

COURSE HANDBOOK



CSCF

Certificate in Supply Chain Fundamentals



Module 4: PROCUREMENT, CUSTOMER SERVICE & PRODUCTIVITY

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Welcome to the CSCF training course.

In this course, you will learn the fundamentals of procurement, procurement processes and evaluations, contract management & strategies, covering the key concepts and terms. It is a self-paced course, allowing you to complete it on your own timing.

This course consists of four modules. Each module contains a knowledge check, which is a learning quiz, providing explanation when an incorrect answer is selected. There is also an advanced test based on the case studies that will help you to brainstorm and answer by using the knowledge you got in this course. In addition to the interactive slides, you also have access to the handbook comprising the slides and notes. The handbook is already set up for printing, which you can do on your home printer or get it printed at a copy and print shop.

Once you have reviewed all the modules, then you may take the test which is a separate section in the course. Upon passing the test, you will be able to download your certificate. Your certificate will have a unique ID, which is helpful in responding to verification requests in connection with higher education or employment.

Fasten your seat belt and get into the action! Good luck!



Learning objectives

- 1 SRM - Supplier Relationship Management
- 2 Objectives of the SRM process
- 3 Procurement and Contract Management
- 4 Vendor-owned and Vendor-managed inventory (VOI & VOMI)
- 5 Spend Analysis
- 6 CRM - Customer Relationship Management
- 7 Goals of CRM
- 8 Trends in Supply Chain Management
- 9 Supply Chain Outlook

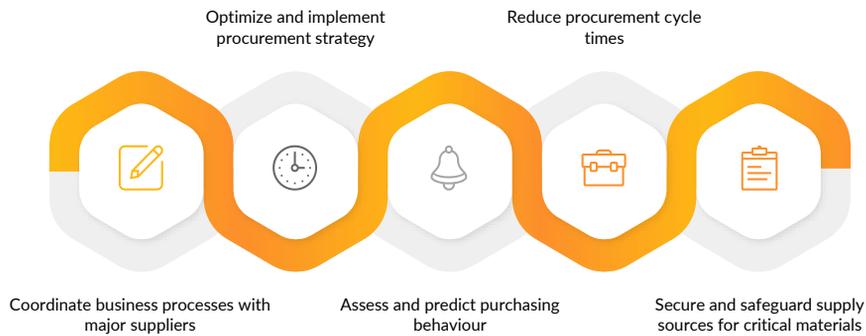


Learning objectives for the CSCF certificate program are based on industry research and stakeholder feedback. These include familiarization with the basic principles and practices, essential skills, tools and methodologies of Supply Chain Management.

You will note that the learning objectives are listed at the beginning of each module, and the portion relevant to each module is covered in that module. This is to help you keep a tab on the overall course content.



THE OBJECTIVES OF THE SRM PROCESS



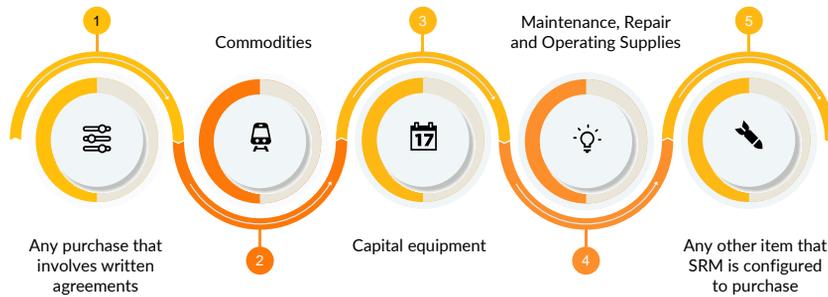
Some core concepts and characteristics are noted as follows:

The objectives of the SRM process includes the following:

- Coordinate business processes with major suppliers
- Optimize and implement procurement strategy
- Assess and predict purchasing behaviour
- Reduce procurement cycle times
- Secure and safeguard supply sources for critical materials and components



SCOPE OF SRM



SRM is used for the following purchases:

- Any purchase that involves written agreements
- Commodities
- Capital equipment
- Maintenance, Repair and Operating Supplies
- Any other item that SEM is configured to purchase



THE USE OF SRM

In most cases, the procurement process involves initiation of a purchase requisition either through MRP run or manual entry.

Savings in purchasing are termed as 'low hanging fruit', mainly because significant reduction in prices can be achieved through negotiations, rehashing vendor base, optimizing volume discounts and other quick measures.



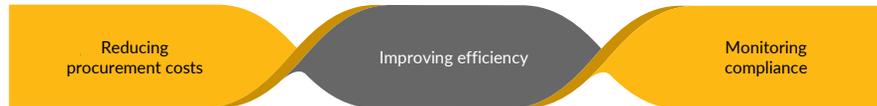
In most cases, the procurement process involves initiation of a purchase requisition either through MRP run or manual entry.

Savings in purchasing are termed as 'low hanging fruit', mainly because significant reduction in prices can be achieved through negotiations, rehashing vendor base, optimizing volume discounts and other quick measures. However, continuous improvements and savings require a deeper assessment and may need to involve engineering solutions such as standardization, alternate materials, testing and development, etc.



