

Supply Chain Management 101

Foundations of Supply Chain

Jane Feinberg, JSI, April 7, 2022

Strong supply chains save lives

JSI is a [public health organization](#) working in the US and internationally.

The JSI Center for Health Logistics brings [35+ years' experience on >150 supply chain projects](#) in more than 60 countries.

We aim to improve the health and well-being of people throughout the world through increased access to quality and affordable health products by...

- Transforming and scaling global health supply chains for the future
- Building healthy markets that adapt to evolving client needs
- Enhancing health supply chain sustainability

We are currently [working in 32 countries](#) for a range of clients and funders, including governments, foundations, bilateral organizations, private sector organizations, and NGOs.





Outline

- Supply Chains: Purpose, Key Functions
- Visualizing a Supply Chain
- Readiness and Resiliency
- Resources



1 The purpose of a supply chain is to achieve the “six rights”

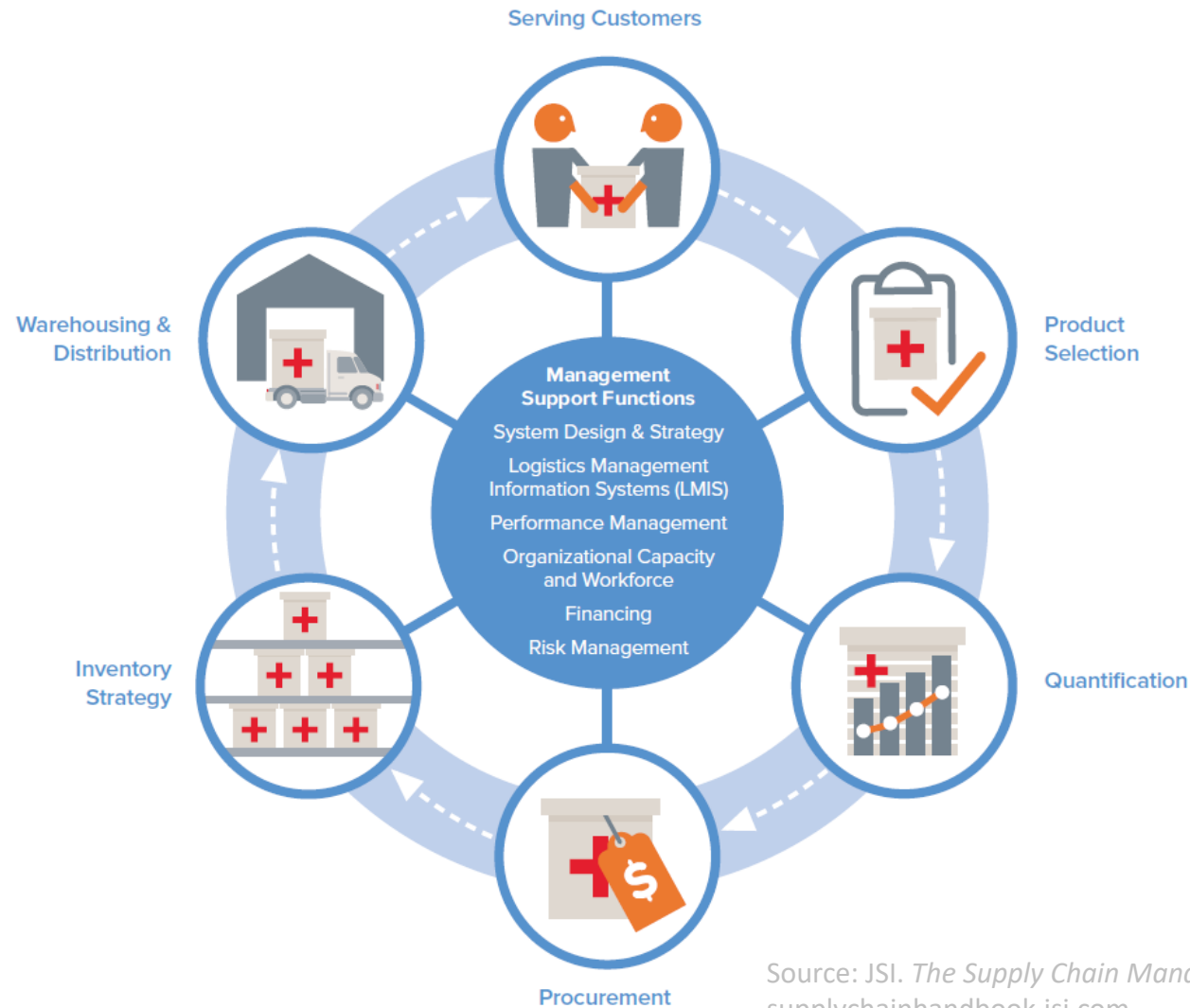
The Six Rights of Logistics

The **RIGHT** goods
in the **RIGHT** quantities
in the **RIGHT** condition
delivered...

to the **RIGHT** place
at the **RIGHT** time
for the **RIGHT** cost.

Source: JSI. *The Supply Chain Manager's Handbook*
supplychainhandbook.jsi.com

2 Supply chain functions are an interdependent “cycle”



Source: JSI. *The Supply Chain Manager's Handbook*.
supplychainhandbook.jsi.com

3 Many actors (public and private) carry out supply chain functions

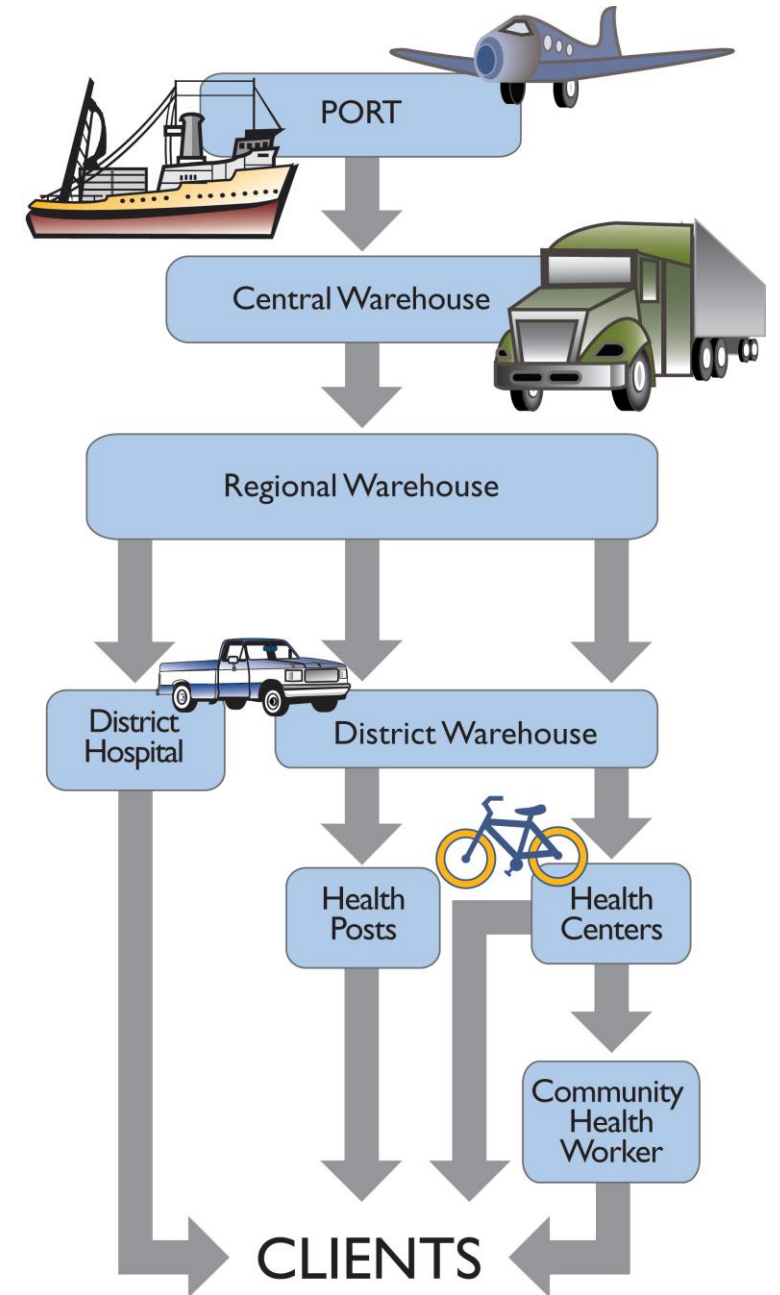


Source: Adapted from JSI
Getting Products to People

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Health products are stored and move through the “pipeline”

