

The supply chain management systems developed by Panasonic and the evolution phases

Posted on May 4, 2018

Introduction:

The Panasonic Corporation was established on March 13, 1918, at Osaka Prefecture, Japan. The company is also known as Konosuke Matsushita and was started by Japanese industrialist Konosuke Matsushita to create things of value. With diligence and dedication, the company has successfully introduced innovative products throughout its history and has become the electronics giant of today. It has now become a global manufacturer and has its existence in most countries everywhere in the world. It has various business domain companies that fulfil explicit consumer requirements internationally.

Their products include home appliances and different consumer and industrial solutions. All business domain companies have discrete R&D, production, and sales functions. Panasonic also acquired SANYO under a business agreement in 2008. This paper will discuss the Panasonic/Sanyo supply chain or logistics management systems and the evolution of this system with time. There is also discussion regarding the use of current technology, outsourcing, rules, and regulations in the supply chain and their effect on supply chain capability. Moreover, recommendations are also given to enhance the efficiency and effectiveness of the organization's supply chain with the evaluation of the effectiveness of new strategies.

Panasonic supply chain or logistics management systems:

The Company internationally founds partnerships with suppliers to retort to manufacturing activities on an international gauge. All the procurement activities comply with laws and regulations, social rules, and corporate morals. There are contact points for suppliers to report the product values customers anticipate. Thus, with the unusually competitive market, there is enormous stress on Panasonic Company to respond timely to the composite customer necessities by boarding on value chain management creativity. It has such a supply chain management system that ensures on-time delivery, preeminent customer service, and greater market share based on timely delivery.

Also, it has a good reputation in corporate social responsibility, and while selecting new suppliers, the

company keeps this thing in focus, namely that these suppliers must also practice CSR. The research for this purpose incorporates features such as human rights, manual labour, health and safety, protecting the global environment, and information safety. To ensure it further, it goes for the Standard Purchase Agreements that comprise CSR necessities with the dealers. The company also conducts CSR self-assessments on existing suppliers. Choosing suppliers also ensures the safeguarding of Human Rights and the Health and Safety of Labor along with satisfying Green Procurement. To make decisions quickly, the Panasonic Corporation maintains a fast-paced supply chain. Technology and skillset are the main features added to the supply chain of The Panasonic Corporation. Combined systems and gears enhance the alertness in the supply chain.

Supply chain function over time:

Panasonic Corporation, a multinational electronics corporation, needed such a supply chain that made the logic of all the indications upsetting demand. As Panasonic deals in high-tech products, the agile and efficient supply chain contributes to the competitive advantage in the supply chain, where costs rise faster than revenues. This system also allows the customers, to change the product concerning the promotion of the specific brand.

Panasonic Corporation has also introduced a customer inquiry response system within the context of supply chain management. There are inquiries made from customers before their purchase of products, as well as their apprehensions regarding the use of products. For this purpose, a special unit is called the Customer Care Center (Christopher, 2016). Even each product has distinct phone numbers that have increasingly decreased the hold time for customers, and this is also specialized to provide precise and quick service. Also, to assist customers in their purchases, there is much assistance provided to them over the website. For instance, when a customer comes to the website and starts typing questions regarding any product, the site demonstrates multiple pertinent FAQs. In this way, the company is determined to have quick replies to questions. In recent years, the trend has also shifted towards the use of Facebook and other social media opening places. This leads to the post of lots of valuable information concerning time and season. Thus, when there is a change of season, customers get attracted to sales by visiting these social media pages that carry the company's advertisement.

Moreover, the company has also introduced the repair and spare parts department, which is responsible for the repair services. As the company deals with housing facility products, it has constructed a network of engineers who go into local regions and use their advanced technical skills and know-how to deal with customers. This network works in reply to customers' complaints and shows a very quick response and resolution of problems. Panasonic also conducts a survey, connected to its customer satisfaction and based on that response it revises its strategies and excels in customer service.

Now, Panasonic deals with over 15,000 products under its brand, being the principal electronic

products producer in the world. Along with a number of channel partners, several distribution centres, and business entities, it still faces many issues related to the status of an efficient supply chain. Therefore, with the current supply chain, it is not able to manage the demand to supply within its supply chain strategies. One flaw in the supply chain is the use of point of sale (POS). With this, the supply chain suffers from unsuccessful promotional exertions. This also leads to unsuccessful product launches. Function-oriented teams are working, which have an end-to-end view of the supply chain and do not go through its analytical analysis.

