

SUPPLY CHAIN MANAGEMENT

LESSON 9: SUPPLY CHAIN AND INFORMATION TECHNOLOGY

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Chapter Description

- **Aims**
 - To expose to the students the roles and importance of information technology (IT) in a supply chain activities.
- **Expected Outcomes**
 - Students should be able to
 - Understand the IT's role in a SC
 - Elaborate customer relationship management, internal supply chain management and supplier relationship management
 - To discuss the future of IT in a SC
- **References**
 - Chopra, Sunil, and Peter Meindl. (2016) Supply Chain Management: Strategy, Planning, & Operation. 6th. Ed. Upper Saddle River, NJ: Prentice Hall.

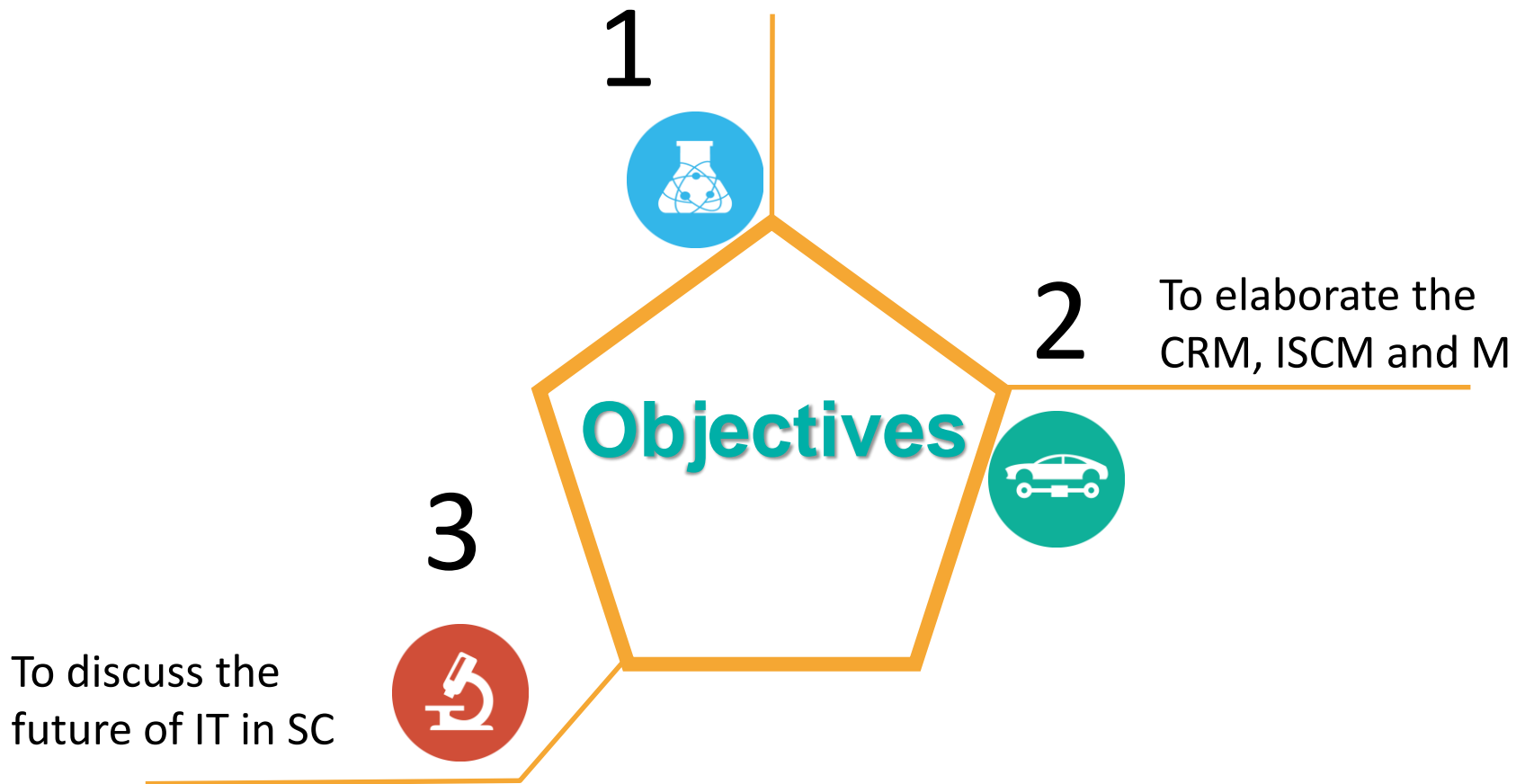
Chapter Outline

- 9.1 IT in Supply Chain : What is the Role?
