

Supply chain failures can be prevented

Supply chain failures result in empty store shelves, infrastructure in various states of breakdown, basic services and resources that are just not available when and where they're needed, and even increased pollution levels. All these problems are preventable if the relevant supply chains are managed by skilled professionals.

Supply chain management is commonly misunderstood as public procurement, or as logistics in isolation. It is however the integrated combination of activities that balance the supply of goods and services with the demand of customers.

"Every part of every product we buy needs to come from somewhere. This usually starts with raw material that need to be sourced, bought and processed by a supplier, stored somewhere, distributed to even more suppliers, and finally to end-customers. And that's describing a very short and simple supply chain," says Jenny Froome, General Manager of SAPICS - a professional knowledge-based association that enables individuals and organisations to improve business performance. "Most supply chains are incredibly complex, with multiple layers needing to be coordinated at the same time."

Any part of this chain of events that is not optimised for efficiency, causes a ripple effect of inefficiencies throughout the entire supply chain, that could result in inventory losses, wasted warehousing space, extended lead times, half-empty trucks serving delivery routes and so on. All of these inefficiencies cause a business to either lose money, spend more money than it should, have unhappy customers, or a combination of these.

"There is at least one supply chain in every single industry, and in most, there are several supply chains that feed into one another," says Froome. "Aerospace, automotive manufacturing, banking services relating to cash transit, retail, pharmaceuticals, food and beverage processing, even the fashion industry all have supply chains that could benefit immensely from supply chain management by Certified Supply Chain Professionals."

Some of the issues that supply chain professionals need to take into account when planning and executing profitable supply chains include energy shortages, technological developments, labour and skills demands, and environmental concerns.

The areas of expertise required to plan and maintain the balance between supply and demand is highly complex, and will be addressed during the 38th Annual SAPICS Conference for Supply Chain Management Professionals. Scheduled for 12-14 June 2016 in South Africa, the conference will explore topics that will help delegates to overcome challenges facing senior to executive level business professionals charged with reducing costs, increasing revenue, and keeping customers happy.

The speaker line-up for the 2016 SAPICS conference is available at conference.sapics.org and includes a number of highly sought-after local and international speakers. The standard registration fee is applicable until 30 April, after which a more expensive closing registration fee will apply.

Sponsors of the conference include SYSPRO, Barloworld Logistics, BidVest Panalpina, Chep, Imperial Logistics and UTi. The conference will also host in excess of 50 exhibitors relevant to the supply chain management industry.