Current technology used and the impact of this technology on supply chain capability:

Supply Chain Management refers to managing activities that make it possible to deliver the products to the end users. This management contains activities encompassing the flow and alteration of goods from the raw materials phase to their supply to the consumers. From distribution centres to global trade, supply chain management relies heavily on an ever-evolving suite of technologies that help increase efficiency and productivity. Panasonic practices cargo management solutions. These are multifaceted, tightly- united supply chains that use the latest technology and ensure timely product availability (Yücesan, 2007). This supply chain performs different functions, including in-transit cargo, packing, and unpacking, leading to storage. The company is also paying attention to its products, to make them easy to transport. For instance, there are products like Toughbook mobile computers, which are lightweight, and thus it gets very easy to transport them anywhere. Moreover, the company has employed proactive inspections that ensure greater uptime.

Outsourcing impacts an organization's supply chain strategy:

Outsourcing is a part of a business strategy that deals with moving some functions of the business to outside providers. Outsourcing makes the company more elastic and adjustable to new market conditions. This way, it also gets time to focus on its fundamental business functions and gain a competitive advantage. Also, organizations go for outsourcing, when they get the opportunity to get the same job done by the supplier, economically. For this purpose, companies negotiate contract agreements with a dealer responsible for the specified production process. Companies, sometimes, show their apprehensions about using outsourcing. But there is a solution for this also. The company is not required to outsource a specific function fully; rather, it may outsource a function partially and keep it remaining with it. Different functions are outsourced to organizations, functioning in different industries. The common areas that get outsourced include human resources, marketing, and accounting services.

Furthermore, outsourcing leads to better-quality customer service, product quality, and reduced

costs. This also allows the company to bond the gap in staffing. Also, with outsourcing, the company provides specialized vendor systems services. Due to the efficiency of their systems, it is possible for the company to have a quicker improvement time and advanced ranks of quality. Working with a third-party organization, the company gets flexibility in functions, and at any time it is in a condition to get the switch to another company, that can perform best. Thus, outsourcing has plentiful benefits, which are recognized as having more flexibility, fewer labour costs, lesser investment risk, and enhanced cash flow. Panasonic also functions globally, and it outsources its activities to both local and international parties. It is riskier for the company to manage the outsourcing while dealing with international suppliers and vendors. However, the company can do well in this area with good experience, brand reputation, and management.

Specific applicable rules and regulations related to the supply chain of the company:

The services or goods that an organization purchases must follow all standards, rules, and regulations that apply to that organization. These standards are not only provided by the government but also by the organization itself, customers and regulators along with suppliers provide details of the standards to be followed by business. Thus, before going for outsourcing, there is a need first to identify, the company's own internal standards. These will then frame the necessities for its outside suppliers and supply chains. If a publicly traded company goes for outsourcing, it will follow the Codes of Conduct. These Codes of Conduct will provide a guarantee that the organization will perform its role ethically and in obedience to appropriate laws and regulations. Also, if organizations comply with these codes, they will not indulge in any waste regarding fines, drawbacks, legitimate fees, or reputational damage.

US federal laws do not precisely control outsourcing transactions. Every state law governs contract laws. There is also a requirement for a legal structure for outsourcing. There must be a master contract between a principal supplier and customer that shows the plans that describe the range of services, performance standards, and prices. Moreover, an amendment in Federal Labour Law in 2012 now incorporates new regulations for outsourcing services. Now, some regulations are associated with contracts established between clients and service providers during outsourcing. These also address pricing rules and social security responsibilities regarding outsourcing services. In this context, Article 15-A deals with the sub-contracting regime.

Recommendation and plan that you believe would be the best supply chain strategy for this

organization

After analyzing end-to-end sales and operations planning practices, there have been lots of grave gaps in the supply chain of the Panasonic Corporation. A recurrent and unplanned outpouring in demand has added to the complexity of the organization's supply chain. Also, during peak times, there are delays in shipments as the company has a policy of maintaining low inventories and mostly depends on transportation to make the orders fulfilment promptly. Thus, there is a need for such improvements in the supply chain that can improve real-time process pellucidity and enhance decision-making and customer satisfaction.

Panasonic should go for supply chain restructuring and pay attention to the prevailing methods and construction of the chain. There is a need to go through the process redesign and value proposition to customers. These will enhance the quality of services and products provided to customers. The best structure for the Japanese electronic manufacturing company is to use RFID and mobile technology in the system (Attaran, 2007). Under this structure, there will be a digital transformation and the company will not undergo a large transformation. With this, it will also be able to pay attention to real issues and will apply its strategies in an agile way that will improve the overall results of the supply chain. Panasonic needs to apply the technology while managing transport and logistics in all areas, whether it is air, rail, or road.

