Thesis Report

on

The Impact of Supply Chain Management Practices on the Overall Organizational Performance : A case study on Square Toiletries limited.

Submitted by:

MD. MAHAMUDUL HASSAN

ID: EMBA2301028003

Program: Executive Master of Business Administration (EMBA)

Major: Supply Chain Management

Department of Business Administration

Sonargaon University (SU)

Submitted to:

Department of Business Administration

Faculty of Business

Sonargaon University (SU)

Submitted for the partial fulfillment of the degree of Executive Master of Business Administration

Sonargaon University (SU)

Date of Submission: 05 may 2024

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Letter of Transmittal

05 may, 2024

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Subject: Submission of "**The Impact of Supply Chain Management Practices on the Overall Organizational Performance: A case Study on Square Toiletries limited**".

Dear Sir,

With most respectfully to state that I am pleased to submit my Thesis report titled "A case study on The Impact of Supply Chain Management Practices on the Overall Organizational Performance of Square Toiletries limited". This report is an essential part of my EMBA degree requirements, and I had the privilege of completing my report at Sonargaon University under your guidance.

This Thesis report reflects the current report on A case study on The Impact of Supply Chain Management Practices on the Overall Organizational Performance of Square Toiletries limited. I have made an effort to include relevant details while keeping the Thesis report concise.

I kindly request your Thesis report of this assignment. Your feedback would be greatly appreciated. Thank you for your time and consideration.

Yours Sincerely

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Declaration of Student

I am **MD.MAHAMUDUL HASSAN**, a student in the Executive Master of Business Administration program with ID: **ID: EMBA2301028003** at Sonargaon University. I want to sincerely state that the Thesis report titled **"The Impact of Supply Chain Management Practices on the Overall organizational Performance: A case study on Square Toiletries limited"** has been genuinely created by me. During the preparation of this report, I ensured full compliance with international copyright regulations. I also want to clarify that this report has not been submitted anywhere else for the purpose of obtaining a degree.

Yours Sincerely

MD.MAHAMUDUL HASSAN
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Letter of Authorization

I hereby confirm that the Thesis report titled **"The Impact of Supply Chain Management Practices on the Overall organizational Performance: A Case study on Square Toiletries limited"** is a genuine effort by **MD.MAHAMUDUL HASSAN**. The report was conducted under my guidance. I also affirm that, to the best of my knowledge, the content presented in this report has not been included in any other report or dissertation that led to the award of a degree to any candidate earlier, whether in the same context or a different one.

_____

Mr. Md. Mostakin
Lecturer
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Executive Summary

The case study examines how supply chain management practices influence the overall organizational performance of Square Toiletries Limited. It likely delves into various aspects such as inventory management, logistics, and supplier relationships, highlighting their impact on efficiency, cost-effectiveness, and customer satisfaction within the company.

The literature review in the case study likely explores existing research on supply chain management practices and their effects on organizational performance. It probably covers topics such as supply chain integration, collaboration with suppliers, inventory management techniques, and performance measurement metrics. The review likely serves as a foundation for understanding the theoretical framework and guiding the analysis of Square Toiletries Limited's supply chain management practices.

The methodology of the case study likely outlines the approach used to investigate the impact of supply chain management practices on Square Toiletries Limited's organizational performance. It may include details on data collection methods, such as surveys or interviews with key stakeholders, as well as the analysis techniques employed, such as statistical analysis or qualitative coding. The methodology section provides a roadmap for how the research was conducted and how the findings were derived.

The analysis and findings of the case study on the impact of supply chain management practices on Square Toiletries Limited's overall organizational performance likely reveal correlations between specific supply chain practices and key performance indicators. For instance, it may find that efficient inventory management leads to cost savings, while effective supplier relationships result in improved product quality and customer satisfaction. The findings likely provide valuable insights into how supply chain management strategies can contribute to the company's success and competitiveness in the market.

The findings and discussion section of the case study likely summarizes the key insights gained from the analysis of Square Toiletries Limited's supply chain management practices and their impact on organizational performance. It may discuss the significance of specific findings, such as the role of supply chain integration in enhancing operational efficiency or the importance of supplier collaboration in maintaining product quality. The discussion likely delves into the practical implications of the findings and offers recommendations for improving supply chain performance to drive overall organizational success.

In the conclusion and recommendation section of the case study, the key findings are summarized, emphasizing their implications for Square Toiletries Limited's overall organizational performance. Based on the analysis, recommendations are likely provided for optimizing supply chain management practices to enhance efficiency, reduce costs, and improve customer satisfaction. These recommendations may include strategies for improving inventory management, fostering stronger supplier relationships, and implementing performance measurement systems. Overall, the conclusion and recommendations aim to guide Square Toiletries Limited towards maximizing the benefits of effective supply chain management for sustained success.

LIST OF ACRONYMS

EMBA	Executive Master of Business Administration
SU	Sonargaon University
ERP	Enterprise resource Planning
SAAS	Software As A Service
SCM	Supply Chain Management
FMCG	Fast-Moving Consumer Goods
JIT	Just-In-Time
MRP	Materials Requirement Planning
MM	Materials Management
EOQ	Economic Order Quantity
DSI	Days Sales of Inventory
MM	Materials Management
FIFO	Frist in Frist Out
LIFO	Last in Frist Out
MRP	Materials Requirement Planning
TM	Toyota Motor
DOI	Day of Inventory
DOP	Day of Payable

LIST OF FIGER

2.1	Flow Chart of the Study
2.2	Supply chain management (SCM)
2.3	Sourcing & Purchasing
2.4	7 Steps to a successful procurement process
2.5	Types of inventory management

2.6 Logistic Management
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3.1. Departmental Organogram
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3.3 Flow chart of square SCM

Chapter-01: Introduction

1.1 Introduction

A supply chain is a dynamic management system where involves the constant flow of information, products and funds between different stages. In this stages not only included the manufacturer and suppliers, but also included transporters, warehouses and retailers who are directly or indirectly related in fulfilling the customer requirement. The objective of every supply chain is to maximize the overall value of all stages. Basically supply chain performance is evaluated on the basis of qualitative measure (such as customer satisfaction and product quality) and quantitative measures (such as order-to-delivery lead time, supply chain response time, flexibility, resource utilization, delivery performance etc.). The quantitative performance is directly related with supply chain network. Effective supply chain network is viewed as the driver of reductions in lead times and costs, and improvements in product quality and responsiveness. Despite its benefits structuring supply chain network is a complex decision-making process. The typical inputs to such a process consists of a set of customer zones to serve, products to be manufactured and distributed, demand projections for the different customer zones, information about future. Supply chain management is a network of mechanism at organizations that are involved, through upstream and downstream linkages in the different working processes and activities that process value in the form of products and services in the hand of the ultimate consumer. Actually maintain a chain of command to be a successful supply chains can significantly benefit the competitiveness of the firms. Thus, the supply chain management (SCM) is a crucial problem in the process industry. This thesis aims to identify some major key problems in the processing industry SCM by developing optimization-based models, approaches and solution procedures using analytical or mathematical programming techniques for better future of SCM at any organization handle easily and earn expected gain in the company.

Supply chain management may contain all activities that transform raw materials to final products and deliver them to the customers. A number of stages are involved in a supply chain, typically including suppliers, manufacturers, warehouses, distribution centers, retailers, and customers.

1.2 Background of the study

The study on "The Impact of Supply Chain Management Practices on the Overall Organizational Performance of Square Toiletries Limited" likely originated from a recognition within the company of the critical role that supply chain management plays in its success. Here's a possible background for the study:

a. Rising Importance of Supply Chain Management: With globalization and increasing competition, effective supply chain management has become crucial for businesses to remain competitive. Square Toiletries Limited likely recognized the need to evaluate and improve its supply chain practices to stay ahead in the market.

b. Market Dynamics: The company operates in the fast-moving consumer goods (FMCG) sector, where efficiency and responsiveness in the supply chain are paramount. Market demands, consumer preferences, and the competitive landscape may have prompted Square Toiletries Limited to assess its supply chain practices.

c. Internal Efficiency: Square Toiletries Limited may have observed inefficiencies or bottlenecks within its supply chain that were impacting overall organizational performance. This could include issues such as delays in production, high inventory carrying costs, or disruptions in distribution.

d. Customer Satisfaction: Ensuring timely delivery of products to customers is essential for maintaining customer satisfaction and loyalty. Any shortcomings in supply chain management could lead to dissatisfied customers and loss of market share.

e. Strategic Goals: The company likely has strategic objectives related to growth, cost reduction, and market expansion. Optimizing supply chain management aligns with these goals by improving operational efficiency and resource utilization.

f. Industry Benchmarking: Benchmarking against industry best practices and competitors may have highlighted areas where Square Toiletries Limited could improve its supply chain practices to gain a competitive edge.

Overall, the study likely emerged from a combination of internal recognition of operational inefficiencies, external market pressures, and strategic imperatives to enhance organizational performance in the dynamic FMCG industry.

1.3 problem statement

The problem statement for the study on "The Impact of Supply Chain Management Practices on the Overall Organizational Performance of Square Toiletries Limited" could be framed as follows:

"The supply chain management practices employed by Square Toiletries Limited are fundamental to its overall organizational performance. However, there exists a need to systematically assess and analyze the effectiveness of these practices in achieving operational excellence, cost efficiency, and customer satisfaction. By identifying the specific areas within the supply chain where improvements can be made, Square Toiletries Limited can enhance its

competitive position in the market and ensure sustainable growth. Therefore, this study aims to investigate the relationship between supply chain management practices and overall organizational performance, with a focus on identifying key drivers and opportunities for improvement within Square Toiletries Limited's supply chain."

1.4 Purposes of the Study

As a student of Master of Business Administration in Department of Management, It is mandatory part to complete three months' internship program. The main purpose of this internship program is to provide real-world experience that enables students to put learning into action. This report is done as a partial requirement of the internship program for completing the EMBA program.

1.5 Objectives of the Study

Broad Objective

➢The study is to know the **Supply Chain Management Practices in Square Group of Industries**

Specific Objectives

➢To know Logistics, Purchase process, Supply chain, Distribution, Marketing and Contingency theory apply in supply chain management (SCM).

➢To know Basic operation process and performance for treatment and perceive information disclosure as a loss of power.

➢To identify the Companies is not seek to achieve cost reductions or profit improvement at the expense of their supply chain partners.

➢To know Chain level-supplier's supplier, customer's customer.

➢To determine Effective supply chain integration requires effective implementation.

➢To know Time and space variables making complexity of SCM.

1.6 Significance of the Study

The significance of studying supply chain management lies in its critical role in optimizing the flow of goods and services from the point of origin to the point of consumption. It helps businesses enhance efficiency, reduce costs, improve customer satisfaction, manage risks, and adapt to dynamic market demands. Understanding supply chain management is essential for companies to stay competitive in today's globalized and interconnected business environment.

1.7: Scope of the Study

This study has offered a framework pertaining to the drivers of supply chain management practices and its impact on organizational performance. It hasn't guaranteed the selected drivers are applicable for every organization. While the study is conduced based on some selected drives of supply chain management which also have profound effect on performance.

1.8: Limitations of the Study

The study is conducted based on limited data and as the study is considered the data of one specific organization which is not true representative of whole organization sector as it is unable to represent overall supply chain practices. For the purpose of the study a little number of data has been collected within limited period of time which does not consider employees from different branches so there is a gap in collecting proper amount of data for the purpose of the study. The data is collected through survey questionnaire which is given to the selected employees so there is probability of biasness and as well as the employees have attempted to fill the questionnaires as an act of formality. In conducting this study some other problems and limitations have encountered which are as follows:

- Due to time constrain, research was conducted by taking some sample only.
- Many respondents were hesitant and reluctant to answer certain issues on survey questions.
- As the information regarding supply chain is very confidential, views may vary from organization to organization which eventually would affect the study.

1.9: Sources of the Data Collection

For the purpose of this study, both primary and secondary data are collected.

Primary Data: The primary data are collected from the Employees of Square Toiletries limited

Secondary Data: Secondary data have been collected for this study from different sources:

- Annual Report of **Square Toiletries limited** 2022,2023
- Different Journals related to employee performance.
- Different books, published papers related to employee engagement practices and employee performance.

1.10: Sampling Method

For sampling, judgmental sampling method has been used. To ensure sample representation data are collected from **Square Toiletries limited.**

1.11: Population and Sample Size

The sample for this study comprised of employees from the middle and higher level management who holds different types of positions of **Square Toiletries limited**. The sample size for this study is 03 from total too more employees of this particular unit.

