

Gsi company essay



The objective of the paper is to analyse the role and benefits of GSI system in supply chain management.

GSI is an International non-profit organization that has developed and maintained visibility in supply chain management in a sustainable way. The case study attempts to look into and analyse some of the standards offered by the system sustains supply chain in an effective way, It analyses the formation of the system, the standards it applies, products and customers, the business partners and the benefits it brings to the supply chain as a unit. The data for analysis is from literature from books, journals and company websites. The recommendation and conclusion on the role of the GSI system is finally provided at the end of the paper. Introduction Standard are agreements that structure any activity or organizational operations in an industry. They can comprise of rules or guidelines that all the members of an organization are adhering to.

Their operations may be determined by the way they get implemented in that particular economic sector either for classification, description or measuring of products and services. Standards are very crucial for the very survival of businesses globally in that they help in choosing and ordering goods and services in the market. Without standards products acquisition would meet, a number of barriers and challenges to the individuals not present during transactions. unique identifier These are generic and simple data used in multi sector and for international supply chain applications. It consists of two or more digits encoded in the data carrier in a format that is specific to each of the products.

Difference of physical supply chain and logical supply chain Importance of global standards for electronic business messaging They enable faster and effective communication of accurate information between parties. The shared information is equally reliable and communication is uniform despite the global location of the involved parties. Global Trade Item Numbers This forms one of the building standards of the GSI system. It has a unique application for products and services with prices, invoiced products, whether at the checkout or in the warehouse wherever they are along the supply chain. They have a provision of electronic catalogue that is unique and specific to each kind of goods and services along the supply chain of operations. Electronic Product Codes are standards that enable businesses to respond to challenges of globalised supply chain.

This is majorly through enhancement of efficiency and improvement of efficiency. Data Matrixes and QR code Data matrix need use and implementation in an open system where supplier can mark the products with knowledge that recipient is in a position to correctly interpret the information. It is important to avoid cases of supplier and consumer relabeling the products for different consumers from different sectors of the consumer chains. Role of GDSN and EPC global GDSN has the role of enabling companies that are either partners or doing related business to possess similar information in their systems.

In case of a change carried by one company is directly communicated to the other partner doing business with one of the companies. Up-to date and comprehensively communicated information between companies help in management by consumers and businesses to enhance efficiency and

accuracy in handling of products. Brand owners have the advantage of getting products into the market more easily and marketing with marketing enhancement. The focus of this approach is provision of traceability mechanisms to the items in transit. EPC Global uses radio frequency for encoding of the 6S1 identification keys. It is fundamental for the 6S1 communication standards to operate functionally and in a manner, that can get traced and applicable to handling of goods at international supply chain levels.

It has ability of relaying information to the reader through the use and application of antenna with the chips integrated within the components of the device. Its greatest benefit is its ability for application from decentralised locations. How electronic communication make paper based invoicing redundant The electronic communication have a provision of clear guidelines creating versions that are electronic for certain documents used in supply chain of goods and products in the business. These standards enable trading partners to share information smoothly making the use of paper records redundant and unnecessary. It is applicable to the global business clientele despite the language spoken in those areas and despite the computer software and hardware under utilization. Few mistakes arise from keying errors and poor handwriting.

GSI Background Information It is an international non-profit association formed in 1977 with the main purpose of developing standards and solutions for improvement of efficiency and visibility of supply and demand chains globally and across various sectors (6S1, 2010). Its system is one the most widely used supply chain in the global product market. The main purpose

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and activities of the association is development of 6S1 system that comprises of a series of standards for improving supply chain management. Its main activity is the development of 6S1 system forming a series of standards designed urposefully for improvement of supply chain management (Clarke & Lee, 2000). Origin of the system The organization formation was 30 years ago by retailers and manufactures .

The major intention improvement of efficiency in the supply chain of food and consumer goods in supermarkets. Presently millions of companies in dozens of sectors including transportation, health care and logistics, aeronautics, defence, health care, high tech and supply chain apply its use in almost all the aspects of their operations (Larry, Neil, Linda, & Jonathan, 1999). Discussion Role of GSI S1 has been in operation for the last 30 years offering services in supply chain management with main purpose of establishing and maintaining standards of goods and services. It offers standards enabling a framework that establishes standards for management of products, goods and services in relation to their efficient movement . th well established standards for operating and managing goods businesses easily improve the lives of people and business stability everywhere and anywhere (Clarke & Mckenny, 1995). Its standards enable effective transactions and xchanges between people and companies and form a basic guideline for carrying out operations between companies and organization without much complications and delays related to classification of goods and services offered by various entities in the business circles across the globe.

The GSI standards different companies representing various parts of supply chain business circles in a manner that is understandable and easy to

manage. The use of these systems brings a lot of management efficiency in the industry and ensures that efficiency get achieved by the use of globally accredited and accepted standards (Cashon & Fisher, 1997). The different supply chain organizations brought together by the use of these standards range from software developers, transporters, retailers, distributors, hospitals, customers, developers, local and international organizations and more entities. The system has effective regulatory and self-sustainable model that effectively ensures that the parties involved get services in a manner that is satisfactory and considerate to needs and demands of all the players in the sector. Large multinational supply chains use the standards and small corners shops too.

This ensures that the standards have effects on the lives of all consumers all over the world in a manner that is effective and sustainable. It gets application by large international producers like Unilever and the small individual artisans. The roles played by these standards are life touching and shaping of the global supply chain and business operations at all levels of economies. The use is global and embraced by all the supply chains in the global business arena.

Companies may have divergent business interests and areas of operations but work together under 6S1 standards in operating standardization of supply chains. The agreements that the companies come to under the leadership of this organization leads to efficient, faster supply chain and less costly operations. Without efforts of a neutral, non-profit organization and global organization like the 6S1 system companies with different interests would automatically not agree on the standards of operations (Lee, Whang, <https://assignbuster.com/gsi-company-essay/>)

& Padmanabhan, 1997). The organization makes understanding happen and offer benefits to consumers and business operators as well.

The organization has offices in 108 countries and employee base of around 2000 personnel helping in operations and achievement of the goals and vision of the organization (Seidmann & Sundararajan, 1998). Since the main purpose of the organization is enhancing supply, chain and managing efficiency its operations are funded by contributions of the involved organizations. Well-developed and maintained standards play a vital part in operations of daily supply chain management and operations with little conflicts and interest disparities. If the designs are well-designed organizations move from the need of understanding how to get information to how the information can get used efficiently. Properly designed standards are more important in today's hard economic challenges offering massive boost to operations and running of enterprises. They form clear foundations and understandable ground lowering cost of transactions hence lowering expenses to all through reduction of complexities.

The proper standards make international transactions to get more sustainable, cost effective, more efficient and profitable (Micheal & Shaw, 2011). Four main standards they offer The standards offered by GSI are mainly classified into the auto identification standards and the communication standards. The standards play a critical role in bringing value and benefits to the industry and businesses across the globe. The standards play an important role reducing complexities within and between organizations.

The main standards provide easy means of communication between partners enabling ease of item identification, information sharing and quantity identification (DOD, 1998). There are companies that develop their own proprietary identification modules, classification methods and system of data capturing. Other companies also utilize systems functional within the confines of a single sector or country. This is complicated and lacks the global robustness and application . It lacks the language that enables global business entities to communicate in an effective way with minimal complexities (McLean, 1998). It equally does not allow for relay of reliable information to players in different parts of the world in a uniform way.

The approach that is applicable to certain countries and not universal is risky and does not encourage uniformity. It generally lacks sustainable management mechanisms that come with the GSI systems.