

Conducting Assessments of the Supply Chain Management Processes

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Overview

The eight supply chain management processes provide a comprehensive framework to guide cross-functional teams in their efforts to achieve the integration necessary for managing relationships with customers and suppliers. However, the successful implementation of any of the processes requires that managers from all corporate functions understand their roles in the process. The challenge is finding a way to bring all the necessary parties together and start the dialogue. In this chapter, we describe a methodology designed to assist management in the implementation of the supply chain management processes using the assessment tools contained in Appendix A through Appendix H of this book. The assessment of a process will enable management to benchmark the practices of the firm with those prescribed in the process and prioritize the identified improvement opportunities.

Introduction

Where should we start in terms of implementing the cross-functional supply chain management processes? How can I evaluate my organization's level of maturity in terms of the eight supply chain management processes? These are questions that executives frequently struggle with answering. In order to help answer these questions, an assessment tool was developed for each of the eight processes. Completion of an assessment enables management to identify opportunities to improve performance on specific activities within a process and to set the appropriate priorities.

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The discussion that takes place during the assessment enables managers to understand how their decisions and actions affect others in the organization. Since work is done inside corporate functions, managers interact primarily with others in the same function. Thus, mental models, assumptions and opinions about what is important for the organization as well as how other functional areas perform or should perform their activities are developed based on managers' experiences in a function. Even specific terminology is used inside each function that makes communication between or among functions challenging. This results in a certain