# **Elements of Supply Chain Management: The Review**

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#### Abstract

Companies that learn how to improve management of their supply chain will become the new success stories in the global market place. Investigative studies on Benchmarking displays a considerable cost disparity between organizations that demonstrate top notch performance and traditionally, Supply Chain Management (SCM) has been a fusion of several different outlooks, with effects from marketing, transportation and logistics, materials and distribution management and operations management, as well as information technology and purchasing. Preferably, all the encompassing viewpoint of SCM embraces each of these functions to construct a complete supply chain strategy that eventually boosts the firm's performance. In this review the different elements of supply chain management has been discussed.

Keywords: chain, elements, organization, supply, technology

Abbreviations: SCM, Supply Chain Management

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#### **INTRODUCTION**

SCM has been interpreted by numerous researchers. In view of the recent progress of the supply chain literary works, it is quite expected that there has been much debate as to a precise definition for SCM. SCM as a system of distribution options and facilities that performs the tasks of obtaining of objects, transformation of these objects into intermediate and final produces, and the circulation of these completed produces to consumers.<sup>[1]</sup>

SCM comprises of the combinational activities happening among a system of facilities that acquire raw material. transform them into intermediate things and then ultimate produces, and supply products consumers these to via distribution systems.<sup>[2]</sup> Supply chain as the grid of bodies that are engaged, through downstream upstream and associations, in the distinct activities and procedures that manufacture value in the form of services and products eventually to the consumers. SCM is the "strategic and systematic coordination of the traditional business functions and the tactics across these business functions within a particular firm and across businesses within a supply chain, for the purposes of improving the long-term performance of the individual companies".

SCM involves companies collaborating to cause an impact on strategic position and to enhance the operating proficiency. This comprises of associating with other firms in chains of relationships that result in downstream benefits to consumers. Likewise, the quality management perception has traditionally considered interacting aspects of systems like procedures, plant, people, machines, inputs, equipment, and processes as ways of generating quality in services and products. This systems-based assessment of quality also implicates on the supply chains.<sup>[3]</sup>

# ELEMENTS OF SUPPLY CHAIN MANAGEMENT

To simplify the understanding of the scope of SCM studies and the critical supply chain elements and activities are examined in this paper. Different elements of supply chain management are as follows <sup>[4]</sup>

- supply network coordination
- logistics integration
- supply management
- strategic purchasing

## **Strategic Purchasing**

The theoretical reportrayal of purchasing as the combination of external and internal exchange functions is associated with various neo-classical tasks of industrial purchasing like determining in-house consumer's view of purchasing's service quality,<sup>[2]</sup> constructing tactical ventures by means of proactiveness, risk-taking and innovation.<sup>[5]</sup> The viewpoint of strategic purchasing is also consistent with common writings.<sup>[6]</sup> strategic The strategic purchasing also has an active, longstanding focus. Progressively proof shows that, purchasing is progressively taking up its strategic role. For instance, more purchasing experts are now trained in cross-functional and areas strategic elements of the competitive strategy, <sup>[7]</sup> purchasing opt for the factual relationship suppliers with its and supplier relationships are strategically achieved.

#### **Supply Management**

Supply management and SCM are different as, SCM stresses on each and every aspect of supplying products and services to consumers, while supply management stresses mainly on the buyer– supplier relationship. <sup>[2]</sup> Since suppliers have a direct and intense influence on price, responsiveness, time and quality of the purchasing firms, the management of business and associations with other constituents of the supply chain (viz. buyer–suppler relationship) is progressively being referred to as SCM. Although several scientists claim that the conceiving of SCM should be wider than describing it in terms of a firm's connection in handling associations with its suppliers.<sup>[5]</sup>

## **Logistics Integration**

Logistics delivers manufacturing firms with space and time services.<sup>[8]</sup> It has usually been described as the procedure of controlling, implementing, and planning the efficient flow and accommodation of goods, services and related data as they move from the starting point to the point delivery. Few of the activities of encompassed in the logistics field include transportation, warehousing, purchasing and distribution. The reduction of organizational slack, of which inventory is example. typical needs close а coordination of and a rigorous exchange of information between the supply chain associates.<sup>[6]</sup>

#### **Supply Network Coordination**

In the study of SCM, many researchers implemented the mathematicalhave [7] modeling approach. Under this mathematical modeling approach, a basic aim is to optimize the organization and planning of the three fundamental supply chain stages: procurement, production, and distribution. Each one of them may further include multiple facilities in several locations in different countries. Therefore, it is logical that a large number of researchers have chosen to develop a much narrower scope of supply chain problems, as these three stages may cover several functional departments within and across firms and the complexity has caused the designing of supply chain models challenging and the optimal solution problematic.<sup>[5]</sup>

# Journals Pub

# CONCLUSION

In this review, various elements of supply chain management have discussed. The elements are very significant for supply chain management for modeling and integration intents like production planning and inventory control, distribution and logistics.

The supply chain problems are formulated either as deterministic analytical models, if the decision variables are known with certainty.

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