

# Supply Chain Management

Mikihisa Nakano

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Strategy and Organization

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*To my families*

# Preface

This book about supply chain management (SCM) uses the strategy–structure–process–performance (SSPP) framework as a theoretical underpinning. The SSPP is a well-known framework of contingency theory in the areas of strategic management and organizational design. By utilizing this framework, the theory of SCM is positioned as one of the theories of management. Specifically, this book proposes a theoretical foundation for SCM that is shared among people with various backgrounds, such as operations management, logistics management, procurement management, and marketing.

This book treats both the static and dynamic sides of SCM. On the static side, supply chain strategies are divided into three types: efficiency-oriented, responsiveness-oriented, and both efficiency- and responsiveness-oriented (hybrid). The responsiveness-oriented strategy is further divided into three subtypes. For each strategy, suitable internal and external supply chain structures and processes are proposed.

On the dynamic side, the primary issue is overcoming performance trade-offs. Based on theories of organizational change, process change, and dynamic capabilities, this book presents a model of supply chain process change. The roles of the SCM steering department are discussed in the context of organizational structure.

Referring to the theories in each chapter, cases from various industries are presented, including Fast Retailing (casual clothes), Fujitsu (personal computers), Toyota and Nissan (automobiles), Inditex (fast fashion), Japan Tobacco (tobacco), Nagano Tomato (juice and ketchup products), Daikin (air conditioners), Toclas (housing equipment), Ricoh (office imaging equipment), and Kao (cosmetic and household products). Some cases will facilitate an understanding of how to analyze the success and failure factors of SCM using the SSPP framework.

The reader will systematically learn the strategy and organization of SCM based on the SSPP framework. More specifically, the relationships among the three management elements of strategy, structure, and process are identified in the SCM context. In addition, the reader will learn not only the static side of SCM, such as

process operation, but also the dynamic side such as radical process innovation and incremental process improvement.

The author welcomes readers' questions and comments by mail. Please contact [mikeyuko@nifty.com](mailto:mikeyuko@nifty.com).

Nishinomiya, Japan

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# Acknowledgements

This book, which includes newly added content, is based on my Japanese book (The Theory of Supply Chain Management) published by Chuokeizai-Sha (Tokyo) in March 2016. Thanks to the publisher's understanding of my plan, I obtained a "seedling" for publishing an English version of my book. Therefore, I first sincerely thank them.

Next, thanks to both the constructive comments of two reviewers and Springer's acceptance of my book proposal, I found some "land." I would like to convey my appreciation to them. In addition, I would also like to express my gratitude to Juno Kawakami, the editor. Thanks to her guidance and assistance over the past 2 years, I was able to smoothly produce a "crop."

The crop has been cultivated with the cooperation of many people, including the individuals and companies that participated in my research process, my co-researchers, the colleagues, the staff members, and my seminar students of Kyoto Sangyo University. I wish to take this opportunity to thank them.

Last, but certainly not least, I am always grateful to my wife, Yuko, for her constant support and encouragement and grateful that my son, Masayuki, is in my life. They are the "nature," the sun, rain, and wind, surrounding the cultivation process. Without these, the crop would not grow. This book is, in particular, dedicated to them.

Mikihisa Nakano

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## About the Author

**Mikihisa Nakano** was born in Yamaguchi Prefecture, Japan, in 1967, and grew up in Osaka Prefecture. He graduated from Osaka University with a bachelor's degree in Engineering Science. Prior to starting his academic career, he served as a researcher of the Mitsubishi Research Institute, which is a think tank, for almost 10 years. He also served as Marketing Research Staff of Fast Retailing with its main brand, UNIQLO, which is the third largest apparel company in the world. While working at these companies, he earned an M.B.A. and a Ph.D. in Business Administration from Kobe University. At present, he serves as Professor at the Faculty of Business Administration of Kyoto Sangyo University.

His research work has focused on supply chain management, especially the mechanisms of internal and external integration in supply chains and the impact on performance. He has published articles in several journals, including *International Journal of Logistics Management*, *International Journal of Logistics: Research and Applications*, *International Journal of Operations & Production Management*, *International Journal of Physical Distribution & Logistics Management*, and *International Journal of Production Economics*.