

Rizvi College of Arts, Science And Commerce Bandra (West)

LOGISTICS AND SUPPLY CHAIN MANAGEMENT

CHAPTER 1 : INTRODUCTION TO LOGISTICS AND SUPPLY CHAIN MANAGEMENT

TYBMS SEMESTER 5

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ROADMAP

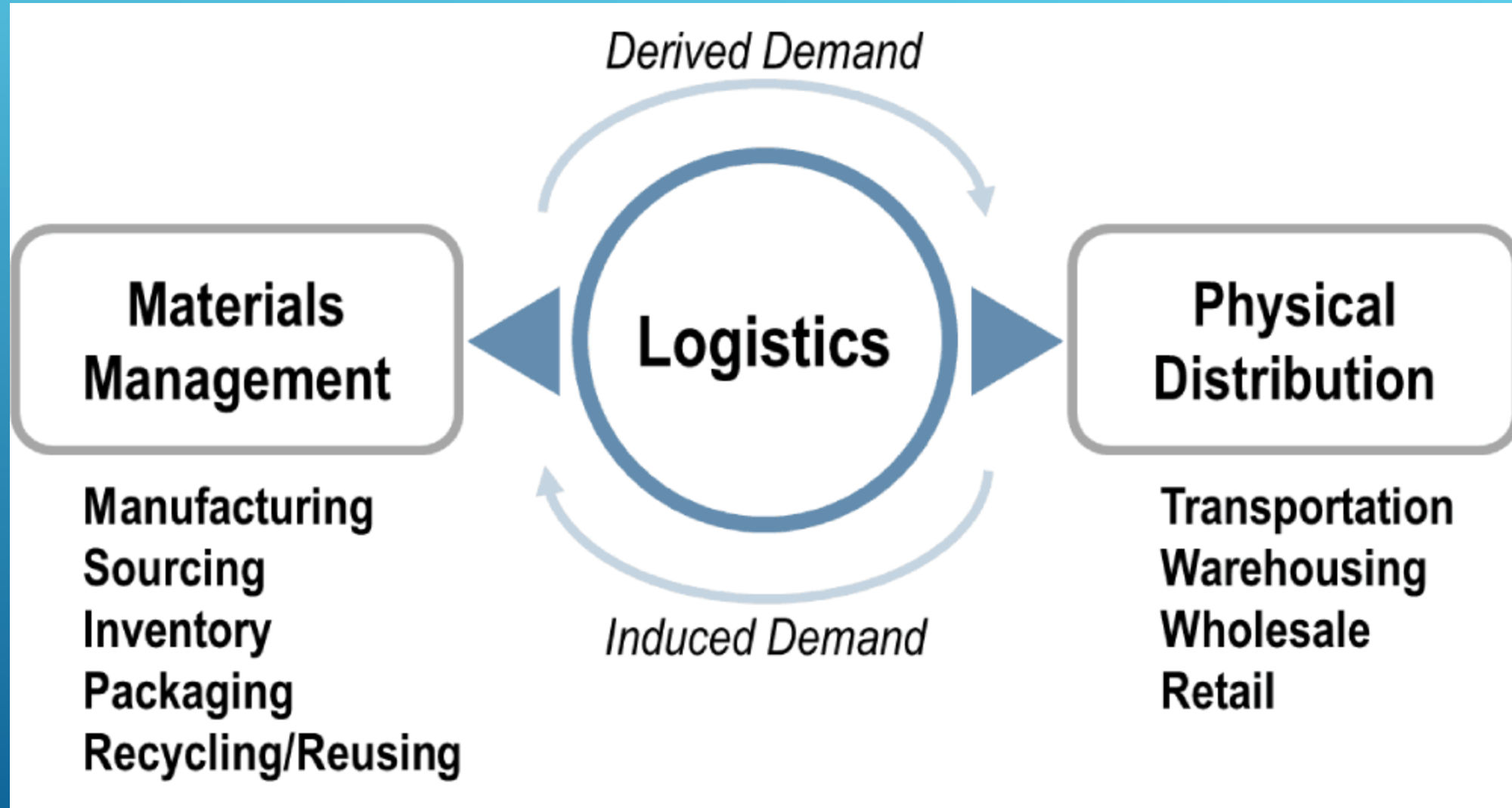
- ▶ **Meaning of Logistics**
- ▶ **Inbound & Outbound Logistics**
- ▶ **Importance of Logistics**
- ▶ **Objectives of Logistics**
- ▶ **Logistical Functions/Logistic Mix**
- ▶ **Logistical Performance Cycle**
- ▶ **Seven Pillar of Logistics**
- ▶ **Integrated Logistics**
- ▶ **Logistical Competency**
- ▶ **Reverse Logistics**
- ▶ **Green Logistics**
- ▶ **3 C model**
- ▶ **Barriers to Internal logistics**
- ▶ **Logistical Competency**
- ▶ **Logistical Mission**



MEANING OF LOGISTICS AND SUPPLY CHAIN

- ✓ **Logistics** is used more broadly to refer to the process of coordinating and moving resources – people, materials, inventory, and equipment – from one location to storage at the desired destination. The term logistics originated in the military, referring to the movement of equipment and supplies to troops in the field
- ✓ **Supply chain management** encompasses the planning and management of all activities involved in sourcing and procurement, conversion, and all logistics management activities. Importantly, it also includes coordination and collaboration with channel partners, which can be suppliers, intermediaries, third party service providers, and customers. In essence, supply chain management integrates supply and demand management within and across companies

