SCM SUMMARY
7.1 Summary

As we step into the knowledge –era, the SCM activities in organizations must be streamlined in order to enable the organization deal with uncertainties of the business environment. This can be achieved only when the SCM effectiveness is monitored holistically and continuously. Since SCM depends on people, processes, environment infrastructure, resources etc, its effectiveness must be studied in an integrated view taking a conglomerate of business, quality, quantity, services to customers at last. The present study addresses the following research objectives:

- Studied the process for supply chain management
- Performance indicators of supply chain in cellular industry
- Impact of Supply Chain Management on Productivity and efficiency
- Factors for minimizing supply chain costs, maximizing outputs.
- Various barriers for effective SCM
- Model of SCM for cellular phone industry

A study was undertaken in the Cellular industry of National Capital Region of India for the purpose to understanding the status of industry in terms of Supply chain Management processes and procedures. 171 Respondents participated in the study from the Organization and related associates and vendors. Frequency Distribution, Chi-square, p value test & Correlation were applied for analysis.

The present study categorizes the effectiveness as a composition of product, Process and Environment Effectiveness of SCM. The model has been proposed which cover inventions, procedures and surroundings. Various steps have been defined in the chapter 6 to make a SCM effective. Purchasing process at different levels has been shown to understand the steps at each stage. The model also highlights the control process to monitor all activities in a systematic way.

Many studies address sub contributors or partial factors. Only the major contributor has been specified to evaluate the effect of this research on SCM of a cellular Industry. During the research all factors that affect SCM in an Industry specific to Cellular were analyzed. Same set of factors were taken as focus area to find the most effective parameters in SCM of Cellular Industry. Total 32 Factors were analyzed at an initial stage during a research. All factors have some percentage of contribution in SCM in Cellular Industry. Detail analysis was made to understand the impact of each factor on industry. Final inputs were summarized in form of major findings and SWOT analysis to make it very precise.
<table>
<thead>
<tr>
<th>S. No</th>
<th>Factors</th>
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<tr>
<td>1</td>
<td>Variability in Demand</td>
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<td>Consumption Rate</td>
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<td>Life cycle Stage</td>
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<td>Forecast Ease</td>
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<td>Length of Life Cycle</td>
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<td>Functional v/s Aesthetic</td>
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<td>Substitutability</td>
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<td>Levels in BOM structure</td>
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<td>9</td>
<td>Degree of Engineering Changes</td>
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<td>10</td>
<td>Product Variety</td>
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<td>Value of Purchase of Item</td>
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<td>Criticality of item</td>
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<td>14</td>
<td>Number of Sources of Supply</td>
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<td>Ease for Storage</td>
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<td>Ease of Transportation</td>
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<td>Quality (No. of Rejections)</td>
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<td>Distance of Vendor</td>
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<td>Source of Supply</td>
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<td>Degree of Competition</td>
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<td>Design Flexibility of supplier</td>
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<td>Communication system</td>
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<td>Transportation Cost</td>
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<td>31</td>
<td>Transportation time</td>
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<tr>
<td>32</td>
<td>Transportation Reliability</td>
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### 7.2 Major findings

The findings bring out that effectiveness in the Indian Cellular industry in the National Capital Region of India is moderate.

**Findings after Brain storming and analysis**

Findings from various resources are:
1) Following parameters are found to be performance indicator

- Price
- Ability to meet delivery due dates
- Commitment towards quality
- Timely Payment to vendors
- Technical expertise
- Innovation

2) Impact of Supply chain management on Productivity and efficiency

- Reduction in cycle time
- Reduction in inventories
- Reduction in stock outs
- Improved quality of service
- Cost reduction
- Effective resource planning

3) Factors for minimizing supply chain cost

- Proper information system
- Regular training
- Process flow

4) Barriers for effective supply chain are

- Lack of sophisticated information system
- Lack of ability to manage inventory
- Lack of cooperation among supply chain members
- Competition from other supply chain
- Geographical distances

7.3 SWOT ANALYSIS – Cellular Industry

A SWOT Analysis is performed to develop an understanding of the gaps that exist within the enterprise.

7.3.1 Strengths

- Vast geographical area for design of distribution network
- Possible multiple modes of transportation
- Vast rail network
- Cheap and abundant manpower
- Indigenous technology base
- Indigenous supply of material possible for most cases
- Knowledge base exists
- Technical Know How
- Trained manpower
- Good Infrastructures
- Manpower base

7.3.2 Weakness

- Inadequate facilities
- Facility location decision are not professionally taken in some areas
- Budget constraints
- Low level of technology employed in equipment
- Handling damages / losses
- Uncertain Vendors
- Low inventory
- Turnover ratio
- Demand uncertainties
- Inflationary pressures

7.3.3 Opportunities

- Need to develop a total system network
- Optimal location of facilities
- Cost Control
- Source Development
- Technology up gradation
- Design of effective communication network
- Automation
- Improved work environment

7.3.4 Threats

- Shortages
- Work Culture
- Attitude towards customer
- Technology Life Cycle
- Budget Constraint
- Maintenance of systems
7.4 Limitations of this study

Any generalized idea is not right due to variations in size, goal, and region followed. The limitation of the present study is that it suffered from lack of representative of the sample. The support staff was not taken into consideration. Secondly there was lack of response from some respondent. Finally the study was restricted to a particular sample size as otherwise the study scope would have been extremely wide. Further response rate was also sometime slow. However given the length, complexity and subject matter we consider it reasonable.

7.4 Directions for Further Research:

The present efforts are directed to study the SUPPLY CHAIN MANAGEMENT IN TELECOM SECTOR. This is an empirical study which would be a useful contribution. However, for arriving at any generalization it is highly desirable to undertake more such empirical studies. The further research must direct itself for conducting such investigations. This will make the applications more meaningful to make SCM and management more effective.

Further the suggested model needed to be tested for its application across the sector and benchmarks to be identified for others to follow. Further the views suggested are macroscopic; this can be further extended to microscopic level.