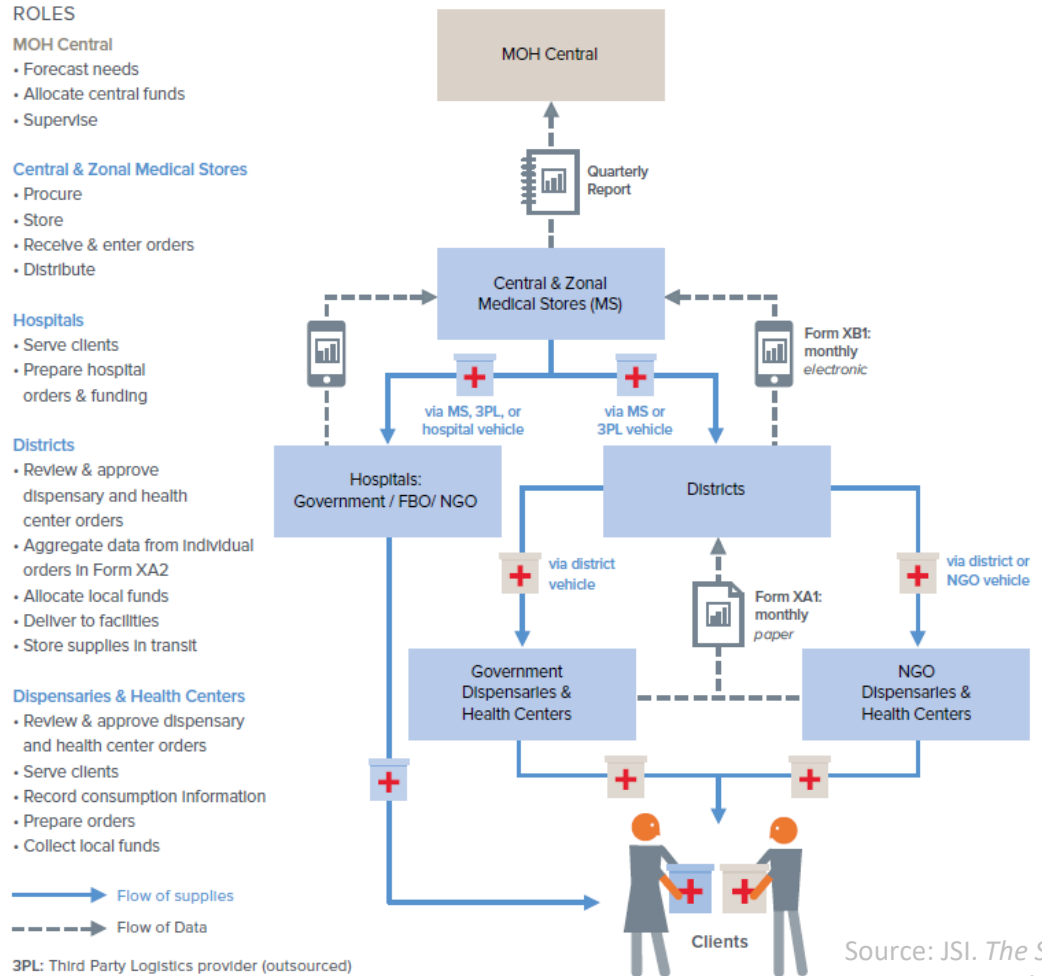
The **pipeline** is the entire chain of **storage facilities** and **transportation links** through which products move from the manufacturer to the consumer, including the port facilities, warehouses, service delivery points, and transport vehicles, including community-based distribution networks.



5 Commodity data are needed for tactical and strategic decisions

Data collection and reporting systems support supply chain activities by providing the information needed to make tactical/operational and strategic commodity management decisions

SAMPLE LMIS INFORMATION AND SUPPLY FLOW DIAGRAM



Source: JSI. *The Supply Chain Manager's Handbook*
supplychainhandbook.jsi.com

6

Good storage and inventory management practices minimize waste

Good storage practices...

