**Supply Chain Management: (Global)**

🡨 Flow of Information 🡨

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| International: |  | Supplier | 🡪 | Manufacturer | 🡪 | Distributor | 🡪 | Retailer | 🡪 | Customer |

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| Domestic: |  | Supplier | 🡪 | Manufacturer | 🡪 | Distributor | 🡪 | Retailer | 🡪 | Customer |

🡪 Flow of Material 🡪

**Drivers to consider global supply chains**

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| >Motivations to move from “Domestic Operations” TO “International Operations” 🡪{Expand markets, reduce costs, etc.}>Motivations to move from “International Operations” TO “Global Supply Chains” 🡪{Capitalize on international opportunities, reduce risks, leverage strategies, etc.} |
| Constraints, Risks, and Barriers >Culture & Political stability >Expectations & Capabilities >Practices & Ethics | Value Added System Configurations >International distribution >International suppliers >Offshore manufacturing >Integrated global supply chains |
|  | Strategic Approaches >Speculative >Hedge  >Flexible |   |

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| **Project Management** | 🡺 | Initiate | Plan | Execute | Control | Close |

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| **Necessary practical ingredients for success.**1. Local contact in country. {Develop trust in a person that: understands local processes, manages local connections, and coordinates societal and business cultures.}2. Sound business plan. {Don’t believe all the numbers. See for yourself the local infrastructure. Maintain robust continuation and exit strategies.} |

**Assessment of the scope of global commitment.**

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| Internal Needs AssessmentFive Basic Functions{product development, purchasing, production, demand management, order fulfillment} | External Forces Analysis{Market, Technological, Cost, Political & Economic} |
| Define Value Added OpportunitiesType of System Configuration{International distribution, international suppliers, offshore manufacturing, fully integrated global supply chains} |
| Examine Risks & Issues{Culture, Expectations, Capabilities, Practices} | Identify Feasible & Viable Options{Decision model, criteria, Delphi techniques} |
| Select Strategy{Speculative, Hedge, Flexible} |

**Develop an International Supply Chain Plan.**

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|  >Network design (Push-Pull strategies) >Relationship design (3PL, Outsourcing, Alliances) >Product design (Modularization, Postponement) >Process design (Parallel processing) |

**Execute and Control Supply Chain Plan**

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|  \*Communications (Inbound, Outbound) \*Evaluations (Balance between plan and culture) \*Change Management (Flexibility in configurations, Structured in results) |

**Outsourcing CSF (Critical Success Factors)**

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| \*Vendor selection, management, and accountability\*Governance structure, flexibility, and understanding\*Senior management commitment, support, and vision\*Cultural compatibility |

**Strategies**

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| Level I |  | Level II |  | Level III |
| CostServiceQuality | Governance | GrowthEfficiencyCulture | Leverage | StrategyAlliancesSustainability |
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**Type of System Configuration**

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| **International Distribution Systems**.🡨 Flow of Information 🡨

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| International: |  | \_\_\_\_\_\_\_ | \_\_ | \_\_\_\_\_\_\_\_ | \_\_\_ | Distributor | 🡪 | Retailer | 🡪 | Customer |

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| Domestic: |  | Supplier | 🡪 | Manufacturer | 🡪 | Distributor | 🡪 | Retailer | 🡪 | Customer |

🡪 Flow of Material 🡪 |
| **International Suppliers**.🡨 Flow of Information 🡨

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| International: |  | Supplier | \_\_\_ | \_\_\_\_\_\_\_\_ | \_\_\_ | \_\_\_\_\_\_\_ | 🡪 | Retailer | 🡪 | Customer |

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| Domestic: |  | Supplier | 🡪 | Manufacturer | 🡪 | Distributor | 🡪 | Retailer | 🡪 | Customer |

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| **Offshore Manufacturing**.🡨 Flow of Information 🡨

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| International: |  | Supplier | 🡪 | Manufacturer |  |  |  |  |  |  |

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| Domestic: |  | \_\_\_\_\_\_\_\_\_\_ | \_\_ | \_\_\_\_\_\_\_\_\_\_ | \_\_ | Distributor | 🡪 | Retailer | 🡪 | Customer |

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| **Global Supply Chains**.🡨 Flow of Information 🡨

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| International: |  | Supplier | 🡪 | Manufacturer | 🡪 | Distributor | 🡪 | Retailer | 🡪 | Customer |

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| Domestic: |  | Supplier | 🡪 | Manufacturer | 🡪 | Distributor | 🡪 | Retailer | 🡪 | Customer |

🡪 Flow of Material 🡪 |

**OUTSOURCING**

***Outsourcing is the transference of work to another business unit.***

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| **Terminology**Outsourcing – Out-tasking – Consulting – Co-sourcingOn-shoring – Off-shoring – Near-shoring– – –Tactical – Strategic – TransformationalCommitment – Communication – FlexibilityGovernance – Relationships – Change – Metrics – – –Chief Resource Officer – Project Management OfficerDecision – Planning – Negotiations – Implementing – Managing – Controlling – ExitingRFI – RFP – SOW – SLA – IT – BPO |
| **Drivers**Necessary (GO–NOGO) – Sufficient (Select–Reject)\*Lower costs – Avoid major investments\*Focus on core competencies – Improve performance\*Increase flexibility – Enlarge knowledge base |
| **CSF (Critical Success Factors)**\*Vendor selection, management, and accountability\*Governance structure, flexibility, and understanding\*Senior management commitment, support, and vision\*Cultural compatibility |
| **Strategies**

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| --- | --- | --- | --- | --- |
| Level I |  | Level II |  | Level III |
| CostServiceQuality | Governance | GrowthEfficiencyCulture | Leverage | StrategyAlliancesSustainability |
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