The Resilient Supply Chain

Keely L. Croxton
Associate Professor of Logistics
Agenda

• Why does the supply chain need to be resilient?

• Defining supply chain management.

• The role of customers and suppliers in achieving resiliency.
Why Does the Supply Chain Need to Be Resilient?

“A resilient enterprise has the capacity to overcome disruptions and continually transform itself to meet the changing needs and expectations of its customers, shareholders and other stakeholders.”

How can an enterprise be resilient without having a resilient supply chain?

Hurricane Katrina  9/11  West Coast port strike  All the day-to-day disruptions
Achieving Supply Chain Resiliency

- If each enterprise is resilient, is the supply chain resilient?
- Perhaps, but at what cost?
- We need to implement *coordinated* resiliency so that it is cost-effective. Therefore we need a supply chain management perspective.
A Framework for Supply Chain Management

• The Global Supply Chain Forum (GSCF) at OSU has developed a supply chain management framework.

• It is based on over a decade of research with a consortium of companies, including 3M, Coca-Cola, HP, Shell, Wendy’s, Colgate-Palmolive, etc.

• It is process-oriented, and has a cross-functional and cross-firm perspective.
Supply Chain Management

Drivers of Business Resilience

- Foresight
- Adaptability
- Agility
- Diversity
- Safety

- Security
- Strategic alliances
- Resource efficiency
- Disruption Prevention

Using the GSCF supply chain management framework can help us achieve all of these.
The Role of Customers

- Postponement
- Collaborative forecasting
- Point-of-sale data
- Geographical or product diversity
The Role of Suppliers

- Returns avoidance
- Transportation flexibility
- Geographical diversity
- Manufacturing outsourcing
Conclusions

- To develop a resilient enterprise, we need to consider the role of other members of the supply chain.
- The goal is to add resiliency in the most effective place(s) in the supply chain.
- The GSCF framework provides a structure for designing processes that consider the strategic role of resiliency.