



Supply Chain Management

**(Subject: E-Commerce,
Class: Sem- 2, Hons. & Genl.)**

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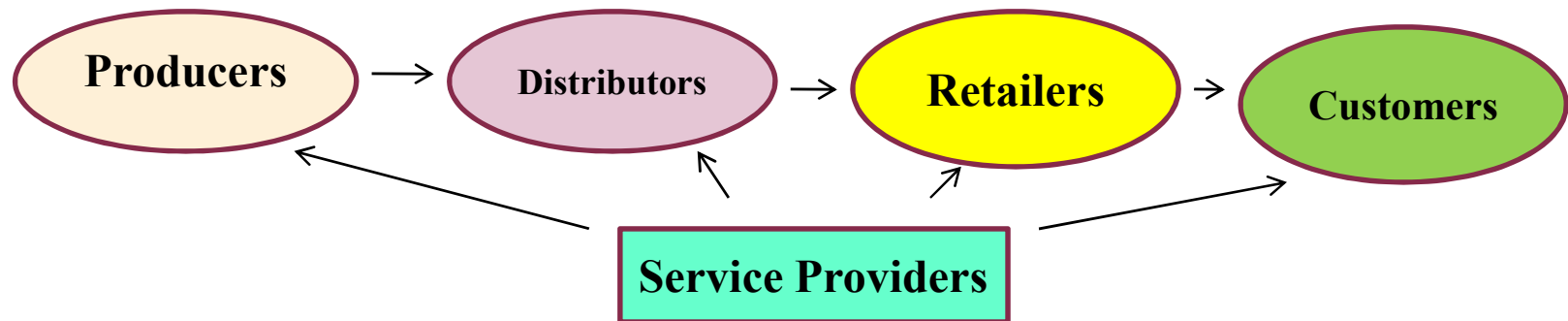
Definition:

A supply chain is the flow of materials, information, money and service from raw materials suppliers through factories, warehouses to the end customers.

A supply chain is a network of facilities and distribution options that performs the functions of procurement of materials, transformation of these materials into intermediate and finished products and the distribution of these products to the customers.

A supply chain is the processes from the initial raw materials to the ultimate consumption of the finished product linking across suppliers-user companies; and functions within and outside a company that enable the value chain to make products and provide services to the customer.

Participants in the Supply Chain





Features or Modules of SCM

- **Forecasting and Planning**
- **Order Management**
- **Inventory Management**
- **Procurement**
- **Logistics**
- **Return Management**

Different Structures of Supply Chain

- **Pipeline Structure:** Series of production or assembly stages as in continuous manufacturing.
- **Late Customisation:** Assembled and customised as per the specific requirements. Ex- production of IC chips.
- **Divergent Structure:** Wide varieties of finished goods are produced with a limited no of raw materials. Ex- Chemicals, textiles
- **Convergent Structure:** Sequence of assembly tasks are carried out to obtain the final product.
- **Private Industrial network:** Collaborative relationship between buyers and suppliers.

❑ **Internal Supply Chain:** within the organisation.

❑ **External Supply Chain:** Relationships with the customer through marketing and sales.



Component of E-Supply Chain Planning

- ❖ **Advanced Scheduling and Manufacturing Planning**
- ❖ **Demand Forecasting**
- ❖ **Transportation Planning**
- ❖ **Distribution Planning**
- ❖ **Order Commitment**



E-Supply Chain Fusion (Process)

Process of e-supply chain fusion involves the migration from existing non integrated supply chain to more effective integrated supply chain and thereby creating a tightly woven supply chain.

- **Stage I- Information Sharing:** A common base of readily available sales and information.
- **Stage II- Creating joint performance measurement and collaborative planning processes:** creating performance measurement and developing a clear understanding of the costs and benefits involved.
- **Stage III- Realignment of work:** Trough the process of collaboration decision making is decentralized and work load is shared among the enterprises.
- **Stage IV-Redesigning products and process so that work becomes easier or more effective:**