



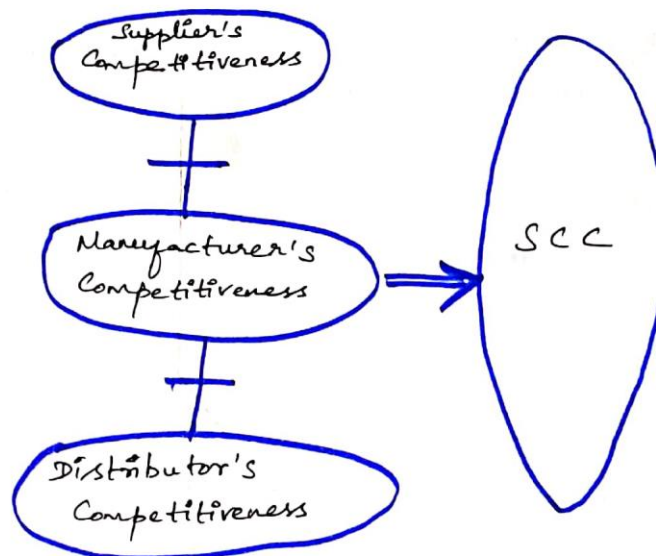
16ME410 - SUPPLY CHAIN MANAGEMENT

Competitive Performance

(7)

Competitiveness can be defined as the ability of firm to design, produce and or market products superior to those offered by competitors, considering the price and non-price qualities.

Supply chain competitiveness (SCC) refers to gain competitive advantages by one supply chain on the other. SCC comprises of the supplier's competitiveness, manufacturer's competitiveness and distributor's competitiveness.



SCC is a multi-dimensional concept. Theories and frameworks must be flexible enough to integrate the change with key strategic management processes if their utility is sustained. Organisations need to manage their resources and processes more efficiently than their competitors.



Strategies to achieve supply chain Competitiveness

There are 5 strategies to achieve SCC without any compromise. They are,

1. Demand of product Management
2. Integration of key Elements
3. Inventory Management
4. Flexibility
5. Information Technology Capabilities
6. ~~Capabil~~

Demand of Product Management (DPM)

Demand Management encompasses the traditional functions of marketing along with co-ordination of marketing activities with other functions in the company and supply chain.

Integration of key elements

A well-co-ordinated, informative and integrated structure of supply chain makes it competitive enough to deliver better performances and services to the customers

Inventory Management (IM) This may result in high costs if not managed. Demands cannot be met with poor inventory management and the lead time and average time to fulfill customer's requirement increases due to its lack



Changing Competitive Environment in SCM

Flexibility (Flx) The capability to provide products/ services that meet the individual demands of customers. Flexibility can be achieved through logistics flexibility, delivery flexibility and Manufacturer's flexibility

Information Technology Capabilities (ITC)

SCM decisions should be based on the exchange of substantial quantities of information among the buyer, supplier and carrier to increase the efficiency and effectiveness of supply chain. Modern IT capabilities like internet, EDI, ERP & SCM softwares should be used properly

