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# Logistics And Supply Chain Management: Advantages And Benefits

## Logistics

Logistic initiates the overall process of managing how the resources are obtained, stored and transported towards their final destination. Logistic management involves various aspects in which they identify the various perspectives of their distributors and suppliers and moreover determining their effective and accessibility. The term logistic was initially used by the military and it is referred to as the military personnel obtained, stored, and moved their equipment and supplies. Nowadays the terms are used in every business sector, particularly in businesses that are more involved towards the manufacturing sectors. As mentioned above, business logistics basically means how the resources are handled and provided forward towards their supply chain.

Supply chain consists of producing the products and delivering the goods to their customers or considers. in-order to have an efficient and quick means of supply chain management, business must consider producing their goods in an efficient manner moreover delivering their goods as quickly as possible for their customers satisfaction and demands. hence, the methods of aviation transportation are relied upon to deliver their goods to their customers, this is due to the fact that the customers satisfactory level will increase and moreover will keep a good relationship with the business. another factor that can be considered, is the competition market where if one business's fail to deliver on time, the customer will lose their loyalty and jump to another. therefore, choosing a delivering method that is related to aviation transportation seem to be an effective choice.

Once a business obtains effective supply chain management, it can be considered that the business is benefited with competitive advantage in their industry. This is due to the fact that effective and efficient management will create a window where it allows the operation to decrease their inherited risks when purchasing raw materials and components and forwarding their operations towards the finished goods and services. many benefits can be encountered by the business, such as;

- higher efficiency rates as the business will be able to incorporate their supply chain with their integrated logistics, innovative strategies will occur as the business will be able to predict the number of demand and moreover act accordingly. hence, the business can act in a dynamic manner towards their fluctuating economies and market, and yet know what amount of resources must be utilized to keep them in a beneficial state.
- such moves, will definitely decrease the amount of expenses required to be injected into the operation and moreover, the management will be benefited in reduced cost in terms of inventory, storage space, elimination of damaged resources, improvement of customer's requirements and responsiveness and relation towards both distributors and vendors.
- by knowing the demand input through communication. the operations can be coordinated in relation to the increased output and efficiency, and moreover collaborating themselves with shipping and transport companies, vendors and suppliers.

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the efficiency rate of productivity will be increased.

- since output is increased through sophisticated management, it will also increase the business profit as they are able to produce customer demand and reduce their invalid expenses.

## **Boost Cooperation Level**

When we're talking about the most successful businesses right now, one of the things they all have in common is communication. In fact, when there is a lack of communication, your vendors and distributors have no idea about what's going on. So, this is definitely one of the main advantages of supply chain management. Plus, when you also open your doors and embrace technology, you can also take advantage of the fact that people don't even need to share the same space in order to be a true communication. The communication among the different areas of your business will allow you to have faster access to forecasts, reporting, quotation, statuses, among many other plans in real time.

The most successful businesses in today's world have one common thing that is communication. When there is effective or continuous communication among the business stakeholders, they stay at track. If there is a lack of communication vendors, distributors, suppliers have no idea about what's happening. Communication is definitely one of the main advantages of supply chain management.

## **No More Delays in Processes**

One of the main benefits of supply chain management is the fact that through communication, you can actually lower any delays in processes. Since everyone is aware of what they're doing as well as what others are doing, this will mitigate any late shipments from vendors, logistical errors in distribution channels, and hold-ups on production lines.

## **Enhanced Supply Chain Network**

It's not easy to maintain a sustainable supply chain management system. According to some of its advocates, one of the best ways to do it is by using a combination of lean practices (like waste removal, for example) with agile. By combining all the information gathered on the different sectors of your business will allow you to have an enhanced supply chain network.

## **Supply Chain Management 6 components**

1. Planning - in order for enterprises to have an efficient supply chain management, they must plan and manage all the resources required to meet the customers demand in terms of product and services. moreover, the business must also determine what methods are beneficial for their operation in where they can ensure that their supply chain will be effective and efficient, additionally delivering value to customers and meet their enterprise goals.
2. Sourcing - Companies must choose their suppliers to provide their demanded goods and services in-order to manufacture their products. hence, the two parties are in a contract, in where the managers of the supply chain use variety of methods and processes to track, monitor and manage their supplier's relationships. key indication

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includes the process of ordering, receiving, managing their inventory and authorizing the payments to their suppliers.