SPEND ANALYSIS

It is the process of collecting, cleansing, classifying and analyzing expenditure data with the following purpose:



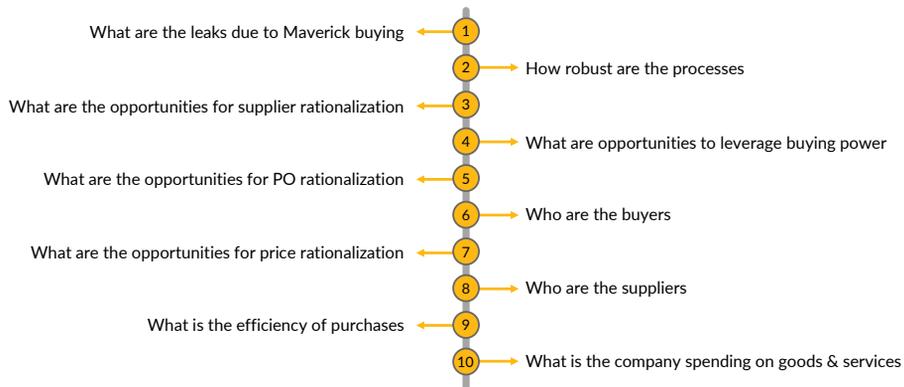
Spend analysis provides the insight for saving cost and gaining efficiency.

It is the process of identifying, gathering, cleansing, sorting and analyzing purchasing spend data with a view to explore opportunities for improvement in the buying process, strategic partnership, risk management, internal controls and other key factors in the purchasing function.



SPEND ANALYSIS

Companies perform spend analysis mainly for profitability. In addition to improving compliance and reducing cycle times it helps companies find new areas of savings and maintain savings that they have already negotiated.

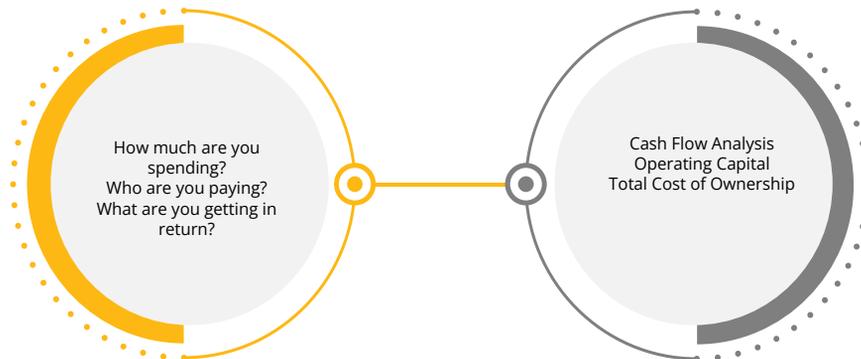


Spend analysis is important because it provides knowledge into an organization's procurement activities and expenditures.

It may also reveal risks and opportunities not obvious in the day to day operations.



SPEND VISIBILITY: APPLICATIONS



Purchasing visibility can be attributed to the following key areas of expenditure:

Capital Expenditure (CAPEX): This relates to acquisition of capital equipment such as machinery and equipment, buildings, etc. The information to plan CAPEX would mainly come from project plans.

Operating Expenditure (OPEX): This relates to production and maintenance activity, and the information would mainly depend on the production plan.

Forward visibility of purchasing spend helps manage cash flow, avoiding any pinch points and utilizing internal cash generation to minimize or avoid borrowing.



CUSTOMER IS THE KING



A variation frequently used in Germany is "der Kunde ist König" (the customer is king).



"The customer is always right" is a motto or slogan which exhorts service staff to give a high priority to customer satisfaction. It was popularized by pioneering and successful retailers such as Harry Gordon Selfridge, John Wanamaker, and Marshall Field.



Anticipate Tomorrow, Deliver Today

CRM provides an overview of the processes, terms and concepts around the customer inter-face, from lead generation, qualification, selling, order management through delivery and servicing.

5 reasons why Customers are king and why they should always remain firmly in your focus with any marketing activity you're undertaking.

1. A customer's perception is their reality
2. It's easier to keep your customers happy than attract new ones
3. Complaints spread like wildfire on the internet
4. Without customers we don't have a business
5. Brands win or lose by how well they wow customer



WHAT IS CRM?

Customer relationship management (CRM) deals with managing interaction with existing and potential customers. The objective is to meet the needs of existing customers in a responsive way, while identifying opportunities for growth within the existing customer base as well as gaining new customers.



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Contemporary technology and tools are used to organize and coordinate various functions and processes concerned with customer service, such as sales, marketing, manufacturing, distribution, finance, product development, regulatory affairs and others.

CRM process supports the implementation of the supply chain strategy through use of technology and customer focused culture.



TWO MAIN GOALS



The two main goals of this management process are gaining new clients and retaining current clients.

Customer relationship management (CRM) is a strategy for managing relationships with customers in an organized way. Organizations use CRM to learn more about their customers' wants, needs, and behaviors in order to develop stronger relationships. **The main goals** of CRM are to attract new customers, retain current customers, and entice former customers to return to the organization as well as reduce marketing costs and lower the cost of providing customer service. All businesses need to attract customers and increase profits to stay competitive, even hospitals. CRM can assist with doing so.



