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### The Jordanian supply chain and its ability to achieve competitive advantage

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#### Abstract

In the era of globalization and the contemporary openness that characterizes the rapidly changing business world and environment, it has become obligatory for organizations to shift towards new organizational patterns by taking advantage of the shift from the traditional hierarchical administrative structure to the construction and democratic style in the increasingly divided and participatory formations. Knowledge-based organizations the importance of a creative approach is increasing in generating additional value for organizations and in achieving their competitive advantage. Where the competitive advantage represents the basic rule on which the performance of the organizations is based. It is rare for business organizations to have a competitive precedent at all levels and in all areas compared to other competitors. The organization's decision-making is based on a multifaceted approach to building a competitive advantage. On the other hand, thus, the competitive advantage is a distinctive key to the success of business organizations. Collaborative supply management efforts

increase product reliability and reduce risk in product delivery. Therefore, there is a great need to coordinate supplier relationships and use electronic procurement to deal with fluctuations in demand. The supply department performs a set of tasks related to securing materials, inventory management, and supply management, depending on the human competencies working in the supply department. There is a fundamental administrative problem related to the development of human competencies at work in a way that enables them to sustain their activities. However, in order to efficiently manage and develop training for employees working in the supply department, managers need to understand what constitutes successful performance skills in the supply management function. Without this understanding, performance cannot be effectively managed and improved, and therefore, effectiveness cannot be achieved in organizations. The following discussion gives an overview of provisioning management skills.

**Keywords:** Jordanian Supply Chain, Competitive Advantage

#### 1. Introduction

Contemporary literature has dealt with the concept of supply chain management from different conceptual standpoints and perspectives that expressed the opinions and philosophies of researchers and their theoretical premises. the ultimate customer via marketing channels and distribution networks.

The strategic or fundamental objective of supply chain management is the continuous and planned improvement of operations and relationships by ensuring the movement of materials, information and funds along the value chain (that can support and add; hence it includes the supply chain, value chain, and demand chain. In the same direction, supply chain management means: The activities of creating integration between the basic business processes and the multidimensional relationships in them, starting with the inputs and ending with the outputs.

Whereas the primary function of the supply chain is to ensure that products move from the construction stage to the delivery stage, but it can provide a competitive advantage, the company's supply chain provides opportunities for managing innovation, maximizing the company's savings, increasing the company's profits, and positively affecting the customer experience with trade mark. In addition, it helps manage the supply chain effectively to reduce production costs, increase sales, and strengthen supplier relationships with the company, leading to a competitive advantage.

Large companies such as Dell Corporation and Walmart Corporation have been able to gain a competitive advantage in the supply chain and logistics services, which has led them to outperform their competitors. Where companies adhere to some principles when managing the supply chain to achieve a competitive advantage, and these principles are: supply and demand management, operational management within the supply chain, management of relationships within the supply chain, management of the logistics supply chain, documentation within the supply chain, commitment to core competency and

and outsourcing of competencies non-core, and coordinate functions across supply chain partners.

## 2. Headings

### **But here is the question, how do supply chain management practices achieve competitive advantage?**

Companies can follow certain practices in managing their supply chain to achieve a competitive advantage, including the following:

**Real-time supply chain planning,** Business conditions can change in a very short time, and how a company deals with rapid market shifts determines the company's long-term success, so companies must plan their supply chain in sync with the current time. Companies must also develop a strategy to manage changing business standards and adapt to new requirements, and must ensure that the company has the technology to implement these strategies, as a company's exposure to an emergency can change several elements of demand such as the price of products.

**Developing a collaborative supply chain strategy,** companies have a large list of stakeholders such as suppliers, sellers and distributors, and these stakeholders should not work in separate points, but rather all participants should work in a collaborative environment rather than competing with each other in the market, which leads to maximizing Supply chain value, ensuring customer satisfaction. It should be noted that building and maintaining strong relationships with suppliers is just as important as maintaining relationships with customers. Just as a company needs to satisfy customers, it also needs to ensure the success of its suppliers and distributors. Therefore, an effective supply chain management strategy must take into account all stakeholders, interest in the company.

**Adopt innovative automated solutions in the supply chain,** Automated solutions such as collaborative mobile robots reduce picking errors, reduce order fulfillment time, and automated solutions can guide employees through each task. Automated solutions can increase employee efficiency, improve resource use, increase productivity, and reduce cost. Automated solutions can also prioritize work based on warehouse conditions, group similar tasks together, and improve ways to choose to accomplish tasks.

