

5 questions

Business



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1. What general tradeoffs are involved in sequencing decisions? In scheduling decisions?

The general tradeoffs in the sequencing decision change the customer order and inventory service levels “ Increasing level of service typically means higher level of inventory” (Mohanty, 2005, pg. 88). Inventory service levels affect the level of customers’ satisfaction. The correct inventory target level can be determined by inventory optimization to keep all the locations all the way through the supply chain and helps to manage the trade-offs between changing customer order and the inventory service level. This trade-off depends on the nature of customer demands. The method of collaborative inventory management or transshipment can be used to regulate the inventory level so as to face the unanticipated demands from the customers. A reduced inventory level results in non- satisfaction of the needs of the customers and it also may entail an increase in the holding cost.

Transshipment helps to reduce the inventory cost and to improve excess levels of inventory.

Scheduling is typically the last step in the makeover process prior to the actual output is produced. Commonly, scheduling objectives handle tradeoffs between conflicting goals for proficient utilization of effort and equipment, inventory levels, lead time and the processing times. Efficiency is gained by a timetable that upholds high use of labor, space and equipment. The schedule also retains low inventories, which may unfortunately result in low efficiency because of shortage of material available or high setup times. Thus, a decision of tradeoff in scheduling among effectiveness and stock

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levels is necessary in short run. Efficiency can be increased in the long run by improving customer service, and concurrently cutting down stock by changing the production process during the time, while reducing cycle time and quality enhancement efforts. Scheduling, thus, is chiefly an activity in short-run that involves tradeoffs between differing objectives.

Reference List

Mohanty, R. P. & Deshmukh, S. G. (2005). Supply Chain Management Theories & Practices. Dream Tech Press. Retrieved from