CRM FUNCTION

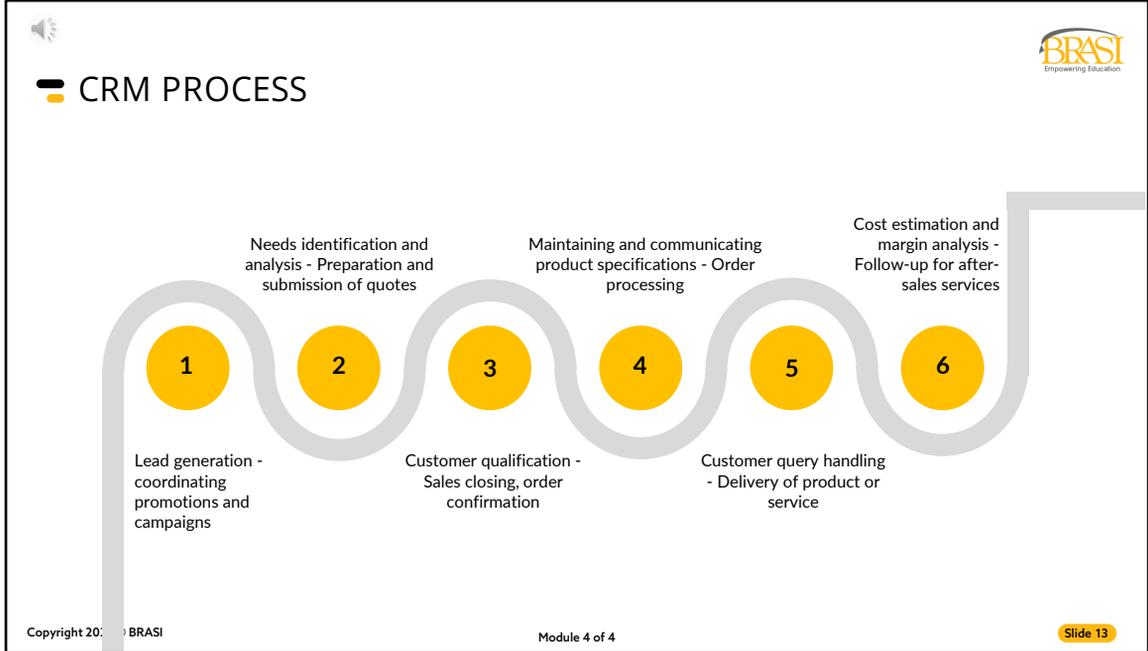
CRM process can be instrumental in a company's sales growth and profitability.

- Customer Care
- Efficient Operations



CRM process supports the implementation of the supply chain strategy through use of technology and customer focused culture.

The benefits of a well coordinated CRP process include improved customer service, higher revenues, increasing customer base, close deals more effectively, improve the effectiveness of call centers and remove complexity in customer-interface processes.



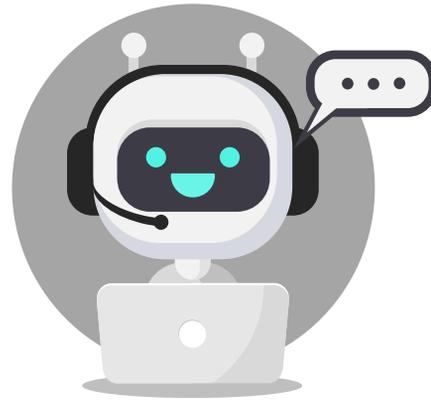
CRM process comprises the following functions and sub-processes:

- Lead generation
- Needs identification and analysis
- Customer qualification
- Maintaining and communicating product specifications
- Customer query handling
- Cost estimation and margin analysis
- Managing or coordinating promotions and campaigns
- Preparation and submission of quotes
- Sales closing, order confirmation
- Order processing for manufacturing, sourcing or picking from stock
- Delivery of product or service
- Coordination for installation or commissioning of equipment
- Follow-up for after-sales service and supply of spares and consumables.



FOLLOW-UP ON QUOTATION

One of the functions of the CRM team is to follow-up on quotation. It is quite possible that the quote was competitive; however, sale could not be closed because the competition took the lead in follow-up.



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It is important that the quote be realistic, for example, in terms of lead time. A slightly longer lead time with consistently on-time delivery is better than short lead time and erratic delivery. Longer lead times can be built into the planning process, however, variability is difficult to manage and can potentially cause disruption.



— SERVICE AUTOMATION IN CRM

Service automation in CRM consists of customers' ability to access product information, catalogues, availability, pricing, payments terms, warranties and other information that they might need to make the buying decision.



“To give real service, you must add something which cannot be bought or measured with money, and that is sincerity and integrity.”

– **Douglas Adams**

Service automation is the process that works as a supporting system for the service staff and managers to achieve their work related objectives. Infrastructure, Data, Devices, and Software are the key components of service automation.

Service automation in CRM consists of customers' ability to access product information, catalogues, availability, pricing, payments terms, warranties and other information that they might need to make the buying decision. The interface is provided by the vendor using the CRM technology. The information is accessed via Internet and may include access via hand held devices using the appropriate applications



CONTEMPORARY TECHNOLOGY

Contemporary technology and tools are used to organize and coordinate various functions and processes concerned with customer service, such as sales, marketing, manufacturing, distribution, finance, product development, regulatory affairs and others.



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CRM TECHNOLOGY IMPLEMENTATION

CRM process supports the implementation of the supply chain strategy through use of technology and customer focused culture.

CRM Process



Academic discourses on Customer Relationship Management (CRM) make an important distinction between its strategy and information technology (IT) components. The strategy component addresses CRM's philosophical theme of selectivity in building and maintaining long-term collaborative relationships with key customers. The IT component addresses the particular combination of computer hardware and software systems for capturing, storing and analyzing customer data to enable identification of those profitable customers with whom to build and maintain relationships.

