Introduction To Supply Chain Management

Reyhaneh Toodeh Bahambari¹, Zahra Jamali Nokhodchari², Roghayeh Fallah
Vishkai³, Faeghe Delavar⁴, Maryam Jafari⁵, Mohadeseh Bolooki⁶

1,2,3,4,5,6-M.A. Student of Business Management, Islamic Azad University, Rasht Branch, Rasht, Iran

Abstract:
In the global competition of today have a variety of products according to customer's request will be available. Increasing customer demand for high quality and quick service pressures that did not exist previously. As a result, companies can no longer afford to do all alone. In the current competitive market, manufacturing enterprises and organizations In addition to internal resources, to manage and monitor the resources and related components outside the organization are required. So today as one of the fundamental principles of supply chain management, e-business infrastructure implementation is in the world. Supply chain management (SCM) is a phenomenon that in such a way it does that customer can receives reliable and fast service with quality products with the least cost (Sharifian, 2010).

Keywords: supply chain, Supply Chain Management, Knowledge Logistics, Logistics Development

Introduction:
Organizations are not in a vacuum. Any organization includes corporations, government entities, or small businesses wanting to meet various demands of customers and shareholders. Therefore they require materials, equipment, facilities, and providers of other organizations And performance of an organization formed by the activities of other organizations that constitute the supply chain, is affected. (Baha, 2009) The intensification of global competition in an environment that is constantly changing in response to the need for appropriate organizations and manufacturing firms - the industry has doubled and push against the uncertain external environment's flexibility And national and international organizations today in order to get fit and keep fit as it requires the use of a suitable model for supply chain management and customer expectations are in line with the realization of competitive advantage.

Concepts and Definitions:
Supply chain:
1) A set is of procedures used for effective integration and efficient suppliers, manufacturers, warehouses and retailers for to minimize system costs and substantiation of goods services needs production and distribution are to correct number in the right place and time.
2) Institutional arrangements that together connects businesses within or outside the firm In order to provide products or services to the final consumer and makes cooperation. The institutional arrangement means that there is not any reason for the institution of following the institutions like what is happening in terms Chains, But in principle can be used instead of supply chain composition of the supply network or supply group.

The importance and necessity:
Reduce costs or reduce inventory, increase accountability against clients, improved supply chain relationships, reducing the production cycle time and improve coordination. The main three factors that were caused until administrators to seriously pursue topic of supply chain management were:
1 - The information revolution
2 - Customer demand for buy products and quality services with lower costs, deliver better, more modern technology and life more which ultimately led to increased competition among manufacturers.
3 - Need to create a new structure in the relationships between organizational. (MianAbadi, 2010)

History of supply chain:
in both the 60 and 70 AD, to enhance the competitiveness of their organizations were trying to standardize and improve their internal processes to produce products with better quality and lower cost. The prevailing thought at the time was strong engineering and design and manufacturing operations are coordinated, the prerequisite for market access demands, and thus gain more market share. That's why organizations focused all its efforts on increasing the efficiency of the users. In 80 BC, with the expected increased variability in patterns of customers, organizations are increasingly accepting the increased flexibility in production lines and develop new products to satisfy the needs of customers was interested. In the late 90s, along with improvements in manufacturing processes and using patterns for re-engineering of many industrial managers found To continue improving internal processes and market presence alone is not enough flexibility in the company's capabilities, but also Suppliers of parts and materials with best quality and lowest cost producers and distributors of the products should also have a close relationship with the manufacturer of the market policies. With such attitudes, approaches and supply chain management entity into existence. The rapid development of information technology in recent years, and it is

COPY RIGHT © 2013 Institute of Interdisciplinary Business Research
widely used in supply chain management, supply chain management and new ways of doing many activities is fundamental. (VajdiVahid, 2012)

**Benefits of using logistic and supply chain management:**
Less assets *  
*Higher productivity  
*Greater agility  
*Shorter delivery time  
*Higher profits  
*Consumer rights more  
*There are a good amount of accumulated inventories and size  
*The ability to observe and track events of  
*Reducing the costs  
*Increase the service to consumers  
*To create competitive advantages  
*Close interaction with suppliers  
*An opportunity to buy large quantities and at lower cost  
*Making reference Accountability The ability of systems precise implement in combination

