SCOR Model

MBA International Trade
Strategic Logistics
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SCOR Model

- The Supply Chain Operations Reference – model (SCOR) has been developed and endorsed by the Supply Chain Council (SCC) as the cross-industry standard for supply chain management.
- The SCOR model is designed to help maintain the business processes in SCM and to evaluate them for effectiveness and efficiency.
- The SCOR model is a tool employed to analyze, benchmark, and improve the processes of supply chain management.
- The SCOR model has been developed to describe the business activities associated with all phases of satisfying a customer's demand.

Source: https://www.cio.com/article/3311516/what-is-scor-a-model-for-improving-supply-chain-management.html accessed on 21/05/2021 at 15:10.

https://scm.ncsu.edu/scm-articles/article/the-scor-model-for-supply-chain-strategic-decisions accessed on 21/05/2021 at 15:25.

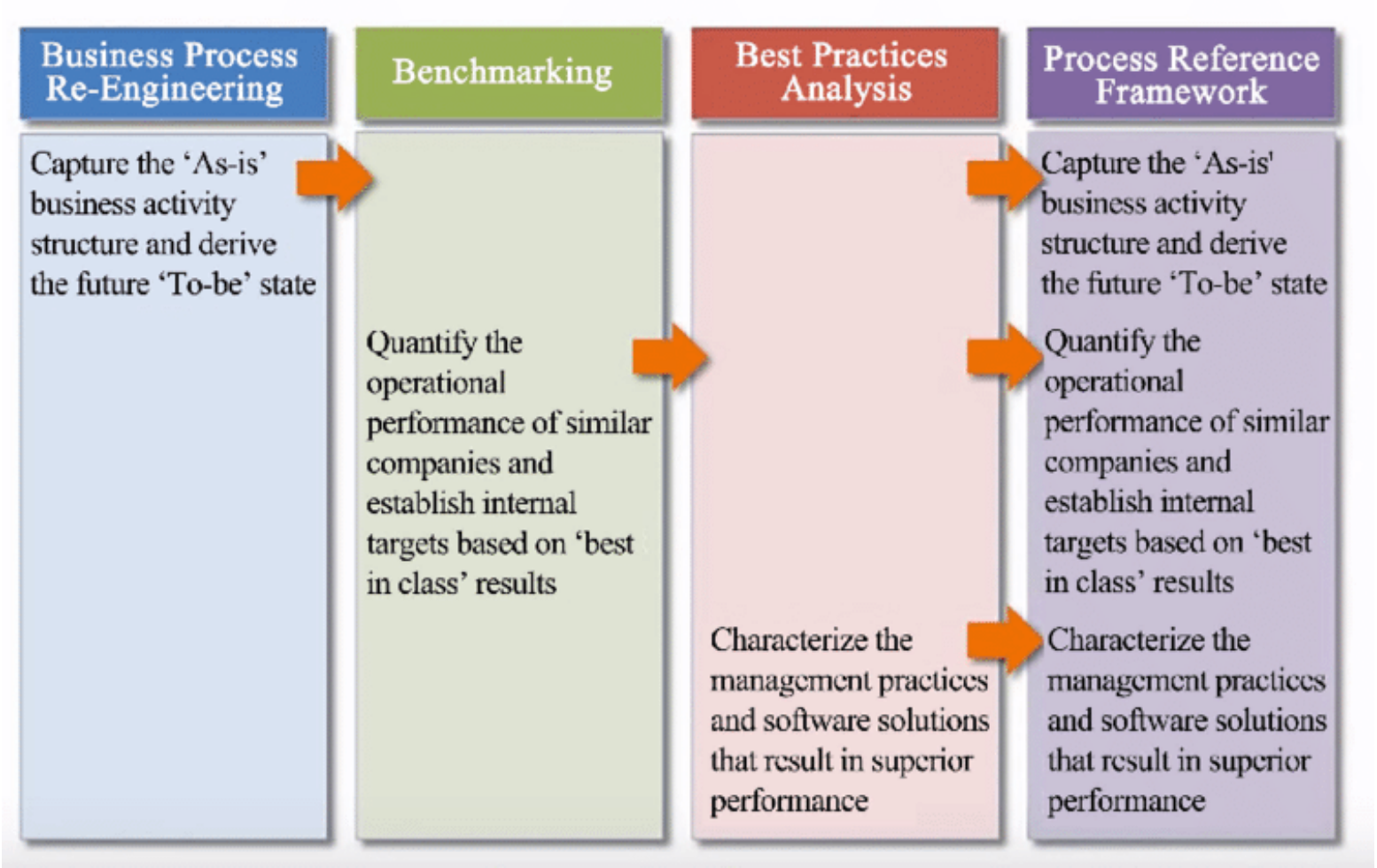
SCOR: Supply-Chain Reference Model, ILIM, INSTITUTE OF LOGISTICS AND WAREHOUSING accessed on 21/05/2021 at 15:45.

