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There are many organizations that are availing supply chain management services. Supply chain management (SCM) is an interconnected network of businesses that is involved in the ultimate provision of services and product packages, which are required by the end customers. SCM spans the storage and movement of materials, finished goods and work in process stocks till the consumption from the time of origin.

This SCM is effective and delivers good integrations and linkages with the company partner. Supply chain integration is the process of integrating downstream and upstream activities with the platform (medium) that interconnects each other (every user or employee).

The sole purpose of supply chain management is to improve the collaboration and trust among the supply chain partners, hence, it improves the stock visibility and the depth of stock movement. It is actually a cross function, which includes certain aspects like managing the movement of finished goods into an organization, internal processing of materials into finished good and supply of goods to the end customers.

With supply chain integration, there are three levels that are as follows-

Tactical level

- â– This tactical level focuses on customerâ€™s habits and demand.
- â– Purchasing decisions and other sourcing contracts.
- â– Stock decisions that include location, quantity and quality of stock.
- â– A production decision, which includes scheduling, contracting and planning process definition.
- â– Transportation strategy, which includes routes, frequency and contracting.
- â– Milestone payments.

Strategic level

- â– Long term and requires resource commitment.
- â– Aligns complete organizational strategy with supply strategy.
- â– Provides informational chain operations.
- â– Where-to-make and make-buy decisions.

Operational level

- â– Distribution planning and daily production, which includes all nodes in the supply chain.
- â– Minute by minute production scheduling for each and every manufacturing facility in the supply chain.

â– Forecasting and demand planning that is organizing the demand forecast of all the customers and sharing the forecast with all suppliers.

â– Sourcing planning is also there in the operational level that includes current stock and forecast demand in collaboration with all suppliers.

â– Production operations, which includes the flow of finished goods and consumption of materials.

â– Inbound operations that include transportation from suppliers and receiving inventory.

There are many organizations that are increasingly finding that SCM is very useful and that they can rely on effective supply chains, or networks to compete in the global market and networked economy.

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