- 9.2 Supply Chain: IT Framework
- 9.3 Customer Relationship Management (CRM)
- 9.4 Internal Supply Chain Management (ISCM)
- 9.5 Supplier Relationship Management (SRM)
- 9.6 Supply Chain: The Future of IT



LEARNING OUTCOMES

To identify the IT's role
in a SC



IT in a SC: What is the role?

Information is vital in coordinating information in SC activities

Useful information is characterized as:

Precise

Easily access

SC becomes visible



IT in a SC: What is the role?

Information technology (IT)

- All supply chains using hardware and software aim to collect and analyze information
- Business-related information is required in a good decision-making process

Supply chain success is impacted from the effective use of IT in all stages/phases



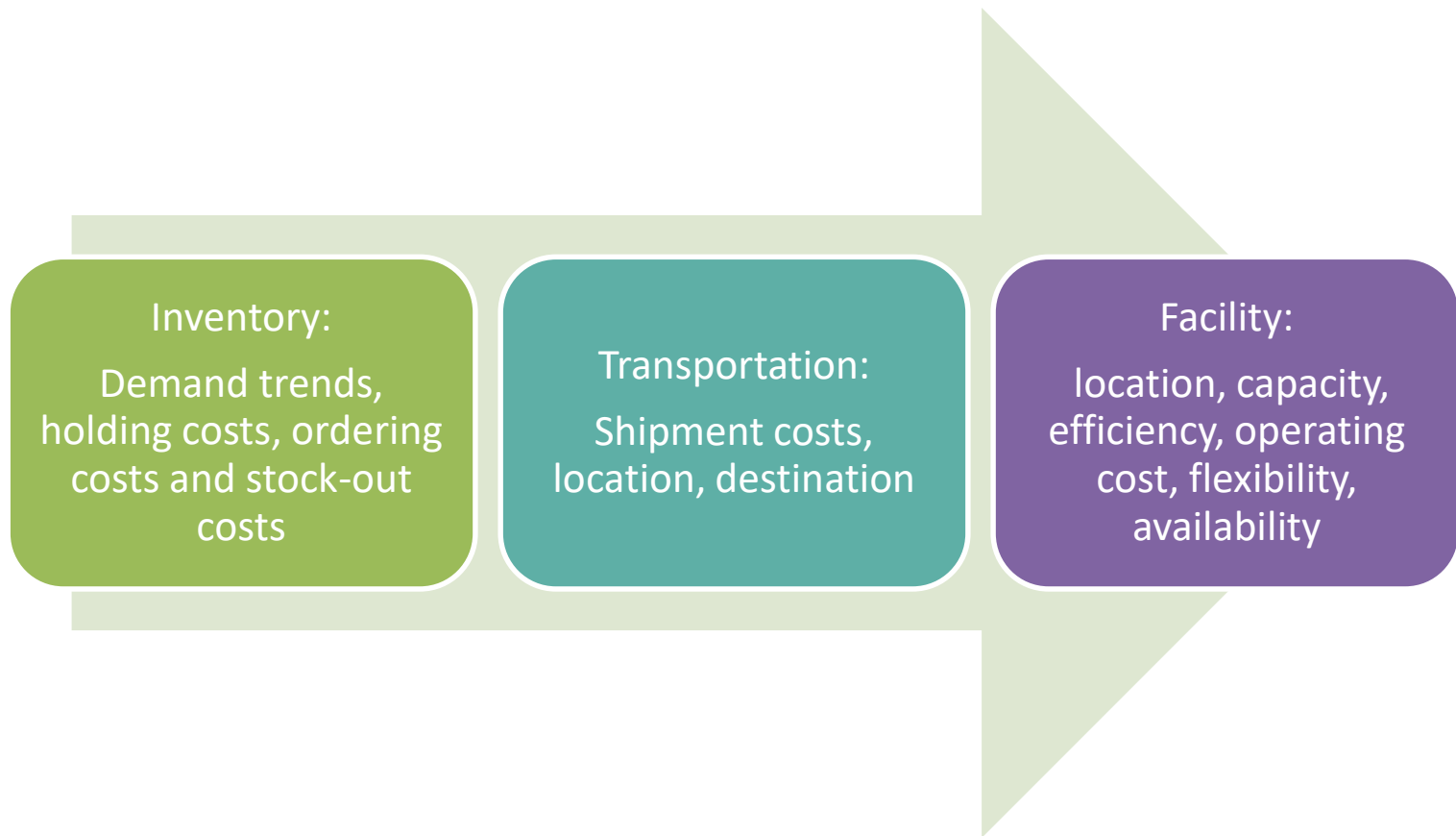
When to use IT in a SC?

