

Supply Chain Strategies I: Aligning Strategies; Efficiency & Cost Savings

Companies today are often presented with a myriad of supply chain strategies. How can you learn more about these strategies and decide which ones will help you the most? Are you operating the most appropriate type of supply chain? Are you spending time and money on strategies that aren't providing the maximum benefit? This is the first of two modules on Supply Chain Strategies designed to help you answer these questions.

You will begin by looking at product and supply chain characteristics and learning a framework for aligning the right strategies for your needs; you'll then learn strategies to improve efficiency and reduce costs. You will play a version of the classic "Beer Game" simulation used by business schools and executive training programs. Through the simulation you will see firsthand the causes of the Bullwhip Effect, which leads to major supply chain inefficiencies, including unpredictable lead times, stockouts, mistrust between supply chain partners, and higher manufacturing and transportation costs. Once you have covered the causes of these problems, you will learn the best strategies to mitigate or remove them.

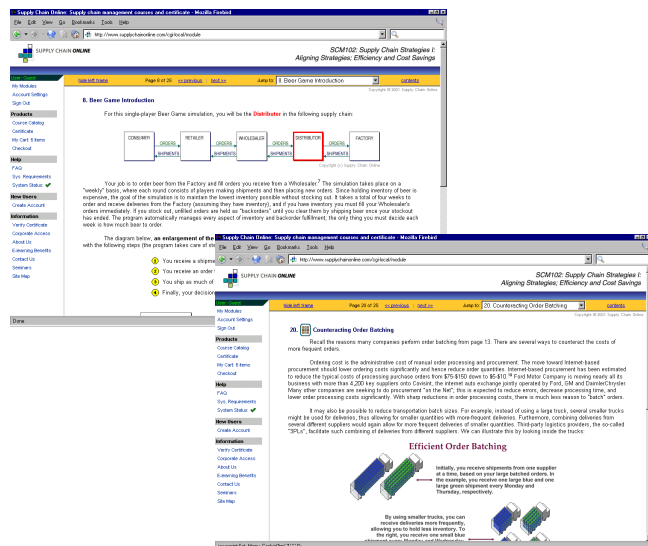
This module will help you understand what type of supply chain you should be targeting, a critical first step in any supply chain initiative because putting teams to work on the wrong initiatives can cost you valuable time and money. Moreover, even within one company, several different types of supply chains may be called for; having a complete understanding of a wide range of strategies is just as important. Whether you run your supply chain initiatives in-house or hire outside professionals, you will find yourself better able to understand the appropriate steps to be taken.

Course Benefits:

- Identify distinctions between functional/innovative products and efficient/responsive supply chains
- Learn to align supply chain strategies with needs; learn strategies for improved efficiency and cost savings
- See the Bullwhip Effect firsthand through an online version of the well-known "Beer Game" simulation that tracks your order and inventory data
- Learn techniques to counteract the four causes of the Bullwhip Effect

Contents:

Functional vs. Innovative Products * Efficient vs. Responsive Supply Chains * Aligning Strategies with Needs * Product Life Cycle Revisited * Strategies for Efficiency and Cost Savings * The Beer Game * The Bullwhip Effect * Causes of the Bullwhip Effect * Counteracting Information Distortion * Forecasting Problems and the Hockey Stick Effect * VMI/CPFR and Direct Sales * Reducing Lead Times, Reserving Capacity * Keeping Safety Stocks Steady * Counteracting Order Batching * Counteracting Promotions * Counteracting Allocation Gaming



Module Specifications:

- Delivery Method: Online (Internet browser)
- Estimated Study Time: 1 – 2 hours, Approx. 9,000 words

System Requirements:

- Internet Explorer 5.0 or higher **OR** Netscape 4.X or higher
- JavaScript, cookies enabled
- Macromedia Flash 4
- 800 x 600 minimum screen resolution