

GAINING AN EDGE

WITH SUPPLY CHAIN MANAGEMENT

*LIKE GREENHORN COWBOYS
STRUGGLING TO CONTROL A STAMPEDE,
SELF-RELIANT MANAGERS IN MANY
COMPANIES ARE FINDING THEMSELVES
OVERWHELMED IN THEIR FIGHT TO
HEAD OFF MARKET DEMANDS FOR
RESPONSIVE ORDER FULFILLMENT.*

AS WITH QUALITY IN THE 1980S, order fulfillment is rapidly evolving into a non-negotiable dimension of operational competitiveness. In the past, companies wishing to score highly with customers on delivery responsiveness did so by allowing inventories to bloat. Today, the costs of holding inventory, especially in rapidly changing markets, prohibit that behavior. Companies must now provide good service while maintaining low inventories. This requires careful supply chain management, which, like driving cattle, is a team sport.

FOR YEARS, companies have worked to master parts of the puzzle. Some companies concentrated on the manufacturing process by implementing quality programs and adopting Just-in-Time philosophies while others

By
M. ERIC JOHNSON
&
TOM DAVIS