LOGISTICS



Select the Right Option

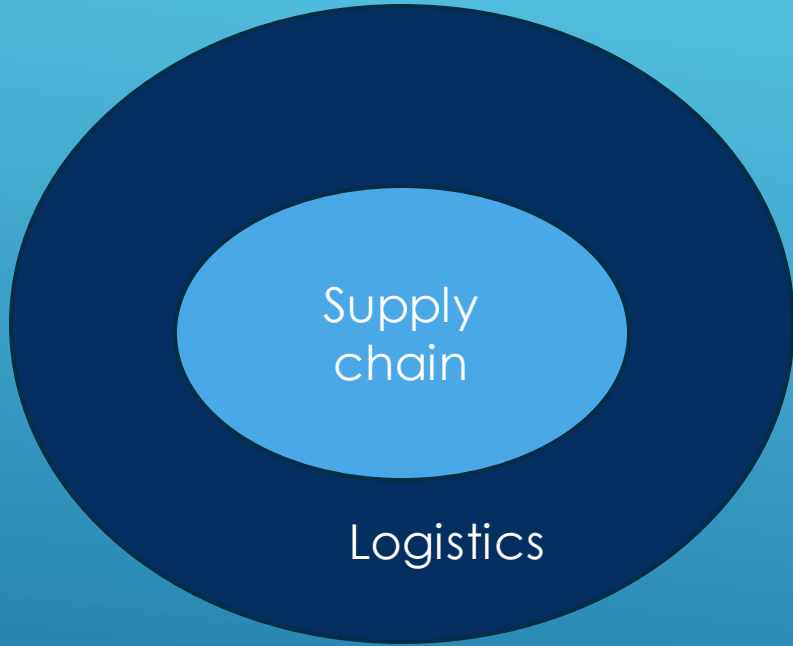


Diagram 1

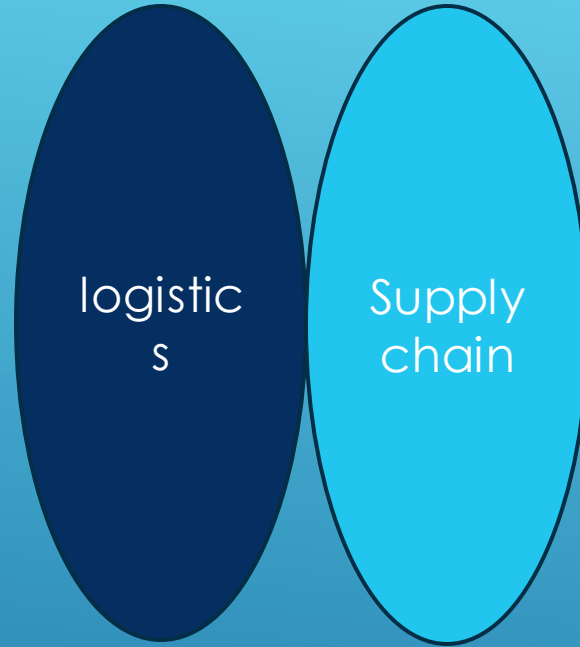


Diagram 2

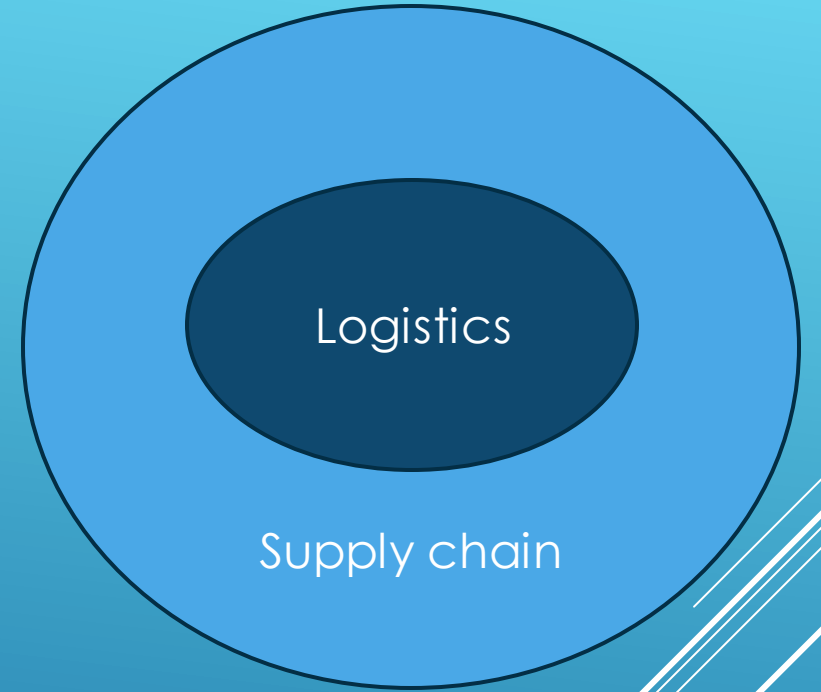
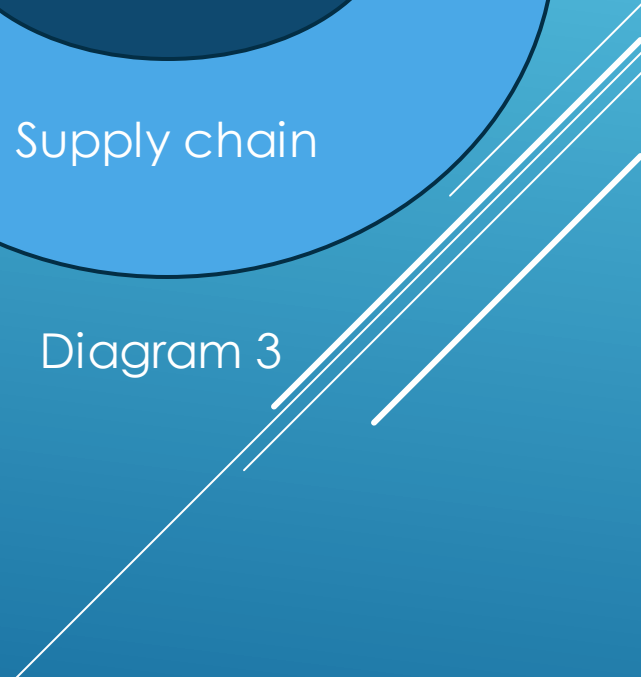


