

# Supply chain management is crucial to business success

## How healthy is yours?

**S**upply chain management may not be the most talked-about aspect of your business. But it is absolutely crucial, no matter what the prevailing business climate.

Supply chain management is the strategic coordination of functions that move materials from the point of origin to the point of consumption. According to the Council of Supply Chain Management Professionals, the cost of U.S. business logistics is over one trillion dollars a year. Any system with that level of cost is likely to have hidden waste when not appropriately managed.

“If every element of the supply chain is managed effectively, it can result in improved inventory management, cash flow, operating expense control and overall profitability,” said Dr. Joseph Weitzer, Dean of the Center for Business Performance Solutions at Waukesha County Technical College.

“Yet, the supply chain is rarely at the forefront when it comes to business decisions, and for many organizations, almost never assessed unless failure can be directly attributed to a link in the supply chain.”

The financial health of the U.S. economy and your

business depend on networks of smoothly running supply chains. These networks are interlinked and interdependent. The network is comprised of vendors of raw materials, producers who convert material into products, warehouses that store, distribution centers that deliver to retailers and retailers who bring the product to the ultimate user. Understanding the dynamics and links within the system of the supply chain is essential to optimize value.

### You and your supply chain

Supply chain management is a strategic and critical business function. It requires strong leadership, a foundation of knowledge and competency and a dedication to continuous improvement. All departments within your organization should have a common understanding of the supply chain, and ensure that those empowered to manage your supply chain are appropriately trained and empowered. Start with a solid, well-rounded education program. Next, consider benchmarking the performance of your system against competitors. Assess the status and stability of your supply chain, looking at not just price, but also at value. This might include just-in-time responsiveness, quality assurance of supplies, stability or predictability of price and ease of maintaining data

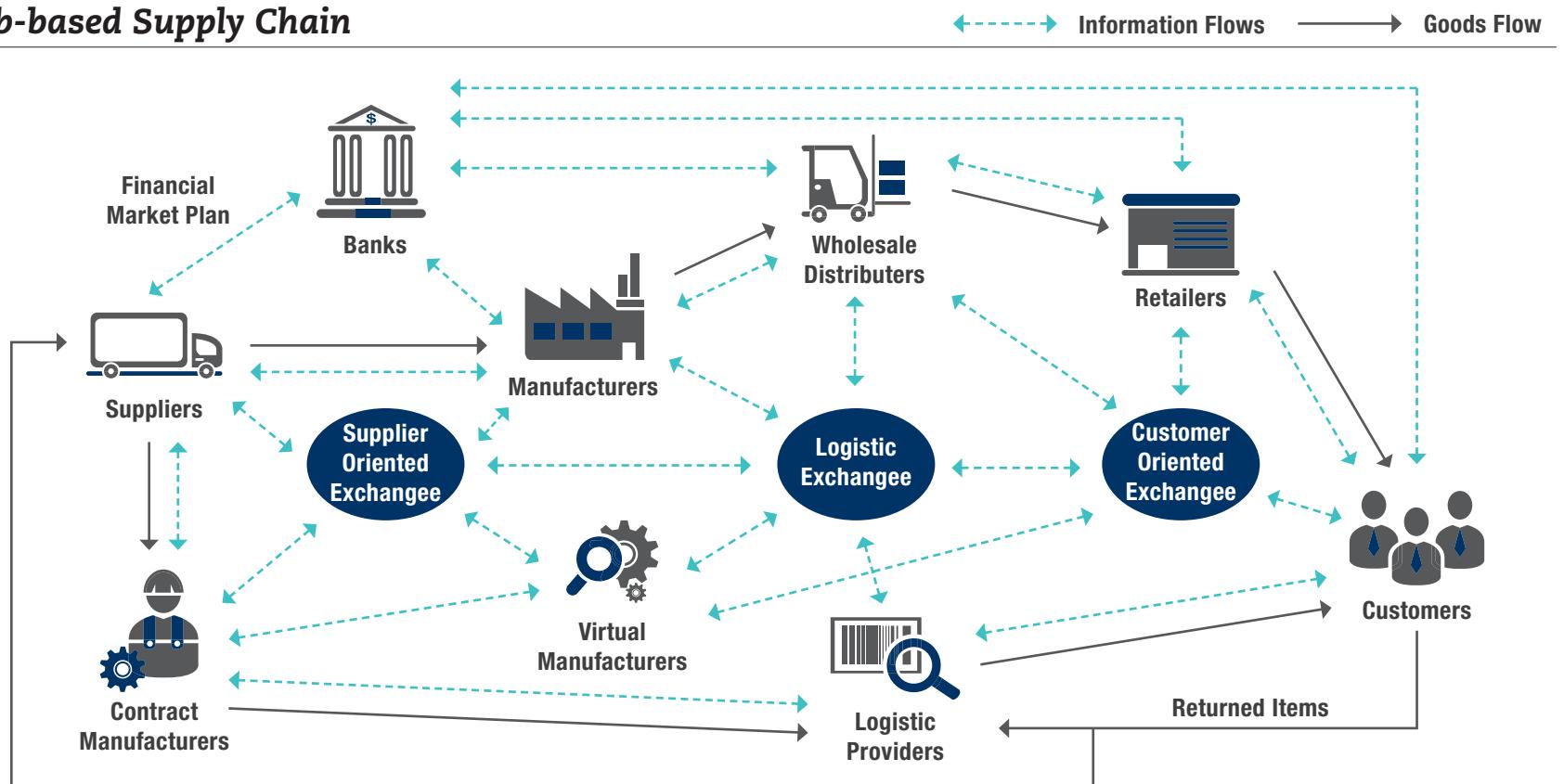
(i.e., supporting ERP systems). Keep in mind that the weakest link in your supply chain will ultimately be the factor limiting its performance.

“Part of a good business strategy is to monitor and maintain your supply chain,” said Weitzer. “If even one of your material suppliers has significantly downsized or reduced inventories below ‘reasonable response levels,’ your ability to ramp up production or meet your customer’s demand in a timely manner may be significantly hampered.” And, in today’s fast-paced business environment, your failure to meet customer expectations is another’s golden opportunity.

WCTC offers a series of courses in supply chain management, including Basics of Supply Chain Management, Master Planning of Resources, Detailed Scheduling and Control of Operations, all leading to Certification in Production and Inventory Management. Such training can give an organization the competitive edge needed to both meet current customer demand and scale quickly.

“It is never too late to examine the health of your supply chain. When managed effectively, your supply chain will contribute to your bottom line,” said Weitzer.

## Web-based Supply Chain



For more information on supply chain management, logistics and related courses offered by Waukesha County Technical College, go to [www.wctc.edu/cbps](http://www.wctc.edu/cbps)



CENTER FOR  
**Business Performance  
Solutions**