

Unit 26: Supply Chain Management

Unit code	D/508/0569
Unit level	5
Credit value	15

Introduction

The aim of this unit is to enhance a student's understanding of the nature, role and contribution of supply chain management to a business. The growth of global business has led to organisations becoming increasingly reliant on logistics and supply chain management in order to keep up with the demands of a global economy.

Students will explore the purpose of supply chain management and its benefits to an organisation, their customers and their suppliers.

The unit will consider the design, development, implementation, control and future development stages of supply chain. There is an emphasis on practical employability skills throughout this unit.

Learning Outcomes

By the end of this unit a student will be able to:

- 1 Apply key supply chain concepts, principles, and processes in an organisational context.
- 2 Evaluate the importance of effective supply chain management (SCM).
- 3 Evaluate the interrelationships between supply chain and other areas of an organisation.
- 4 Recommend improvements to a supply chain strategy for an organisation.

Essential Content

LO1 **Apply key supply chain concepts, principles, and processes in an organisational context**

The supply chain:

What is a supply chain?

How do they differ between the service and manufacturing sectors?

What is supply chain management?

The key principles of supply chain management.

Using lean supply chain principles to enhance competitive advantage.

Resources:

Efficient and effective resource planning and management.

Obtaining working capital and capital investment.

Production:

The relationship between demand planning and production scheduling.

Incorporating project management techniques into the production process.

Manufacturing:

Selecting the most appropriate strategy (e.g. make or buy).

Flow management as a concept and technique.

Selecting the most appropriate location for establishing a manufacturing operation, including consideration of transport links and costs.

Impacts and application of technology:

The use of real time automated delivery notification systems for tracking and monitoring the delivery of products.

The application of barcode scanning, digital cameras and smartphones, etc. in warehouse operations.

Computerised shipping, tracking and invoicing for effective logistics and distribution.

Software and cloud computing for real time updates on production scheduling and inventory.

LO2 **Evaluate the importance of effective supply chain management (SCM)**

Supply chain management:

Relationships with suppliers and logistic providers.

Managing service sector supply chains vs managing manufacturing sector supply chains.

Managing customers and meeting their needs efficiently and effectively to build a competitive infrastructure.

The benefits of effective SCM.

Procurement:

Developing procurement strategies, policies and procedures.

Consideration of demand management, forecasting and planning.

Supplier landscape analysis:

Cost/price – how much does it cost?

Quality – what is the quality of the product?

Time – how long will it take to deliver?

Place – where is the supplier?

Scale – can they meet anticipated future demand?

Vendor relations:

Giving consideration to negotiations, contracts and purchase orders.

LO3 Evaluate the interrelationships between supply chain and other areas of an organisation

Supply chain integration:

Holistic and integrated approach to a supply chain and supply chain management.

Relationship between the supply chain and other business functions.

Factors influencing decisions to integrate a supply chain, including the size of the business, its structure, geographic location(s), target market and competitor profile.

Supply chain logistics:

Aspects of logistics, including transportation and warehousing and inventory management.

Customising logistics networks to meet service requirements.

Customer demand planning and the product life-cycle.

Supply chain management:

A holistic approach to managing and optimising the effectiveness of a supply chain.

The use of the SCOR model to address, improve and communicate SCM.

LO4 Recommend improvements to a supply chain strategy for an organisation

Analysing a supply chain:

Taking a critical and objective approach to identify negative and positive trends.

Identifying and analysing issues and problems within a supply chain.

Developing justified recommendations for change:

Critical, creative and retrospective thinking supported by evidence to inform plausible and appropriate recommendations.

Effective record keeping:

Lessons learnt logs, feedback reports and fault registers.

Encouraging internal identification and record of issues/problems with suggestions for a resolution.

Learning Outcomes and Assessment Criteria

Pass	Merit	Distinction
LO1 Apply key supply chain concepts, principles and processes in an organisational context		LO1, LO2 and LO3 D1 Critically evaluate supply chain concepts, principles and processes, and their interrelationships with other areas of an organisation.
P1 Demonstrate how key supply chain concepts, principles and processes are applied throughout the stages of resourcing, product design and development, logistics and distribution.	M1 Evaluate how integration of supply chain concepts, principles and processes improve organisational efficiency.	
LO2 Evaluate the importance of effective supply chain management (SCM)		
P2 Evaluate the importance of effective SCM from the perspective of customers, suppliers, distributors and retailers.	M2 Critically evaluate the importance of physical, information and financial flow management within the supply chain.	
LO3 Evaluate the interrelationships between supply chain and other areas of an organisation		
P3 Evaluate the cross functional and integrated approach of SCM with other areas of an organisation.	M3 Examine the implications of interrelationships between the supply chain and other functional areas using theories, concepts and/or models.	
LO4 Recommend improvements to a supply chain strategy for an organisation		D2 Justify and recommend improvements of a supply chain strategy based on critical evaluation.
P4 Evaluate a supply chain strategy within an organisation and present proposals for improvement.	M4 Critically evaluate a supply chain strategy within an organisation and present proposals for its improvement.	

Recommended Resources

Textbooks

CHRISTOPHER, M. (2010) *Logistics and Supply Chain Management*. 4th Ed. London: Pearson.

FARRINGTON, B. and LYSSONS, K. (2012) *Purchasing and Supply Chain Management*. 8th Ed. Harlow: Pearson.

PRATER, E. and WHITEHEAD, K. (2013) *An Introduction to Supply Chain Management: a global supply chain support perspective*. New York: Business Expert Press.

SLACK, N., BRANDON-JONES, A. and JOHNSTON, R (2013) *Operations Management*. 7th Ed. Harlow: Pearson.

Journals

Journal of Supply Chain Management

Supply Chain Management

Journal of Operations and Supply Chain Management

Links

This unit links to the following related units:

Unit 4: Management and Operations

Unit 18: Global Business Environment

Unit 25: Principles of Operations Management