### **Supply Chain Management in Apparel Industry**

Now supply chain management working as a key success factor for the apparel industry. That's why the core focus of top management is to develop an effective supply chain management system. Supply Chain Management is the process of managing resources, the movement of resources from one party to another, one place to another place, one department to another department, and one section to another section. Here, movement of resources should be in a way so that the availability of the right resources in the right place, at the right time, with adequate quantity, where the process cost is least. Here in this article, you will have a broad idea of supply chain management in apparel industry and what are the things you need to be careful when you work with Supply Chain Management for Textile and Garments.

#### SUPPLY CHAIN MANAGEMENT IN APPAREL INDUSTRY Own Local **Own Logistic Local Supplier** Customer Logistic Manufacturer/ Logistic Your Logistic **Final Delivery** Supplier Support Company Support **Foreign Buyer Foreign** Core **Third Party** Third Party Beneficiary Logistic (Imported) Logistic (Customer)

The important thing is supplying the required resources at a minimum cost. Manage the flow of goods and services through the supply chain network and it is mainly related to logistic. For this reason, logistic planning is one of the key focus. In a supply chain management, the management of resources in every stage of manufacturing.

### Why Supply Chain Management in the Apparel Industry

The apparel industry is a vast industry producing millions of garments every day. One of the toughest challenges faced by this industry is increasing the <u>cost of garments</u> making and the price of both local and imported raw materials also increasing.

Manufacturers make garments both for local and export market but industrial scale production is for export. You know the export market is highly competitive because China, Bangladesh, Vietnam, India all are fighting for offering a better price to the garments buyers to hold the export share high. You can compete in the market but first of all, you

need to minimize your direct and indirect cost associated with your garments production. And the right solution is to use of supply chain management by which optimal sourcing is possible where cost is minimum. And this is the reason why supply chain management is important for the apparel industry.

Another thing is, we know about supply chain management but many of us are not sure of how to apply and how to plan for proper supply chain management. Apparel manager should carefully develop their supply chain and they will be successful only if they have a proper planning for supply chain management. Future is very much competitive for garments business. Those who manage Supply Chain (SC) properly will get a <u>competitive</u> advantage over its competitors. It is the right time to hire some Supply Chain Management (SCM) professionals and develop supply chain management for your garment's factory.

### Supply Chain Management is Applicable to

- Manpower
- Machine
- Materials
- Money

## Things you need to know about supply chain management

- In every function/process/operation you can apply supply chain management
- Supply chain management ensures the right time delivery of product/resources/services to the right place for a minimum cost.
- SCM will provide you a better logistic solution
- Everything is interconnected in an organization, all you need to do is to identify the elements and process, analyze them and plan for a better connection.

Always a logical innovation in supply chain management will give you a reward for an efficient business operation which will ultimately lead you to success.

### **Basic Components of Supply Chain Management In Apparel Industry** Efficiency in Operation Manpower Sourcing all these with least Machine **Better Process** cost at the right place, right Materials On time delivery time and the right quantity **Lower Cost** Money **Local People** Sourcing Manpower Local Machine **Imported Local Market** Raw Materials/ **Materials Finish Product** Foreign Market **Own Fund** Sourcing Money **Borrowed Fund**

### **Supply Chain Management is Everywhere**

You can find the scope of supply chain management in every single place within your garment's factory. In your factory, you may require to supply, receive of materials from one department to another, one section to another section and one location to another location. So, there must be a proper planning for designing and setup of an effective supply chain management in apparel industry.

# **Importance of Supply Chain Management in Apparel Industry**

- 1. Create flexibility in operation
- 2. The positive effect of mobility of resources
- 3. Minimization of Total Cost of owing (TCO)
- 4. Properly utilization of available resources
- 5. Ensure logistics management in terms of both raw materials sourcing and delivery of final product.

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