https://aims.education/study-online/supply-chain-operations-reference-model-scor/ accessed on 21/05/2021 at 15:25.

SCOR Framework

- The Process reference model integrates the well-known concepts of business process.

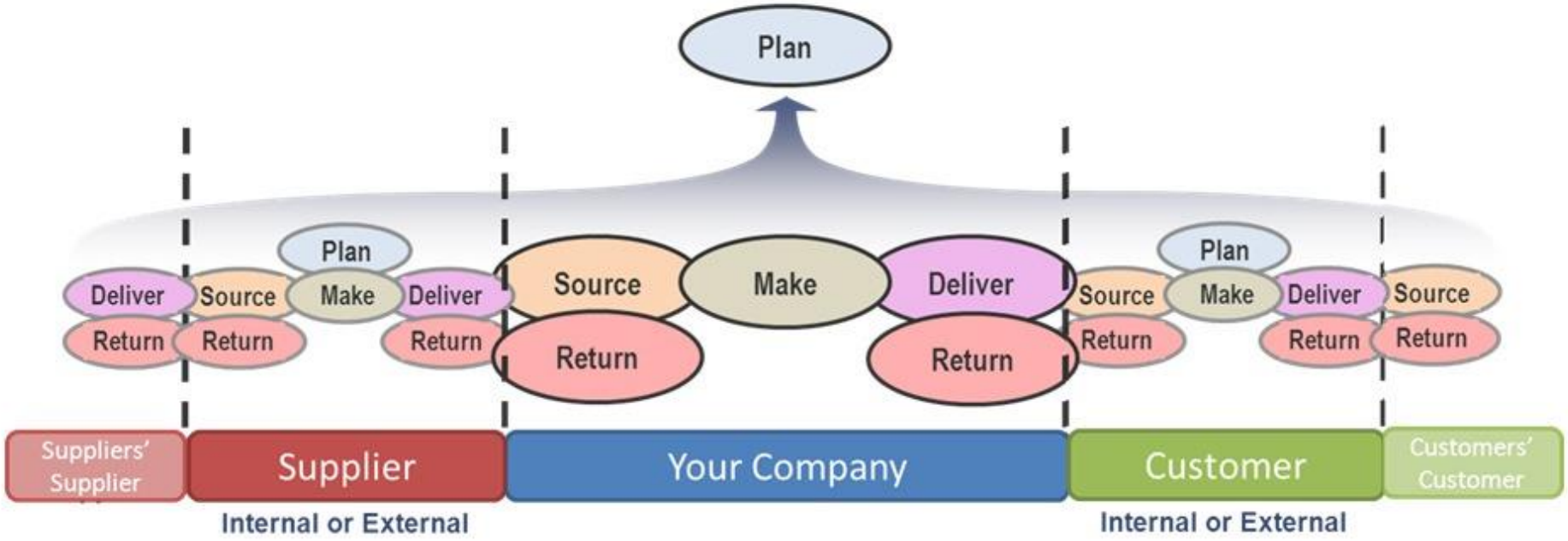
- Re-engineering, benchmarking and process measurement into a cross-functional framework.



