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SUPPLY CHAIN MANAGEMENT – CRITICAL FOR SMALL BUSINESS SUCCESS

The South African economy is being driven more and more by small to medium enterprises – yet many of these businesses are not operating at full efficiency. Up until very recently – formal supply chain systems have seemed out of reach for many small businesses – despite their critical importance to business.

It is clear however, that in order to compete, survive and thrive, small businesses must operate on level playing fields with their larger counterparts. One of the ways to do this is to ensure effective management of supply chains, stock and related logistics.

In the past there have been several barriers to entry, especially for small businesses.

First and foremost, the cost of products and their complex and lengthy installations prevented many businesses from even considering supply chain technology. Combine that with fears of operational complexity and bandwidth restrictions, and many small businesses opted to do without these critical operational tools.

Fortunately, it is now possible for small and medium businesses to affordably access the most cutting edge and technologically advanced supply chain management tools. With many products now developed locally, costs, installation and complexity are no longer obstacles.

With improved bandwidth and simple remote installations of downloads via the web, as well as outsourced management of software operations now possible, small businesses can truly compete effectively with larger companies.

Various supply chain management tools for small business are now available from suppliers like VSc Solutions amongst others. These tools, so critical to the success of business, include:



Stock Forecasting: Effective stock forecasting reduces the need to maintain stock of unnecessary products and reduces the cash investment caught up in stock that isn't moving.

Vehicle Routing and Scheduling: To reduce waste in one of the most difficult areas for small companies transporting stock – efficient vehicle routing and scheduling ensures optimal routes are planned, vastly reducing the transport cost of operations.

Route Compliance Management: Once vehicle routes are optimally planned, it is then critical to ensure that these routes are followed. Route compliance management tools interface with hardware like onboard computers, smart phones, tablets, etc. These tools can provide the small business owner with exception reporting on the daily usages of his fleet.

These tools are just some of the cost effective – yet business critical solutions that are now easily accessible to small and medium enterprises. Those businesses not taking advantage of these solutions will in future, simply not be able to effectively compete in the current economic landscape.

All small businesses with supply chain management requirements should aggressively be sourcing and implementing the various supply chain tools on the market.

Morne Janse van Rensburg is one of South Africa's leading experts in supply chain management and optimisation, and the CEO of VSc Solutions, a technology and consultancy provider that specialises in dramatic cost reductions in the supply chain across a wide variety of industries. Morne is passionate about partnering and contributing significantly to the bottom line of his client's businesses.

Visit our website: www.vscsolutions.co.za