1.12: Data Analytical Tools

After data collection, data entry, editing, coding, and descriptive statistical analysis have done with the help of SPSS. The Karl Pearson correlation analysis has identified and analyzed the nature, direction, and significance of the relations between the variables being measured on interval and ratio data. The hypothesis of research has analyzed with simple and multiple regressions analysis.

Chapter-02: Literature Review

2.1 Literature Review

Supply chain management (SCM) stands as a critical function within organizations, serving as the backbone for operational efficiency and competitiveness in today's dynamic business landscape. As globalization continues to expand markets and intensify competition, effective SCM practices emerge as essential components for organizational success. This literature review aims to explore and analyze the various SCM practices implemented within organizations, focusing on their strategies, challenges, and impacts on performance.

The complexity of modern supply chains necessitates a multifaceted approach to management, encompassing diverse functions such as procurement, production, logistics, and distribution. Organizations strive to optimize these interconnected processes to enhance efficiency, reduce costs, and meet customer demands promptly. Key SCM practices include inventory management, demand forecasting, supplier relationship management, and lean manufacturing principles, among others.

Numerous studies have delved into the adoption and effectiveness of SCM practices across various industries and organizational contexts. These investigations provide valuable insights into the factors influencing SCM implementation, including technological advancements, regulatory requirements, and market dynamics. Additionally, researchers have examined the role of collaboration and information sharing among supply chain partners in improving overall performance and resilience against disruptions.

Despite the potential benefits, organizations encounter numerous challenges in implementing SCM practices effectively. These challenges range from aligning internal processes and systems to integrating external stakeholders into the supply chain network. Issues such as demand volatility, supplier reliability, and geopolitical risks further complicate SCM management, requiring agile strategies and robust risk mitigation measures.

Understanding the implications of SCM practices on organizational performance is crucial for decision-makers seeking to optimize their supply chain operations. Research findings offer valuable insights into the tangible outcomes of SCM initiatives, including cost reduction, lead time optimization, and enhanced customer satisfaction. Moreover, studies highlight the role of SCM in driving innovation, sustainability, and competitive advantage in today's global marketplace

Procedia-Social and Behavioral Sciences 40, 225-233, 2012

The purpose of this research is to explore the relationship between supply chain management strategy and chain management practices on supply chain performance. The main tools of data collection instrument used was a questionnaire which was administrated to a total sample of 200 managers are classified by job title and respondents are also classified by their job functions are corporate executive, purchasing, manufacturing/production, distribution/logistic, SCM, transportation, material, and operation from Malaysia manufacturing industry. The response rate was 62% while 51% was usable questionnaires. Sample selection was based on convenience sampling. The data were analyzed using mean, standard deviation and correlation between independent and dependent variables. The analyses involved statistical methods such as reliability and validity tests and multiple regressions. The finding showed that supply chain management practices have a significant relationship with supply chain performance statically. However, supply chain management strategy is a weak predictor of supply chain management performance

International Journal of Modelling in Operations Management 1 (1), 84-106, 2010

Supply chain management (SCM) is one of the tools used by organizations to improve their business performances. This research aims to investigate the relationships between supply chain practices and organizations performance. Six supply chain practices are chosen in this research: customer orientation, knowledge sharing, information technology (IT) adoption, partnership, leadership and training. This study was conducted based on the service industry in Malaysia. Regression analysis was applied to test the model in this research. The findings showed that leadership, IT adoption, customer orientation and training have a significant influence on the performance of the service organizations. Our results will be useful for decision makers and top management in the service industry to formulate SCM strategies that can help them to enhance their organization performance.

2.2 Flow Chart of the Study

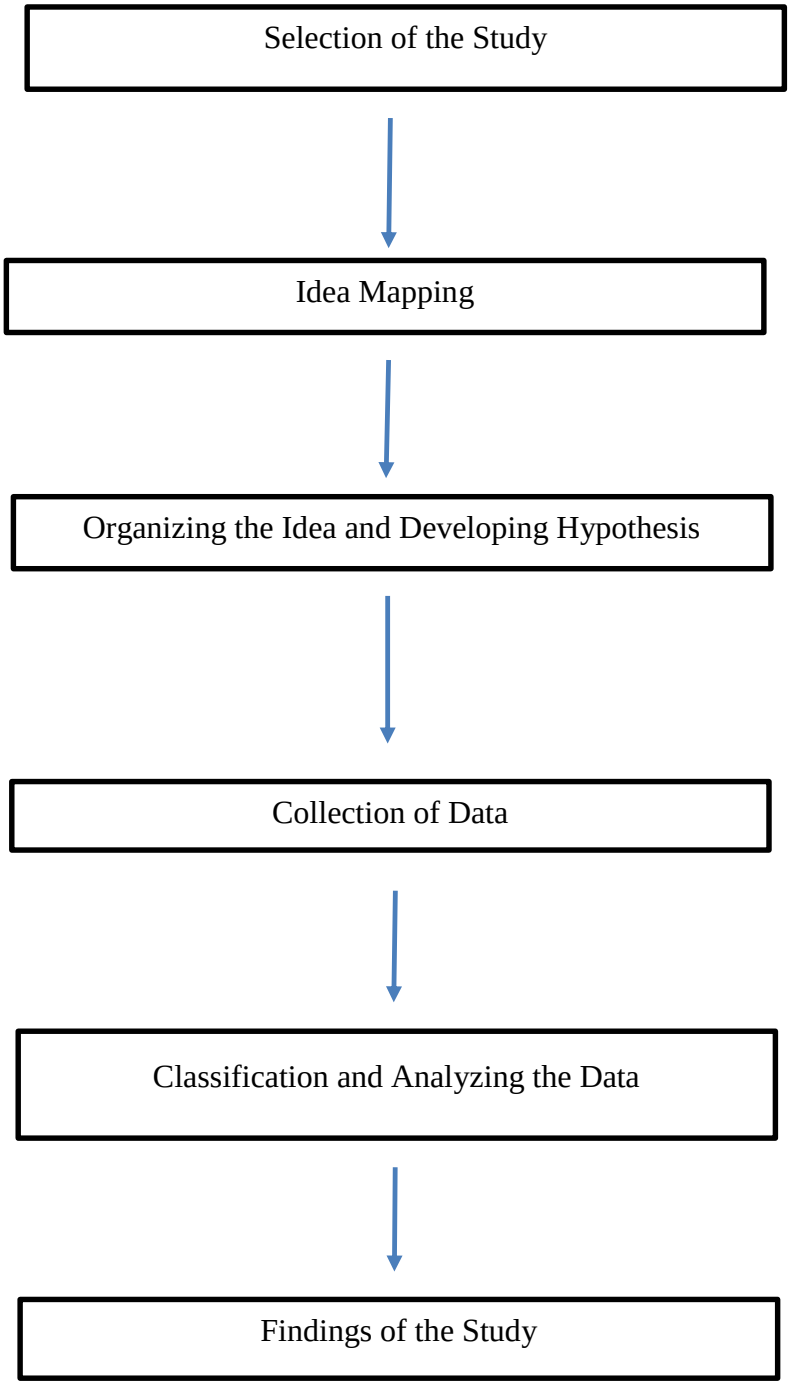


Fig 2.1: Flow Chart of the Study

2.2.1 Supply chain management (SCM)

Investopedia 2 define supply chain management (SCM) as 'Supply chain management is the management of the flow of goods and services and includes all processes that transform raw materials into final products. It involves the active streamlining of a business's supply-side activities to maximize customer value and gain a competitive advantage in the market place.' Techopedia 3 define SCM as 'The management and oversight of a product from its origin until it is consumed. SCM involves the flow of materials, finances and information. This includes product design, planning, execution, monitoring and control.'

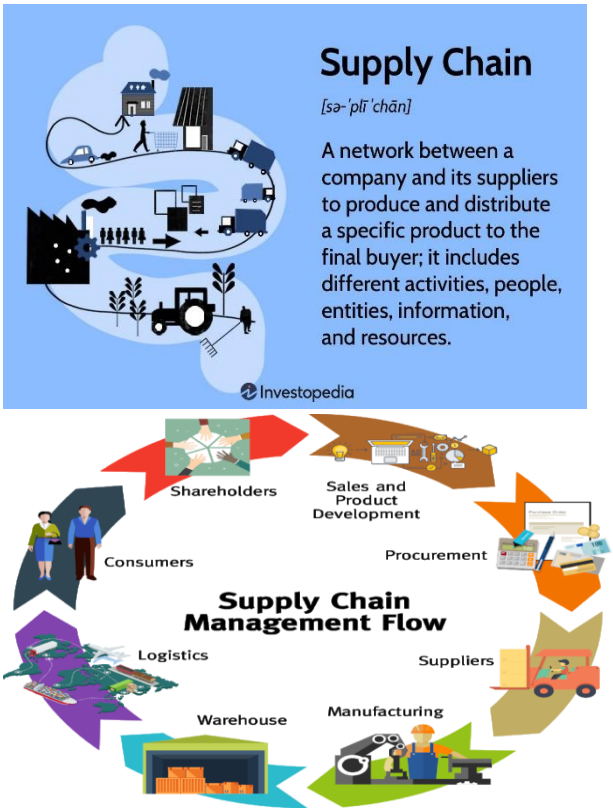


Fig 2.2: supply chain management (SCM)

2.2.2 Sourcing:

It is the process of identifying, selecting, and developing suppliers. It is that part of the procurement process concerned with 'how and where services or products are obtained'. It is rightly argued as the most important part of the procurement process because if the right and correct source decision is made in a particular instance, then the buying organization's needs should be met perfectly.

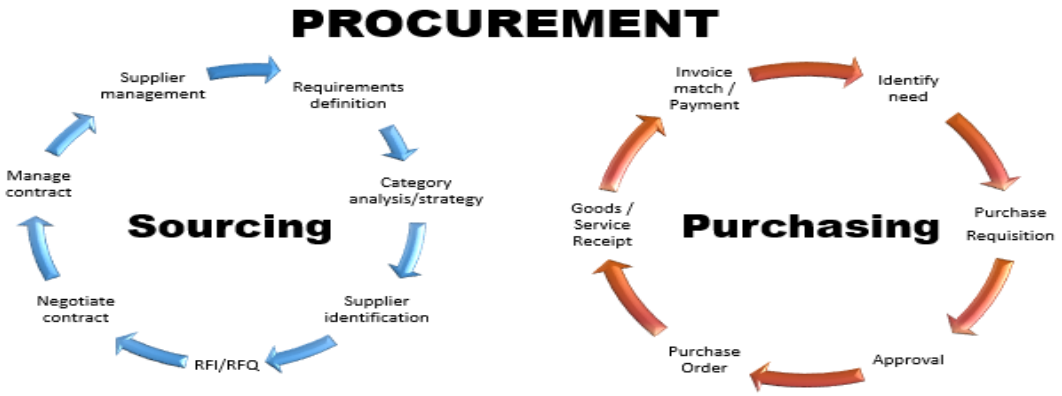


Fig 2.3: Sourcing & Purchasing

2.2.3 Define Procurement

CIPS Australia 1 motivated a debate on an agreed procurement lexicon. The following statements were proposed:

- Procurement is the business management function that ensures identification, sourcing, access and management of the external resources that an organization needs or may need to fulfil its strategic objectives.
- Procurement exists to explore supply market opportunities and to implement resourcing strategies that deliver the best possible supply outcome to the organization, its stakeholders and customers.
- Procurement applies the science and art of external resource and supply management through a body of knowledge interpreted by competent practitioners and professionals.

The author offers two more definitions of procurement.

- Procurement is a pro-active, strategic corporate activity to ensure a continuing supply of goods and services to enable world-class organizational performance.

- Procurement manages supply chain risks through effective negotiation of contracts, cost and price models, quality and other essential supply characteristics.



Fig 2.4: 7 Steps to a successful procurement process

2.2.4 Materials management

Materials management (MM) is concerned with the flow of materials to and from production or manufacturing and has been defined as:

"The planning, organization and control of all aspects of inventory embracing procurement, warehousing, work-in-progress and distribution of finished goods."

Some aspects of MM that may be included under the heading 'Materials flow' are listed in Table. 2.a. The factors influencing the activities assigned to MM include the following:

- Procurement is frequently the 'key' activity
- Production planning and control may be assigned to MM or the manufacturing function

Where this is separate – the former tends to apply when production is materials orientated, such as in an assembly factory; the latter when production is machine/ process orientated.