Although CRM technology is neither a sufficient condition nor panacea for CRM implementation success, the technologies can nevertheless play important roles in organizations' CRM programs, particularly for those with large customer bases. Indeed, CRM technology constitutes the backbone of many operational aspects of CRM, such as call center operations and sales force automation. Accordingly, it is important both from academic and managerial standpoints to understand how organizations implement, use and benefit from these technologies, and there have been calls for academic studies of CRM technology adoption.



CRM DATA SOURCES



Data is a key component of customer research, analysis. The CRM data may be obtainable from various sources, including the following:

- Customer response to sales promotions and campaigns.
- Customer service metrics such as On Time Shipment, Customer Responsiveness, Fill Rate, etc., and customer feedback validating these metrics and their relevance to customers' needs, requirements and expectations.
- Customer data including demographic, economic, industrial and commercial information in case of institutional customers.

OUTSOURCED SERVICES

2017 2018 2019

Outsourced services play a key role in customer service management as they offer the flexibility to increase or decrease the level of support as needed, such as in case of seasonal products or events marketing.

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Slide 19

Outsourced services play a key role in customer service management as they offer the flexibility to increase or decrease the level of support as needed, such as in case of seasonal products or events marketing.

Outsourcing of CRM is becoming increasingly popular in times of economic recession, and not only in the midmarket. Outsourcing of course was already growing in popularity in general, even before the economic meltdown.

Outsourcing CRM is not without risks. A fundamental question is whether it's a good idea to put your CRM in the hands of your marketing partner and if it is safe.



TRAINING IN COMMUNICATION SKILLS

Training in communication skills an integral part of CRM skill set. CRM staff must display professional behavior, should be able to manage difficult situations.



Training in communications is an integral part of CRM skill set. CRM staff must display professional behavior, should be able to manage difficult situations including damage control, present an efficient image of the organization and avoid sharing internal issues with the customer when dealing with problems.

The level of training to successfully implement a CRM project needn't be massive but it is an area that is prone to more misjudgment than other elements of CRM projects.

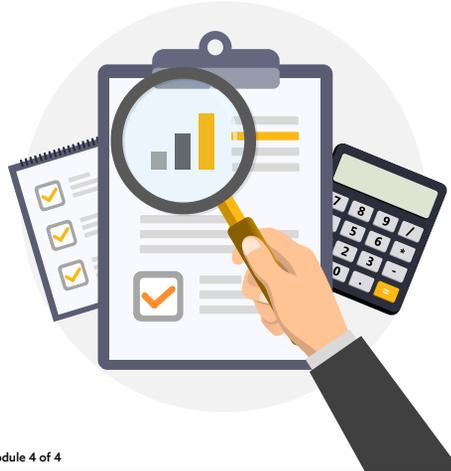
The first thing to consider in relation to training is choosing the correct supplier. Suppliers should provide you with more than just the technology; they should offer support prior to and after your implementation and be clear about your CRM objectives.

When choosing training programs, consider your staff; where are they at?
Are they all at a similar level?
Or do their skills differ greatly?
How will the training need to adapt to their individual job roles?



BUILDING A PERSONAL RAPPORT

Building a personal rapport with the customer representatives helps build mutual confidence, which can be instrumental in long term business development.



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Any representative of your business will need to maintain a professional attitude to their job - especially if it is customer-facing. It's up to each and everyone to make customers feel welcome.

The skills involved in building ordinary relationships and establishing contact and rapport with customers are basically the same. Customer-facing people need to be comfortable using these skills in order to do their job well.

- The art of customer service is making people feel special
- In a customer service situation, you have just ten seconds to start building a relationship with your customer
- People cannot read your mind - they can only see your actions and hear your words.



EMPOWERING THE CRM STAFF



Empowering the CRM staff plays a key role in improving responsiveness, leading to customer satisfaction.

Empowering of the CRM staff plays a key role in increasing responsiveness and customer satisfaction.

Do your employees have the authority to make decisions that will keep your customers happy? Or are they required to follow the rules regardless of the situation?

A solid customer relationship management (CRM) system will inevitably lead your employees to engage more deeply and more consistently with your customers.

Customer contact is a good thing, but what happens next?

In a well-structured CRM environment, employees who interact with customers have the authorization and ability to provide total customer satisfaction. If the idea is to strengthen customer relationships (and it is), then sending staff into customer engagements without the proper decision-making authority is counterproductive, at best.

Employee empowerment begins with a series of broad policies that define the boundaries of your workers' decision-making authority. Your guidelines should reflect your comfort level as well as the needs of your customers.



THE BENEFITS OF A WELL COORDINATED CRM PROCESS



The advantages of using CRM, a business can Provide better customer service, increase customer revenues, discover new customers, cross sell, up sell products more effectively, Help sales staff close deals faster, make call centers more efficient and simplify marketing and sales process.

The benefits of a well coordinated CRP process include improved customer service, higher revenues, increasing customer base, close deals more effectively, improve the effectiveness of call centers and remove complexity in customer-interface processes.



CUSTOMER RESPONSIVENESS

Any delay in the customer delivery should be communicated pro-actively, rather than customer finding out at the last minute, it reflects professionalism and builds confidence.

With the advancements in communication and web-based applications, the customer is closer to the manufacturing floor than ever. Customers can place orders directly to the factory and in many cases configure their order directly from the available options. This improves delivery time and eliminates the intermediary processes.



