2012

Social Supply Chain – The Future of Supply Chain Management

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4/27/2012

Social Supply Chain – The Future of Supply Chain Management

The fundamental model of a functional supply chain is based on the flow of material from manufacturers to suppliers to end users, and a reverse flow of information from the end users to suppliers to organizations. This reverse flow of information plays a critical role in identifying requirements and areas of improvements, and aids the process of improved decision making. For a supply chain to work efficiently one needs to have constant flow of real time information on:

- ➢ Manufacturing process of products.
- ➢ Capital needed to manage and distribute inventory.
- ➢ Transportation performance & costs.
- ➢ Warehousing costs.
- ➢ Inventory turnover.
- ➢ Speed of different inventories.

Flow of Products

Organization ➡ Supplier ➡ End User

Information flow for strategic improvements
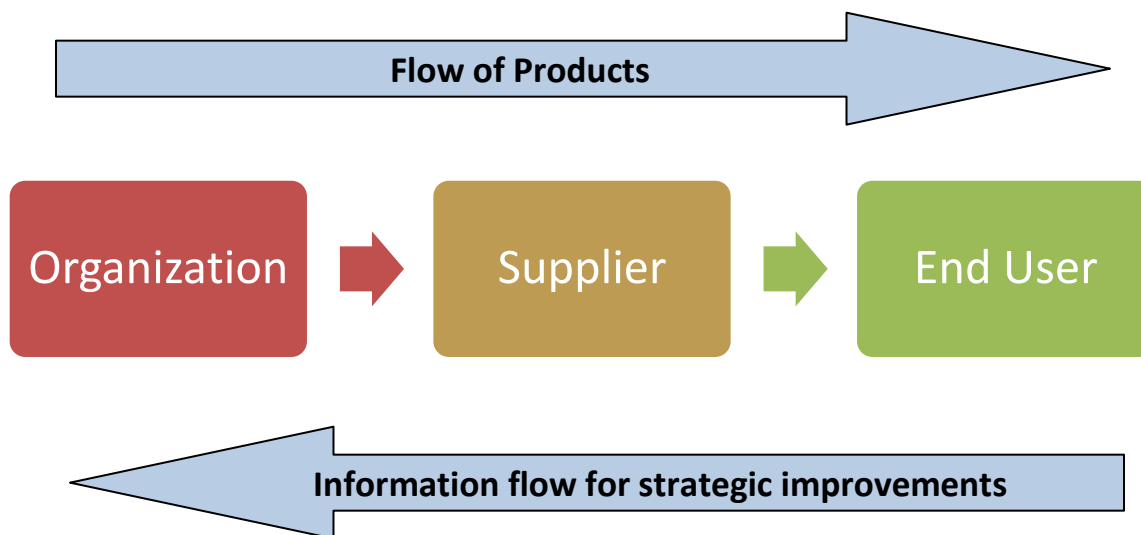
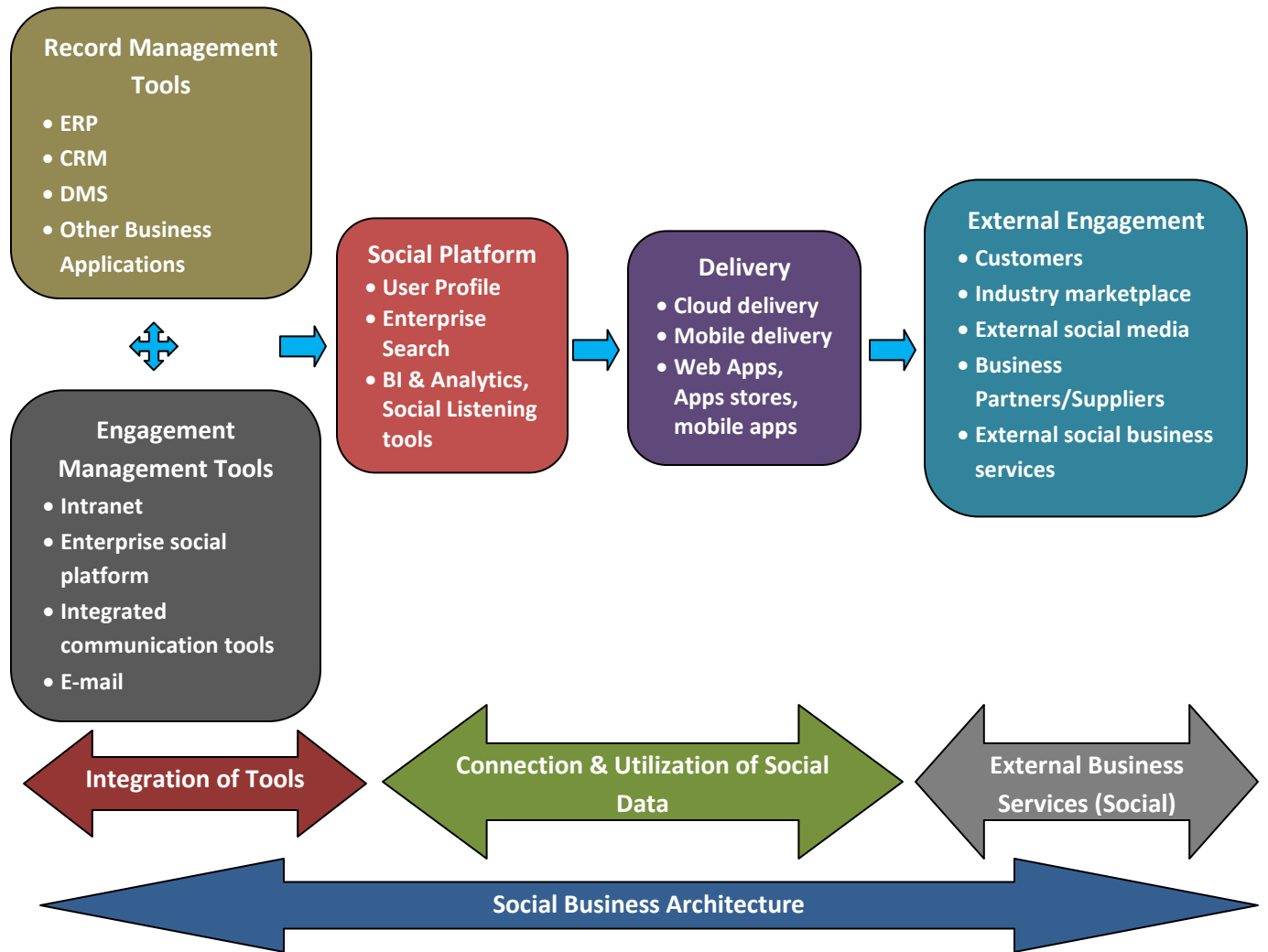Flow of materials and information in an enterprise

