Introduction to Logistics & Supply Chain Management

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For Exchange Students from Kagawa University
Topic 1

Globalisation and Supply Chain Management
The competitive advantage matrix (FSAs / CSAs)

- **Country-specific Advantage**
  - **CSAs**
  - **Firm-specific Advantages (FSAs)**

- **Strong**
  - Strong
  - 1
  - 3

- **Weak**
  - Weak
  - 2
  - 4

- **Weak**
  - Weak
  - Strong
The determinants of national advantage
(Porter’s diamond)
Total Global Strategy

- Develop Core Business Strategy
- Internationalise the Strategy
- Globalise the Strategy

(Source: George S. Yip 1989)
A Framework for thinking through Globalisation Issues

Position & Resources of Business & Parent Company

Industry Globalisation Drivers
- Market Factor
- Cost Factors
- Environmental Factors
- Competitive Factors

Appropriate Settings for Global Strategy Levers
- Market Participation
- Product Standardisation
- Activity concentration
- Uniform Marketing
- Integrated Competitive moves

Benefits / Costs of Global Strategy

Organisation’s Ability To Implement a Global Strategy

(Source: George S. Yip, 1989)
Topic 2
Supply Chain Strategies
Pipeline Types

Demand Characteristics

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<tr>
<th>Predictable</th>
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Supply Characteristics

Christopher et al. (2006)
## Pipeline Types

### Demand Characteristics

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### Supply Characteristics

- Short lead time
- Long lead time

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Christopher et al. (2006)
Decoupling Point

Christopher (2011)
Lean + Agile

The de-coupling point

Lean

- Forecast at generic level
- Economic batch quantities
- Maximise efficiencies

Agile

- Demand driven
- Localised configuration
- Maximise effectiveness

Strategic inventory

Christopher (2011)
Craft vs Mass Production

- **Craft**
  - Slow delivery
  - High cost
  - Highly customised

- **Mass production**
  - Fast delivery
  - Low cost
  - Very standardised
Mass Customisation

- Slow delivery
  - High cost
  - Highly customised

- Craft

- Mass customisation
  - Mass production
  - Fast delivery
  - Low cost

- Very standardised
## Product – Process Matrix

Adapted from Hayes and Wheelwright (1979)

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Decoupling point

Demand upstream from the decoupling point

Demand downstream from the decoupling point

LEAN

AGILE
Postponement

Example: Dell, Benetton, New concept of paint
Thank you