Source: https://www.kloepfel-magazin.com/en/whitepaper/scor-model-the-all-rounder-for-the-supply-chain-930/ accessed on 21/05/2021 at 17:10.

https://www.researchgate.net/publication/334239956_Aircraft_Spares_Supply_Chain_Management_for_the_Aviation_Industry_in_Zambia_Based_on_the_Supply_Chain_Operations_Reference_SCOR_Model accessed on 21/05/2021 at 17:10.

SCOR Scope



- SCOR methodology assumes that all supply chain processes can be subdivided into one of five general subtypes (process building blocks): Plan, Source, Make, Deliver, and Return.

- It spans: all customer interactions (order entry through paid invoice), all physical material transactions (supplier's supplier to customer's customer, including equipment, supplies, spare parts, bulk product, software, etc.) and all market interactions (from the understanding of aggregate demand to the fulfillment of each order).

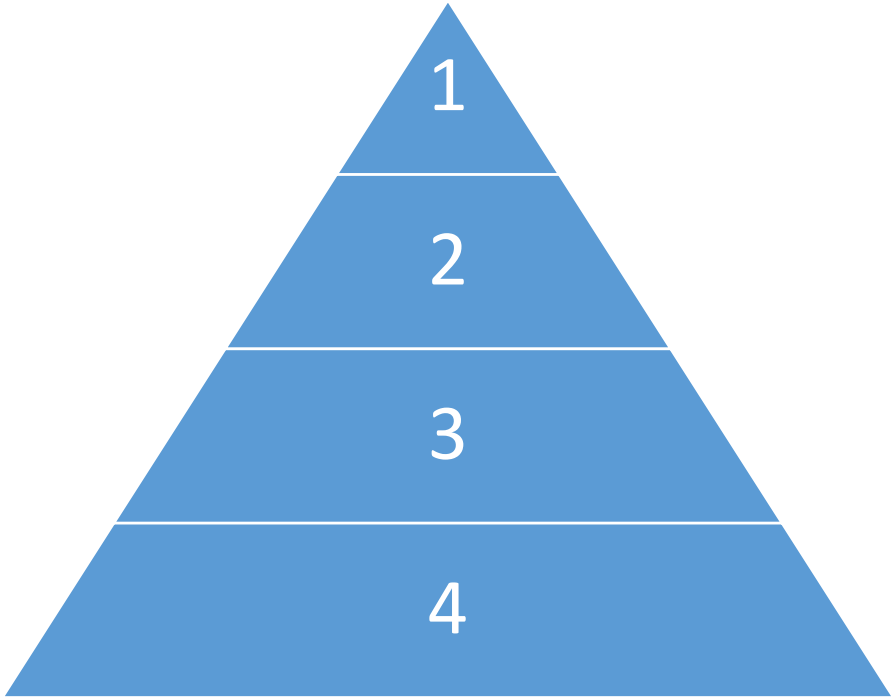
Source: https://aims.education/study-online/supply-chain-operations-reference-model-scor/ accessed on 21/05/2021 at 15:45.

Five key processes of Supply Chain

Plan	Source	Make	Deliver	Return
• Assess resources • Communicate plan for the supply chain • Plan for material requirements, inventory, production, regulations	• Procurement of goods and services • Provision of raw materials & finished goods • Receive, testing, payment, manage suppliers	• Production planning & manufacturing • Quality control, testing, packaging • Manage WIP, equipment's & facilities	• Delivery of completed goods & services • Orde, transport, warehouse & distribution management • Invoice customers	• Processes related to return or disposal of good • Warranty claims, defective goods, replacement

Source: https://www.ionos.com/digitalguide/online-marketing/online-sales/scor-model/ accessed on 24/05/2021 at 16:24.

