

# **Supply Chain Management**

*Supply chain management* is seen as the network of services that produces raw materials, transforming them into in-between goods and then final products and delivering the products to end-users through distribution structure. Wieland (2021) argue that the supply chain management includes procurement, manufacturing and distribution and the main objective is to optimise the performance of the chain. In simpler terms, it is about aiming to link all the supply chain agents to cooperatively collaborate within the business for maximising the productivity in the supply chain practices (Sodhi & Tang, 2021). Businesses around the world uses different improvement methodologies for improving the business performance. Researchers and manufacturers have noticed that SCM is not only about distribution of products from manufacturers to end consumers but is also the managing of material, money, men and information within and across the supply chain for maximising customer satisfaction and getting an edge over the rivals.

The *paper plate* industry has seen tremendous growth in recent years, owing to its eco-friendly nature and convenience. However, with the rise in demand, comes the need for an efficient supply chain strategy to ensure that customers receive high-quality paper plates in a timely and cost-effective manner.

This essay outlines a supply chain strategy for *Paper Cup Company Pty. Ltd.* having retail shops in Australia and sourcing products from Asia. The company has been serving Australian Market since 2004, sourcing products from different regions. The proposed study provides analysis and discussion on developing a supply chain strategy for concerned organisation for selling of paper plates.

In the current competitive business environment, supply chain management have a significance importance. However, supply chains are growing more complicated than ever, with e-commerce and Omni-channel growth placing an exponential demands on logistics for ensuring distribution of the right products to the right customers at the right time (Sodhi & Tang, 2021). E-retailers and retailers are continuously challenged in this cut-throat competition to develop their delivery performance to keep consumers happy. Operational competence in the supply chain has become a top precedence for profit margins as well. Wieland (2021) views that transport packaging also plays an important role in the protection of the products all the way to its final destination and also the manufacturing site.

Developing a supply chain strategy for Paper Cup Company Pty. Ltd. for distribution of paper plates sourced from Asia to be sold in Australia would require a thorough analysis of

various factors that influence the supply chain. According to Waters (2019), the first step of an effective supply chain strategy is *defining the objectives*. Paper Cup Company Pty. Ltd. needs to first define the objectives of the supply chain strategy. These objectives should align with the overall business strategy of the company. For example, the objectives of the Paper Cup Company Pty. Ltd. could be about improving the delivery time, decrease costs, improve product quality, or increase customer satisfaction. Identifying the demand for a specific product plays a crucial role in the supply chain management. Kot et al. (2020) emphasises that for an organisation, *identifying the market demand* for the product is crucial. Paper Cup Company Pty. Ltd. needs to analyse the demand of paper plates in Australia and the requirement of sourcing it from Asia. By analysing the demand for paper plates in the country, the concerned organisation can understand the market trends, consumer behaviour, and the competition. This will assist in determining the quantity of paper plates to be sourced from Asia and the frequency of delivery.

*Selecting appropriate suppliers* plays a significant role in supply chain management of an organisation. According to Waters (2019), supply chain strategy depends on selection of suppliers and Paper Cup Company Pty. Ltd. for having an effective strategy needs to identify and evaluate potential suppliers in Asia. For this, the evaluation process of the company needs to include different factors such as supplier capacity, production capabilities, quality control measures, and financial stability. It is also significant to consider the ethical and environmental impact of its suppliers.

One of the theories of supply chain management that Paper Cup Company Pty. Ltd. can consider for evaluating its suppliers is the theory of *strategic sourcing*. It is a concept that includes recognising the most appropriate dealers for a company's goods and services while seeing the organisational goals and objectives (Sodhi & Tang, 2021). The objective of this theory is about developing long-term relationships with suppliers that provide value beyond just the cost of goods. Kot et al. (2020) views that for applying the theory of strategic sourcing the company would need to carefully evaluate potential suppliers based on different criteria for the development of a supply chain strategy for paper plates sourced from Asia to be sold in Australia. Some of these criteria includes production capacity, quality control measures, environmental impact, financial stability, and ethical considerations (Tien et al., 2019).

On the other hand, Wieland (2021) views that with the strategic sourcing approach would involve selecting suppliers that are aligned with the company's values, objectives, and goals. For example, if the Paper Cup Company Pty. Ltd has an objective of reducing its carbon footprint, the company needs to work with suppliers who are committed to sustainable manufacturing practices. In addition to this, Paper Cup Company Pty. Ltd would prioritize suppliers that offer good pricing, reliable delivery, and high-quality merchandises (Attaran, 2020, July). However, Zekhnini et al. (2020) views that one of the critical aspect of the strategic sourcing approach is developing long-term relationships with suppliers. One of the main benefit of having a reciprocal and strong supplier relationship is getting value for the company. The better the relationship is, the better a company can received personalised service. With these relationships, the Paper Cup Company Pty. Ltd can ensure a stable supply of paper plates and reduce supply chain risks. Mangan & Lalwani (2016) views that relationship could be made sturdy by regular communication and collaboration regarding areas for improvement, sharing of information, and applying joint initiatives to develop the supply chain's performance.

In applying the theory of strategic sourcing, the company would also need to consider the potential impact of its supply chain on its reputation and brand (Tien et al., 2019). For example, if the Paper Cup Company Pty. Ltd is sourcing paper plates from suppliers with a poor track record of ethical practices, this could negatively impact its reputation and brand image. Waters & Rinsler (2014) views that it is also crucial for the Paper Cup Company Pty. Ltd to consider the ethical implications of its sourcing decisions and select suppliers with strong ethical practices.

Mangan & Lalwani (2016) emphasises that optimisation of logistics also play a significant role in ensuring efficient and timely delivery of paper plates from Asia to Australia. For example, different factors needs to be considered such as transportation modes, shipping routes, and warehouse locations for the logistics strategy of the company (Attaran, 2020, July). Paper Cup Company Pty. Ltd should also consider the customs and regulatory requirements for importing paper plates from Asia to Australia. Moreover, the company should consider implementing technology solutions to develop the efficiency of its supply chain. For example, Paper Cup Company Pty. Ltd could use supply chain management software to track the inventory, monitor the supplier performance, and manage the logistics (Khan & Yu, 2019).

Measuring and monitoring the performance of the supply chain strategy is the final step for an effective supply chain management (Mangan & Lalwani, 2016). Paper Cup Company Pty. Ltd for monitoring the strategy needs to establish different key performance indicators (KPIs). This could be delivery time, cost per unit, and customer satisfaction. Having these indicators will allow the company to evaluate the effectiveness of its supply chain strategy and recognising areas for improvement. According to the literature from Waters & Rinsler (2014) and Zekhnini et al. (2020), a successful supply chain strategy requires trust, collaboration and communication among all stakeholders in the supply chain, including suppliers, distributors, and customers. The strategy needs to include market analysis, supplier's information across Asia, logistics requirements, transportation and distribution process, warehousing and other key components. If implemented properly, the concerned organisation can surely succeed in its supply chain of eco-friendly paper plates (Attaran, 2020, July).

On the basis of above discussion, it is identified that Paper Cup Company Pty. Ltd for an effective supply chain strategy needs to build a flexible chain enough to accommodate changes in demand or supply. It is also important to have a contingency plans in case of unexpected events like supplier disruptions or natural disasters. This helps in mitigating the impact of such events on the supply chain and ensures that customers receive the paper plates in a timely manner. Paper Cup Company Pty. Ltd needs a systematic and comprehensive approach for an effective supply chain strategy for paper plates.

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