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Fourth Edition

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Fourth Edition

Michael Hugos

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*To my wife,
Venetia*



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Preface

My intention in this book is to speak to a wide audience of business, technical, and professional people and others looking to understand this increasingly important area of activity. I provide a clear framework for understanding supply chain theory, operations, and opportunities. I then build on that framework and show ways to create supply chains with the performance levels needed for success in this real-time global economy we live in.

I know you are busy and your time is valuable. So, I've worked hard to get to the point quickly and explain things clearly and concisely. This book provides a framework to understand the structure and operation of any supply chain. It also provides guidance and insights for how to make good use of the flood of new supply chain technologies. Ideas are provided for combining technology, people, and business processes to deliver greater levels of supply chain performance.

Chapters 1, 2, and 3 provide an introduction to the basic principles and practices that drive supply chain operations. Chapters 4, 5, and 6 discuss technologies, metrics, and techniques that are making significant impacts on the way supply chains are designed, monitored, and managed.

Chapter 7 is an exploration of how new technology can be combined with supply chain best-practices such as sales and operations planning (S&OP) to deliver a new level of supply chain performance through effective collaboration between companies working together in supply chains. The potential for using cloud computing and presently

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available software applications to build real-time supply chain collaboration platforms is presented.

Chapters 8 and 9 provide a pragmatic approach based on personal experience for defining supply chain opportunities, and designing and building systems to effectively respond to those opportunities. I present two case studies and show how companies can develop supply chain capabilities to support their evolving business goals.

The last chapter, Chapter 10, outlines opportunities for individual companies and alliances of companies to work together and employ the power of the self-adjusting feedback loop to drive real-time operations. Real-time and collaborative supply chains are the next step in the evolution of supply chain management. Self-adjusting supply chains and the economic growth and stability they make possible are central to the creation and preservation of wealth in this century.

What I say in this book is based on decades of personal experience in building and operating supply chains, plus many conversations with fellow practitioners and researchers. I am also much influenced by reading the works of other authors whom I quote and acknowledge in these chapters.

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