Materials flow	*Typical activities*
Planning	Preparation of materials budgets, product research and development, value engineering and analysis, standardisation of specifications
Procurement	Determining order quantities, processing works and stores requisitions, issuing enquiries, evaluating quotations, supplier appraisal, negotiation, placing contracts, progressing deliveries, certifying payments, vendor rating, supplier and contract management
Storage	Stores location, layout and equipment, mechanical handling, stores classification, coding and cataloguing, receipt of purchased items, inspection, storage or return, stock and store safety and security, stock integrity and rotation, stores environment management, issuing to production, providing cost data, stock records and verification, recycling or disposal of obsolete, surplus or scrap material
Production control	Forward ordering arrangements for materials, preparing production schedules and sequences, issuing orders to production, emergency action to meet material shortages, make-or-buy decisions, quality and reliability feedback and adjustment of supplies flow to production line or sales trend

Table. 2.a.

2.2.4.1 Inventory Management

"A list of items which are kept to the stock for future purpose" this is called inventory. Inventory management refers to the process of ordering, storing, using, and selling a company's inventory. This includes the management of raw materials, components, and finished products, as well as warehousing and processing of such items. There are different types of inventory management, each with its pros and cons, depending on a company's needs.

The Benefits of Inventory Management

A company's inventory is one of its most valuable assets. In retail, manufacturing, food services, and other inventory-intensive sectors, a company's inputs and finished products are the core of its business. A shortage of inventory when and where it's needed can be extremely detrimental. At the same time, inventory can be thought of as a liability (if not in an accounting sense). A large inventory carries the risk of spoilage, theft, damage, or shifts in demand. Inventory must be insured, and if it is not sold in time it may have to be disposed of at clearance prices—or simply destroyed. For these reasons, inventory management is important for businesses of any size. Knowing when to restock inventory, what amounts to purchase or produce, what price to pay—as well as when to sell and at what price—can easily become complex decisions. Small businesses will often keep track of stock manually and determine the reorder points and quantities using spreadsheet (Excel) formulas. Larger businesses will use specialized enterprise resource planning (ERP) software. The largest corporations use

highly customized software as a service (SAAS) applications. Appropriate inventory management strategies vary depending on the industry. An oil depot is able to store large amounts of inventory for extended periods of time, allowing it to wait for demand to pick up. While storing oil is expensive and risky—a fire in the U.K. in 2005 led to millions of pounds in damage and fines—there is no risk that the inventory will spoil or go out of style.1 For businesses dealing in perishable goods or products for which demand is extremely time-sensitive—2021 calendars or fast-fashion items, for example—sitting on inventory is not an option, and misjudging the timing or quantities of orders can be costly. For companies with complex supply chains and manufacturing processes, balancing the risks of inventory gluts and shortages is especially difficult. To achieve these balances, firms have developed several methods for inventory management, including just-in-time (JIT) and materials requirement planning (MRP).

Accounting for Inventory

Inventory represents a current asset since a company typically intends to sell its finished goods within a short amount of time, typically a year. Inventory has to be physically counted or measured before it can be put on a balance sheet. Companies typically maintain sophisticated inventory management systems capable of tracking real-time inventory levels. Inventory is accounted for using one of three methods: first-in-first-out (FIFO) costing; last-in-first-out (LIFO) costing; or weighted-average costing. An inventory account typically consists of three separate categories:

Raw materials — represent various materials a company purchases for its production process. These materials must undergo significant work before a company can transform them into a finished good ready for sale.

Work in process (also known as goods-in-process) — represents raw materials in the process of being transformed into a finished product.

Finished goods - are completed products readily available for sale to a company's customers.

Inventory Management Methods

Depending on the type of business or product being analyzed, a company will use various inventory management methods. Some of these management methods include just-in-time (JIT) manufacturing, materials requirement planning (MRP), economic order quantity (EOQ), and days sales of inventory (DSI). There are others, but these are the four most common methods used to analyze inventory.

1. Just-in-Time Management (JIT)

This manufacturing model originated in Japan in the 1960s and 1970s. Toyota Motor (TM) contributed the most to its development. The method allows companies to save significant amounts of money and reduce waste by keeping only the inventory they need to produce and sell products. This approach reduces storage and insurance costs, as well as the cost of liquidating or discarding excess inventory. JIT inventory management can be risky. If demand unexpectedly spikes, the manufacturer may not be able to source the inventory it needs to meet that demand, damaging its reputation with customers and driving business toward competitors. Even the smallest delays can be problematic; if a key input does not arrive "just in time," a bottleneck can result.

2. Materials Requirement Planning (MRP)

This inventory management method is sales-forecast dependent, meaning that manufacturers must have accurate sales records to enable accurate planning of inventory needs and to communicate those needs with materials suppliers in a timely manner. For example, a ski manufacturer using an MRP inventory system might ensure that materials such as plastic, fiberglass, wood, and aluminum are in stock based on forecasted orders. Inability to accurately forecast sales and plan inventory acquisitions results in a manufacturer's inability to fulfill orders.

3. Economic Order Quantity (EOQ)

This model is used in inventory management by calculating the number of units a company should add to its inventory with each batch order to reduce the total costs of its inventory while assuming constant consumer demand. The costs of inventory in the model include holding and setup costs.

The EOQ model seeks to ensure that the right amount of inventory is ordered per batch so a company does not have to make orders too frequently and there is not an excess of inventory sitting on hand. It assumes that there is a trade-off between inventory holding costs and inventory setup costs, and total inventory costs are minimized when both setup costs and holding costs are minimized.

The formula used to estimate EOQ is as follows:

Economic order quantity (EOQ) = √ [(2 x D x K)/H]

Where,

D = Demand per year

K = Ordering cost per purchase

H = Holding costs per year, per unit

Minimum Order Quantity or MOQ

It is the minimum volume of stocks that a supplier wishes to sell to a producer. The only aim of the supplier here is to earn more profits while getting rid of the inventory more quickly.

Safety Stock

Safety Stock is the stockpile of inventory that a manufacturer retains in excess to ensure they are available to customers when demand spikes unexpectedly. Besides, it protects businesses against the unforeseen shortage in supply.

Also known as a buffer or emergency stock, it lets manufacturers cover up for the lead time until the new inventory reaches points of sale. However, it never crosses the level that increases holding costs.

Safety stock = (Max Daily Sales x Max Lead Time in Days) – (Average Daily Sales x Average Lead Time in Days)

Reorder Point

Reorder Point is the level at which businesses realize to reorder new inventory from the supplier to avoid stock outs. The replenishment of stocks considers factors like existing and potential demand and lead time before new inventory arrives. The formula used by businesses to determine a minimum level of inventories is as follows:

Reorder point = (Average Daily Sales x Average Lead Time in Days) + Safety Stock

4. Days Sales of Inventory (DSI)

This financial ratio indicates the average time in days that a company takes to turn its inventory, including goods that are a work in progress, into sales. DSI is also known as the average age of inventory, days inventory outstanding (DIO), days in inventory (DII), days sales *in* inventory or days inventory and is interpreted in multiple ways. Indicating the liquidity of the inventory, the figure represents how many days a company's current stock of inventory will last. Generally, a lower DSI is preferred as it indicates a shorter duration to

clear off the inventory, though the average DSI varies from one industry to another.

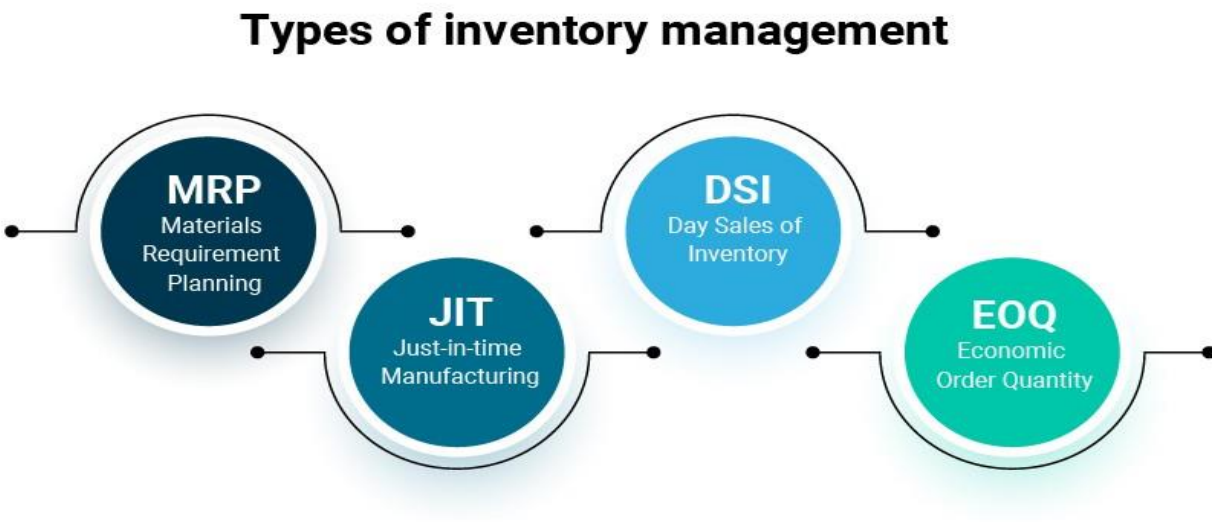


Fig.2.5. Types of inventory management

2.2.5 Distribution management

The physical movement and delivery of goods and services to customers is a key objective of supply chain management. It is important for procurement to recognize their potential role in assisting distribution management to be highly efficient and cost effective. Procurement should have a strategic role in defining the distribution strategy. Corporately, the strategy will be either:

- Own the assets (buildings, equipment and transport vehicles, or some of the assets)
- Lease or rent assets
- Outsource distribution in its entirety.

The distribution strategy is impacted by: economic factors, channels of distribution and their location, service centers and warehouses locations, and the nature of the goods or services. For example, there are noticeable differences between the distribution of perishable goods and engineering parts and equipment. In addition to the distribution strategy, warehouse operations, stock management and transport planning are other components of the strategy. The area of stock management is a key consideration wherein procurement can have a major impact. They can advise on such matters as:

- Negotiating consignment stock at key locations, including the client's premises.
- Negotiating lead times and contract terms and conditions when lead times not met.
- Negotiating minimum order quantities.
- Negotiating virtual inventory management.

2.2.5.1 Definition of Logistics Management

The management process which integrates the movement of goods, services, information, and capital, right from the sourcing of raw material, till it reaches it send consumer is known as Logistics Management. The objective behind this process is to provide the right product with the right quality at the right time in the right place at the right price to the ultimate customer. The logistic activities are divided into two broad categories they are:

Inbound Logistics: The activities which are concerned with procurement of material, handling, storage and transportation

Outbound Logistics: The activities which are concerned with the collection, maintenance, and distribution or delivery to the final consumer.

A part from these, other activities are warehousing, protective packing, order fulfillment, stock control, maintaining equilibrium between demand and supply, stock management. This will result in savings in cost and time, high-quality products, etc.

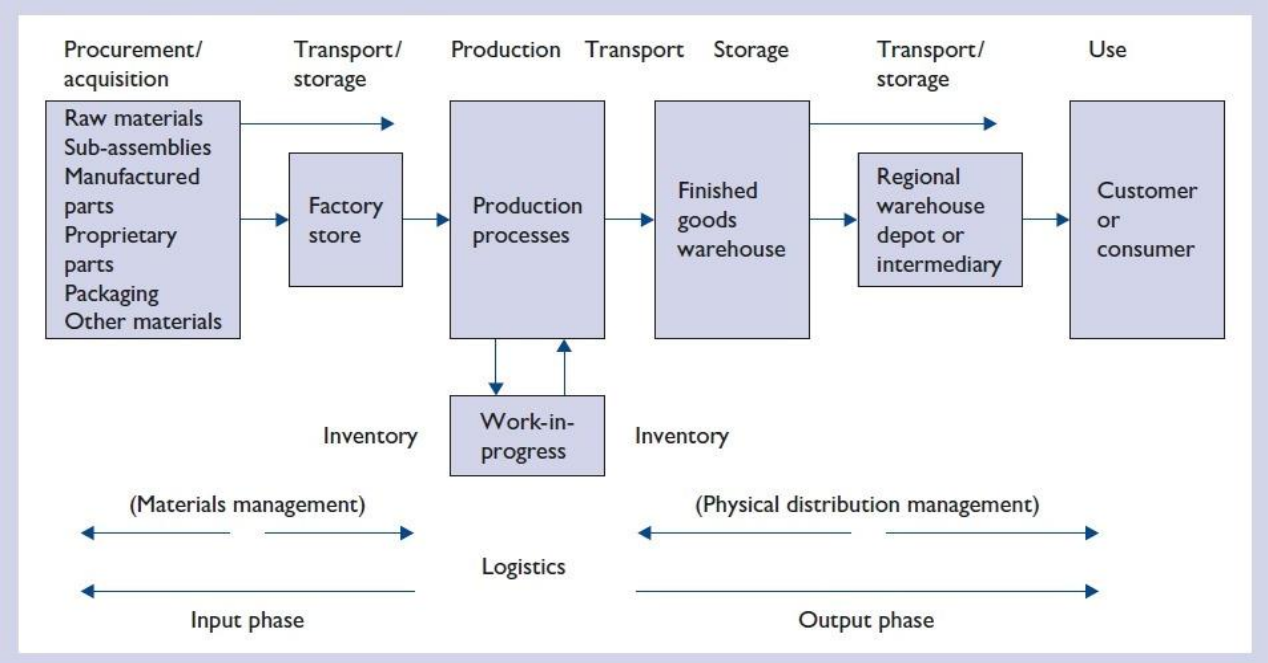


Fig:2.6. Logistic Management.