3. Making - in this aspect, the managers of the supply chain co-ordinate the different activities such as the requirement of raw materials, manifesting of the goods, quality control and testing, packaging for the shipment and scheduling it for delivery. enterprises measure their good's quality, production output and their workers productivity to ensures that the goods that are delivered are of the required standards.
4. Delivering - this aspect is also considered and known as Logistics, in where the process involves customer's orders co-ordination, scheduling a delivery date, dispatching loads, customers Performa invoice as well as receiving the payments. the process relies on a fleet of vehicles to ship products or goods to their customers. in-order to a meet consistency, business may outsource large parts of the levier process of specialist organization in where the products can be handled and be delivered toward their consumers.
5. Returning - if a produced goods is known and considered to be defective, the supplier must have the flexibility and responsiveness to receive their unwanted goods. additionally, the supplier must rework their defective goods or rework them to meet their customer's demand.
6. Enabling - in-order to operate efficient, the supply chain requires a number of supports to enable themselves with the ability to monitor their information throughout the supply chain process and procedure, this will moreover assist them in regards to assurance and compliance with all the regulations. the enabling process must include finance, HR, IT, Facilities, Portfolio management, product design, sales and quality assurance.

## **The benefits of intelligent supply chain**

intelligent supply chain management helps in reducing costs, overhead, improve profitability and add opportunities of competitive advantage for the organization.

According to the Blockchain in Trucking Alliance also known as BiTA, intelligent supply chain management is basically changing the game for traditional warehousing, retailers, consumers and employees alike.

Artificial intelligence is considered to be more mainstream as machine aided purchases, such as voice ordering and assistance like Alexa in Amazon are beginning to mature in our everyday household. Due to technology it can be considered that the era of AI assistance will likely grant businesses with benefits hence investment towards this aspect are being considered by the companies, although some elements must be analyzed before stepping towards a change.

- Fear and Poor Change Management prevent successful implementation of intelligent supply chain management.
- a typical issue in obtaining truly intelligent supply chain reflects the issue present when making any investment decision, as supply chain executives would express their concerns towards the costs, disruption to productivity, time delays and impact on data. However, the newer system has inherited capabilities in which these sorts of concerns are considered to be irrelevant.
- the technologies that are powering this intelligent system demands various connections throughout the whole system, which in hand is integral to the omni channel supply chain.

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the nature of this technology is intimidation as Dr, Ravi Prakash Mathur stated in Digitalis Magazine. machines are able to learn, moreover they can also disrupt the overall operations. henceforth advanced algorithm enables the continuous improvement through embedded intelligence without the disruption of operations.

## How Can Supply Chain Leaders Implement Intelligent Practices?

- by utilizing big data and algorithms, the operation will improve where data such as descriptive, predictive, and prescriptive analytics data must be used in order to reduce disruptions and keep facilities operating at peak efficiency.
- Initiating the machine to learn and take hold. as the learning allows equipment to continuously self-optimize and become more efficient.
- Automate process and procedure whenever necessary or possible, as automation would reduce the amount of time needed, including labor hours, to complete a process, enhancing the supply chain.
- IoT-based systems implementation would be beneficial as they are essential to managing complex, omnichannel supply chains due to the worldwide nature of potential customers and shipments.
- utilizing RFID to improve visibility as this method can be used to trace and track data. Through better tracking, companies can reduce costs and stay competitive with Amazon.
- refining and updating the system continuously would be a great aim to enhance the effectiveness and efficiency of their operations.

## Conclusion

To conclude, it can be considered that in-order to have an effective and relying business operation, companies must include and understand the different variants mentioned in the report. this will assist them to become more effective and efficient that will provide various benefits, in terms profitability, efficiency and customer loyalty.

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