**The supply chain In Iran:**
Logistics, manufacturing and product support system in Iran has always suffered from structural problems that the evolution of the system from achieving economic enterprises and the national economy is to reduce the level of productivity. Factors such as limitations and weaknesses in the areas of transport, telecommunications, tax matters, money and banking, along with their rules and also the number of staff working in the various sectors of economic inefficiency hamper the growth of the logistics system in Iran. The World Bank's Logistics Performance Index, the state in which most of the logistics of 6 presently show, is measured. They are:

1 - Efficient process customs clearance  
2 - Quality infrastructure, trade and transport  
3 - Ease of transport with competitive price  
4 - Capacity and Quality of Service  
5 - To track or trace shipments  
6 - The timely delivery of consignments News.  

Logistics performance index for each of the six components of one (lowest level) to 5 (best level) and scaled logistic performance index is obtained from the weighted average of these scores. Logistics Performance Index report for 2007 and 2012 indicate that Iran obtaining a numerical value of 49/2 out of 5, earned ranks 112 among 155 countries in 2012. Score of Iranian trade logistics operation was of 57/2 in 2010 to 49/2 in 2012. In the same way performance of Iranian commercial logistics rose from 103 in 2010 to 112 in 2012. It should be noted that average rating given by the states has been 78. This position never not suitable for a country that based on instrument of economic development Vision should seize first place of region in most economic indicators until 12 another years. Timely delivery amount of consignments, efficient customs clearance process, ease of transportation with competitive price and ability to track or shipments tracking were four components that greatly reduced numerical values and index ranks of Iran business logistics services. (Special Monthly , 4 rah , site of Iranian Logistics forum -03/12/2012.)

**Obstacles to the development of logistic and supply chain management in Iran:**
The world bank in a report five main factor has introduced main obstacles to the development of logistic and supply chain management in developing countries that is true About our country:

1 - Inadequate infrastructure  
2 - Infrastructure of transport poor and several laws and various related it.  
3 - Insufficient telecommunications infrastructure  
4 - Transportation tools of old and inadequate  
5 - Inadequate road network  
6 - Inadequate storage  
7 - The railway network of small and old  
8 - Economic Challenges  
9 - Poor understanding of the competitive economy  
10 - Weakness in economic planning, realistic and practical  
11 - Weaknesses in the consolidated financial  
12 - Small domestic market and lack of information in market  
13 - Inefficient banking system and interest rates above 14  
14 - Shortcomings and problems in the state economic support  
15 - Inefficiency of tax system
16 - Management challenges
17 - Bureaucratic management and lack of coordination between organization in the supply chain
18 - Lack flexibility of the system

The main processes of the supply chain:
Supply chain management has three primary processes that are:
A) Information management: coordinating the activities of the supply chain is important. Information management and proper coordination among stakeholders in decision making processes that will impact the speed, accuracy, quality and other aspects exist.
B) Logistics Management: This section provides the raw material to the final product of all physical activities, including activities, transportation, warehousing, production scheduling, and … is included.
C) Relationship management: the impact on all areas of the supply chain and its performance. Many early failures in the supply chain of transmission are usually low expectations and behaviors that result between the parties involved in the chain occurs.

Five levels of the supply chain management function:
1 - The supply chain partners
Supply chain is scheduled according to strategic factors and according to customer requirements As available products range Cover new products Services Or customers sector and is founded Based on knowledge of final products in the supply chain.
2. Establishment of cooperative relationships,
this section refers to a variety of corporate partnerships and interactions necessary. This performance expands supply chain relationships into partnerships with outside agents it. Any change in the supply chain should will be informed to Partners to be implemented throughout the chain Until run in all chain.

3 - Design of benefit based on supply chain:
Supply chain management causes Effective participation of factors outside company . But company's relationships with foreign companies creates a problem.

4- Supply chain management:
The role of information systems in terms of the supply chain is important . This section illustrates the role of IT in terms of supply chain.

5 - Reducing supply chain costs:
The main objective of supply chain is cost reduction. These efforts take place for strategies and efficiency increase policies. The main reasons of cost creating is include: Resolution of the supply chain process, Changes in domestic and foreign procedures of firm, Existing weaknesses in production design, Existence of Incomplete information for decide, Weakness of chain ring, In relationship between supply chain partners.

