Best practices for Supply Chain Management

Introduction

In an era where delivery timelines are shrinking and instant gratification is in demand more than ever, effective Supply Chain Management, or SCM, is a critical driving force behind any business's success, no matter what domain they operate in. Companies today are always looking to upgrade their supply chains to meet the demands and satiate their customers. Given how vital a part SCM has become, here are some of the ways in which industry leaders across the world are creating the best supply chain management systems for their organizations.

Best Practices To Boost Your Supply Chain Management

Strategize and plan

The very first step for optimizing your supply chain is to come up with a strategy that allows your organization to stay competitive. The worst thing you can do is not have a plan and do things in a haywire fashion. Your supply chain management strategy should consider all the opportunities that are going to come your way and how to best make use of them to propel your business. You can plan for your human resources and infrastructure needs to achieve the goals you've set for yourself.

Build a Stellar Team

Once your supply chain strategy is locked and loaded, now is the time to implement it. *One of the biggest mistakes that businesses make is assuming that everyone is a natural supply chain expert.* Surround yourself with professionals who add value to the organization with their experience, people who are goal-oriented and have an analytical bent of mind. Once you've built your army of supply chain generals, train them by giving them multiple responsibilities and allow them to grow into their own.

Employ Cutting Edge Technology

Today, there are a million different software applications available in the market that claim to bolster a company's supply chain management. While each has its advantages and unique functionalities, you have to understand what works best for you. To do this, start by looking inward, understand your organization's flow, and identify the areas that need to be optimized. Based on this information, you can begin looking at all the tools you can use to achieve this. Often people get dazzled by the latest gizmo and end up buying and applying technology that their businesses don't even need. Stay away from such euphoria and only choose what works best for you.

Be on top of things

Once you've put all the pieces together and implemented a supply chain management plan, it is also equally important to continuously observe and evaluate its effectiveness. Companies often miss out on this step and hence end up inflicting severe damage to their profits because they simply become complacent. Establish proper channels for feedback, create key performance indicators not to get caught sleeping, and make the right moves while there's still time. Set standards for all the important metrics like cost, time, etc., and work towards consistently achieving them. Make it your organization's

second nature, and ensure that it's followed not just by the top management but across the board.

Engage in Meaningful CSR

As you're shaping your supply chain policies, always keep in mind the enormous debt you owe to the planet and its health. *We often don't realize just the sheer amount of resources we borrow to the planet and how little we give it back.* Strive to minimize your company's carbon footprint by creating an eco-friendly process, from keeping in place pollution control measures in the production to using biodegradable materials to pack your products. Ensure that not just you but also your suppliers follow these green practices and contribute back to the planet's well-being.

Businesses should also look into areas where they can positively impact the lives of people around them. A lot of brands take care of the neighborhoods that their facilities are located in. Many organizations donate unused products to those who cannot buy it otherwise. CSR activities are a great way to imbibe values into your organization beyond the usual discussions on profit and loss. Such activities create a brand persona that resonates with your customers and your employees.

Minimize risk

[Risk management](#) is the process of identifying the areas that may create issues in the future and keeping in place contingency plans for each of those scenarios. No risk management plan is 100% effective, but a comprehensive one goes a long way in mitigating the most common risks and minimizing their impact on the business.

Create a Strong Supplier Ecosystem

Your suppliers could be the strongest or the weakest part of your entire supply chain management, depending on how well the partnership works. Create value-based alliances with all your suppliers, ones that go beyond just business partnerships and evolve into an eco-system wherein they grow through you and you through them.

Create Seamless Payment Processes

Creating a hassle-free payment process is a make or break for any business, eCommerce, or otherwise. If the customer is already at the payment page, they surely wish to purchase the goods. If the sale doesn't go through after that, you have only your payment systems to blame. Provide multiple payment options, with occasional discounts and offers to your customers. [Automate](#) your invoicing, billing, and ==shipping management== to be able to provide lightning-fast deliveries. If the customer has an engaging and delightful experience shopping with you, they're sure to come knocking at your door the next time they have the urge to shop.

Conclusion

Leaders are those who are always on the hot pursuit to outperform not just their competition but also themselves. With supply chain management, the story is no different. *Companies that are ready always to keep looking for ways to make their SCM more effective, inclusive and efficient will always end up on the winning side in the longer run.*

Useful Resources:
1) https://www.hollingsworthllc.com/best-practices-optimizing-supply-chain-management/
2) https://blog.arkieva.com/supply-chain-best-practices/
3) https://blog.cmecorp.com/7-supply-chain-management-best-practices