

Role of Logistics in Supply Chain Management

GUNJALI A. SHINDEKAR¹, MRUDUL M. KODARLIKAR²

¹ Center Point College, Nagpur

² AIMS Institute Of Management Studies, Pune

Abstract- Logistics is like the oxygen which makes the supply chain breathe and live because without proper logistical support, the movement of goods across a chain wouldn't be smooth. It involves the management of complex information flow, communication, distribution, and control systems that are required in today's business environment.

Indexed Terms- Supply Chain Management; Logistics; Strategy; Inventory.

I. INTRODUCTION

Supply chain management involves logistics and thus performs end-to-end optimization - that is, not only within the enterprise, but also when working with counterparties. The purpose of efficient logistics management is to achieve maximum competitiveness and profitability of the company, as well as the entire network structure of supply chains, including the end user. In this regard, the integration and introduction of innovations into the processes of supply chains, as well as into the processes of logistics, should be aimed at increasing the overall productivity of all their participants.

II. ELABORATIVE APPROACH

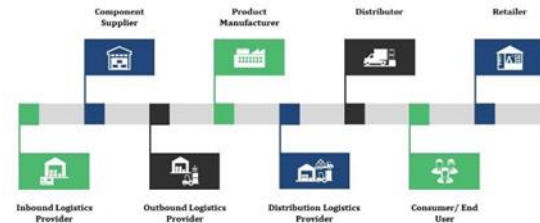


Source: vskill.in/ Logistics and Supply Chain Management

Logistics within supply chain management is constantly changing to meet consumer demands and expectations. To meet these expectations, companies

have to improve the logistics of their supply chain to expedite order fulfillment and quickly ship the item via the most reliable, yet cost-effective and timely means. When companies create a blueprint that outlines the logistics of the supply chain, each component within that logistics model stays focused, reduces costs and moves quickly and efficiently resulting in higher customer satisfaction. Logistics helps companies understand the key metrics, core processes and long-term goals of their supply chain so they can get the right item to the right place at the right time.

Logistics in Supply Chain Management



Source: www.slideteam.net

Logistics is an essential component of supply chain management. It involves the planning, carrying out and management of goods, services, and information from the point of origin to the point of consumption. Logistics aligns the complex pattern of traffic and transportation, shipping and receiving, import and export operations, warehousing, inventory management, purchasing, production planning, and customer service. Companies see logistics as a critical blueprint of the supply chain. It is used to manage, coordinate and monitor resources needed to move products in a smooth, timely, cost-effective and reliable manner.

III. FINDINGS

1. Logistics management helps companies reduce expenses and enhance customer service.
2. Logistics and supply chain management can be considered one of the main functions in a company because it can make or break your company if not carefully planned, it is time-consuming and can be costly.
3. Basically logistics management reduces the cost of inventory in the supply chain process.
4. That part of the supply chain process that plans, implements, and controls the efficient, effective flow and storage of goods, service, and related information from point of use or consumption in order to meet customer requirements.
5. Because customer service satisfaction has become a basis on which companies drive business growth and profitability, using the best transportation system strengthens performance trade-offs to reduce shipping costs and ensure timely delivery of goods. These processes and systems are integral parts of a solid logistics management system, emphasizing the importance of warehousing and transportation for customer service excellence for end-user product delivery.

CONCLUSION

Let's sum up the role of logistics in supply chain management. As you can see, logistics and supply chain management are two inseparable concepts that help not only reduce the company's overall costs for the production of goods and/or services, but also improve the overall impression of the level of service for your target audience. The choice of the right software also plays a significant role in optimizing logistic tasks. After all, automation today is at the head of the progress for industrial enterprises.

APPENDIX

- Diagram 1.1
- Diagram 1.2

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