Diagram 3



TYPES OF LOGISTICS

Inbound/ Upstream Logistics

**Purchase of Raw
material**

**Sourcing
Transportation
Receiving
Storage
issue**

Outbound/ Downstream Logistics

**Physical distribution
of the customer**

**Customer order
Order processing
Order transportation
Order transmission
Order selection**

Reverse Logistics

**Return of the
product from the
point of consumption to the
point of origin**

**Return of unsold goods
Reusable packing
Repairs and Refurbishing
Product recall
Recycling
Scientific disposable of
waste products**

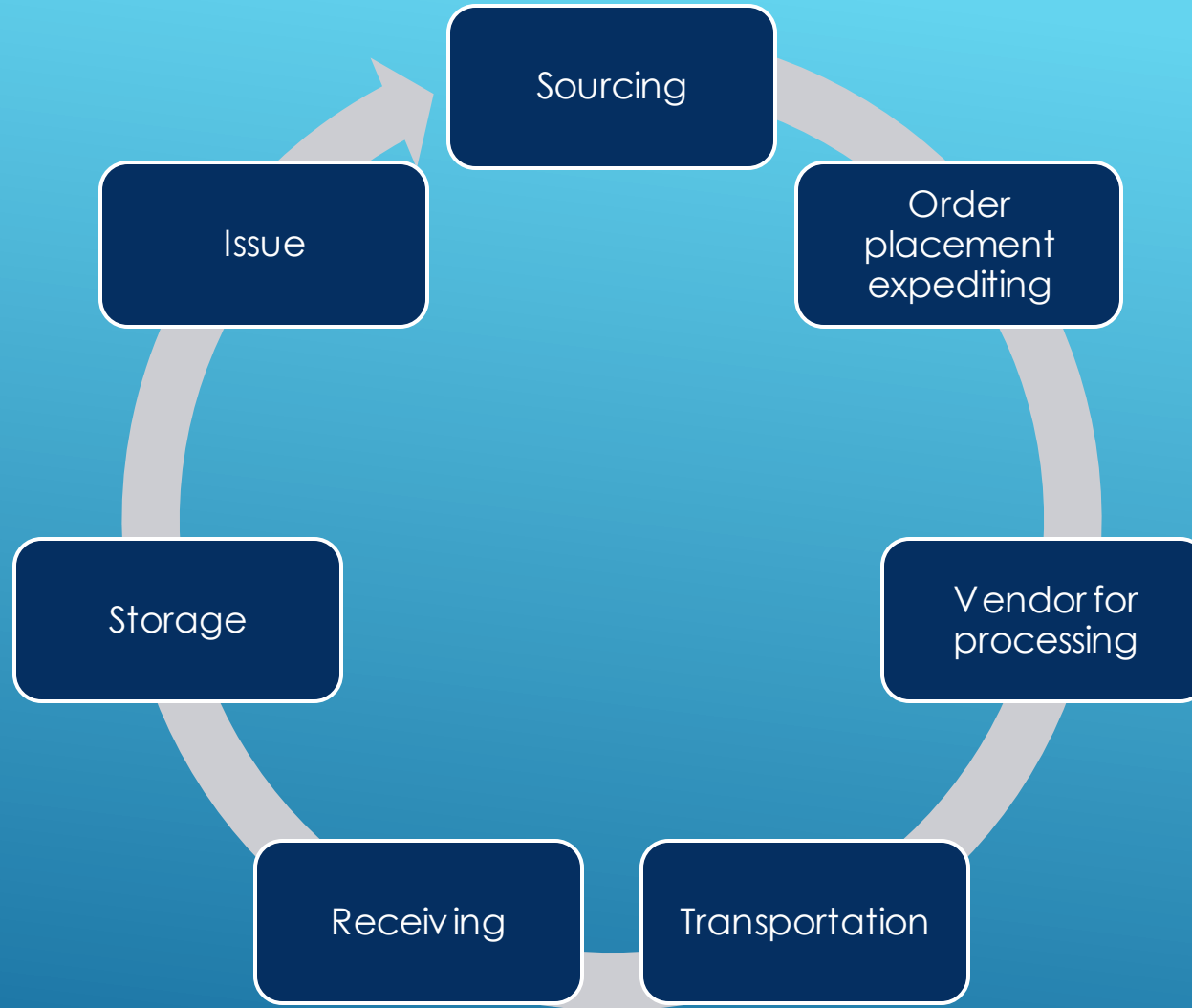
DIFFERENCE

Inbound/ Upstream logistics

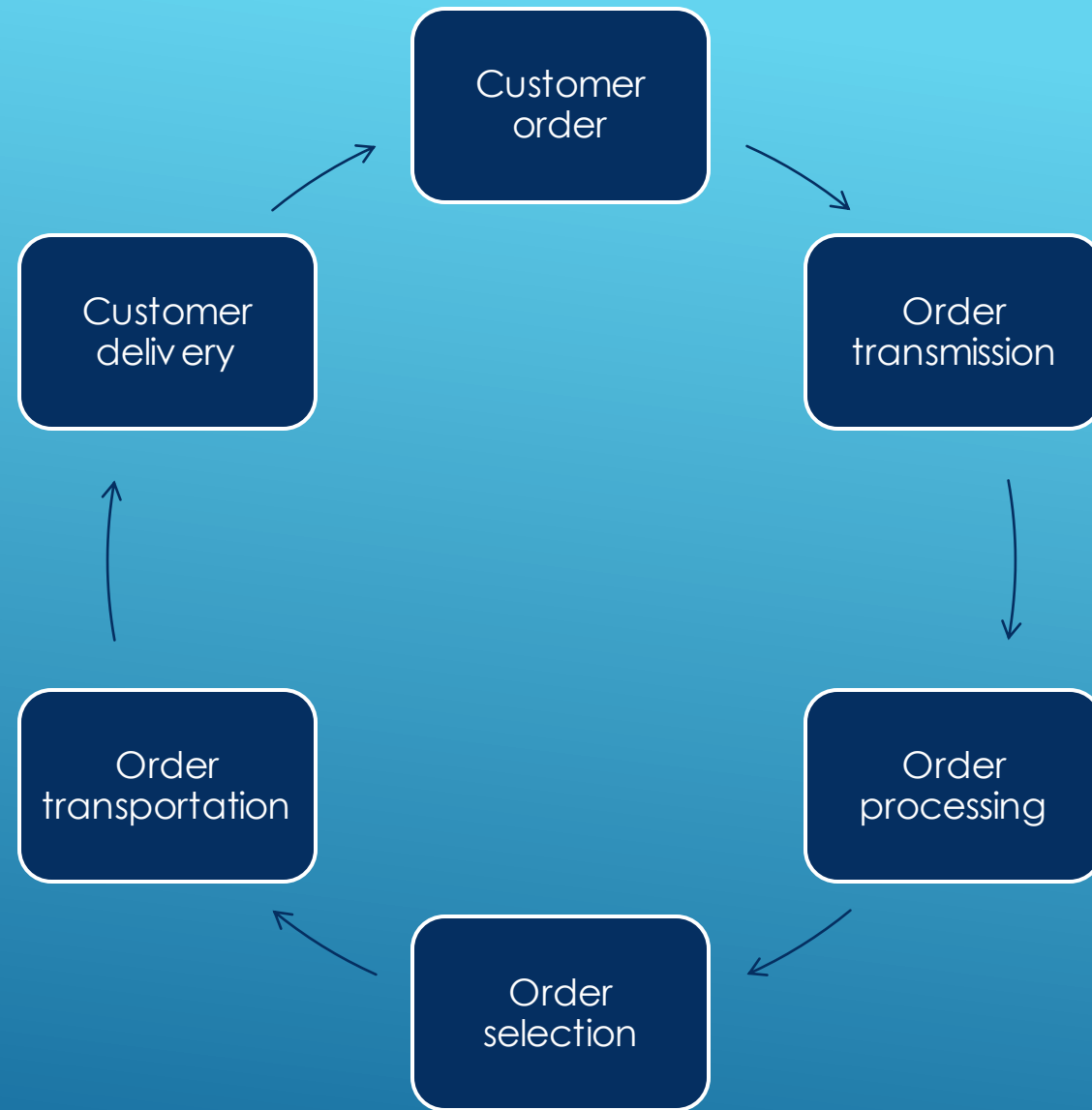
- ▶ **Involves all the activities associated with the procurement of raw material from the vendor**
- ▶ **It involves sourcing, order placement, transportation, receiving, storage and issue**
- ▶ **Concerned with procurement performance cycle**
- ▶ **It involves preproduction logistics activities**
- ▶ **Movement of raw material from supplier to company**

Outbound/Downstream logistics

- ▶ **Involves physical distribution of product to the customer**
- ▶ **Customer order, order processing, order transmission, order transportation and customer delivery**
- ▶ **Physical distribution performance cycle**
- ▶ **Post production logistic activities**
- ▶ **Movement of finished goods from warehouse to customers**



INBOUND LOGISTICS



OUTBOUND LOGISTICS



IMPORTANCE OF LOGISTICS

- ▶ **Logistics is the bedrock of trade and business**
- ▶ **Leads to customer satisfaction**
- ▶ **Integrated logistical activities**
- ▶ **Competitive edge**
- ▶ **Logistics win or loses wars**
- ▶ **Supports critical functions like operations and marketing**
- ▶ **Logistical costs**



IMPORTANCE

meaning, definition, explanation...

