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[Technology](#)



Technology has been at the center of changes taking place that affect the supply chain. " Discuss the impact of the Internet or Information Technology on Logistics Management. " BY Chickenhearted Executive Summary The proliferation of information technologies (IT) and the internet technologies have provided impetus and challenges to the logistics. New technologies present new means to manage the flow of information. IT as a productivity tool can be utilized to both increase the capability and decrease the cost at the same time.

It has been widely accepted that firms can achieve competitive advantage by cost reduction or fermentation with the proper implementation of IT. Enabled by IT the logistics has become a source of competitive advantage for many firms. In four areas we are looking at the benefits and problems of using IT, which is: * Customer Service ; Warehouse and Storage Management * Inventory Planning Transportation Management Customer service is an important element for making a successful business.

You can have a wonderful product, but without excellent customer service the item will never be purchased. By using IT tools, customer can easily get the require information, ending request, or placing order via internet website. IT has helped the business deliver faster service to the customer. For example, customers often interact through IVR (interactive voice response). The IVR system allows the customer to speak her request and the system's " behind-the-scenes" Intelligence directs the customer to the proper department.

Customers can also place an order outside of normal operating hours with an IVR system. Through the advances made using the Internet, customers can place an order online at their convenience. This allows the customer to interact with the company on their terms and does not place restrictions on the customer. Disadvantages of using IVR Systems there are too much information. When writing a script for IVR systems, start with the least amount of extraneous information possible; for example, info on how to use the phone menu system, hours of operation, extension numbers, et cetera.

Wait for a caller to ask for help or request more information instead of offering it all up front. Sales departments need to be careful when using IVR systems to receive customer calls. If a customer or potential customer has shown enough interest to actually pick up the phone and call to find out more about a product, he doesn't want to feel like he's being ignored. So if a sales staff is going to use IVR as a virtual brochure or an automated order form, it must make it clear that the caller can talk to a live representative at any time.

Warehouse management includes the control of inventory across one location or many and the substantially affected distribution operations, providing many benefits from labor productivity gains to accuracy and improved inventory turns. Still, distribution operations have only begun to realize the full potential of information technology and the coming years promise continued leaps forward in process capabilities. Warehouse management system (WMS) software helps control the movement, storage and accounting of materials or finished goods through a warehouse.

Warehousing management system benefits can be seen throughout the manufacturing process. HUMS software directs the picking, replenishment and put away of goods identified and tracked by an automated data collection system, typically bar codes and scanners. By adding HUMS to your organization, you are adding another level of technology and will inherit all the challenges associated with it. These potential problems include the cultural changes necessary within your organization and added overhead expenses at the onset. Once installed, the measurements to which it must operate must be put in place.

To make it effective, a lot of testing, man-power training, and continuous evaluation must be done, and this takes around 6 months to 2 years, depending on the stocks and size of a warehouse. Inventory planning is the process of determining the optimal quantity and timing of inventory for the purpose of aligning it with sales and production capacity. Inventory planning has a direct impact a company's cash flow and profit margins especially for smaller businesses that rely upon a quick turnover of goods or materials.

Minimization of inventory management costs is a primary driver and benefit of Just- in-time practices. Inventory management has costs, and when you reduce the amount of holding space and staff required with SIT, the company can invest the savings in business growth and other opportunities, points out the Accounting for Management website. You also have less likelihood of throwing out product that gets old or expires, meaning reduced waste. Just-in-time inventory is not without risks. By nature of what it is, companies

using SIT intend to walk a fine line between having too much and too little inventory.

If company buyers fail to adjust quickly to increased demand or if suppliers have distribution problems, the business risks upsetting customers with stock outs. If buyers over compensate and buy extra inventory to avoid stock outs, the company could experience higher inventory costs and the potential for waste. Transportation management including tracking and managing every aspect of vehicle maintenance, fuel costing, routing and mapping, warehousing, communications, EDI implementations, traveler and cargo handling, carrier selection and management, accounting.

A transportation management system (TM'S) helps companies move freight from origin to destination efficiently, reliably, and cost effectively. TM'S encompasses solutions for moving freight in all modes and also includes intermediate movements. The TM'S processes include freight transported inbound or outbound, domestically or internationally; using transportation assets wend either by the company or an outside service provider.