Foreword

The world’s supply chains are undergoing profound changes driven by global expansion and an increasingly omni-channel world. This is causing companies to rethink how they optimize their supply chains for this new business environment. With Optimization of Supply Chain Management in Contemporary Organizations, Dr. Ehap Sabri and a collection of leading supply chain thinkers provide a helpful guide on how to respond to these profound changes to build a truly competitive supply chain.

Historically, supply chain management has focused on large manufacturers producing mass quantities of goods and pushing them down through distribution channels to retailers who would in turn get these goods into customers’ hands. The traditional supply chain was geared to moving product in one direction as efficiently as possible, however that approach is now being turned on its head. The consumer—the “new boss”—is forcing companies to rethink their supply chains. This new boss is very demanding and expects their needs to be fulfilled in the way they want. This means retailers, manufacturers, and distributors must efficiently collaborate to have the right product available in the right location at the right time and deliver it in precisely the way the customer ordered it. They need to do this as profitably as possible, which is no easy task.

This comprehensive reference starts by exploring the role of a company’s board and senior executives in building a truly competitive supply chain. It advocates more involvement by these senior leaders, which broadens the scope beyond supply chain challenges to areas such as governance, business strategy, and operational effectiveness. It provides practical frameworks and guidelines based on multiple examples to highlight what has worked and what has failed. It also dispels myths that have taken root over time, substituting them with today’s realities.

The book then transitions to how an effective supply chain strategy should be built for today’s global omni-channel world. It vividly paints the picture of how easily companies can fall into the trap of following lean, agile, or postponement strategies, which are not really supply chain strategies but simply the goals of an effective supply chain. The focus is on tighter coordination between a company’s business, supply chain, and technology strategies to tackle the challenges presented by today’s omni-channel environment.

The authors explore the transformational changes that organizations must embrace to enable supply chain success. This starts with identifying and responding to key external business influences; companies either adapt and flourish or stay static and suffer the consequences. Effective internal change management is central to the success of any supply chain transformation, and it follows that the more effective the transformation, the more likely benefits will be realized. The most common transformation failures are identified and a practical framework leveraging some of the best practices in supply chain change management to avoid those failures are outlined. Supply chain segmentation is identified as a key enabler of supply chain transformation and the book provides practical concepts, best-practice frameworks and real-world examples of companies who have successfully mastered this approach.
Because many departments and disciplines across a company impact supply chain performance, a keen focus on organizational alignment is critical to success. The book does an excellent job discussing supply chain performance management and organizational alignment, including the concept of the virtual organization of the supply chain. It also covers the importance of enhancing Sales and Operations Planning (S&OP) in contemporary organizations and how companies need to enhance their S&OP processes to a higher level of maturity, providing proven and practical approaches to transforming traditional S&OP organizations into organizations that are contemporary Lean, Agile, and Social Sales and Operations Management (LASSOM) organizations.

Overall, *Optimization of Supply Chain Management in Contemporary Organizations* is a must-read for every supply chain professional grappling with how to address the profound changes taking place with the global marketplace, and take advantage of them by building smarter, more collaborative and efficient supply chains. Every C-suite executive in a retail, manufacturing or distribution organization should read this insightful view of today’s supply chain challenges and opportunities.

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