



Japan-ASEAN Cooperation



## Sustainable Human Resource Development in logistics services for ASEAN Member States

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## Sustainable Human Resource Development in logistics services for ASEAN Member States

# Logistics Planning & Analysis



## Sustainable Human Resource Development in logistics services for ASEAN Member States

# Synopsis

This module covers the basic principles of logistics management including the planning, organizing, monitoring and controlling of logistical activities in the logistics chain which comprises procurement, inventory, warehousing and transportation.

Included in this module are the basic concepts of development of logistics HR, managing customer requirements and using IT tools to monitor and control key logistic indicators, measurements to improve customer service and activities to increase logistics efficiency and effectiveness.



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# Module Objectives

- Revisit the definition of logistics.
- Examine the structure of logistics network.
- Examine the functions of logistics functions of purchasing, inventory, warehousing, and transport.
- Examine the role and use of information in logistics.
- Understand the role of talent management in logistics in driving performance.
- Examine the role of customer service in meeting customers' requirements and using KPI to measure & steer performance.



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### Learner's Outcome

- Understand the role & functions of logistics network and its entities.
- Identify, list and explain the four functional areas of logistics i.e. purchasing, inventory, warehousing and transport.
- Appreciate how information is used to manage logistics.
- Understand the role of KPIs and how these are used to measure and drive customer service.



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**Sustainable Human Resource Development in logistics services  
for ASEAN Member States**

**Logistics Planning & Analysis  
Chapter 1  
Basic Principles of Logistics Management**



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## Sustainable Human Resource Development in logistics services for ASEAN Member States

### Objectives

- Define logistics management in the context of supply chain.
- Establish the types of activities of logistics.
- Examine logistics planning.



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# Introduction

- With the increasing number of world-class domestic and foreign competitors, enterprises have to improve their internal and external processes rapidly in order to stay competitive.
- The rules of business have changed. In today's environment, new products are launched and businesses are born every day.
- Customers are increasingly difficult to keep and costly to replace.





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# Logistics Management

- Logistics systems are made up purchasing management, inventory management, warehousing management and transportation management.
- Logistics is the work required to move and position inventory throughout a supply chain.



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# Definition of Logistics Management

- Logistics is defined by the as " . . . the process of planning, implementing and controlling the efficient, effective flow and storage of goods, services and related information from the point of origin to the point of consumption for the purpose of conforming to customer requirements."

Council of Logistics Management



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# Logistics Planning

- Logistics is the process that creates value by timing and positioning inventory.
- It is the combination of a firm's order management, inventory, transportation, warehousing, materials handling, and packaging as integrated throughout a facility network.
- Logistics planning serves to link and synchronise the overall supply chain as a continuous process and is essential for effective supply chain connectivity

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## Logistics Management

Raw Materials

Storage

Production

Warehousing

Markets

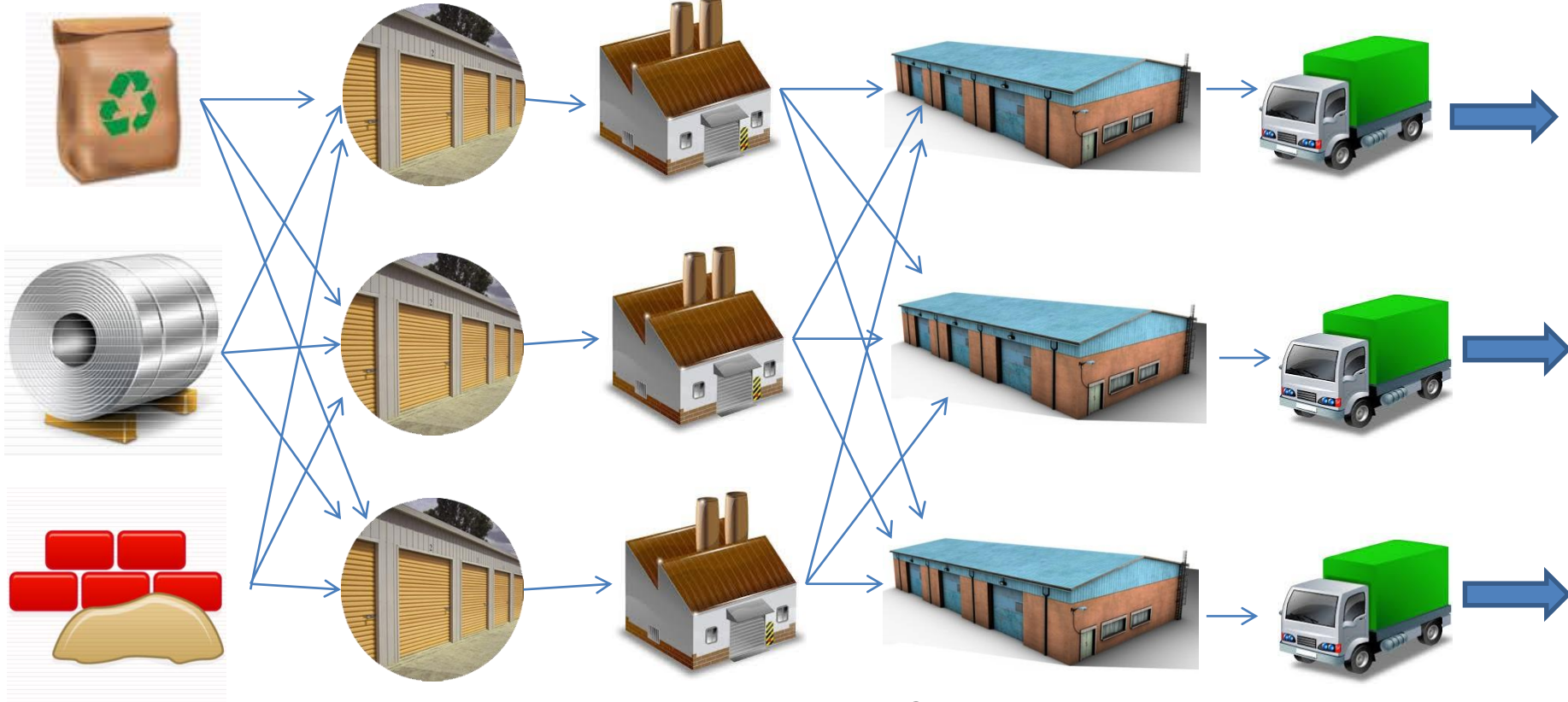


Figure 1-1: Logistics Chain



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# Strategic Importance of Logistics

- **Cost** – what customers receive for what they paid
- **Convenience** – the effort expended to achieve the purchase
- **Confidence** in the support services both included and promised

Logistics planning is the ability to satisfy and retain customer.



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### Conclusion

- Logistics ensures that goods are moved from suppliers to end users in accordance with the 5R concept of right product at the right place at the right price at the right quantity and right quality.
- The 5R concept is carried through via the logistics network which will be covered in the next chapter.