

Mini MBA: Supply Chain Management
Integration Module
Gordon D. Smith, Ph.D.

To manage supply chains well means to develop expertise that crosses the areas of sourcing, operations, and logistics. Success is achieved by integrating these areas into a global framework, balancing the cross functional trade-offs in the value chain, and understanding that the integration of supply chain and business strategies lead to sustained success. Supply chains are no longer a cost focused paradigm. Minimizing supply chain costs while keeping a reasonable service level (customer fulfillment, quality, on time delivery, etc.) is how Supply Chain Management contributes to the bottom line. Integration focuses on strategic alignment within the supply chain. Strategy answers the “how” questions. Strategic alignment goes beyond and translates into aligning all actions and decisions within functional areas of a company to make sure that strategic goals can be reached. Strategic alignment ensures that what people do on a daily basis supports the strategy and leads the company towards achieving its mission goals. Thus, a chain of actions to reach the goal is set up: from mission to strategy, to strategic alignment, to tactical alignment, to day-to-day operations.

We will present a framework for understanding strategic alignment focused on supply chain integration. We will also ‘experience’ strategic alignment and focus on the following:

- Identify drivers of supply chain performance
- Link the structure of these drivers to the success of the supply chain strategy
- Discuss causes of information distortion in the supply chain
- Identify suitable countermeasures to coordinate the supply chain
- Assess strategy and alignment

At the end of this session, the student will be able to articulate key insights about how strategic alignment translates a company’s organizational strategy into concrete actions, making sure all elements (departments, partners, etc.) work as one, pursuing the same goal - improving a company’s financial performance.