- Protect the quality of the product and its packaging throughout the supply chain
- Make product available for distribution

Shelf life is the length of time a product may be stored without affecting the usability, safety, purity, or potency of the product, assuming that the recommended storage conditions have been met.

FEFO = First to expire, first out



7 Supply chains can be designed for readiness and resiliency

Some ways to **build and reinforce adaptable and resilient supply chains** include:

Continuity of operations planning

- Own operations > Alternate sourcing, service delivery options > Coordination with broader resources

Collaboration among health and national disaster management agencies, e.g.

- Create/strengthen logistics WG of NDMA

Contingency planning

- Analyze threats and identify actions/solutions

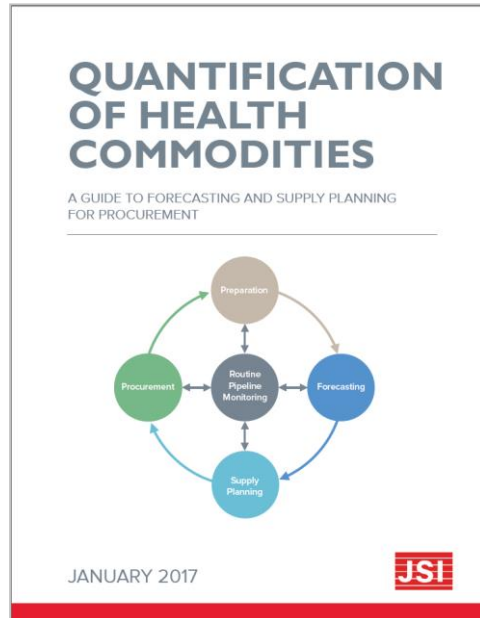
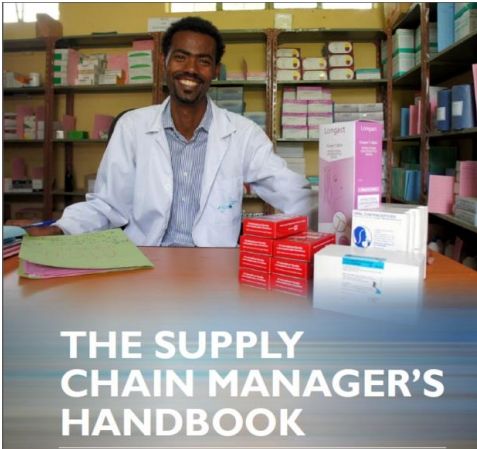
Data generation and use

- Invest in standardization, collection/reporting, governance to allow sharing/cooperation

Rethink just-in-time models to favor built-in redundancy and flexibility, e.g.

- Prepositioning / vendor-managed stock
- Standby contracts/framework agreements
- More local sourcing/manufacturing?
- Integration across health programs/regionally/beyond health?

8 Resources



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Logistics Operational Guide (LOG) Home

Created by Business admin access, last modified by Kelly Bradley on Sep 21, 2021

LOGISTICS CLUSTER

Logistics Operational Guide (LOG)

The Logistics Operational Guide (LOG) is a dynamic knowledge platform based on manuals, trainings and guidance from humanitarian organisations, academia and the private sector. As new feedback, insights, and evolving best practices development, the platform will be continuously updated.

You are kindly invited to support further development of the LOG and share your suggestions and feedback with the team via: hq_lm_rome@wfp.org

Fundamental Logistics	Technical Support Guides	Response Architecture
<ul style="list-style-type: none"> Assessments and Planning Procurement Transport Overview Air Transport Sea Transport Road Transport Rail, River and Other Modes of Transport Customs Vehicle and Fleet Management Warehousing and Physical Stock 	<ul style="list-style-type: none"> Green Logistics Monitoring and Evaluation Dangerous Goods Electrical Power Generation Information and Communication Technology Cold Chain 	<ul style="list-style-type: none"> Humanitarian Operational Environment Cluster Approach The Logistics Cluster

<https://log.logcluster.org/>