

Supply Chain Management



Summarize your understanding of each paragraph.

In our business management and marketing class, we describe supply chain management (SCM) as five major processes. All students in these classes should memorize these processes.

Buy is the process to procure or purchase material, equipment, and commodities. **Make** is the process of manufacturing or assembling. **Move** is transporting. **Store** is warehousing. **Sell** is selling.

Examples of supply chain management work include new product development, inventory strategy, demand planning, sourcing and commodity management, logistics optimization, and sustainability.

All product-based companies have these five basic processes of buy, make, move, store, and sell. Even if the company does not directly perform the process itself, they enlist another company to do it.

Read Potential Benefits



1. Read the passage. (SCM potential benefits)
2. Underline key expressions in each sentence.
3. Re-write each word (or expression) you underlined.
4. Summarize the passage.

Read this. Underline key words.

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Having an exceptionally managed supply chain provides businesses with several benefits (advantages). Some examples of potential “bottom-line” benefits include:

- Cost reduction
- Customer lead-time improvement
- Lower buffer inventories from more reliable transportation
- Improved gross margin return on inventory investment
- Accelerated synergy capture in the event of mergers/acquisitions
- Improved process efficiency and cost reduction
- Fewer carriers to manage
- Ability to establish internal and external benchmarks

Re-write words you underlined

Using a complete sentence, summarize or rephrase the passage