RFID technologies will assist the company by providing potential assistance to supply chain management with the reduction in inventory harms, the upsurge of the efficiency and speed of procedures, and the development of information exactness (Attaran, 2007). Radio Frequency Identification (RFID) is an automatic acknowledging and data-capturing technology collected from three elements: a tag, a reader, and a middleware. The tag is formed by a chip that has a connection with the antenna, the reader is responsible for the production of radio signals and accepting them in response to reactions from tags. The third part is a middleware that bonds RFID hardware and organization applications.

The company needs to introduce electronics reprocessing programs under RFID technologies (Sarac, Absi, & Dauzère-Pérès, 2010). These will allow customers to benefit from disposing of old gadgets and adopting new technology. People dispose of their old tech gadgets and old batteries. People will also get rid of heavy metals in this way. But it will also assist the company regarding the issue of raw materials. This will also be a good step towards corporate social responsibility, and the company will excel in its efforts to conserve the environment. The first step here is to employ such points, where customers may deliver their old products and the company can then recycle them.

Within this new system of supply chain management, it will also have horizontal merging with some of its best suppliers and will make its raw materials to be used in production. For instance, it can merge with one of the Supplier Companies and produce photovoltaic (PV) cells and units for solar sheets. In this way, it will be able to meet its demand promptly, and the quality of the raw material will also be

not compromised. This also needs to be associated with the unit that collects all the old products from the retailers delivered to them by customers.

Also, Panasonic needs to outsource some of its functions that are not under the company's cost-effectiveness category. There can be outsourcing concerning human resources as the company functions over the interactional scale and is not well-versed in every region. Thus, it is better to outsource this service to local recruitment companies. They can better search for suitable candidates and employ them at respective positions within the organization. Also, dealing with retailers requires lots of effort in the new region. This can also be outsourced, and the company needs to outsource this partially and keep the main decisions to it.

Thus, all these changes need to be integrated into a new system, and new technology needs to be built for use by the company. The company needs to adjust the system's powerful digital and analytics tools to address all issues. The areas that need to have further use of technology are warehouse and DC procedures. There is a need to have more use of 2D barcodes here. This will make the system efficient and cost-effective as it will get encoded properly. The other advantage of using barcodes is that the driver at the end will be able to have courier-like tracking and the system will be easy to operate. Shipping, receiving, and docking need to be adjusted with the technology. Fulfilment centre operations must be fully integrated with technology to operate efficiently. [RFID technology](#) requires investment so it will be implemented in the elementary phase. The company will begin studying this technology and try to safeguard insignificant acquiescence with customer directives.

Expected benefits of your new strategy on the efficiency and effectiveness of the organization's supply chain:

In a typical supply chain, the raw material is taken from one point and carried to another. The product is manufactured at some other point, and these are then shipped to stores for transitional storage. Then, these get transported to the end users through the functioning of retailers. This typical supply chain contains many loopholes, which is also the source of the decline in profits for any company, in this world of the latest technology. Thus, to address all the issues in the supply chain, lessen costs, and expand quality levels, there is a need for a new system. Panasonic is facing severe competition while operating globally, having products with shorter life cycles, and intensifying customer prospects concerning the quality of products. Time is needed to focus on the supply chain and adopt the proposed solutions. If adopted, the new system is expected to benefit all spheres of the organization. In the first step, there is only a progression of warehouse and shipping, and then other supply chain activities will be liked with this technology in the second phase.

The new system, which is based on incorporating the latest technology in all of the organization's functions and adding this to the supply chain, will benefit the organization. When there is

collaboration for raw materials, then this collaboration will make the best use of both businesses' powers to improve the effectiveness of products. This will also be a source of synergy and competitive advantage in the atmosphere of server competition. In this way, it can also expand the scale of operations and can have separate units for each product. With time, it can exceed its current production capacity by working on this idea.

Conclusion

With this advanced mobility that will be part of a digital transformation in the warehouse, warehouse operations will get efficient. Mobile technology is still in use during warehouse operations, but its integration with other systems and self-operated software will simplify the different functions of warehouses. It will be easier for pickers, packers, spot jockeys, and managers to integrate within their company-operated mobile integrated system (Liang, Huang, Yeh, & Lin, 2007). Thus, by changing to advanced mobile devices and with the proper training of all employees, it is possible to produce an additional well-organized workflow with fewer expenses than before for its operations. These mobile systems enable real-time modernizing of orders and catalogues and advance on swiftness and correctness. These also can fulfil progressively multifaceted customer requirements. These augment value chain operations by substituting labour-intensive worksheet schemes. A company by the use of this technology will attain a larger market share and will be able to lessen the customer's inventory and lead times (Tellkamp, 2006). Suppliers will also benefit from this new technology when it is used. They will be able to find and function a quality management system. An important capacity of RFID technology is to lessen the costs and transport a wealth of information to assist the organization in meeting their customers' demands.

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