

eCommerce in Supply Chain Management

Panel Members:

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(Chair)

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Panel Description

The Supply Chain includes business partners (suppliers, manufacturers, distributors, retail outlets, and customers) that use transactions to purchase, convert/manufacture, assemble or distribute goods and services to the consumer or end user. A supply chain consists of all the paths that allow for business transactions within a given corporate structure.

Supply Chain Management encompasses materials/supply management beginning with the basic raw materials to delivering the final product. It focuses on how firms utilize processes and technology to enhance competitive advantage. Members in a Supply Chain can work together to reduce business costs and ultimately to reduce the price for the consumer. The challenge of Supply Chain Management is to

balance customer service with management costs by coordinating all phases of the business transaction.

Internet usage allows intermediate players in a supply chain to be bypassed. Many Internet business models take advantage to eliminate wholesalers and retailers by reaching the customer directly. Additional Supply Chain processes -- such as marketing and purchasing -- are managed horizontally across a company to minimize unnecessary delays, interruptions, and uncertainty. The success of an integrated Supply Chain depends upon excellent communication and commitment from top management.

Benefits from Supply Chain integration include: (1) faster order processing; (2) reduced inventory; (3) improved cash flow, (4) reduced steps order handling; (5) improved communication; (6) enhanced coordination; (7) fewer stock shortages; and (8) faster processing. All of this enhances customer satisfaction when the process is seamless. Collaboration between Supply Chain members also improves product availability and increases sales.

To maximize business goals, organizations need to move beyond the traditional supply chain concept. There is an increasing need to create collaborative communities. This new process networks supply chains where suppliers, manufacturers, distributors, and customers share information dynamically up and down the supply chain. All parts work together seamlessly toward a common goal – better service and higher profits.

Objectives

The panel, composed of procurement and electronic commerce managers, will share their views about relevant problems and future direction in eCommerce Supply Chain Management. They will indicate ways organizations can increase the efficiency and effectiveness through closer co-operation with supply chain partners. By relating examples from their business experience, they will illustrate how organizations become more effective by optimizing exchange of information throughout the entire supply chain.