2.2.5.2 Warehousing

Warehouse management encompasses the principles and processes involved in running the day-to-day operations of a warehouse. At a high level, this includes receiving and organizing warehouse space, scheduling labor, managing inventory and fulfilling orders. Zoom in closer and you'll see that effective warehouse management involves optimizing and integrating each

of those processes to ensure all aspects of a warehouse operation work together to increase productivity and keep costs low.

Benefits of Warehouse Management

Warehouse operations are generally invisible to customers, but they play a vital behind-the-scenes role in ensuring on-time delivery. To achieve this goal, good warehouse management ensures all warehouse processes run as efficiently and accurately as possible. For example, warehouse management involves optimizing the use of warehouse space to maximize inventory storage; making inventory easy for staff to find; ensuring adequate staffing; efficiently fulfilling orders; and coordinating communication with suppliers and transportation companies so materials arrive and orders ship on time.

The benefits of good warehouse management—namely fast, high-quality service at low cost—can ripple out to the entire supply chain, strengthening relationships with suppliers as well as customers.

But given the many elements involved, optimizing warehouse management can be a complex task. That's why many organizations are turning to warehouse management systems for help.

A Warehouse Management System

A warehouse management system (WMS) is a software solution that aims to simplify the complexity of managing a warehouse. Often provided as part of an integrated enterprise resource planning (ERP) suite of business applications, a WMS can support and help to optimize every aspect of warehouse management. For example, a WMS can:

Leverage data and automation to conduct demand analyses, forecast sales and create efficient daily operating plans.

Provide real-time insight into inventory location and quantity.

- Share data with other ERP modules or standalone software products, such as accounting software and transportation management solutions, to increase the efficiency of business operations.
- Monitor and report productivity to offer a deeper understanding of how efficiently your warehouse is operating and where you can make improvements to warehouse geography and optimize space.
- Create step by step directions to guide users through daily processes—such as receiving, picking and packing orders—using predefined rules.

Inventory Management vs Warehouse Management

Before getting into the details of warehouse management, it may help to understand a few common terms. For example, the terms inventory management and warehouse management are often used interchangeably, but there are key differences:

Inventory Management

Inventory Management is centered on efficiently and effectively ordering, storing, moving, and picking the materials needed to make products or fulfill orders.

Warehouse Management

Warehouse Management is a broader term that includes other aspects of warehouse operations, such as warehouse organization and design, labor, order fulfillment, warehouse monitoring and reporting.

Stock Management

Stock management is often used as another term for inventory management, but it's important to recognize the difference between "stock" and "inventory," particularly for companies involved in manufacturing products. Stock generally refers to finished product ready for sale or distribution. Inventory, however, includes everything in the warehouse: raw materials, materials that are in the process of being built into products and finished products (stock). Stock management is therefore a subset of inventory management that focuses specifically on holding as little stock as possible—to save space and costs—while still being able to meet customer demand.

Principles of Warehouse Management

Understanding the general principles of warehouse management can help you focus your efforts to optimize the way your warehouse operates. These principles include:

Know your purpose. A warehouse operation must first and foremost know its objectives. For example, do your customers have specific delivery requirements? Does your inventory need specialize storage? Additionally, all warehouse operations aim to use warehouse space, labor and equipment as efficiently as possible.

Comprehensive control. Warehouse management involves coordinating complex processes involving many moving parts: people, equipment, orders and inventory. Warehouse managers need to be able to track each process in order to ensure it's running smoothly and solve the problems that inevitably occur. Quality control is critical to ensure orders are fulfilled accurately.

Flexibility and resilience. Warehouse managers have to be able to change plans on the fly, whether it's because materials have arrived damaged or because inclement weather is delaying shipments. It's also important to be able to adjust workflows to maximize efficiency, whether that involves rearranging warehouse space or reimagining picking processes.

Customer focus. On-time delivery, with the correct product, is one of the most important metrics when it comes to customer service and satisfaction. To deliver on time, you need to be able to fulfill orders quickly and accurately.

Data-driven decision making**.** Even if every warehouse process appears to be running without a hitch, it doesn't mean processes are operating as efficiently as possible. A WMS can help you pinpoint and analyze areas that need improvement.

Warehouse Management Processes

Warehouse management includes six core processes. Each process influences the efficiency of the next, so every step must be optimized for the warehouse operation to run like a well-oiled machine:

Receiving. Check in and log incoming items. Verify that you're receiving the right quantity, in the right condition, at the right time.

Put-away. Move items from the receiving dock to their correct storage locations.

Storage. Safely store and logically arrange inventory to enable fast and accurate picking.

Picking. Collect the items needed to fulfill sales orders.

Packing. Prepare the picked items for shipment. They must be safely packed into the correct packaging with an accurate packing slip.

Shipping. Send out the finalized sales orders, ensuring that they are on the right vehicle, at the right time, with the correct documentation, so customers receive their orders on time.

Warehouse Optimization

Optimizing your warehouse operation involves fine-tuning each of these warehouse management processes. For example, when receiving goods, an organization can label items with mobile barcodes or attach RFID tags to make them easier to find when picking. During put-away, a well-managed warehouse operation stores items in the minimum amount of space to maximize the capacity of the warehouse. Other best practices for warehouse optimization include storing popular items in easily accessible areas and separating items that can easily be mistaken for one another.

Warehouse Management Fulfillment Strategies

Selecting fulfillment strategies that match the business's size and the volume and type of orders

it receives can help the organization ship products faster, minimize waste and improve customer satisfaction. Applying picking strategies that match the type of orders that you receive can help maintain the most effective workflow. For example: Batch picking is a technique that can help you quickly fulfill multiple orders for the same product without wasting time by continually revisiting the same inventory location. Zone picking assigns pickers to different zones of SKUs. For each order, pickers are responsible for picking all SKUs from their designated zone. First expired, first out (FEFO) picking ensures perishable products and items make it to customers before specified expiration or sell-by dates. With FEFO, the products set to expire first are shipped first. First in, first out (FIFO) picking ensures the first products to come into the warehouse are the first to be distributed, which can help make sure older items are shipped before they can become obsolete. Technology is also an important part of any warehouse management fulfillment strategy. Handheld mobile devices that display packing lists with item locations, serial numbers and lot numbers can help increase picking speed and accuracy. Software can recommend safe and cost-effective packing based on product dimensions to ensure each item gets shipped securely, with as little waste—and wasted space—as possible. Warehouse Monitoring & Reporting Measuring and tracking key performance indicators (KPIs)—operational statistics that indicate how well the warehouse is operating—can help pinpoint problems and highlight opportunities to improve efficiency and fulfill customer orders more quickly and accurately. For example, you can set a target for improved picking and packing accuracy, then make changes to your picking processes and measure whether those changes are effective in helping you achieve your goal.

Warehouse KPIs

Warehouse managers often track the following KPIs, among others:

Receiving efficiency or productivity: The volume of goods received per warehouse operator, per hour. Higher scores indicate greater receiving efficiency, while lower scores indicate that there may be problems that should be investigated.

Picking accuracy: The number of orders accurately picked divided by the total number of orders picked (including incorrect or short orders). The closer to 100% accuracy, the better.

Order lead time: The average time it takes for an order to reach a customer once the order has been placed. For the highest customer satisfaction, the shorter the lead time, the better.

Rate of product return: The rate at which sold goods are returned by customers, calculated by dividing the number of items returned by the number of items sold. To get a full picture of this KPI, it's important to consider why products are being returned—a customer accidentally

ordering the wrong product might not signify warehouse operation issues, but there is room for improvement if customers often receive incorrect products or damaged goods.

Inventory turnover: How much inventory is sold and replaced in a given period of time. It's calculated by dividing the total cost of goods sold during the period by the average cost of inventory during that period. This KPI reflects how efficiently a warehouse manages inventory to meet demand. In general, higher inventory turnover is better. If a warehouse overestimates demand, inventory turnover may be low. Too much slow-selling inventory can be costly—especially for businesses dealing with goods that have a predetermined shelf life.



Fig:2.7 Warehouse Management System.

2.2.6 Importance of Supply Chain Management

The main reasons for the importance of supply chain management includes the following:

Reduced Costs - Supply chain managers are often focused on reducing the costs incurred at all steps within the supply chain. Improving production processes, relationships with suppliers, and inventory management are some of the ways that supply chain managers can attempt to further reduce costs. The overall benefit of reducing costs throughout the supply chain is an increase in firm profits. Even reducing the cost of items by a few cents can result in millions of dollars saved if you take a proper plane.

Interconnected Supply Chain - Supply chains can appear like independent strings of a few companies working together to reach a common goal of delivering products to consumers. However, it is much more complex than that as the world can easily be viewed as one large supply chain. Consumers, distributors, producers, and suppliers are consistently communicating with each other as materials and components are transformed into finished goods that ultimately end up in the hands of consumers. It is therefore crucial for supply chain managers to focus on visibility and communication between all components as well as on the growth of their organization, partnerships, and outsourcing.

Information Transfer and Communication - Supply chain management (SCM) is a necessity for the foundation of all societies. Effective communication and information transfer in real-time is a necessity for the foundation of a robust supply chain. This starts by building strong relationships between all components of the supply chain and ensuring that communication is easy and that all parties are aligned towards a common goal. As information flows backwards from the end-consumer to the supplier, supply chain managers must reduce any delays or errors in the information that is transferred from one chain link to another. Many modern manufacturers are relying on advanced technology that can increase the visibility of order statuses to both consumers and suppliers in real-time to meet everyone's needs.

Better Customer Service - Effective supply chain management can provide direct improvement to your customer service. This is because SCM processes will ensure that the correct quantity of the correct items will be delivered in a timely manner. Having an interconnected network of suppliers and distributors will reduce delays and improve customer satisfaction. In addition, supply chain management will usually increase visibility and allow both customers and customer service personnel to know of the status of each order at all times.

Agility - Supply chain management is important to allow organizations to remain agile and be able to handle any unexpected issue or variability that may occur. By streamlining supply chain processes and increasing visibility, businesses will be able to diagnose problems and find appropriate solutions more quickly. In addition, having contingency plans and what-if scenario analyses of your production schedule will allow you to quickly evaluate your options and find the best solution for your company, A software that can aid with your overall supply chain is Planet Together Advanced Planning and Scheduling Software (APS). Planet together is a visual scheduling software that allows you to have a clear representation of your production process. This allows you to quickly identify areas that are in need of productivity enhancement

or constraint management. Planet Together APS is a necessity for manufacturing operations that are looking to take their production up a notch, increase productivity, decrease costs, and deliver goods on time. Advanced Planning and Scheduling software is being implemented into manufacturing operations around the globe and is helping make the planet more productive, one factory at a time.



Fig:2.8. Importance of Supply Chain Management

Chapter-03 Methodology

3.1 Corporate Vision, Mission, and Values:

Vision: "To be Bangladesh's most admired and progressive global conglomerate." We are passionately creating sustainable economic value for our country and stakeholders by contributing to the industrial development of the nation and fundamental requirements of our consumers.

Mission: "Delighting our customers and maximizing value by innovative solutions, inspired employees, adaptation of technological advancements and living in harmony with environment."

Values: Square pays attention to the safety of people and products, acts pro-socially and is environmentally friendly. Square is sensitive to cultural differences, treats social and commercial partners with respect and facilities the development of its partners.