Supply chain problems:
1 - Multiplicity of decision centers: As regards in the supply chain, several organizations are involved thus, the Coordination and voice need have to coordination high in the supply chain.
2 – Unreliability: A major source of uncertainty in the supply chain is demand forecasts that influenced of several factors such as competition, prices, current conditions, technological development and The general level of clients commitment. Another factor uncertainty of supply chain is delivery times which is dependent on factors such as linear breakdown of machines in the production process, Traffic congestion, which is involved in the transport and material quality problems.
3 - Lack of coordination: This type of problem occurs when company sector has a good relationship with other sectors.
4 - Deceptive Store: This problem occurs when customers want a product that is not available.

The bullwhip effect:
The supply chain that is not managed absolutely is not sustainable. The problem with many of the bullwhip effect in supply chain management is not yet to be seen. This effect is caused by fluctuations in the supply chain, which is the main cause of the change in demand. When the customer level only move to a higher level in the chain can see that small changes in is created in major changes in low-level chains. Finally network can have a big swing. Each organization in the supply chain tries to solve the problem from his perspective. This phenomenon is known as the bullwhip effect that are considered in all industries and Its effects is shown by increasing costs and poor service levels (Chopra, 2008).

Reasons of occurrence bullwhip effect:
1 - Price volatility
2 - Periodic ordering policies
3 - Play Deficit - Rationing: because manufacturers have attempted to rationalize when there is a shortage of supply customers order more than their real need.
4 - Production Scheduling based on wholesale demand forecast instead of anticipating customer demand
5 - Fluctuating demand, quality Problems, strikes, Factory fire
6 - Delivery time and forecast demand updating
Measures to deal with bullwhip:
1. Countermeasures of orders grouping
2. Countermeasures to shortage game
3. Countermeasures of fluctuating prices
4. Countermeasures of inaccuracy in forecasting demand
5. Independent policies recursively
6. Reduce uncertainty
7. Centralized demand information
8. Fluctuating demand reduction
9. Low prices every day
10. Reduce of order delivery times and information delivery time
11. Facilitating access and sharing of information
12. Change and division of roles

Information Technology and Supply Chain Management:
Supply chain management is based on customer oriented approach. Accordingly, timely and complete communication between all elements of the supply chain information is the needs of the customer and requirements of the chain. Appropriate to facilitate the flow of information and its careful management software and integrated information systems and networks, intranets and extranets are required. Using the e-commerce supply chain can also be based on the model 7 B2B and 8 (B2E to describe the process of buying, selling and exchanging goods, services and information via computer networks and the Internet to utilize suppliers. Based on another model of Electronic Commerce (E-COMMERCE) Partners in a particular field through electronic networks must be able to collaborate and cooperate. Such cooperation often happens between companies in a supply chain. According to the model on the basis of e-commerce partner companies in a field especially through electronic networks and synergies will be able to help. Such cooperation often happens between companies in a supply chain. Using the e-commerce supply chain can also be based on the model (B2B and B2E) to describe the process of buying, selling and exchanging goods, services and information via computer networks, particularly the Internet, can be utilized by various suppliers (Sokna, 2012).

Conclusion:
The implementation of supply chain management is one of the crucial stages in the cycle of production and consumption of a product or service by the final consumer. But what happens if the chain is incomplete and is not managed correctly, and as it should be this cycle is not passed or in Preliminary raw materials for a new product or service is a good idea to produce and distribute the product and service offering to its users, each with shortcomings that make the process difficult? Here that the science of supply chain management and information technology to be and with proper management and use of information technologies to enhance the productivity of both managers contribute to this cycle. But the point is how to executives familiar with the science and create this belief in them that this Sciences are the way to resolve many their problems in the process and in the chain. It provides courses and seminars related sciences that study tutors and the achievements of companies active in the field or the companies employing these principles have significant consequences, Managers in a short time to familiarize them with these achievements of his career achievements in this implementation of business development and provide land.
References
4-Sharifian .A .(2010) .Introduction To Supply Chain Management, samt publisher, Tehran, Iran.
6-Vajdivahid ,M .(2012).Paper supply chain management on customer approach ,Assistant Manager Site Monthly Seasonal , 4-way .