OBJECTIVES OF LOGISTICS

- ▶ **Rapid responses**
- ▶ **Minimum variances**
- ▶ **Minimum inventory**
- ▶ **Movement consolidation**
- ▶ **Quality**
- ▶ **Life cycle support (after sales services, reverse logistics)**

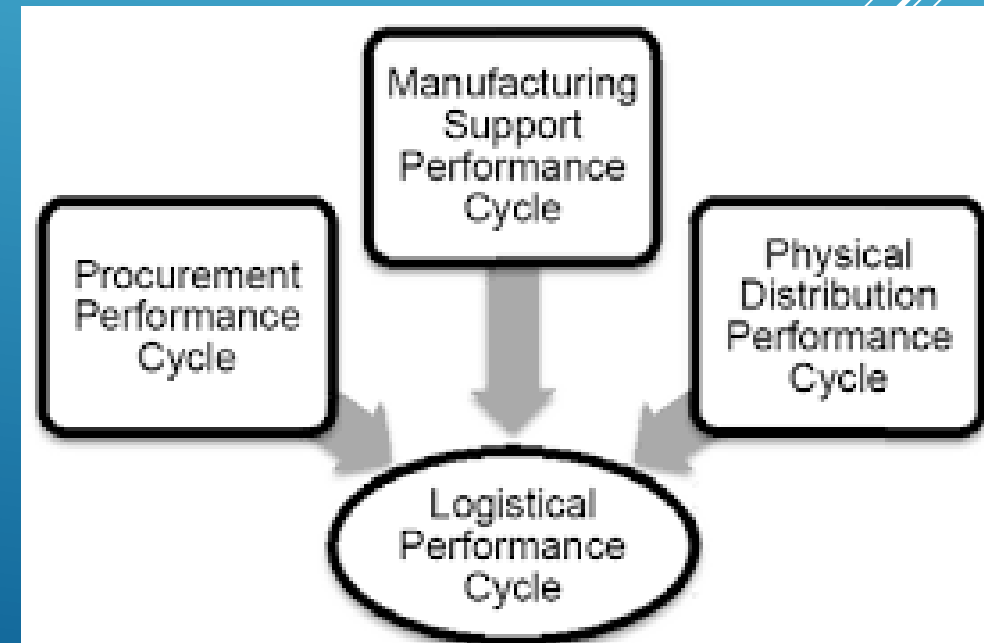


LOGISTICAL FUNCTIONS / LOGISTICAL MIX

- ▶ **Transportation**
 - ▶ **Material handling**
 - ▶ **Packaging**
 - ▶ **Information management**
 - ▶ **Customer service**
 - ▶ **Order processing**
 - ▶ **Inventory management**
 - ▶ **warehousing**
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LOGISTIC PERFORMANCE CYCLE

- ▶ **Procurement performance cycle/ Inbound Logistics**
- ▶ **Physical Distribution performance Cycle/Outbound Logistics**
- ▶ **Manufacturing Support Performance Cycle / In process Logistics**