Information used at all decision making phases: strategic and operational

- Strategic: decide on location
- Operational: what to produce



When to use IT in a SC?



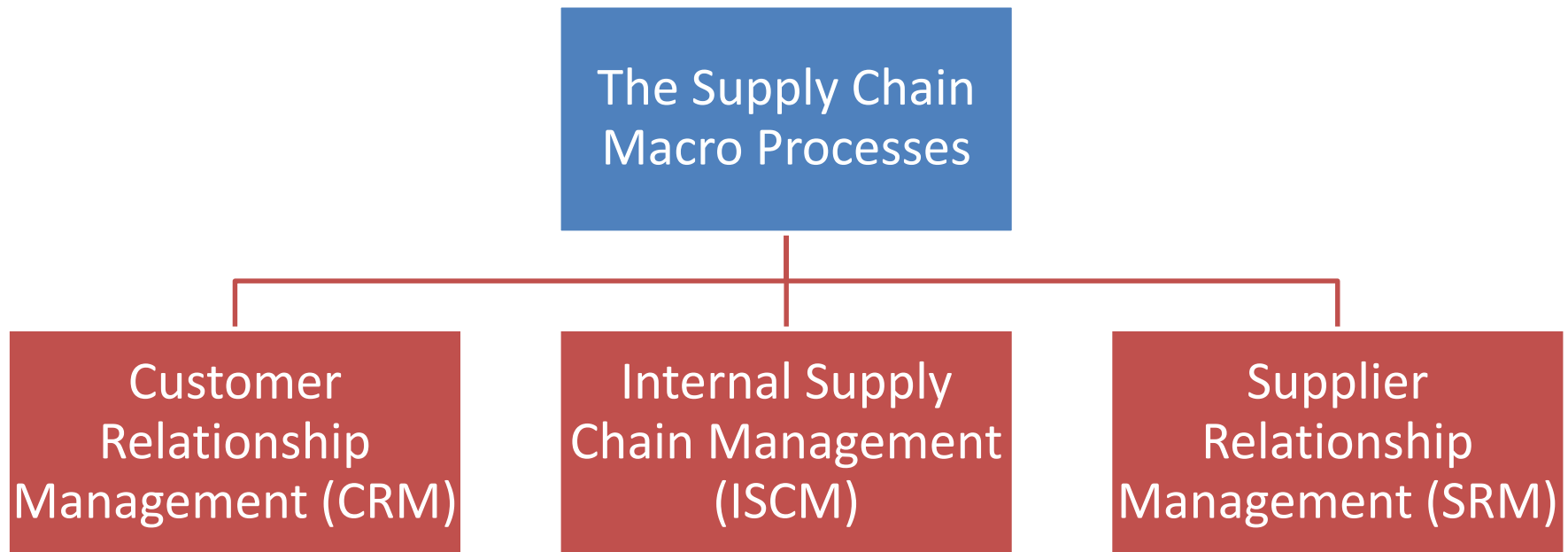
IT in SC: Why is it important?

Accurate of information enable managers in decision making of supply chain activities

Ensure SC activities highly performed by integrating all stages instead of certain stage.