### **Success factors for implementing supply chain management systems:**

Based on the Boston study - Standish Group, which has studied more than 70,000 information projects since 1985 AD in order to identify the success factors and reach better results, the ten basic success factors that clearly affect the success of the application of electronic systems for the supply chain were identified. In spite of this, no project requires the presence of the ten factors in order to be a successful project, but the more factors there are, the higher the level of confidence in the success of the project.

The studies also showed that there are more than 52 factors influencing the success of the implementation of the supply chain management system, and they differ in terms of the degree of influence. The conclusions of this study can be concluded that there are ten key factors influencing the success of the implementation of the supply chain management system, which are summarized in: the participation of the beneficiaries, and Senior management

support, clear business objectives, well-chosen program, expert project manager, small goals, system needs, competitive staff, proper planning, and project owner.

Like other organizational assets, supply management skills can be classified among the basic assets of the organization, as it represents one of the vital aspects of the organization's competitive advantage and often requires sustainable development internally. Hence, it is imperative to define strategic supply management skills. Strategic provisioning management is defined as the process of planning, evaluating, implementing and controlling critical resource decisions. It is considered one of the main criteria as a function with a strategic dimension, based on its role in the organization's integrated strategic planning process. And strategic supply management skills enable all supply activities to be directed towards opportunities in line with the organization's capabilities in order to achieve its long-term goals.

Thus, strategic supply management can help increase the organization's competitiveness. The focus on the function of supply departments and divisions has changed from a tactical role to a strategic role, taking into account the focus on savings and placing the purchase order price, with a focus on total cost savings and value-added activities. On the other hand, successful supply chain management is the management that maintains the ability to maintain materials by shifting them from using less efficient activities such as limited-range stock levels and their access from a number of suppliers to highly efficient entrances that link their stock with major suppliers with strategic alliances and focus on improving Process activities and lead time within the concept of simultaneous production and focus on small supply bases. This is why suppliers have become not only a source of cost-cutting materials but also a complementary source of enhancement to the companies' core competencies.

## 3. Conclusion

Reaching a sustainable competitive advantage is a long-term goal that companies in general aspire to achieve in light of the existing competition in the business market. This goal has attracted a wide range of strategic thinking among stakeholders in many companies in the past decades and continues. Many managers in advanced companies, including General Electric, General Motors and others, considered supply management as a strategic resource to reach and achieve sustainable competitive advantage within the scope of the supply chain in their companies. It also helps supply chains to establish strong relationships and links between suppliers and sellers. Perhaps the most prominent strategic skills in supply management are skills related to the strategic skill set: such as strategic thinking, supply base research, structuring supplier relationships, technology planning, target supplier costing, operations management skills, team management skills, decision-making, behavioral skills related to communication and decision making. Risk, entrepreneurial organization, creativity, and curiosity, negotiation skills: consisting of customer focus, influence and persuasion, understanding business conditions, negotiation skills necessary for buyers in dealing with multiple circles, and quantitative skills.

It is expected that the importance of decisions related to supply management will increase to take its place to be the most influential trend in the formation of management functions in the future, especially in industrial and service

companies. Supply and its impact on the financial performance of companies based on studies that examined a number of financial variables, including: return on investment, profitability as a percentage of sales and market share, and net income for multiple periods of time.

Although previous studies in the administrative literature confirm the existence of a strong relationship between supply management and the institutional performance of supply management, there are variables that have been ignored in these studies. Therefore, it is necessary for managers in the supply department to have a degree of knowledge and understanding of other important factors that contribute to improving the performance of their tasks and enhance their capabilities to contribute to the strategic success of the companies in which they work.

Supply chains focus on integrating corporate operations from end users through primary suppliers that provide goods, services, and information that provide added value to consumers, and include coordination and integration of flows between suppliers and businesses. It includes regulating the optimum flow of quality and value for money of materials or components used by industrial companies from a suitable group of innovative suppliers. This is done only through perceived strategic supply management skills, which are defined as skills related to fulfilling the functions of coordination with suppliers, supplier development, and conducting market research, cost analysis, providing resources for strategy formulation, benchmarking, decision making, and supplier capabilities analysis. It has the ability to direct all activities in the supply management function towards opportunities compatible with the capabilities of the company in order to achieve long-term goals.

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