SEVEN PILLARS/ SEVEN PARAMETERS

Order
processing

Inventory
management

Warehousing

Transportation

Material
handling

Packaging

Information
management

Customer
Service

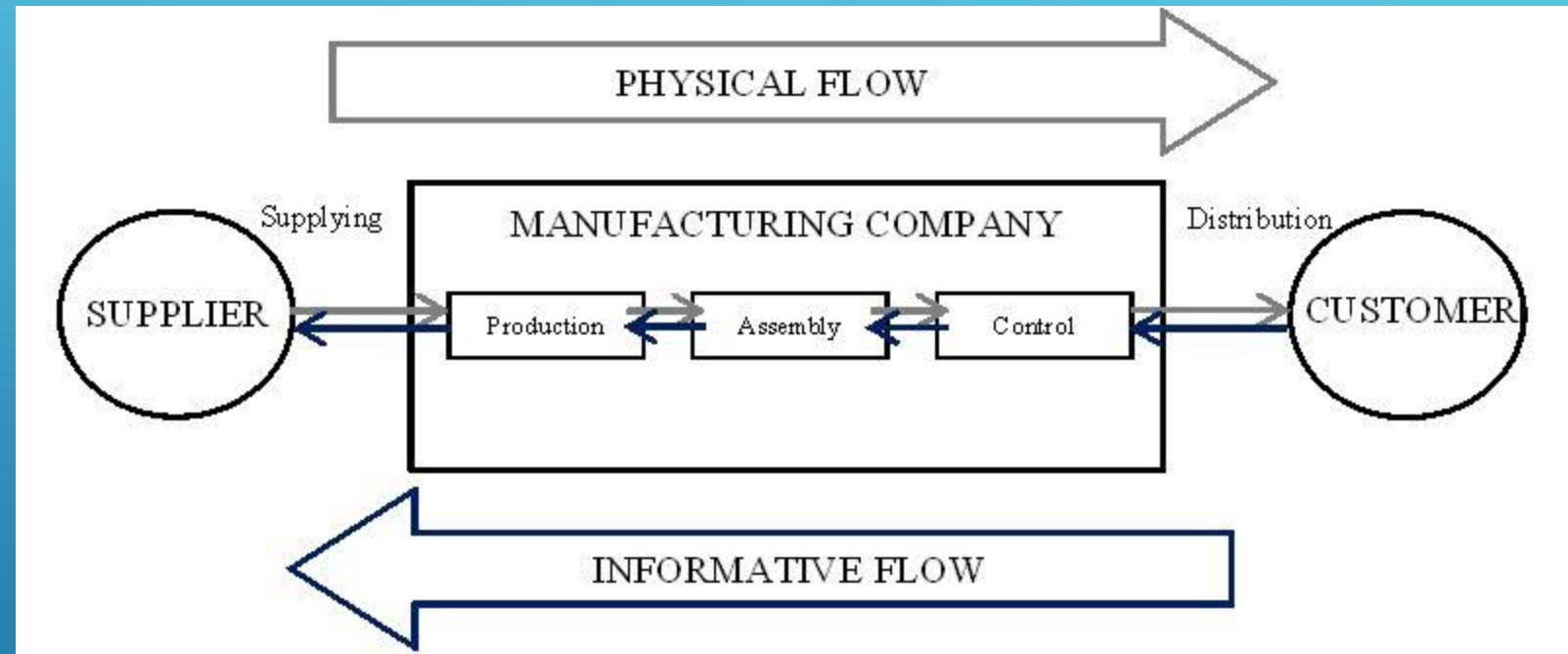
INTEGRATED LOGISTICS

▶ Inventory flow

- ▶ Stages
- ▶ Procurement
- ▶ Manufacturing Support
- ▶ Physical Distribution