SC: IT Framework



CRM



CRM Key processes:

- *Marketing*
- *Sales*
- *Order processing*
- *Call/Service center*



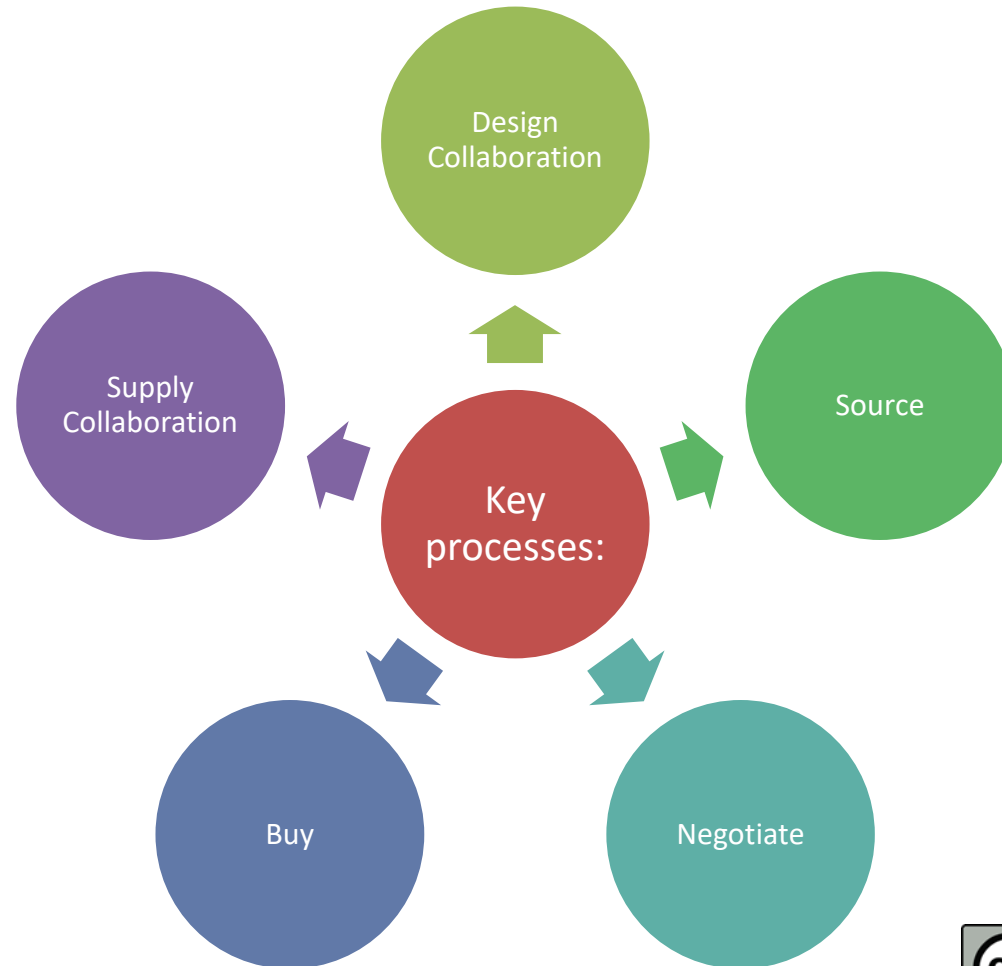
ISCM

Includes all processes involved in designing and accommodating customer request



SRM

Focuses on the interaction between the firms and upstream suppliers.



Supply Chain: IT In Future

The evolution of enterprise software is driven by the three macro process

Software concentrated on the macro processes becoming a large share of the total enterprise software market

Functionality, the capability to incorporate through macro processes, and the power of their ecosystems, will be keys to achievement



Conclusion of The Chapter



- **Conclusion #1**
 - IT becoming important in today's SC activities as it helps to better coordinate the information flow among the stages of SC.
- **Conclusion #2**
 - CRM, ISCM and SRM uses IT for better planning in their key processes view.
- **Conclusion #3**
 - Fast changing in IT especially in creating effective environment is SC is a key success to all firm by integrate across the macro processes.