Any delay in the customer delivery should be communicated pro-actively, rather than customer finding out at the last minute. This may be difficult to handle, however, it builds trust and respect. If specific reasons for the delay are included and remedial actions shared with the customer, it reflects professionalism and builds confidence. To be competitive and customer-centric, a typical contact center offers its customers choices for how the customer would like to engage with the company -- immediate assistance, deferred assistance, or engaging with the company via self-service . Yet companies struggled to manage multiple customer response service models for responding to multiple customer inquiries. The immediate assistance service model is typically delivered by live agents in a call center , but it can also be delivered via Web chat, and even through immediately escalated e-mail. Deferred assistance is typically provided again by live agents responding to e-mail and voice messages, although automated response applications remove the live agent from the process. With improvement in communications supported by technology, it is possible to provide tracking information to customer with built-in linkages to production and delivery operations.

Besides product delivery tracking, customer service may also include quality information, documentation such as Certificate Of Analysis, exact quantity produced, shipping and customs documents, hazardous material documentation, cold chain records for refrigerated goods, etc.



RESPONSIVENESS: BALANCING CUSTOMER SERVICE AND EFFICIENCY

Supply chain develops and implements policies and procedure to maintain a balance between customer service and cost efficiency:

- Demand Time Fence Policies – RF to convert to order over rolling 'x' of weeks; No changes within the frozen time fence.
- Lot Size Policy: Minimum order quantity to absorb the ordering and delivery overheads.
- Safety Stock Policy: Establish and update safety stock based on Service Level Targets.
- Key Performance Indicators to monitor progress:
 - On Time Shipment (OTS) – Orders shipped full and on time.
 - CR (Customer Responsiveness – Orders shipped at customer's First Request Date.



Demo – OTS Metrics

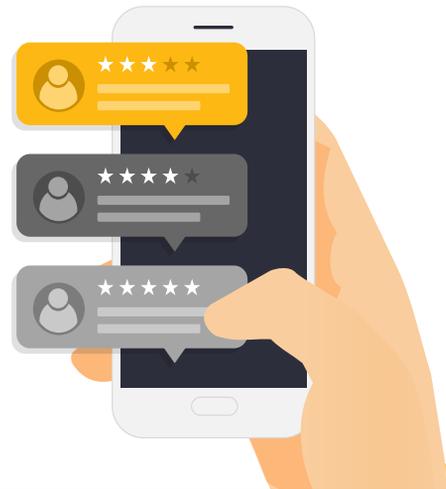
Managers often view service efficiency and customer satisfaction as incompatible goals. But they don't have to be. By maintaining customer service during a slowdown, companies with a strong core of loyal customers position themselves for growth and gain a competitive edge.

Our research shows that companies with superior service operations have higher customer loyalty scores, which correlates with sustained growth. How do they do it? They invest in learning about customer needs and then translate those insights into innovations that continuously improve services. They decide what to focus on, they measure it, and they create business processes to manage those metrics over time.



FEEDBACK

Periodic feedback sessions with the customer indicate that the company is sincere about their needs and willing to listen, which is the first step towards improvement.



Customer feedback is a marketing term that describes the process of obtaining a customer's opinion about a business, product or service.

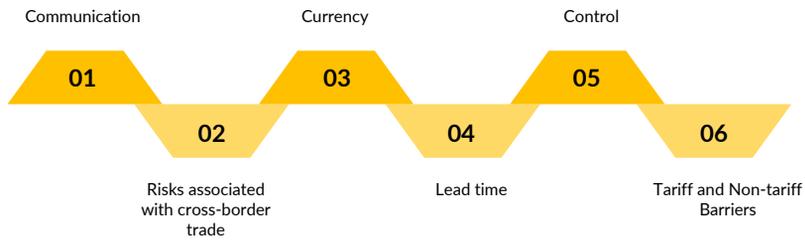
Customer feedback is so important because it provides marketers and business owners with insight that they can use to improve their business, products and/or overall customer experience.

The following are the top six reasons why customer feedback is important to your business.

1. It can help improve a product or service
2. It offers the best way to measure customer satisfaction
3. It provides actionable insight to create a better customer experience
4. It can help improve customer retention
5. It delivers tangible data that can be used to make better business decisions
6. It can be used to identify customer advocates.



INTERNATIONAL TRADE



Many factors need to be considered when entering into or managing international trade.



IMPACT OF TRADE BODIES AND AGREEMENTS

Trade bodies and trade agreements define the policies and terms of trade such as import duties, quotas, subsidies and other fiscal and non-fiscal terms and conditions >



If not managed and enforced properly, then the rules and regulations may lead to improper trade practices, leading to potentially 'grey markets', thus defeating the purpose and intent of the rules and regulations >

< These terms and conditions determine the cost of manufacturing and distribution of goods on a global basis, therefore, influence the decision about plant location, distribution centers and trade routes.

< Supply chain managers must be conversant with the applicable trade agreements, in order to benefit from the clauses while ensuring compliance

Trade bodies play an important role in regulating and facilitating international trade.



SOME TRADE BODIES

1 | **WTO** - World Trade Organization. It replaced the previous international body GATT (General Agreement on Tariffs and Trade) in 1995. WTO is an international organization that regulates international trade.