Integrity Respect Keeping Promises Customer Focus Team Work

3.2 FMCG Products & services:

1. Sepnil Antibacterial Soap
2. Magic Herbal Toothpaste
3. Zerocal Stevia
4. Kool After Shave Gel Cream
5. Kool Deodorant Body Spray – Storm
6. Meril Baby Toothbrush
7. Meril Milk & Rose Soap
8. Meril Baby Soap
9. Meril Milk & Beli Soap
10. Meril Milk & Kiwi Soap
11. Meril Milk Soap
12. Meril Baby Top to Toe Wash
13. Meril Tangerine Orange Shampoo
14. Meril Aloe Vera Petroleum Jelly

15. Meril Baby Powder
16. Meril Baby Shampoo
17. Meril Baby Olive Oil
18. Meril Baby Gel Toothpaste (Orange)
19. Meril Baby Lotion
20. Revive Hairfall Fight Shampoo
21. Maya True Herbs Marula OilMAYA All Natural Scalp & Hair Oil
22. Maya All Natural Argan Oil
23. Meril Lip Balm (Pomegranate)
24. Meril Conditioning Nail Polish Remover
25. Meril Lip Balm (Lemon)
26. Meril Lip Balm (Strawberry)
27. Meril Olive Oil
28. Meril Lip gel
29. Meril Glycerine
30. Meril Petroleum Jelly
31. Meril Rose Water Glycerin
32. Meril Baby Gel Toothpaste (Strawberry)
33. Meril Baby Brushing Training Kit
34. Rain Shower Refreshing Bath and Shower Gel
35. Sepnil Extra Mild Hand Wash (Marigold)
36. Sepnil Extra Mild Hand Wash (Tea Oil)
37. Sepnil Fruity Sanitizing Hand Wash – Orange
38. Sepnil Instant Hand Sanitizer – Sanitizer Hand Wash
39. Sepnil Disinfectant Spray
40. Sepnil Face Mask
41. Chaka Advance White Ball Soap
42. Zerocal Sachet
43. Supermom Mild Baby Wipes
44. Supermom Baby Diaper XL
45. Supermom Baby Diaper Large
46. Supermom Baby Diaper Medium
47. Supermom Baby Diaper Small

48. Senora Ultrathin
49. Femina Antibacterial Sanitary Napkin (Panty System)
50. Femina Antibacterial Sanitary Napkin (Belt System)
51. Senora Confidence (Panty System)
52. Senora Heavy Flow
53. Senora Sanitary Napkin Economy Pack (Panty System)
54. Senora Sanitary Napkin Regular Pack (Panty System)
55. Senora Sanitary Napkin Economy Pack (Belt System)
56. Senora Sanitary Napkin Regular Pack (Belt System)
57. Senora Teen Confidence
58. Senora Bio
59. White Plus Kids
60. Chaka Super white Premium Detergent powder
61. Chamak Fabric Brightener
62. Spring Air Freshener (Lemon Fresh)
63. Spring Air Freshener (Orange Fresh)
64. Jui Hair Care Oil
65. Jui Pure Coconut Oil – Organic Extra Virgin coconut oil
66. White Plus Toothpaste
67. Select plus Anti-dandruff Shampoo
68. Kool after Shave Lotion
69. Kool Deodorant Body Spray (Blue)
70. Kool Shaving Cream (Frosty)
71. Kool Shaving Cream (Monsoon)
72. Kool Shaving Foam
73. Shakti Liquid Toilet Cleaner
74. Xpel Aerosol
75. Xpel Natural Mosquito Repellent Spray
76. Xpel Dual Action Aerosol
77. Chaka Advanced Washing Powder
78. Spring Air Freshener (Floral Fresh)
79. Zerocal Tablet
80. Magic Extra Fresh Tooth Powder

3.3 Corporate social responsibilities (CSR):

Beyond Business SQUARE cares. “SQUARE Pharmaceuticals Ltd.” is one of the signatory of UN Global Compact in Bangladesh. It supports global business community to uphold social issues in business operations and being convinced of the benefits which will accrue out of voluntary adherence to universally recognized social values in transaction of businesses.

Beyond their statutory obligation to comply with legislation “SQUARE Pharmaceuticals Ltd.” consider the interests of customers, employees, shareholders, communities and ecological considerations in all aspects of their operations. This obligation is seen to extend.

As socially conscious and responsible corporate body, SQUARE is committed to the improvement of the society as a whole. SQUARE is involved in the welfare program of the acid burn victims and sponsored Meril-Prothom Alo festival which has become a national calendar event. SQUARE helps many NGO's in their effort to make available healthcare to the disadvantage population of the Country. It sponsors programs to build awareness on the healthcare need. It is also a major sponsor of sporting events in the country.

3.4. SWOT analysis of Square Team:

The SWOT analysis is a strategic tool that is used by researchers as well as businesses for the identification of various internal capabilities as well as shortcomings. The Square Team uses the SWOT analysis to identify internal strengths and weaknesses, as well as external opportunities and threats (Stead & Stead, 2014). This is then used for assessing and reviewing how the internal capacities of the organization, such as the square Team, can be used and organized for optimally exploiting the external opportunities, as well as mitigating away the risks and threats (Park, 2020).

3.4.1. STRENGTHS

Strengths refer to the internal capabilities and factors that allow the Henry Tam and the square Team to excel, exploit resources optimally, and improve performance. Strengths also help the Henry Tam and the Square Team maintain its differentiation in the industry as well as its competitiveness. Some of the strengths enjoyed by Henry Tam and the Square Team include:

A. Innovation: The Henry Tam and the SQUARE Team has a high focus on innovation. The Henry Tam and the SQUARE Team makes use of its strong facilities and trained employees, as well as structured NPD processes to gain first mover advantage in the market through innovation (Kim, 2002).

B. Research and development: The Henry Tam and the SQUARE Team continually invests

in research and development. The Henry Tam and the SQUARE Team conducts market as well as consumer research to identify new buyer habits and purchasing trends, as well as consumption habits. This enables the company to tailor its marketing communications accordingly, as well as identify potential gaps in the market for new product development.

C. Proactive to consumer trends and market behavior: With strong research and development facilities, the Henry Tam and the SQUARE Team is able to predict future consumer and market trends. As a result of this pro activeness, the Henry Tam and the SQUARE Team is able to develop multiple contingency plans. This, in turn, facilitates strategic planning and decision-making, as well as strategic implementation for the company.

D. Adaptive towards change: The Henry Tam and the SQUARE Team is increasingly flexible and adaptive to change. These include not only administrative and structural changes, but also strategic changes. Through being adaptive to change, the Henry Tam and the SQUARE Team is able to quickly respond to the changing external business factors and environmental variants – allowing the Henry Tam and the SQUARE Team to maintain its competitiveness and leadership position (DuBrin, 2013).

E. High access to market and consumer data: In addition to consumer and market research, the Henry Tam and the SQUARE Team has also collaborated with other research firms and agencies. As a result of this, the Henry Tam and the SQUARE Team has quick access to intensive market and consumer data, which helps it in making informed decisions.

F. High rate of new idea generation and new product development: The Henry Tam and the SQUARE Team's focus on innovation and business development has led the leadership to emphasize on new idea generation and new product development processes. The Henry Tam and the SQUARE Team supports a separate business unit for new idea generation and NPD processes to facilitate innovation.

G. Increased usage of automation: The Henry Tam and the SQUARE Team makes use of advanced technology. The Henry Tam and the SQUARE Team has increasingly made use of automation and integrated AI as well as machine learning in its organizational processes to increase effectiveness and efficacy (Joyce, 2022).

H. Developed IT infrastructure: The Henry Tam and the SQUARE Team has a highly developed and structured IT infrastructure within the organization. This facilitated the Henry Tam and the SQUARE Team in maintaining quick and transparent communication, as well as allows sharing on information quickly and without hassles.

I. International expansion and exposure: The Henry Tam and the SQUARE Team has

expanded to other international locations as well. This international expansion has allowed the Henry Tam and the SQUARE Team to gain relevant exposure and experience of working with different cultures.

J. High growth in revenue: The Henry Tam and the SQUARE Team has a high rate of revenue growth. This is because of continual strategic efforts operationally, financially as well as in the organization's marketing.

K. Strong sales: The Henry Tam and the SQUARE Team also has strong sales, which has allowed the company to maintain high revenue growth. The sales of the Henry Tam and the SQUARE Team are attributed to the product offerings as well as the highly trained and focused sales team along with multiple sales channels adopted by the Henry Tam and the SQUARE Team.

L. Economies of scale in the manufacturing and development process: The Henry Tam and the SQUARE Team has achieved high economies of scale in its operations which has allowed it to maintain and control the costs of doing business (Stead & Stead, 2014).

M. Increased access to capital: The Henry Tam and the SQUARE Team has high access to capital which makes it easier for the company to make strategic plans as well as engage in research and innovation for business growth.

N. Strong profitability: The high sales and revenue for the Henry Tam and the SQUARE Team are indicative of the high-profit levels which it enjoys.

O. Stable cash flows: The Henry Tam and the SQUARE Team also enjoys stable cash flows given its strong financial cushioning and positive financial performances (Škudienė, Li-Ying, & Bernhard, 2020).

P. Increased strategic marketing: The Henry Tam and the SQUARE Team invests in strategic marketing, and develops strong marketing and promotions material. This s needed to facilitate the Henry Tam and the SQUARE Team in appealing to new consumers, penetrating new and existing consumer groups and establishing effective communication with the consumer base.

Q. Low turnover: The Henry Tam and the SQUARE Team has a low employee turnover rate. The Henry Tam and the SQUARE Team enjoys high job satisfaction and job morale on the part of employees, which helps it maintain high-performance levels (Wunder, 2019).

R. High employee motivation: Through engaging tasks and investment in employee development, the Henry Tam and the SQUARE Team has been able to create an increasingly motivated workforce.

S. Learning culture: The Henry Tam and the SQUARE Team has a learning culture, underpinned by values of trust, transparency and honesty, as well as passion, zeal, and innovation. The company culture allows the organization to maintain internal balance in the environment, as well as support training and development opportunities for effectively managing change.

T. Strong brand development: The Henry Tam and the SQUARE Team has undertaken in multiple brand-building activities. As a result, the Henry Tam and the SQUARE Team has developed a strong brand with positive associations, high real, and enjoys high awareness. This has led to the building of positive brand equity for the company (Moorthi, 2009).

3.5. WEAKNESSES:

Weaknesses refer to those factors and internal capabilities that restrict the Henry Tam and the SQUARE Team from exploiting all resources available as well as from perfuming optimally. Weaknesses further hinder the Henry Tam and the SQUARE Team from benefitting from all the external opportunities present (Phillips & Moutinho, 2018). Some of the weaknesses of Henry Tam and the SQUARE Team are discussed below:

A. Restricted patent protection: With the high number of new product developments, and innovations, the Henry Tam and the SQUARE Team has only a limited time for patent protection. This leads to a loss in intellectual property for the Henry Tam and the SQUARE Team, and restricts its competitiveness as well.

B. Lag in customer service: The Henry Tam and the SQUARE Team focuses on product development and improvement. This makes it an increasing product-centric firm. In contrast, the Henry Tam and the SQUARE Team has mediocre customer service levels only, which leads to a deterioration in the customer experience with the company overall.

C. Compensation system: The Henry Tam and the SQUARE Team does not have a transparent compensation system. The bonuses and promotions are asked on managerial reviews alone, which often leads to nepotism and favoritism within the organization (Machado, 2019).

D. Succession planning: There is a lack of proper succession planning within the Henry Tam and the SQUARE Team. As a result of this, the Henry Tam and the SQUARE Team relies heavily on external hiring, which in turn leads to higher costs of business as well as increased costs of trainings.

E. Restricted success in the niche market: Despite new product developments, the Henry

Tam and the SQUARE Team has not been able to develop a niche market for its offerings. This has restricted the Henry Tam and the SQUARE Team from building a premium image, and earning a premium amount through ales.

F. Limited exploration of blue oceans: The Henry Tam and the SQUARE Team continues to operate in the mainstream industries and marketplaces, and within the existing parameters of the industry. The Henry Tam and the SQUARE Team has not explored blue oceans, and new opportunities, and the ad has failed to create new markets with negligible competition as well.

G. Stagnant groups of target consumers: The Henry Tam and the SQUARE Team continues to operate with similar target consumer groups. This is true for all its offerings. As a result, the Henry Tam and the SQUARE Team has failed to explore the full potential of the market, and has restricted its competitiveness as well (Park, 2020).

H. No expansion in emerging economies: Despite the increased international expansion, the Henry Tam and the SQUARE Team has failed to take advantage of the emerging economies of BRICs. This has led to a loss in potential revenue build-up and first-mover advantage as well for the Henry Tam and the SQUARE Team.

I. Restricted use of social media marketing: The Henry Tam and the SQUARE Team has not made strategic use of social media marketing, and instead relies heavily on traditional marketing means. The Henry Tam and the SQUARE Team, as a result, fails to achieve optimal penetration, and fails to create a valid connection with the target consumer audiences as well.

J. Restricted use of influencers for marketing: The Henry Tam and the SQUARE Team also does not make use of influencers for marketing purposes. As a result, the Henry Tam and the SQUARE Team fails to reach a large number of its target audiences, as well as potential target audience groups. Through losing out on influencer marketing, the Henry Tam and the SQUARE Team also loses out on cost-effective marketing means, and instead burdens the company with costly traditional marketing channels (Parasuraman, Berry, & Zeithaml, 1991).

