chain.

The challenge for academics is to understand the dynamics of the supply chain in different contexts and develop appropriate models to assist managers in formulating appropriate strategies and in adopting concepts such as agile manufacturing and quick response that support these strategies. We suggest that more empirical research be carried out examining the impact of quick response and agility on the performance of the supply chain.



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Table I.

Quick response supply chain improvements

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