2 | **UNCTAD** - United Nations Conference on Trade and Development. is the part of the United Nations Secretariat, dealing with trade, investment and development issues. The organization's goals are to: "maximize the trade, investment, and development opportunities of developing countries and assist them in their efforts to integrate into the world economy on an equitable basis

3 | **ICC** - International Chambers of Commerce is the largest, most representative business organization in the world. Its 6 million members in over 100 countries have interests spanning every sector of private enterprise. It sets and maintains the terms for international commerce INCOTERMS:
1) FOB, C&F, DDP, others
2) Advantage of standard terms and interpretation for the purpose of developing contracts and settling insurance claims

4 | **APEC** - Asia Pacific Economic Cooperation. The Asia-Pacific Economic Cooperation (APEC) is a regional economic forum established in 1989 to leverage the growing interdependence of the Asia-Pacific.

Over time, trade bodies evolve their structure and processes, however, the primary goal remains the same, i.e., support equitable and fair trade between participating countries.

These are only a few trade bodies, many more exist on an international and regional levels, aiming to promote trade and progress among their members states.



SOME TRADE AGREEMENTS



NAFTA: North American Free Trade Agreement/USMCA. An agreement signed by Canada, Mexico and the United States, creating a trilateral trade bloc, trade bloc in North America. The agreement came into force on January 1, 1994. It was replaced by a new agreement called USMCA on November 30, 2018. It provides for freer cross-border trade and has specific clauses for aluminum and some farm products.



ASEAN - Association of Southeast Asian Nations Free Trade Area. The ASEAN Free Trade Area is a trade bloc agreement by the Association of Southeast Asian Nations supporting local manufacturing in all ASEAN countries. The AFTA agreement was signed on 28 January 1992 in Singapore.



Trade agreements are long-term terms of understanding and commitment to follow certain principles, in order to maintain fair market practices.



INCOTERMS



INCOTERMS is a trademark owned by the International Chambers of Commerce (ICC), Geneva. It stands for 'International Commercial Terms'.



Scope: Standard Terms & Conditions for Transportation Cost and Liability
Benefits: Clear delineation of liability, helps settle claims and other matter, in case of accidents or other losses during transportation.



INCOTERM Examples:
FOB (Free On Board): Seller pays for local transportation to the point of loading to the ocean-going vessel or aircraft at the port of origin. Responsibility is transferred from seller to buyer at the point of vessel loading.



CIF (Cost Insurance and Freight): Seller pays for transportation and insurance up to the port of destination.

There are 13 INCOTERMS in total, as follows:

EXW - EX WORKS (... named place)

FCA - FREE CARRIER (... named place)

FAS - FREE ALONGSIDE SHIP (... named port of shipment)

FOB - FREE ON BOARD (... named port of shipment)

CFR - COST AND FREIGHT (... named port of destination)

CIF - COST, INSURANCE AND FREIGHT (... named port of destination)

CPT - CARRIAGE PAID TO (... named place of destination)

CIP - CARRIAGE AND INSURANCE PAID TO (... named place of destination)

DAF - DELIVERED AT FRONTIER (... named place)

DES - DELIVERED EX SHIP (... named port of destination)

DEQ - DELIVERED EX QUAY (DUTY PAID) (... named port of destination)

DDU - DELIVERED DUTY UNPAID (... named place of destination)

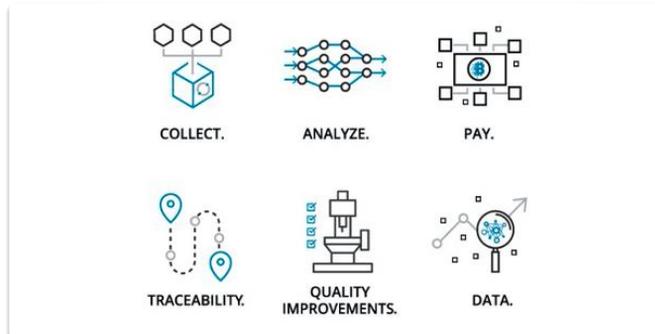
DDP - DELIVERED Duty PAID (... named place of destination)

The latest version of INCOTERMS containing complete details can be obtained from International Chambers of Commerce.



VALUE CHAIN

The concept of Value Chain focuses on analyzing cost and value added at each step of the supply chain with a view to reducing costs, thereby adding value for the customer.



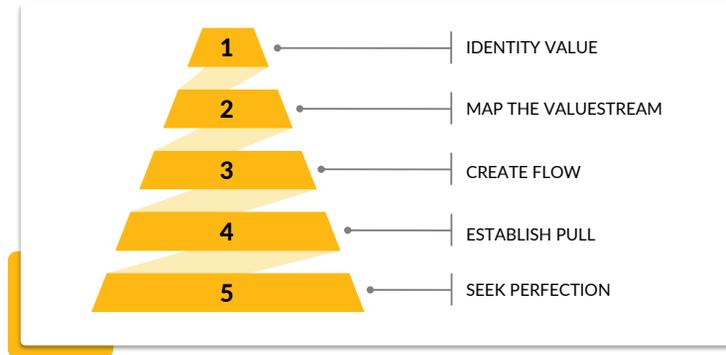
A **value chain** is a set of activities that a firm operating in a specific industry performs in order to deliver a valuable product or service for the market.



LEAN PROCESS

Lean Process refers to elimination of waste, thereby creating more value with less cost and effort.