K. Failure in new markets: The Henry Tam and the SQUARE Team has also faced failure in new markets for new products, i.e., for diversification. This has created a negative impact on visiting consumers, and has led to the loss in brand equity for the Henry Tam and the SQUARE Team as well.

L. Limited brand extensions: The Henry Tam and the SQUARE Team is big on innovation. However, the combat fails to explore possible vertical and horizontal line a brand extension. This may help the Henry Tam and the SQUARE Team expand existing consumers, and grow the company through mitigated and controlled risks.

M. Reliance on a single brand for revenue growth: The Henry Tam and the SQUARE Team has multiple offerings. However, the Henry Tam and the SQUARE Team relies heavily on only a few brands for revenue generation. These are the cash cows and the star products for the Henry Tam and the SQUARE Team. The Henry Tam and the SQUARE Team continues to invest in them largely instead of building other sustainable sources of revenue generation.

N. Large number of dogs and question marks in the portfolio: The company has a number of failed products that it continues to support in its portfolio. The Henry Tam and the SQUARE Team is reluctant to let go of the dogs, and also continues to invest in the question marks without developing relevant insights regarding market reactions. This is a weakness, and causes increased costs of business operations for the Henry Tam and the SQUARE Team.

O. Positioning of the brand is unclear and confusing: The Henry Tam and the SQUARE Team continues to offer multiple services and products. Most of these are lumped under similar brand offerings, which causes an unclear and a confusing brand positioning, and leads to confusion over the brand function as well. As a result, this effects the potential sales of the products and the brand adversely.

P. Restricted use of Omni-channel sales methods: The Henry Tam and the SQUARE Team continues to operate largely through brick and mortar stores, and has not fully shifted towards using Omni channels optimally – which has restricted full sales potential for the Henry Tam and the SQUARE Team as well.

Q. No placement of products with online e-trailers: The Henry Tam and the SQUARE Team does not place its products with e-tailers such as amazon and eBay. This results in a loss of potential customers, as well as restricts the business growth and penetration.

R. Weak supplier bargaining power: The Henry Tam and the SQUARE Team faces challenges with suppliers also as suppliers have higher bargaining power. This leads to further increases in the cost of doing business. The higher supplier bargaining power is because there are an increased number of players in the industry purchasing from a restricted number of suppliers.

S. No use of sustainability initiatives: The Henry Tam and the SQUARE Team has not introduced green initiatives, and sustainability channels within its supply chain or operations. This has led to an increase in the criticism that the company faces as well as negative PR – leading to negative associations for the company as well.

T. High number of substitute products available: There are a large number of substitute products available in the market for Henry Tam and the SQUARE Team's offerings. As a

result, the Henry Tam and the SQUARE Team needs to ensure higher quality, and is restricted in terms of price wars.

3.6. OPPORTUNITIES:

Opportunities refer to the external factors and business conditions that a company can take advantage of. These factors will allow the Henry Tam and the SQUARE Team to increase its competitiveness. The Henry Tam and the SQUARE Team has the following opportunities:

A. Development of strategic alliances and partnerships: The Henry Tam and the SQUARE Team can develop strong partnerships and ventures with other companies – especially for purposes of expansion. This will help the Henry Tam and the SQUARE Team in mitigating possible risks, and keeping expenses under control as well (Stead & Stead, 2014). At the same time, it will give the company exposure for pursuing future growth.

B. Make use of market analytics: The Henry Tam and the SQUARE Team can incorporate market analytics in its decision-making. This would entail using machine learning and AI to identify possible market and consumer trends, and then using this data to make relevant business decisions for identifying and pursuing focused growth areas and opportunities.

C. Digital Marketing: The Henry Tam and the SQUARE Team can engage in, and make use of digital marketing for being able to reach a broader number of audiences, and improve penetration. At the same time, digital marketing will also allow the Henry Tam and the SQUARE Team to form engaging relationships with consumers – which in turn will lead to unique insights and developments.

D. Improved CRM culture and processes: The Henry Tam and the SQUARE Team is focused on innovation and product development with a shift towards consumer centralism, and the company will be able to improve its CRM processes and culture swell. Improved CRM will allow the company to benefit from improved consumer lifetime value (N'Goala, Pez-Perard, & Prim, 2019).

E. Focus on building a high service culture: The Henry Tam and the SQUARE Team can develop its service culture – throughout the consumer purchase journey and contact points – to differentiate itself from the competition. Consumers increasingly seek companies with commendable and quick services.

F. Green consumption trends and habits: As consumers increasingly become aware of green product consumption and include the same in their shopping routines, it would be wise for the Henry Tam and the SQUARE Team to also introduce green brands and products in its portfolio. This will strengthen the image of the Henry Tam and the SQUARE Team, as well as allow it

to explore new target consumer groups (Buchanan & Huczynski, 2019).

G. Sustainability incorporation in internal operations: The Henry Tam and the SQUARE Team should also include sustainability factors and initiatives in its business units and operations throughout. This is needed to abide by new local and global regulations and requirements, as well as to ensure a lower environmental footprint. Further, consumers increasingly seek companies with sustainable operations as well for consumption purposes.

H. Build and communicate a clear value proposition: The Henry Tam and the SQUARE Team should also focus on its marketing communication, and value propositions for multiple products and brands. The marketing communications should be clearly used for communicating singular value propositions for individualistic brands of the Henry Tam and the SQUARE Team to ensure clarity and positive associations.

I. Introduce new and special offers to expand customer base: The Henry Tam and the SQUARE Team can introduce new offers and special discounts to attract new consumer groups. This can be true for existing products, as well as new products by the Henry Tam and the SQUARE Team.

J. Focus on developing customer retention and loyalty programs: The Henry Tam and the SQUARE Team can focus on enhancing its CRM processes through building retention and loyalty programs – which reward consumers for repeat purchases. This will ensure higher sales, repetitive purchases, as well as trial generation.

K. Focus on buzz marketing: By using influencer marketing, as well as by incorporating tactics for viral marketing, the Henry Tam and the SQUARE Team can also create positive word of mouth and make use of buzz marketing. This will be cost-effective, as well as credible, and will increase sales for the Henry Tam and the SQUARE Team.

L. Focused diversification: The Henry Tam and the SQUARE Team can make use of focused diversification for growth as well. This will entail that the Henry Tam and the SQUARE Team makes a careful study of the different markets it operates in, its strengths and market gaps to innovate and for new product development. The innovation will aim to fill in the market gaps, giving the Henry Tam and the SQUARE Team first mover advantage as well in different markets.

3.7. THREATS:

Threats refer to eternal conditions and factors that restrict the competitiveness of Henry Tam and the SQUARE Team. Threats also restrict the Henry Tam and the SQUARE Team from fully and optimally using from its strengths, and pose a possible risk and hard for the Henry

Tam and the SQUARE Team (Wunder, 2019). The Henry Tam and the **SQUARE Team is faced with the following threats:**

A. High competition: The Henry Tam and the SQUARE Team faces high competition from an increased number of local as well as international players in the market and industry.

B. Government regulations and policies: The changing government regulations and policies increase the cost of doing business for the Henry Tam and the SQUARE Team, for example, through increasing import duties on raw materials.

C. Price volatility: The Henry Tam and the SQUARE Team faces high price volatility and fluctuations in the acquisition of raw materials, which impacts the schedule of internal operations and costs considerably.

D. Products are imitative: The competition can easily imitate Henry Tam and the SQUARE Team's products, which lowers its uniqueness and point of differentiation – leading to the high number of substitutes available in the market.

E. Market saturation: The current market is saturated with similar products and companies, which makes opportunities for growth restricted for the Henry Tam and the SQUARE Team (Mebert & Lowe, 2017).

F. Market maturity: The current market is mature, and players compete through price wars, which makes revenue stability a challenge for the Henry Tam and the SQUARE Team.

G. Changes in consumer behavior patterns and habits: Consumer behavior patterns are fast changing as they move towards digital shopping and green consumption. The Henry Tam and the SQUARE Team must pay attention to these changes, and make alterations in its business model accordingly to be able to survive and remain relevant.

H. High supplier costs: The Henry Tam and the SQUARE Team experiences high supplier costs, owing to the high bargaining power of the supplier in the industry. This makes the cost of doing business high for the Henry Tam and the SQUARE Team.

I. Outperformed by companies and startups that are data-driven: The Henry Tam and the SQUARE Team does not make use of a high number of machine learning models, and data-based analytics. As a result, the company is outperformed by other startups that are data driven, and use market analytics for decision-making, and business development (Malik, 2018).

J. High inflation: The high inflation has restricted sales for the Henry Tam and the SQUARE Team. At the same time, it has also increased the cost of doing business, leading to a cumulative adverse impact on the revenue and profitability of the Henry Tam and the SQUARE Team.

3.8. Departmental Organogram:

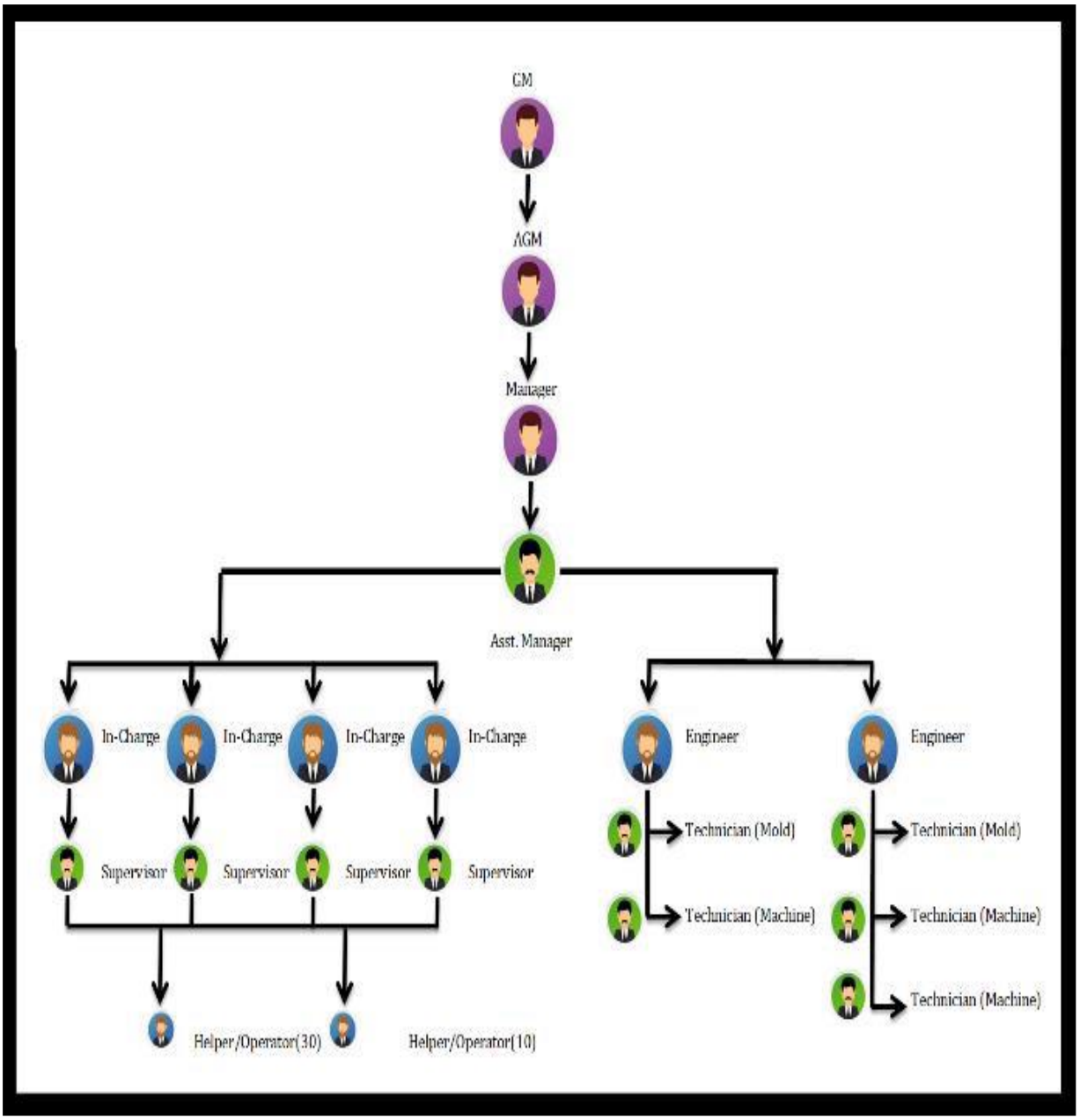


Fig:3.1. Departmental Organogram

3.9. THE NEED FOR SUPPLY CHAIN MANAGEMENT

In the past, most organizations did little to manage their supply chains. Instead, they tended to concentrate on their own operations and on their immediate suppliers. However, a number of factors make it desirable for business organizations to actively manage their supply chains. The major factors are: -

□□The need to improve operations

□□Increasing levels of outsourcing

- Increasing transportation costs
- Competitive pressures
- Increasing globalization
- Increasing importance of e-commerce
- The complexity of supply chains
- The need to manage inventories

3.10. ELEMENTS OF SUPPLY CHAIN MANAGEMENT:

Element	Typical Issues
Customers	Determining what products and / or services customers want.
Forecasting	Predicting the quantity and timing of customer demand.
Design	Incorporating customers, wants, manufacturability, and time to Market.
Capacity Planning	Matching supply and demand.
Processing	Controlling quality, scheduling work.
Inventory	Meeting demand requirements while managing the costs of holding inventory.
Purchasing	Evaluating potential suppliers, supporting the needs of operations on purchased goods and services.
Suppliers	Monitoring supplier's quality, o- time delivery, and flexibility, maintaining supplier relations.
Location	Determining the location of facilities.
Logistics	Deciding how to best move information and materials.