Levels in SCOR model



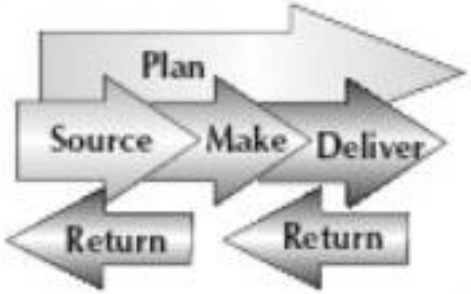
Top level- Process Types

Configuration level- Process Categories

Process Element level- Decompose Processes

Implement level- Decompose Process Elements

Source: https://www.kloepfel-magazin.com/en/whitepaper/scor-model-the-all-rounder-for-the-supply-chain-930/ accessed on 22/05/2021 at 13:23.

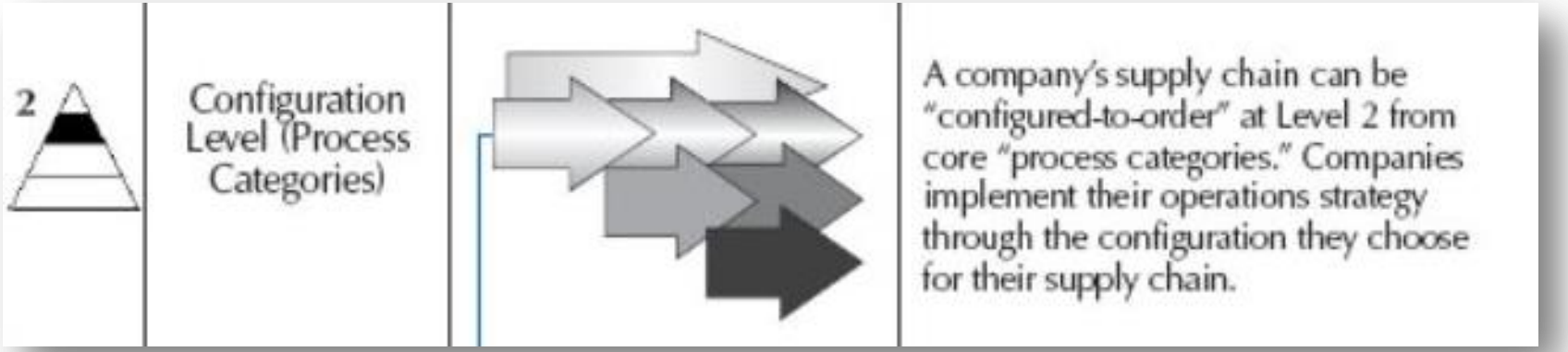
#	Description	Schematic	Comments
1 	Top Level (Process Types)		Level 1 defines the scope and content for the Supply Chain Operations Reference-model. Here basis of competition performance targets are set.

Level 1: Process types

- The first and top level of the model (level 1) is made up of five core processes and is considered a strategic level.
- A plan for operating the supply chain shall be drawn up. Planning includes activities such as obtaining information about the required resources or capacity planning.

Source: Berrah, Lamia, and Francois B. Vernadat. "Towards a system-based model for overall performance evaluation in a supply chain context." The Open Industrial & Manufacturing Engineering Journal 5, no. 1874-1525 (2012): 8-18, accessed on 22.05.2021 at 16:06.

https://www.ionos.com/digitalguide/online-marketing/online-sales/scor-model/ accessed on 22/05/2021 at 16:10.



Level 2: Process Categories

- The companies supply chain can be configured from 30 core "process categories". The Process Categories are selected from the SCOR configuration toolkit, in agreement to the type of products and to the market, to represent the supply chain configuration.
- This is where the decision is made whether to make-to-stock, make-to-order, engineer-to-order or other processes will be used for production within the supply chain.

Source: Berrah, Lamia, and Francois B. Vernadat. "Towards a system-based model for overall performance evaluation in a supply chain context." The Open Industrial & Manufacturing Engineering Journal 5, no. 1874-1525 (2012): 8-18, accessed on 22.05.2021 at 16:06.