Social supply chain

Intense global competition, constant fluctuations of cost index, increasing energy and transportation costs, decreasing product shelf lives, and demand for mass customization are posing serious threats to the operation, growth and evolution of the present day organizations. In order to safeguard their health the organizations are gradually turning towards social business models to augment their traditional models. Social Enterprises are the latest buzzword in the market. And social supply chain forms an

integral part of the social enterprises. Offerings like new ways of process engagement, methodologies, tools, and delivery models to efficiently handle supply chain management efforts make social supply chain a must have for enterprises.

Social supply chain equipped with the new offerings can provide convincing solutions to majority of today's supply chain challenges. The factors leading to the development of the solutions are:

1. **A competent and wide spread network –** A focused social network that can deliver the know-how of different aspects of a supply chain. This provides a continuous access to intelligent information and latest trends, thereby allowing the supply chain to tap into those resources to enable major operational improvements. This aids both the short term as well as the long term decision making process resulting in improved organizational functioning.

2. **Social supply chain sourcing –** Regular interaction with partner communities and fresh network management systems are call of the day for the enterprise social supply chains. These new processes enable real time gathering and controlling of information and using them to dynamically and efficiently meet supply chain challenges.

3. **Social exception management –** Social search, analytics and other advanced tools are integral parts of the social business model. These tools ensure that all relevant and available knowledge resources are captured and then put to good use to develop solutions for the emerging needs and challenges of the supply chain. Every second a lot of information emerges and spreads across the entire supply chain ecosystem. To get hold of the correct and most relevant information and then using them for developing better solutions often proves to be the critical factor differentiating between success and failure of the social supply chain.

4. **Social supply chain as a business –** Not all organizations are willing to share their internal supply chain details with their external business partner communities. If such an organization chooses to implement social supply chain, then it will be treated as a functional capability solely added to the idea of achieving greater profits.

Record Management Tools
- ERP
- CRM
- DMS
- Other Business Applications

Engagement Management Tools
- Intranet
- Enterprise social platform
- Integrated communication tools
- E-mail

Social Platform
- User Profile
- Enterprise Search
- BI & Analytics, Social Listening tools

Delivery
- Cloud delivery
- Mobile delivery
- Web Apps, Apps stores, mobile apps

External Engagement
- Customers
- Industry marketplace
- External social media
- Business Partners/Suppliers
- External social business services

Integration of Tools

Connection & Utilization of Social Data

External Business Services (Social)

Social Business Architecture

A social business architecture that will ensure success of a social supply chain

Benefits of a social supply chain

- ➢ Improved feedback mechanisms from varied channels and mediums like APIs, supplier communities, end user communities, social media platforms.
- ➢ New channels and methods of information flow.
- ➢ Advanced technological innovations allowing better knowledge/understanding of the products by the handlers.
- ➢ Real time information flow.
- ➢ Real time response to supply chain changes.
- ➢ Improved decision making capability.

Conclusion

Social media in supply chain or social supply chain is still in its early days and the actual ROI can be realized not before another couple of years. But the growth potential that social media offers makes it a must have feature in the present day supply chain strategy and design. Till now social media was primarily being used by the B2C companies to market their brands, by the young generation in their personal life, and to enhance external communications with the end users. Things have changed now and social media is being considered as one of the most powerful tools that will shape the business models in future. More and more B2B organizations are incorporating social networking feature in their supply chain to facilitate better and real time communication with customers, suppliers, and business partners. It is also being utilized to improve internal communications within an organization. In a word it integrates the entire supply chain from the manufacturers to the end users and allows communication between all the parties involved in the process. Hence it has become increasingly necessary for the organizations to equip themselves with a well designed and scalable supply chain management system, whose features will be able to meet all the needs of the customers and at the same time match the latest technological advancements.

About DreamOrbit

DreamOrbit is an innovation driven **software product engineering company**. We help enterprises and software companies (ISVs) build innovative solutions that are cross platform enabled and work on cloud based delivery model. We collaborate with our customers to think, design and develop robust software with built in quality, in an engagement model that accelerates development speed and guarantees results.

We work for software companies (ISVs) that build enterprise products for the Logistics & Supply Chain Management industry and also for the logistics service providers (LSPs). Our core team has many years of experience in developing quality software for Logistics Services Providers including **Freight Management**, **Warehouse Management** and various modes of Shipping.

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