

# Best Practice Tips for New Supply Chain Management Leaders

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Establishing directives like inventory control is one of the first things a newly-minted supply chain leader should do as they start a new position. Determining the strengths and weakness of the team and the maturity of the processes in place can create a vision that becomes clearer with each ensuing day. But if all is not optimal at the outset, MD Byline's Luis Martinez, writing for Health Care Finance News, passed along a few tips to get the operation running up to par.

## **Maximize And Optimize Inventory and Efficiency**

Are the materials department ordering numbers matching the volumes used throughout the chain and are supplies getting to the right places on time? If not, then changes need to be made with the ordering process. Martinez also explained that minimizing excess inventory will have a very visible and immediate impact with cost savings.

## **Automation And Purchasing Controls**

Review current procedure for authorization of orders as part of an examination of purchasing best practices. If bills are still being done on an old Excel spreadsheet, it's time to look at new, electronic systems compatible with today's technology, said Martinez. If the supply chain is not automated, investigating the costs and resources needed to implement such a system would be a good place to research. Future investment in barcode data collection, payments to vendors and electronic invoicing are all options to consider as part of your automated system.

## **Savings Are Real**

A Logistics Management article recently showed that automation can cut costs drastically and free up workers for other jobs. By automating invoicing and other payment processes, a savvy business owner or manager can then review the operation and better allocate workers and resources to other vital company functions. Automatic email response is another way to cut costs and place resources where they are better suited. Procurement processes can also be placed in the system. This will eliminate the need to manually update information and partnering with Web portals can be done more efficiently.

Martinez added that strategic sourcing and having leadership buy into automation plans is crucial. However, capturing the most data possible is the way the company will be able to catch trends and other information about what the consumer is shopping for and, more importantly, what they're buying.

Streamlining an existing operation or creating new policy, the job of supply chain leader is a daunting one, and building a strong and solid foundation is the way to ensure optimization, vision and job security.