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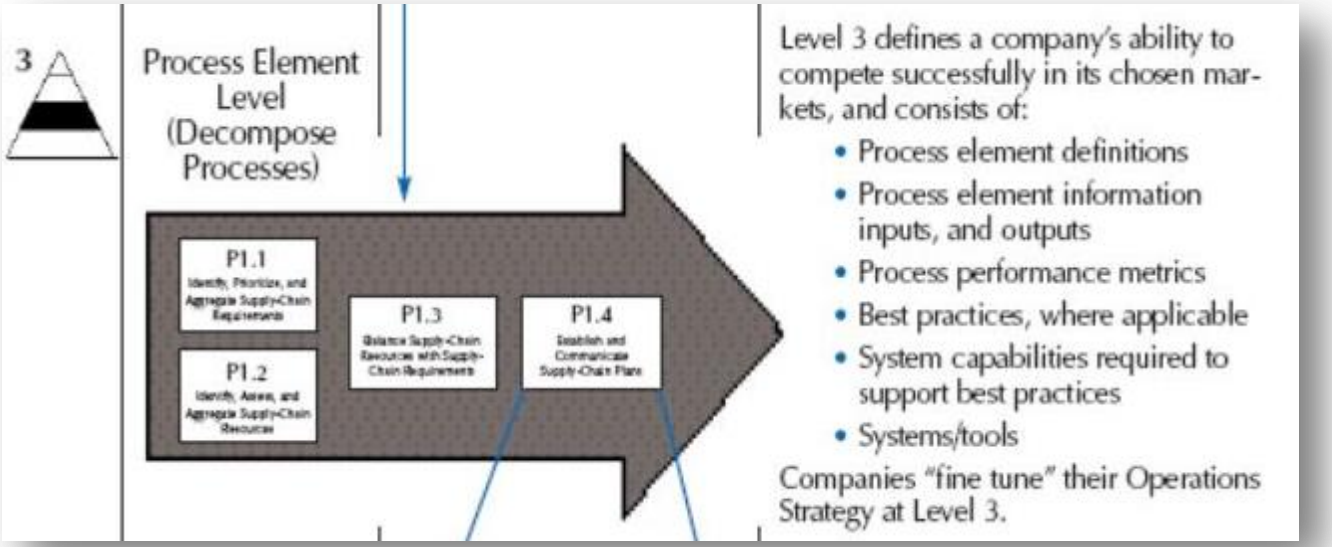
Institute of Logistics and warehousing, "scor: supply-chain reference model ", Source: https://www.tecnoali.com/files/emensa/D11/Report%20Ilim.pdf , acessed on 22.05.2021 at 16:43



Level 3: Process Steps

- In this level, detailed process element information for each level 2 process category is presented.
- Examples of process elements are operational processes such as delivery planning, authorization of payments, quality control etc.

Source: Berrah, Lamia, and Francois B. Vernadat. "Towards a system-based model for overall performance evaluation in a supply chain context." The Open Industrial & Manufacturing Engineering Journal 5, no. 1874-1525 (2012): 8-18, accessed on 22.05.2021 at 16:06.

Institute of Logistics and warehousing, "scor: supply-chain reference model ", Source: https://www.tecnoali.com/files/emensa/D11/Report%20Ilim.pdf , accessed on 22.05.2021 at 16:43

Why is SCOR model required?

Helps companies to identify supply chain problems and create supply chain road maps.

Better management of inventories, which is translated in reduction of costs.

Strategic integration with the suppliers, enabling channels of feedback, sharing information and risks of the supply in some cases.

