

The meaning and characteristics of supply chain management

[Business](#), [Management](#)



To define supply chain management, one must break down the words and ultimately combine the concepts of each. Supply chains are “ essentially organizational frameworks based on exchange and dependence between firms, each with its own objectives and motivations and drawing a payoff, whose risks it must also sustain and manage, in as many ways as it may be able to measure and conjure” (Felea & Albastroiu, 2013). Management is basically the system or action of dealing with someone or something or controlling something. Supply chain management is therefore the act of controlling or overseeing the exchange between organizations.

An article by du Toit and Vlok discusses the complexities with supply chain management due to the many activities, functions, components, and players that take part in the processes. In order to better understand and appreciate the components of supply chain management, the authors propose the use of a newly developed framework with graphical representations. By illustrating the components in graphical representation, one is better able to understand the flow of works, as well as the key role players involved. They are thus able to manage the supply chains more efficiently and more effectively.

“ Today’s competitive market is composed of interwoven organisations rather than single, independent businesses.” (du Toit & Vlok, 2014). The authors of the article go on to discuss the issues arising from attempting to break down supply chain management as well as adequately define the term. Over the years, according to the article, researchers have made numerous attempts at adequately demonstrating the best method to

manage supply chains. Research is still being conducted regularly, but the best methods graphically illustrate the breakdown of operations between agencies or organizations. This article further illustrates what the authors believe to be the best framework.

The evidence and findings discussed in the article adequately describe the issues arising in supply chain management. As noted, the complexities that arise in managing several customer bases, vendors, and various partnerships is no easy task. The graphical representations adequately and efficiently assist an individual in managing all the individuals involved as well as the processes and flow of operations to keep everything running smoothly. Order management processes, as well as life cycle activities and pricing take a lot of research and are very time consuming. By making all the processes more transparent, one is better equipped to plan effectively and meet the necessary need and deadlines. The definitions and explanations are beneficial to the reader in that they are helpful in describing the process and better enabling an individual to manage all processes and functions involved with supply chain management.

“ The concept of SCM is complex to understand because it consists of many elements, components, and interlinked relationships; the numerous definitions in the literature add to this complexity and confuse many readers” (Burgess, et al.). The article discussed and summarized not only the issues that arise in defining supply chain management, but also controlling and running it. It also discussed ways to alleviate the issues through graphical representation. The utilization of graphs is widely known and used

in various work practices, and is a logical step in managing supply chains. Supply chains have many intertwined activities that are dependent upon one another. If one task or element is disrupted, there is a good chance that most activities will be negatively affected. It can be compared to a steam engine or any other well working machine, in that when all the parts are working effectively, the entire system works more effectively.

There are many systems within supply chain management which directly depend on one another, and this is also clearly noted in the article. The customers ultimately benefit from all the behind the seen operations, and the company in turn realizes the profits from the operations and satisfaction of the customers, resulting in more sales and loyal repeat customers. An efficient supply chain management system can be the greatness or the downfall of a company. It is very important to effectively manage the supply chain processes and people involved to ensure longevity for the organizations. Some organizations, such as Sony have a separate subsidiary company specifically to manage this aspect.

In 2 Corinthians 9: 10, it says, " He who supplies seed to the sower and bread for food will supply and multiply your seed for sowing and increase the harvest of your righteousness" (ESV). The apostle is speaking to the Corinthians on what they must do, and how they should go about supply chain management in a way. He is teaching them about harvesting and managing resources to be fruitful now and in the future. This information was beneficial and useful to them, as it is useful to us now. This is also a

reference to supply and demand as we would term it in our business lives now.