

Brief Contents

Part 1 Supply Chain Management: An Overview 1

Chapter 1 Introduction to Supply Chain Management 3

Part 2 Supply Management Issues in Supply Chain Management 35

Chapter 2 Purchasing and Supply Management 37

Chapter 3 Creating and Managing Supplier Relationships 74

Chapter 4 Strategic Sourcing for Successful Supply Chain Management 103

Part 3 Operations Issues in Supply Chain Management 135

Chapter 5 Demand Forecasting 137

Chapter 6 Resource Planning Systems 172

Chapter 7 Inventory Management 215

Chapter 8 Process Management: Lean Production and Six Sigma Quality Issues in Supply Chain Management 255

Part 4 Distribution Issues in Supply Chain Management 303

Chapter 9 Domestic U.S. and International Logistics 305

Chapter 10 Customer Relationship Management 346

Chapter 11 Global Location Decisions 372

Chapter 12 Service Response Logistics 401

Part 5 Integration Issues in Supply Chain Management 443

Chapter 13 Supply Chain Process Integration 445

Chapter 14 Performance Measurement along the Supply Chain 476

On CD Cases in Supply Chain Management

Contents

Preface ix

Acknowledgments xi

About the Authors xiii

Part 1 Supply Chain Management: An Overview 1

Chapter 1 Introduction to Supply Chain Management 3

Introduction 5

Supply Chain Management Defined 6

The Importance of Supply Chain Management 9

The Origins of Supply Chain Management in the U.S. 11

The Foundations of Supply Chain Management 14

Some Current Trends in Supply Chain Management 24

Summary 28

Part 2 Supply Management Issues in Supply Chain Management 35

Chapter 2 Purchasing and Supply Management 37

Introduction 39

A Brief History of Purchasing Terms 39

The Role of Supply Management in an Organization 40

The Purchasing Process 43

Sourcing Decisions: The Make-or-Buy Decision 52

Roles of the Supply Base 56

Supplier Selection 57

How Many Suppliers to Use 58

Purchasing Organization 61

International Purchasing/Global Sourcing 63

Procurement for Government and Nonprofit Agencies 66

Summary 68

Chapter 3 Creating and Managing Supplier Relationships 74

Introduction 76

Developing Supplier Partnerships 77

Supplier Evaluation and Certification 84

Supplier Development 91

Supplier Recognition Programs 93

Supplier Relationship Management 95

Summary 100

Chapter 4 Strategic Sourcing for Successful Supply Chain Management 103

Introduction 104

Developing Successful Sourcing Strategies	106
Supply Base Rationalization Programs	108
Evaluating and Selecting Key Suppliers	109
Strategic Alliance and Supplier Certification Programs	110
Green Sourcing	111
<i>Outsourcing Products and Services</i>	114
Early Supplier Involvement	116
Strategic Alliance Development	119
Negotiating Win–Win Strategic Alliance Agreements	121
Managing and Developing Second-Tier Supplier Relationships	123
Use of e-Procurement Systems	123
Rewarding Supplier Performance	124
Benchmarking Successful Sourcing Practices	126
Using Third-Party Supply Chain Management Services	127
Assessing and Improving the Firm's Purchasing Function	129
Summary	132

Part 3 Operations Issues in Supply Chain Management 135

Chapter 5 Demand Forecasting 137

Introduction	139
Forecasting Overview	140
Forecasting Techniques	142
Forecast Accuracy	154
Useful Forecasting Web Sites	156
Collaborative Planning, Forecasting, and Replenishment	157
Software Solutions	165
Summary	168

Chapter 6 Resource Planning Systems 172

Introduction	174
Operations Planning	174
The Aggregate Production Plan	176
Master Production Scheduling	181
The Bill of Materials	185
Material Requirements Planning	188
Capacity Planning	193
Distribution Requirements Planning	195
The Legacy Material Requirements Planning Systems	195
The Development of Enterprise Resource Planning Systems	197
Implementing Enterprise Resource Planning Systems	202
Advantages and Disadvantages of Enterprise Resource Planning Systems	205
Enterprise Resource Planning Software Modules	206
Enterprise Resource Planning Software Providers	207
Summary	209

Chapter 7 Inventory Management 215

Introduction 217
Dependent Demand and Independent Demand 218
Concepts and Tools of Inventory Management 218
Inventory Models 231
Summary 250

Chapter 8 Process Management: Lean Production and Six Sigma Quality Issues in Supply Chain Management 255

Introduction 257
Lean Production and the Toyota Production System 258
Lean Production and Supply Chain Management 262
The Elements of Lean Production 263
Lean Production and the Environment 273
The Origins of Six Sigma Quality 274
Six Sigma and Lean Production 277
Six Sigma and Supply Chain Management 278
The Elements of Six Sigma 280
The Statistical Tools of Six Sigma 286
Summary 299

Part 4 Distribution Issues in Supply Chain Management 303

Chapter 9 Domestic U.S. and International Logistics 305

Introduction 307
The Fundamentals of Transportation 308
Warehousing and Distribution 321
The Impacts of Logistics on Supply Chain Management 327
Logistics Management Issues 328
International Logistics 338
Reverse Logistics 341
Summary 343

Chapter 10 Customer Relationship Management 346

Introduction 347
Customer Relationship Management Defined 349
CRM's Role in Supply Chain Management 350
Key Tools and Components of CRM 351
Designing and Implementing a Successful CRM Program 363
CRM Software Applications 367
Trends in CRM 368
Summary 370

Chapter 11 Global Location Decisions 372

Introduction 374
Global Location Strategies 376
Critical Location Factors 380
Facility Location Techniques 390
Helpful Online Information for Location Analysis 392

Business Clusters 395
Sustainable Development 396
Summary 398

Chapter 12 Service Response Logistics 401

Introduction 402
An Overview of Service Operations 403
Supply Chain Management in Services 410
The Primary Concerns of Service Response Logistics 416
Summary 438

Part 5 Integration Issues in Supply Chain Management 443

Chapter 13 Supply Chain Process Integration 445

Introduction 446
The Supply Chain Management Integration Model 447
Obstacles to Process Integration Along the Supply Chain 460
Managing Supply Chain Risk and Security 466
Summary 474

Chapter 14 Performance Measurement along the Supply Chain 476

Introduction 478
Viewing the Supply Chain as a Competitive Force 479
Traditional Performance Measures 481
World-Class Performance Measurement Systems 485
Supply Chain Performance Measurement Systems 486
The Balanced Scorecard 491
The SCOR Model 495
Summary 499

On CD Cases in Supply Chain Management

Part 2 Cases
Part 3 Cases
Part 4 Cases
Part 5 Cases

Appendix 1 502

Areas Under the Normal Curve

Appendix 2 503

Answers to Selected End-of-Chapter Problems

Glossary 504

References 517

Endnotes 523

Author Index 542

Subject Index 543