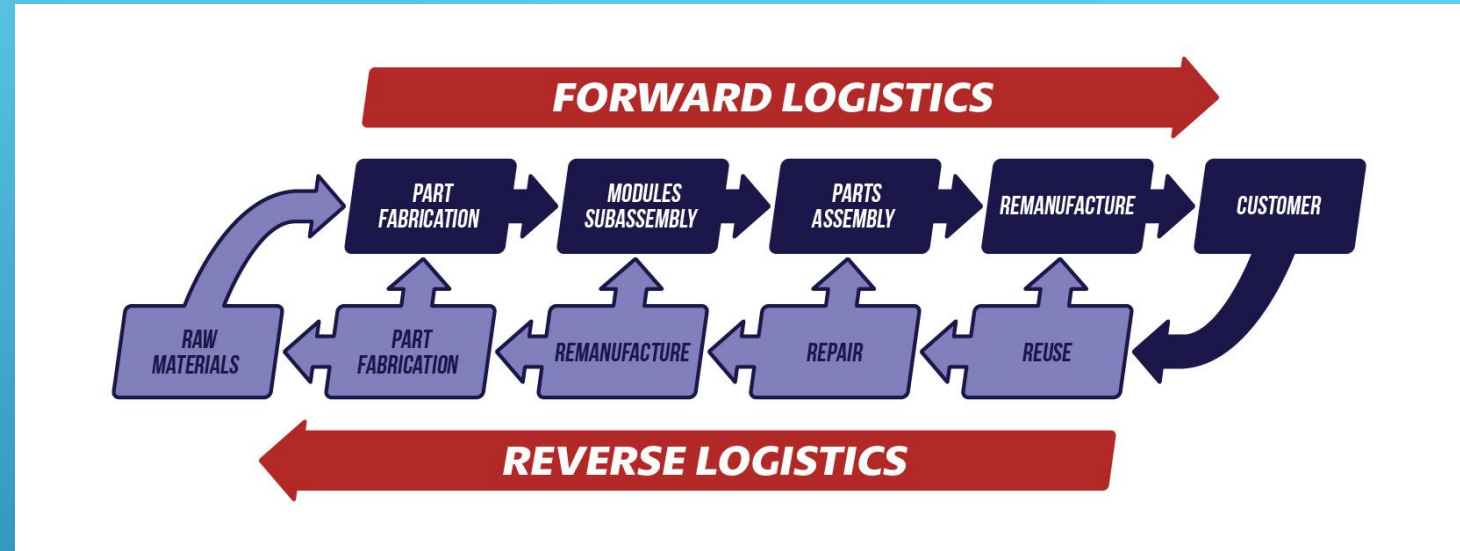
▶ Information Flow

- ▶ Planning and co-ordination
- ▶ Operation Flow



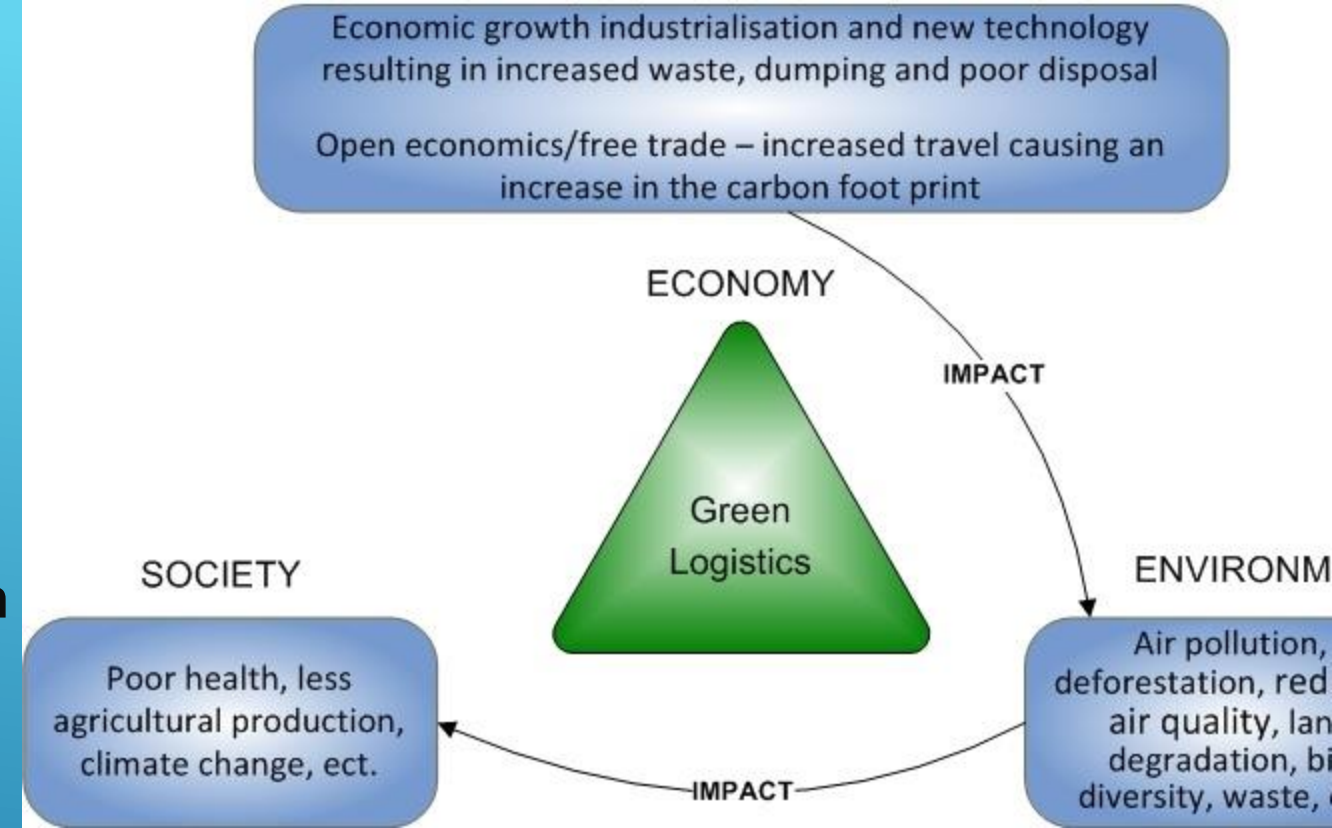
REVERSE LOGISTICS

- ▶ **Return of unsold goods**
- ▶ **refilling/ reusable packaging**
- ▶ **Repairs and refurbishing**
- ▶ **Product recall**
- ▶ **Recycling**
- ▶ **Scientific Disposal of waste products**