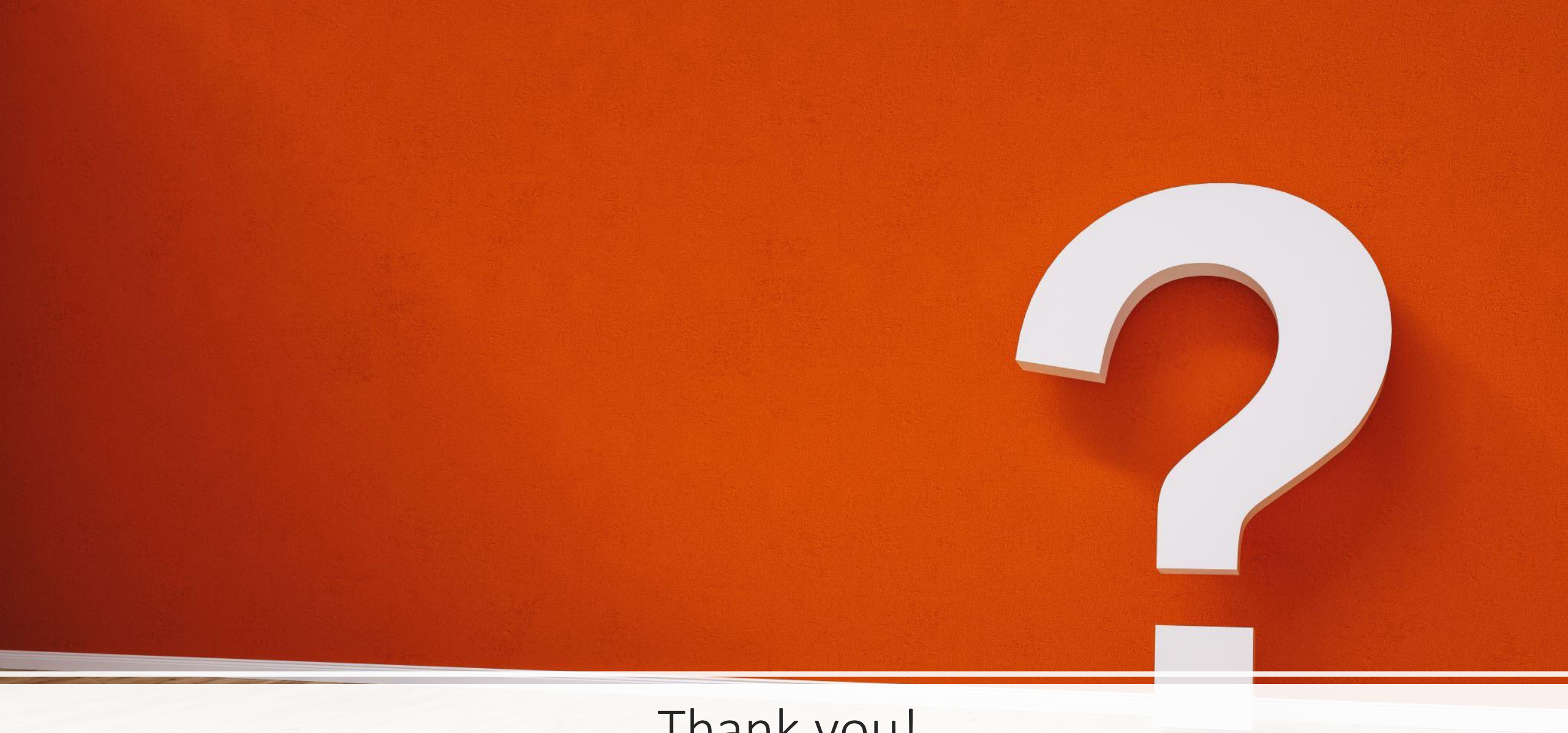
Better communication in supply chain, which enables efficient flow of information that allow a better answer to the new requirements of the market.

Source: SCOR: Supply-Chain Reference Model, ILIM, INSTITUTE OF LOGISTICS AND WAREHOUSING accessed on 21/05/2021 at 15:45.

https://scm.ncsu.edu/scm-articles/article/the-scor-model-for-supply-chain-strategic-decisions accessed on 21/05/2021 at 18:22.

Other models

- Waterfall model for Software development



Thank you!