Supply chain management involves coordinating activities across the supply chain. Central to this is taking customer demand and translating it into corresponding activities at each level of the supply chain. The key elements of supply chain management are listed in the following table

3.11. SUPPLY CHAIN MANAGEMENT MODEL:

The supply chain management model in Figure 1-1 viewed as a pipeline shows the scope of this definition. It is important to note that supply chain management is about the co-ordination of product flows across functions and across companies to achieve competitive advantage and

profitability for the individual companies in the supply chain and the supply chain members collectively.

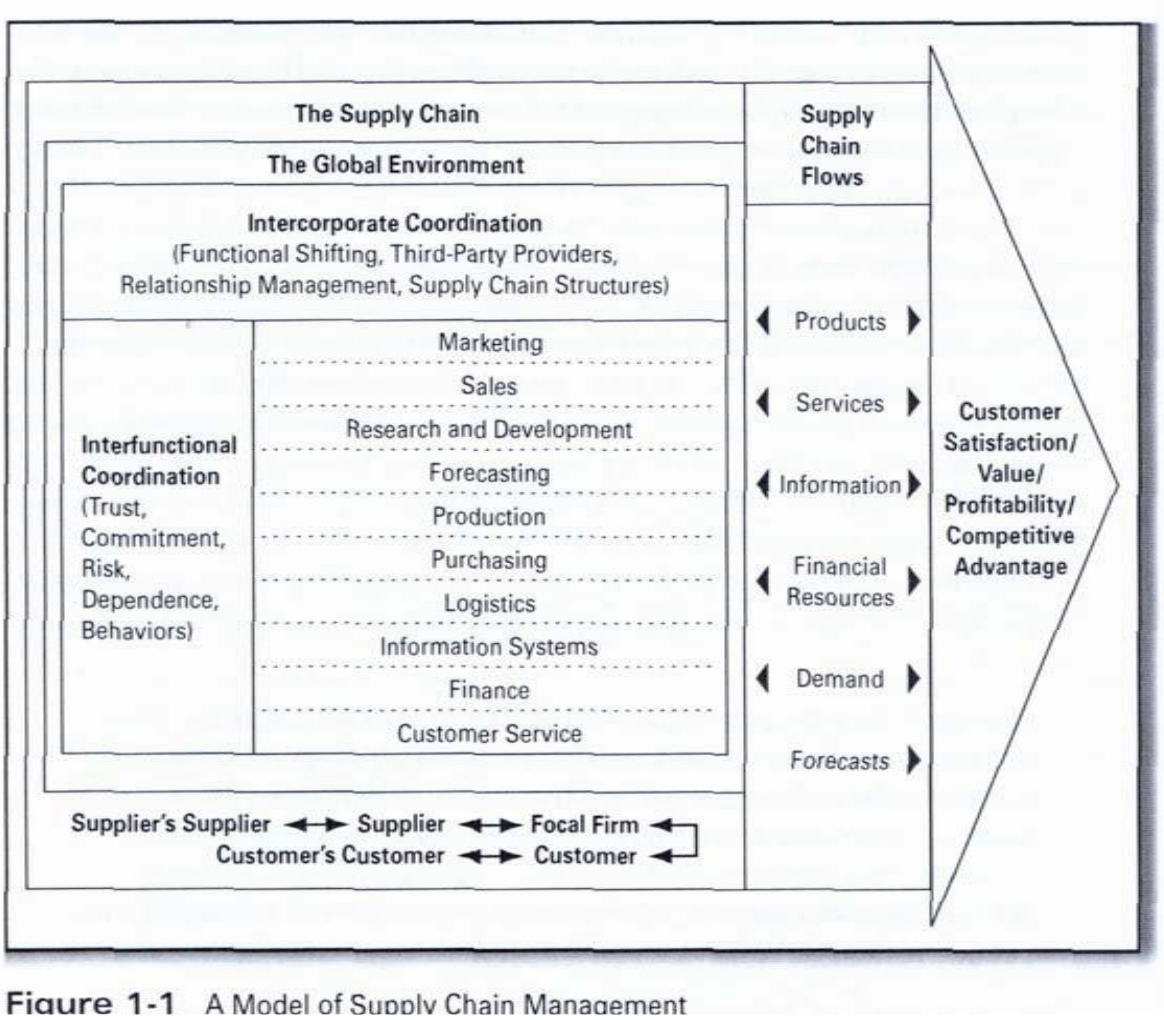


Figure 1-1 A Model of Supply Chain Management

Fig:3.2: supply chain management model

3.`12: PROCESS MEASUERS:

Three major processes related to supply chains are customer relationship, order fulfillment, and supplier relationship. It is important to monitor the performance these internal processes as well three major processes related to supply chains are customer relationship, order fulfillment, and supplier relationship. It is important to monitor the performance these internal processes as well.

Supply chain process measures:

Customer Relationship	Order Fulfillment	Supplier Relationship
1. Percent of orders taken accurately. 2. Time to complete the order placement process. 3. Customer satisfaction with the order placement process.	1. Percent of incomplete orders shipped. 2. Percent of orders shipped on tie. 3. Time to fulfill the order. 4. Percent of botched services of returned items. 5. Cost to produce the service of item. 6. Customer satisfaction with the order fulfillment process. 7. Inventory levels of work-in-process a finished goods.	1. Percent of supplier's deliveries on time. 2. Suppliers lead times. 3. Percent defects in services and purchased materials. 4. Inventory levels of suppliers and purchased components.

3.13: SUCCESSFUL SUPPLY CHAIN MANAGEMENT: REQUIRED STEPS

Integrating information is the first step in supply chain management. You must then analyze this information to determine which actions to take within the context of automated business processes. Furthermore, to be most effective this information should automatically trigger a corresponding product transition. The tight coupling of execution and decision-making is an essential ingredient to effective supply chain management. Today's information technologies remove communication barriers, enabling an improved flow of information among all members of the supply chain. Early adopters of these technologies have intensified the competitive marketplace in which all businesses must now operate. The most successful companies realize

they need a step-by-step approach to chart a business's course toward high performance supply chain management. Those steps include: Achieving execution excellence by fully automating and optimizing business practices. Extending the enterprise to embrace all members of the supply chain. Integrating business systems with those of customers, suppliers, and partners to create a common information foundation. Deploying real-time decision support to increase responsiveness. Investing in re-educating and re-orienting employees, vendors, and other members of the supply chain on the practices needed to optimize business processes. Making a company-wide commitment to creating and managing a more complex organization capable of tackling global business issues. Effective coordination and trust based relationship among partners is the key to supply chain success. To achieve strong bond resulting from effective coordination, supply chain professionals should focus on the following: Obtain top management commitment to coordinate with supply chain partners. Devote resources for coordination. Align incentives and goals for all partners. Improve productivity by reducing duplication or through effective efforts at appropriate stages. Design effective conflict resolution mechanisms. Focus on effective communication at all stages in supply chain. Use technology to improve connectivity in supply chain. Share the benefits of coordination equitably among the partners.

3.14: Present Key Activities of SQUARE SCM Department

3.14.1 Procurement Raw materials and packaging materials inventory purpose continuously coordinate with local and foreign trade department. As per product requirements based on market demand, analysis has been accomplished to find out exact quantity within the right time of raw materials and packaging materials. This analysis report submitted to the top level management. After getting the approval from management, based on requirements advised to raise SPR.

3.14.2 Inventory Manage margins with a clear view into inventory costs, turn rates and inventory profitability Effectively and efficiently meet customer demand, helping drive and maintain superior customer service levels.

3.14.3 Production Based on forecast production plan provide to the factory and meet demand from the stock. Ability to maintain low but sufficient covers stock to counter the challenge of market demand.

3.14.4 Planning

Strategy for managing all resources that goes toward meeting customer demand for their product & services.

Utilize resources at optimum level to achieve efficiency through inventory and production planning. Distribution planning to improve utilization levels of transportation. Depot management has done in a planned way to achieve efficiency and effectiveness. Optimize collaboration with suppliers, customers and partners. Increase transparency and reaction capabilities in the value creation chain.

3.14.5 Order processing & Distribution

Co-ordinate with receipt order from customer, take immediate steps for approval & make DO for fast delivery.

Organize transport program, so that it is different in cost & service

Use third party transport as well as own vehicle to distribute the product

Abnormal situation like strike, hartal we use rail and cargo trailer to ensure smooth delivery process

Developed cost effective distribution and kept undelivered in minimum status

Instant decision has done to revised transport rate during the hartal to agree third party for smooth delivery, that's reduced use of company vehicle.

Transport optimization through analysis of data.

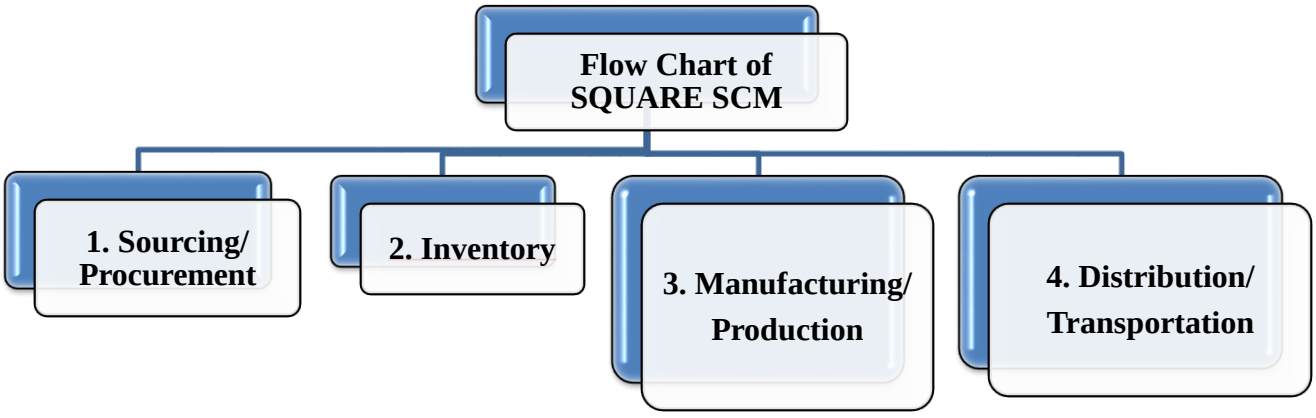


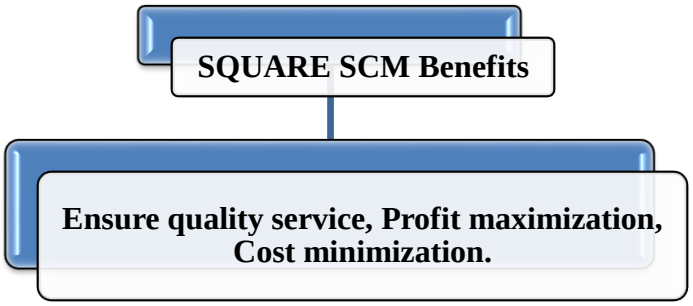
Fig:3.3. Flow chart of square SCM

3.14.6 Depot SQUARE.:

1. Company owns 56-nos covered vehicle in total in depot for their daily distribution operation.
2. As per critical moment logistic support given to depot when required.
3. Third party transport contract and negotiation of rate has been done
4. Inauguration new depot in Tongi and Jessore.
5. Achieve efficiency and cost effective operation of depot.
6. Damage return from depot.
7. Depot productivity increase (67 % by value) through increase sales order at depot and delivery support. Annexure-05
8. Small amount sales order taken from depot and distributed from there to minimize the transport cost and leading time.

