

# Supply Chain Management- Activator Of Business Sector Engagement

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**Abstract-** *The main objective of the study remained to understand the supply network management and why it is called an enabler of business attractiveness. The process of Supply chain management on business is an important and exponential function. Supply chain management is also called as an enabler of economic gain. Supply chain not only means the relocation of goods from one place to another place, but it also includes the movement of data as well. Supply chain Management has also helped to add-on the firm's performance and over the last few years, it has involved research attention.*

**Keywords:** Supply chain Management, Competitive recompense, Lead Time

## I. INTRODUCTION

Affordability can be improved in many ways to increasing tractability in terms of customer requirements or by step-down costs or by providing a superior tone of product and services. But today in the date of reference to globalization the manufacturers compete for less on product and quality. They actually compete for more on lead time and availability of products. Antecedent Manufacturers had kept their focus only on the quality of the product, but now their focus has been shifted because the direction of product and quality is no longer giving them the competitive advantage. So they have shifted their centre of interest on lead time and product availability. Now a day's supply chain management has become an enabler of reasonable advantage. A successful implementation of supply chain management can lead to a reduction in cost, improves the quality of product and supports to decrease surplus. Reduction in cost improves the quality of product and helps to reduce wastage.

## II. EFFECTIVE SUPPLY CHAIN MANAGEMENT

Supply chain effectiveness is the relationship between actual and strategic performance. As the tactical implication of buying growths, act measures became more qualitative and judgmental in character - more success concerned with (non-financial issues). These may include ecological factors to purchasing function such as supplier management,  
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communication both internally and outside, presentation of acquiring responsibilities, the level of contribution in decision making, stage of corporation growth, skill, attitude, ethics, culture, etc. of buying workforce

### Supply Chain Management:

Enabler of Commercial Competitiveness

Supply chain management is the streamlining of a business sector supply oriented natural process to maximize client value and to profit a free-enterprise (a) advantage in the securities industry. Supply chain management (SCM) represents an effort by suppliers to develop and implement supply chains that are as effective and economically as possible. Supply chains masking everything from the output, to product development, to the information systems needed to linear these undertakings.

Supply chain management is a facilitator of business competitiveness. Supply chain not only means the transit of goods from one place to another place, but it also comprises the movement of data as well. The supply chain is an enabler of competitive advantage because of the following reasons.

### Switch Off Cost

One of the significant reason which makes supply chain as an enabler of business competitiveness is that it helps to reduce the overall cost of the production. When the supply chain is efficient it will give a cost advantage. When a company gets an efficient supplier their total cost gets reduced.

### Quality

An effective supply chain ensures that quality is maintained of a specific product. When there is a quality in the product of a company then more and number of people will buy the product from that company. That Company will get a competitive advantage.

### Less Wastage

The other important reason that makes a supply chain an enabler of business competitiveness is that it ensures that less wastage takes place in the company. Effective supply chain cuts unwanted activity and makes sure that low wastage happens in the whole production process.

### Less Lead Time

An efficient supply chain can lead to a reduction in lead time. This means the product will take less time to reach the customer and when this happens company gets a competitive advantage towards other companies who are there in the market.

### Accessibility

It is very easy when a company has an efficient supply chain. When a customer gets availability of a product then the people tend to buy more of your product because it is easily accessible. This will give a firm a competitive advantage towards its competitors.

Let us see some examples:

- Wal-Mart stands a very well-known and common example we can use. The achievement of the Wal-Mart is because of their supply chain. Their supply chain is very well-organized then offers them convenience, less lead time, discount in cost, quality etc... They remain able to continue the accessibility of the products. Their plant selves are well succeeded. They make sure that customers get what they want.

- Dell is one more example. Dell is able to ship the laptops and desktops on period to their customer's. They also allow their customers to customize the laptops. These all belongings dell are able to do because of their efficient supply chain.

### What Happens When Supply Chain Is Not Well Maintained

Let us see some example:

If a supply chain is not fine achieved or efficient than it can give businesses a competitive disadvantage and vast losses. That is what happens to a Chinese toy making company, who used some paints in the toy which was dangerous for the American children's. So they have to take back all their toys which lead to a huge loss to them.

So, now everyone is trying to have its own supply chain. Flipkart has started their own business because of its compact cost, wastage, and lead-time and ultimately give a company a competitive advantage.

### DELL - Build to order system

Now I am going to discuss dell retail business and build to order system. Dell is a company who has its own website which allows the customers to choose laptops they want to buy and at the same time, it give them the option to modify their laptop. The customer can choose which processor they want in their supercomputer i3, i5 or i7.

After placing the order to the deal. This message reaches all the suppliers of the dell who supplies the parts. Then the suppliers ship those parts to the Dell assembly area, where the desktop or laptop is assembled. Then ship to the customers. The point to note is that they take payment first from the customer then only they allow or gives a message to the suppliers to ship the parts which the customer record and then finally they assemble those parts in the assembly area, once everything is assembled, they ship it to the customer. This was the strategy used by Dell and this made them a strategy used by Dell and this made them a world leader in PCs and laptop.

### III. UPSTREAM AND DOWNSTREAM IN LOGISTIC

Now we try to understand what is an upstream logistic and a downstream logistics. We will also look at the various downstream activities that happen in the bottle cola company. An upstream logistic is that which moves from customer to supplier and a downstream logistic is that which moves from the supplier to the customer. When we look at the bottle cola company the various downstream activities are as follows-

The bottle cola company has an own glass bottle making unit that prepares the glass bottle. Actually, they collect all the used glass bottle recycle it and make a new glass bottle of coke, then they ship those bottles to the cake factory where coke is put in the bottle. With crates of 24 they ship to the various retailers, wholesalers and from there it actually reaches to the customers In the case of the upstream logistic, The customer will drink the bottle and give it back to the Shop keeper. Then the shopkeeper will give those used empty bottles to the company vehicles. Then that company vehicle will bring that bottle back to the company and the processing unit will process those bottles and send those bottles to refill.

**Supply Chain Management:** An integral element of a company's business strategy [8] Sotiris Zigiariis (2000) "Supply Chain Management".

Supply Chain Management should be considered as an integral element of a company's Business strategy because Supply Chain management is something which gives a private-enterprise (a) advantage to one company over the other. A right supply chain Management helps a company to reduce its lead time, i.e. providing products to the customer on time and also helps them to cut cost. It further makes goods available in the market. Apart from this selection of the right supply chain is very important because that is one which will give a company a competitive edge.

#### IV. CONCLUSION

Supply chain Management is affected by many companies across the world With Supply chain management companies have attained competitive advantage. They have been able to reduce costs, wastage and improve their lead time. Today in the age of globalization, it is very demanding for every company to provide flexibility in terms of customer demands. Therefore the company has to focus on their Supply Chain management. So, a proper supply chain management can give a competitive edge to one company over the other.

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