



Global Supply Chain

PRESENTED BY:

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DATE:

Introduction

- ▶ Every organization has a supply chain analyst who guides and directs distribution of goods.
- ▶ He/she is responsible for creating time and channel for distributing the goods.
- ▶ He/she also evaluates the process and recommends improvements of goods to meet supply demand (Hanson et al., 2008)
- ▶ Supply chain portrays how a country may contribute to organizational market portfolio restructuring.

Criticism

- ▶ Manufacturing of handbags through the cowhide leather is not enough.
- ▶ Business risk hinder achievement of the set business goals. The risk may be external or internal (Ayyagari et al. 2008)
- ▶ The quality cushioning losses affect the market for the products.

Identifying and Mitigating Business Risks

- ▶ Business risks lead to low profits and losses due to uncertainties.

Mitigation of:

- ▶ Political risk
- ▶ Regulatory risk
- ▶ Financial risk

Evaluation Criteria and Manufacturing Recommendation

- ▶ Consider the business environment due to the availability of the materials.
- ▶ Cost evaluation criterion focuses on the importation source raw materials (Ayyagari et al., 2008)
- ▶ Operational constraints involve the challenges that the organization faces.
- ▶ Economic aspects of the country affect consumer's purchasing power.
- ▶ Manufacturing recommendation considers communication and transportation aspect (Thunell, 1977)

Factors That Effect Sourcing from the Two Countries

- ▶ Responsibility and obedience
- ▶ Customer assumption
- ▶ Marketing assumption
- ▶ Competition assumption

Conclusion

- ▶ Governmental risk or political risk define the political temperature of the target market and sourcing country.
- ▶ Lack of a robust overseas market plan.
- ▶ Production and manufacture of the handbags depend on the market, costs, and transportation.

References

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