- Sort
- Straighten
- Shine
- Standardize
- Sustain

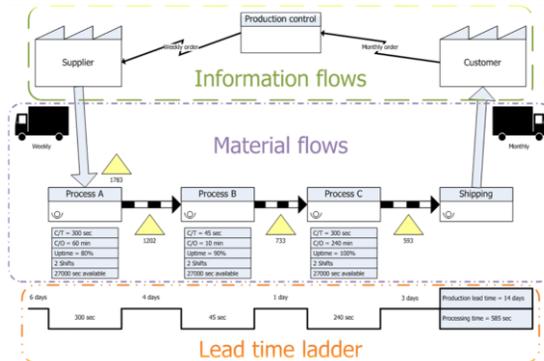


In simple terms, **lean** means creating more value for customers with fewer resources. A lean organization understands customer value and focuses its key processes to continuously increase it. The ultimate goal is to provide perfect value to the customer through a perfect value creation process that has zero waste.



VALUE STREAM MAPPING

In Value Stream Mapping (VSM), each cost activity is assessed whether it adds value for the customer or for the business. If any activity does neither, then it is a potential candidate for removal.



Value stream mapping is a lean-management method for analyzing the current state and designing a future state for the series of events that take a product or service from its beginning through to the customer. At Toyota, it is known as "material and information flow **m**apping".



WHAT IS MUDA?

Muda is the Japanese term for waste - it is used in campaigns to remove any source or cause of waste of material or time, in an effort to improve the quality of products at a lower cost.



Muda is a Japanese word meaning futility or uselessness.

It is a key concept in the Toyota Production System, as one of the three types of deviation from optimal allocation of resources.

Waste reduction is an effective way to increase profitability.



JUST IN TIME

Just-In-Time can be defined as an inventory strategy implemented to improve Return on Investment (ROI) by reducing in-process inventory and associated carrying costs. This process is based on the supply at the time of need only, which is driven by a signal, called Kanban.



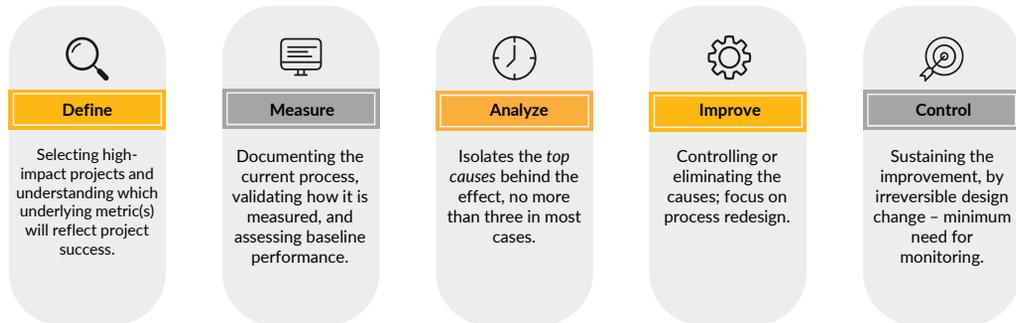
Just in time, is a methodology aimed primarily at reducing flow times within production system as well as response times from suppliers and to customers.

Just-in-time is an inventory strategy companies employ to increase efficiency and decrease waste by receiving goods only as they are needed in the production process, thereby reducing inventory costs. This method requires producers to forecast demand accurately.



SIX SIGMA PROCESS IMPROVEMENT: DMAIC

Six Sigma quality or reliability level is achieved when the defects or variability is systematically reduced to only 3.4 defects or errors per million opportunities.



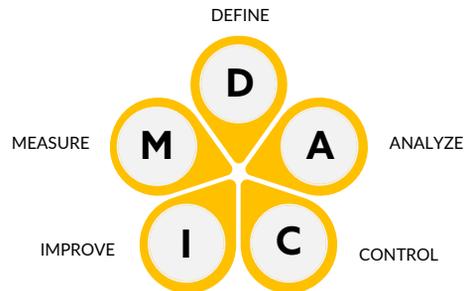
Six Sigma is a disciplined, data-driven approach and methodology for eliminating defects (driving toward **six** standard deviations between the mean and the nearest specification limit) in any process – from manufacturing to transactional and from product to service.

This slide shows the steps involved in Six Sigma process improvement.



DMAIC STEPS

In Six Sigma process improvement, DMAIC steps represent the following.



This slides show the steps in a stacked fashion, reflecting the way the process take place.



PROCESS MAPPING - SIPOC

SIPOC - Pizza Delivery				
SUPPLIERS	INPUTS	PROCESS	OUTPUTS	CUSTOMERS
ABC Dairies	Cheese	Prepare Dough	Pizza	Dine-in customers
Sunny Farms	Vegetables	Add Sauce		Take-out customers
Zesty Inc.	Sauces	Add cheese and toppings		Delivery customers
Golden Mills	Flour	Bake		
		Remove from oven and serve		

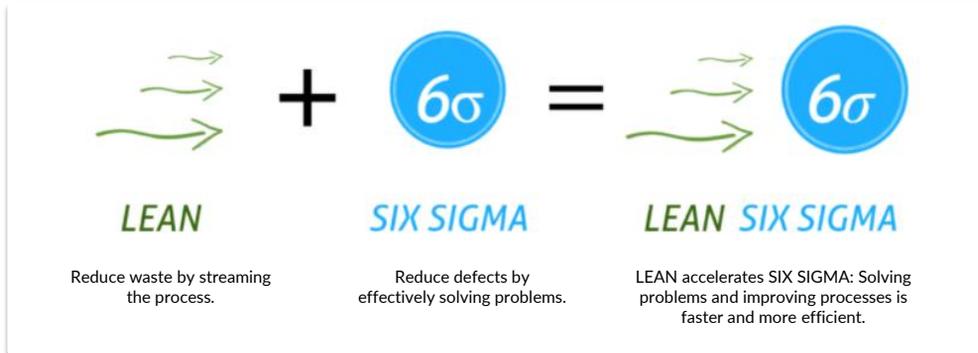
Process mapping is a workflow diagram to bring forth a clearer understanding of a process or series of parallel processes.