3.14.7 Others

Cross functional work with Accounts, Sales and Brand department for smooth business operation. Support on strategic decision by collecting and providing relevant information to retain old customer and gain competitive advantage over rivals.



3.15 KPI's Of SQUARE:

More than ever before, business leaders recognize that top-performing organizations are driven by data. Management gurus have long been advocates of measuring, monitoring, and reporting on the numbers that matter most. In the domain of supply chain management, a body of best practices has emerged that enables this kind of analysis to assess the performance of internal processes, suppliers, and service providers. Here are the top 10 supply chain management KPIs that are used SQUARE to run a more effective, efficient, and prosperous SQUARE organizations.

3.15.1. Cash to Cash Cycle Time:

The cash to cash cycle time represents the average length of time required to convert resources into cash flows, starting from the moment you pay for inventory to the time you collect money for the sale of that inventory. You measure it using three common financial metrics, namely, days of inventory (DOI), days of payables (DOP), and days sales outstanding (DSO). Add DOI and DOP, then subtract DSO to arrive at cash to cash cycle time. The smaller that number is, the better. Some companies have even managed to achieve a negative cash to cash cycle time. Fresh Ceramics famously reached an average of around negative 70 days over a four-year period, meaning that they consistently collected the funds for the goods they sold over two months before they ever paid for those goods. Although this may seem more like a financial metric, the cash to cash cycle time says a great deal about the efficiency of SQUARE's supply chain management practices.

3.15.2. Perfect Order Rate:

This metric is quite simple to understand, although it can be a bit difficult to track on a routine basis simply because it incorporates a handful of variables related to processing and delivering orders to SQUARE's customers. Briefly stated, the perfect order rate represents the percentage of orders that are delivered in full, on time, without incident, and with documentation that is accurate and complete. Many organizations look to this as the single most important supply chain key performance indicator (KPI) because it directly impacts on customer satisfaction.

3.15.3. Fill Rate:

Another important metric that impacts of customer satisfaction is the fill rate. This represents the percentage of orders that are successfully completed with the first shipment. In other words, it is the percentage of orders that do not require a second, third, or fourth shipment, and so on. In fact, many supply chain managers break this metric down into several additional metrics, namely the Line Fill Rate (number of sales order lines fulfilled in the first shipment), and the Unit Fill Rate (the quantity of each order line that is fulfilled, relative to the total quantity ordered.) The Order Fill Rate and Line Item Fill Rate metrics call for a binary "yes or no" indication, followed by a quick determination of the percentage of "yes" answers (that is, what percentage were completely filled on the first order). The Unit Fill Rate percentage is expressed as the quantity fulfilled as a percentage of total quantity ordered.

3.15.4. Customer Order Cycle Time:

The customer order cycle time refers to the average amount of time (in days) that lapses between the date the customer places an order and the actual delivery date. If the cash to cash cycle is increasing but customer order cycle time is decreasing or staying the same, then there may be issues with the management of payables, receivables, or inventory.

3.15.5. Inventory Days of Supply:

Historically, SQUARE's managers have shown a strong preference for maintaining minimal inventory levels. This reflects a tendency toward lean management, toward the most effective use of capital resources. If your money is tied up in inventory, sitting on the shelf in the warehouse, then it cannot be put to use elsewhere. Over the past 18 months, there has been a shift in thinking, due in large part to supply chain disruptions that came about as a result of the coronavirus pandemic. Nevertheless, a low value for this metric is a strong indicator that you are running a lean operation. To calculate inventory days of supply, start with inventory on hand and divide by your average daily usage of inventory. As noted, there may be some legitimate business reasons for maintaining higher levels of inventory, especially if further supply chain disruption is to be expected. However, maintaining a low number for this KPI is generally a desirable goal.

3.15.6. Inventory Turnover:

Inventory turnover is closely related to inventory days of supply, insofar as both metrics address the question of whether the company is maintaining more inventory than it needs. To calculate this KPI, start with the cost of goods sold for a specified period (e.g. for a month, quarter, or year.) Then divide by your average inventory level over the same period (which can be calculated by adding your beginning inventory to your ending inventory and dividing the result by two.) In this case, a high value generally means that you're managing inventory effectively and efficiently. This is one of the most important supply chain KPIs for our organization to monitor. This KPI provides a barometer for the health of our organization because it shows how quickly we are able to move inventory. To formulate this KPI, calculate the cost of inventory sold during the period and divide the balance left over at the end of the year. A high inventory turnover rate is preferred, although it is important to compare our turnover rate to other organizations within the same industry.

3.15.7. Reasons for Return:

Let's face it: customer returns wreak havoc on your supply chain practices. They cost

SQUARE's organizations valuable time and money, and they are usually correlated with a negative customer experience. Simply put, reasons for return refers to a metric that describes the factors that result in the return of product from customers. To track reasons for return, simply break down your customer returns into common categories, such as "defective item," "damaged product," "product no longer needed," and so on. An unusually high value in one or another category is indicative of a problem. For example, if the percentage of returns prompted by "product no longer needed" spikes, then it is likely you'll see a corresponding drop in on-time deliveries. If a large number of returns came about due to a defective product, then you may have some serious quality issues.

3.15.8. On-Time In a fast-moving world where virtually every business is struggling to meet customer demand amid supply-chain uncertainty, rapid delivery times are more important than ever. For both commercial customers and consumers, the ability to deliver products promptly is an increasingly important factor in purchasing decisions. If you can't deliver what the customer needs when they need it, they'll go somewhere else. On-time delivery is generally measured as a percentage of orders delivered on or before the date by which they were promised. This has the benefit of being relatively simple; either you delivered the order on time, or you did not. Your on-time delivery percentage is a simple division calculation between the number of on-time orders and the total number of orders promised to customers.

3.15.9. On-Time Shipment

This one is very similar to the on-time delivery metric, with one small difference. On-time shipment measures (as the name would suggest) the percentage of orders that were *shipped* on time. Why the difference? Because variability between on-time deliveries and on-time shipments likely points to a problem with transportation and logistics. This might not be all that meaningful for companies that operate within a relatively localized geography. In an increasingly globalized economy, however, transportation and logistics are more important than ever.

3.15.10. Supply Chain Costs as a Percentage of Sales

There are a number of factors that can drive up the cost related to managing your supply chain. It's not uncommon, for example, for manufacturers to expedite shipments of incoming raw materials to ensure that they can deliver a customer order on time. When you need something fast, it generally costs more. If suppliers know that you are on a short deadline, they'll be in a position to demand higher prices for those incoming goods. Even if prices remain the same,

there are usually additional costs involved with getting products shipped to you faster. While some of those costs will be incorporated into your cost of goods sold, others will simply show up as an expense item. In either case, there is a drain on profitability. Supply chain costs as a percentage of sales simply tracks the total amount of money you spend on supply chain costs as a percentage of your total sales for the same period.

3.16 Limitations and constraints

3.16.1 Back order rate: There is no status of D.O report and challan report based on hour, at ERP. This report is necessary to calculate back order rate. More over if there is an option at ERP to write the reason why the product is undelivered, which will be helpful to illustrate and take essential steps against delay.

3.16.2 Inventory Accuracy: To count number of items physically, is not possible for us where inventory is located in factory and depot. It will be more effective if physical quantity recorded at ERP by hour/days. So this option should be developed at ERP.

3.16.3 Order Status: To calculate order status, we need information of qty of order placed vs qty of D.O confirm status vs qty of challan (shipment) status etc in one report which is not available at ERP. It should be developed at ERP which will provide accurate direction for taking further steps.

3.16.4 Carrying cost of inventory: We do not get any information which is related with carrying cost, through ERP. So everything which is related with carrying cost of inventory should be developed at ERP.

3.17 WAYS TO POPULARIZE THE CONCEPT OF SUPPLY CHAIN IN BANGLADESH

Developing appropriate concept is a crucial starting move for businesses in Bangladesh. More Knowledge sharing, understanding the tools and techniques of successful implementation of SCM and transferring best practices should become top agendas for all professional Organizations, including consultants, training institutes, education providers such as universities, NGOs and donor organizations. This is perhaps the high time that the government heavily encourages and invites local and foreign assistance in implementing SCM as compliance in every business. Business organizations that are yet to implement SCM should at least start arranging dialogue with capable individuals and organizations that could help them demonstrate the benefits of SCM.

Chapter-04: Analysis & Findings

4.1 Analysis

Effect of logistics costs on profit at SQUARE: Every cost is affect profit some are the lowest, and some are more. Here logistics is a turning factor of cost below:

- **Air freight cost:** An emergency or smooth of liquid materials then use airway otherwise it's a high-cost effect on making the final product.
- **Sea freight cost:** As import section supply chain management must decide to ship at sea freight in any country because the sea is always a measurable lowest cost for carried.
- **Road/Land freight cost:** when we import any materials from at neighboring country then we try to ship by road because it’s given the lowest cost.
- **Import follow-up system:** A supply chain manager must follow up when materials or machines are shipped if a delay in releasing the goods then give the demurrage to customs.
- **Sourcing new suppliers at SQUARE:** Supply chain manager must source new suppliers local or international for reducing the materials purchase cost.
- **Delivery chain network:** A chain of networks to deliver the product from the manufacturer to the customer.

Price negotiation: When we purchase materials or machines from suppliers then must smoothly negotiate for a price reduction

Chapter-05: Findings & Discussion

5.1 Findings

Communication with the supplier: A bottom point of Supply chain management is smooth communication with suppliers at always times.

Network channel: A goods channel with suppliers makes benefits others in the future of others' products into the market.

Supply chain network at SQUARE: At the beginning to finish product how to supply of manufacturer to the ultimate customer at the below point.

Supplier: A person who responded to supply raw materials, machinery, or others.

Manufacturer: Getting materials and then starting to make the final product.

Warehouse: A stock house of the factory that to the measurement of the present stock of materials or final goods.

Distribution: Circle of the channel to distribute all things at ultimate purpose.

Retailer: A nominee person who sells the final product to the consumer for making a profit.

Customer: Ultimate customer who buys our company product for consumption.

Cost measurement: If we make a final product, then include all costs such as materials, Shipping, Process, etc.

Chapter-06: Conclusion & Recommendation

6.1 Recommendations:

Supply chain management in SQUARE Group of Industries should be approached in a more systematic manner based on integrated and documented processes. The various supply chain components like suppliers, manufacturers, warehouses and stores should be integrated in a single system, which makes supply chain management more effective. The team involved in the operational side on handling the supply chain should be highly trained in supply chain management function.

6.1.1 SCM training for internal personnel

Training is a way to expert a supply chain manager for smoothly working with supplier and internal purpose of the company, each employee before joining must need training and after joining need monthly training. An expert SCM always working quickly and going right decision. So, I think training to be mandatory for all SCM.

6.1.2 Build a proactive plan and roadmap

Without a proper plan and appropriate roadmap impossible to handling all work for supply chain manager, starting work before need to make a plan for working, how and which way do the work with supplier, manufacturer, operation manager and how to reach ultimate target.

6.1.3 Materials Planning

An operation manager must be making a perfect materials planning for a period of time to time. Supply chain manager follow the materials planning and doing the next step. When need the materials and which way cost effect for shipment. As a result, we reduce the cost for logistics and supply the materials at right time.

6.1.4 Cost planning and Justification Math

To make a cost planning with account department for justify the effective cost for us. Compare the previous price and present price for making new cost of the materials. After making the cost to decide which is perfect or not?

6.1.5 Integrate logistical processes with suppliers

No matter the size of a business, it remains important to integrate logistical processes with the suppliers for that organization. This is totally dependent on software systems, certain enterprise resources planning application. If a supplier is able to access the rate at which a business runs through its inventory, they are better able to meet any changes in demand, improving operation efficiency for both organizations.

6.1.6 Logistics mechanism comparison

Before shipping one must compare both shipment which is better for us or not. Without comparison can't expect perfect shipping way. The logistics system such as air, sea, road etc. each important but depend on kinds of materials or agency for production of goods. So if the company earn minimum profit must need comparison each.

6.2 Conclusion

Supply chain is basically a group of independent organizations connected together through the products and services that they separately or jointly add value on in order to deliver them to the end consumer. It is very much an extended concept of organizations which adds value to its products or services and delivers them to its customers. There are many methods in implementing SCM that can help the manufacturing companies operate their SCM efficiently. Besides that, good planning, strategy, infrastructure and management teams are necessary to improve the efficiency of SCM implementation and achieve the competitive advantages. From this report it is clear that SQUARE Group of Industries performance could be improved through effectively implements SCM and reduce the problems that occurred in the SCM implementation.

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