

SUPPLY CHAIN COMPLEXITY



Purpose

The purpose of this tool is to focus on the complexity of the company's supply chain. Supply chain complexity is a result of external as well as internal factors.

Participant(s)

Supply chain management and top management.

Application

This tool is used continuously, before, during, and after a specific supply chain innovation project to assess supply chain complexity.



Method

Supply chain complexity is a result of internal and external factors, such as:

- The number of elements in the supply chain: products, services, functions and responsibilities, production, suppliers, components and raw materials, processes
- Variation: deviations from the norm in processes, products, services, structures.
- Cohesiveness and interaction: the relationship between supply chain elements.
- Supply chain processes.
- Supply chain organization.

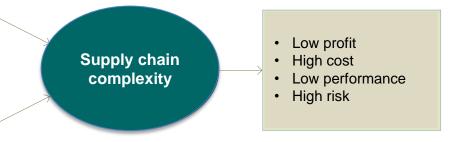
In addition, the figure on the next page can be used as inspiration for such an assessment.

The factors believed to influence or affect the company's supply chain complexity are listed and evaluated by their influence. Subsequently, supply chain management and top management can develop plans of action and strategies to address these complexities.

Supply chain complexity

External factors

- Increasing number of companies
- Changes in customers' needs and expectations
- National and international laws and regulations
- Industry specific regulations and standards



Internal factors

- · Lack of coordination
- Lack of integration
- · Lack of information
- · Lack of synchronization of data



Benefits

The advantage of this tool is the development of the company's competence to manage and reduce complexity in its supply chain.

Output

The output is an overview of the factors that influence and contribute to the complexity of the company's supply chain. It provides input to strategies for managing and reducing complexity.