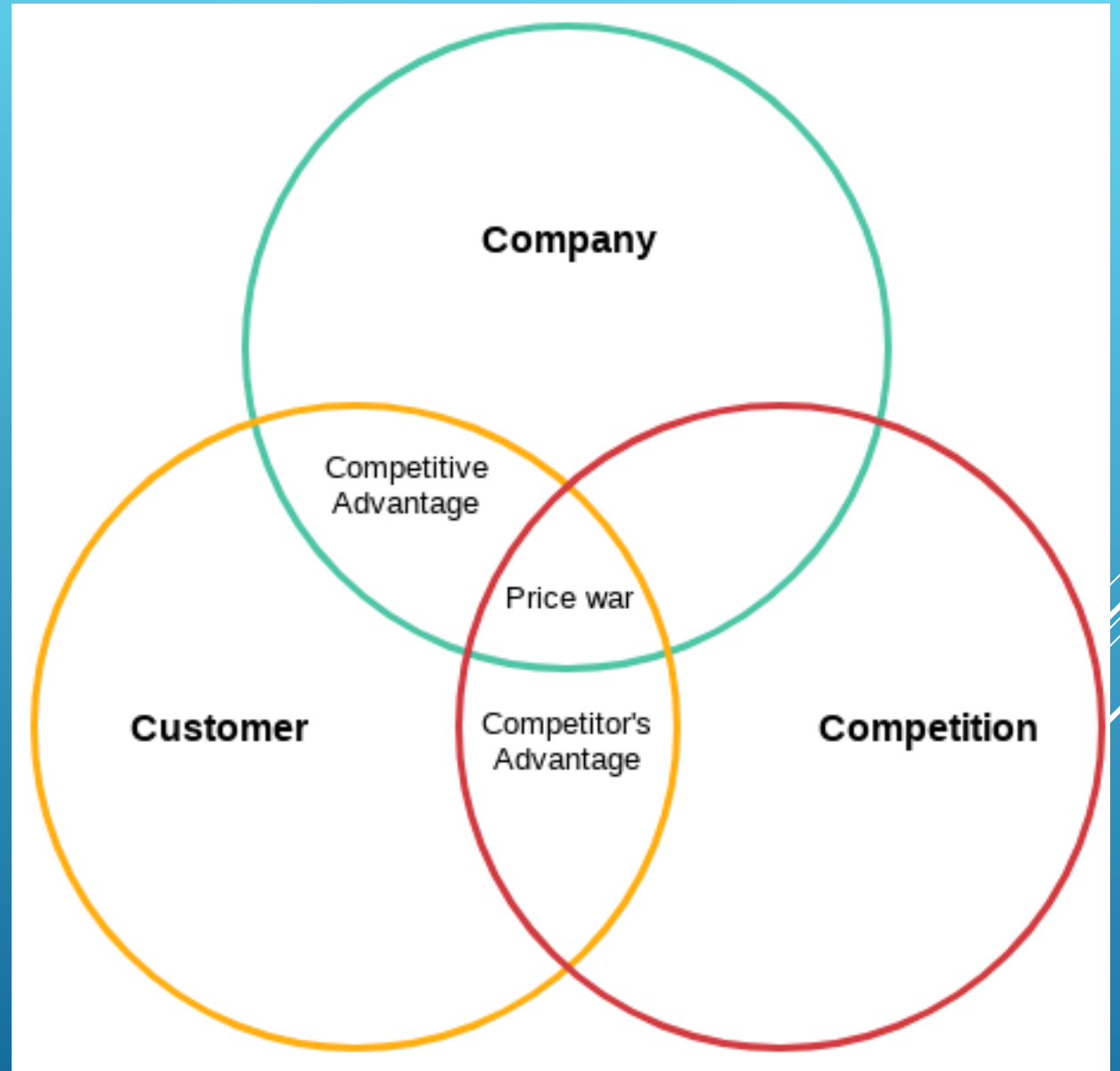
GREEN LOGISTICS

- ▶ **Network optimization**
- ▶ **Alteration mode of transportation**
- ▶ **Alternative Fuel**
- ▶ **Building bypass road**
- ▶ **Paper usage reduction**
- ▶ **New Fleet Induction**
- ▶ **Wastage Recycling and Scientific Disposal**

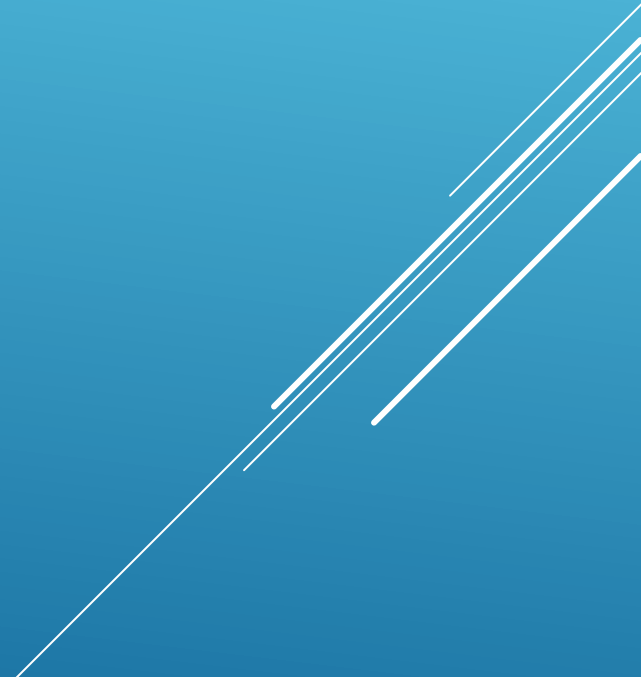


3 C' MODEL

- ▶ **Customer**
- ▶ **Change**
- ▶ **Competitor**



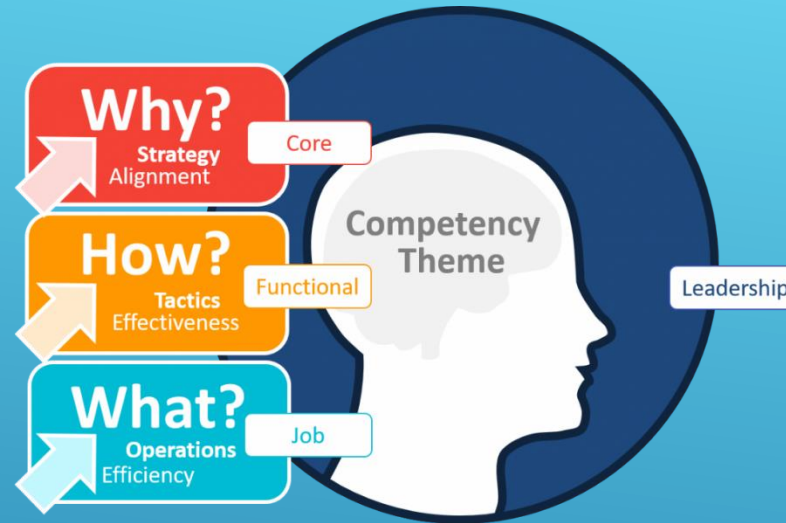
BARRIERS TO INTERNAL INTEGRATION

- ▶ **Organization structure**
 - ▶ **Measurement system**
 - ▶ **Inventory ownership**
 - ▶ **Information technology**
 - ▶ **Knowledge transfer capability**
- 
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LOGISTICAL COMPETENCY

▶ Objectives

- ▶ Overall logistics cost
- ▶ Superior customer service
- ▶ Provide superior customer service
- ▶ Proper balance between the (superior customer service and lower logistical cost)
- ▶ Work of logistics to co-ordinate functional areas like transportation, warehousing, material handling,



LOGISTICS MISSION

- ▶ **Customer Service**
 - ▶ **Availability**
 - ▶ **Operational Performance**
 - ▶ **Service Reliability**
- ▶ **Total Cost**



THANK YOU