Business process mapping refers to activities involved in defining what a business entity does, who is responsible, to what standard a business process should be completed, and how the success of a business process can be determined.

Process mapping is one of the basic quality or process improvement tools used in Lean Six Sigma. It has acquired more importance in recent times.

LEAN AND SIX SIGMA TOGETHER

Together, Lean and Six Sigma have the greatest impact, as Lean focuses on reducing cycle time while Six Sigma focuses on reducing process variability, thereby targeting high, consistent quality at low cost.



Lean Six Sigma is a methodology that relies on a collaborative team effort to improve performance by systematically removing waste, combining lean manufacturing/lean enterprise and Six Sigma to eliminate the eight kinds of waste.



10 SUPPLY CHAIN TRENDS FOR THE NEXT 10 YEARS

1. Service chains will become more important than product chains.
2. Companies will need to fully report corporate externalities.
3. Supply chains must be designed to serve the "base of pyramid".
4. Knowledge work and workers will become global in nature.
5. SCM will have a standard certification process similar to that for CPAs.
6. Product clock speeds will determine the number and nature of the supply chains.
7. Micro segmentation will be key to success.
8. Technology to support SCM will primarily be "on tap".
9. Leaders will leverage social media in a closed loop feedback process.
10. Artificial intelligence will be embedded in mainstream supply chain activities.

Base of the Pyramid refers to mass consumption products, meaning that while upscale products generally carry higher margins, companies should not lose sight of the broader customer base which generates greater cash flow, and can potentially be moved to superior product range.



SUPPLY CHAIN IN COMING YEARS

Looking to the near future, the next change to watch in terms of supply chain management is mobile. The day is coming when planners will be able to monitor supply chain performance and manage day-to-day supply chain issues from their smartphone.



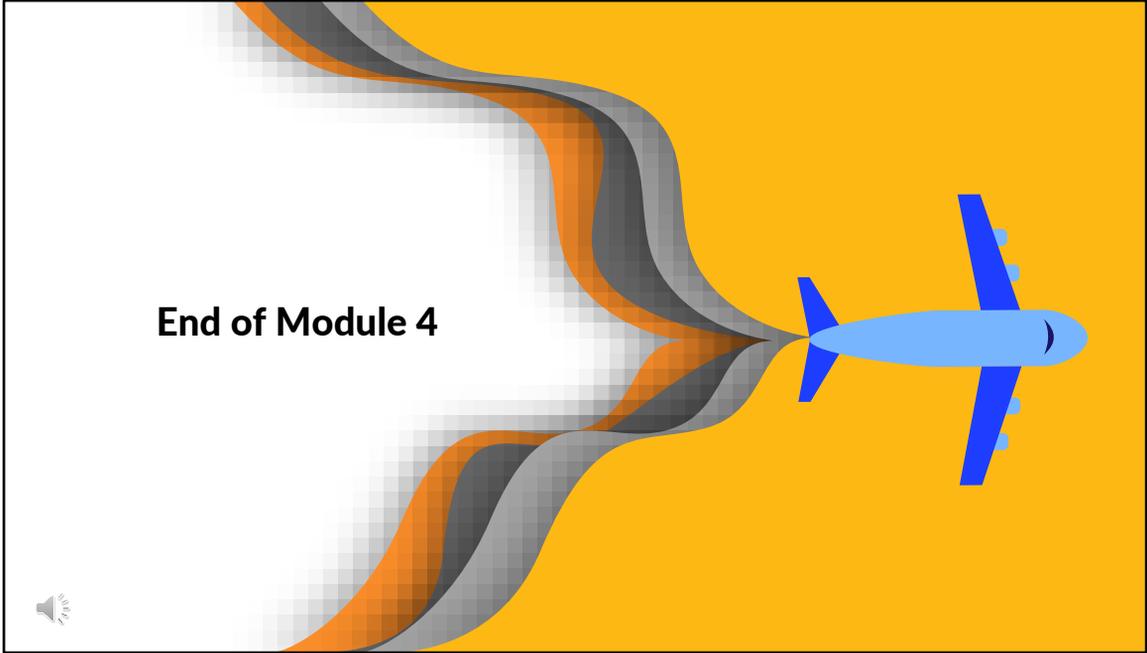
Supply management will continue to be the key driver of business performance, requiring skilled professional to lead the processes.



SUPPLY CHAIN OUTLOOK



Improvement in supply chain practices has helped corporations turn around their fortunes. An example from Canada is given here.



The end of the Module 4.

Key Topics

- Sustainable Growth
- Financial Ratios - Productivity
- Best Practices and Bench Marking
- Fundamentals of Just-In-Time (JIT)
- Fundamentals of Lean and Six Sigma
- Theory of Constraints
- Change and Transformation
- Case Study Exercise
- Hands-on Computer Simulation

**Module 4: PROCUREMENT, CUSTOMER
SERVICE & PRODUCTIVITY**



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