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**Heading:**

**Importance of Alignment in Supply Chain Management**

**Article:**

**What is Alignment?**

Alignment in supply chain management is the coordination of all processes that leads to supply chain partners and stakeholders having a common goal, working towards the same objectives, and acting in a coordinated manner.

Due to the complexities of supply chains, it is even more crucial to synchronize supply chain architecture to ensure that all efforts support the strategy and lead to the firm achieving its goals and objectives.

Research has shown that alignment influences organizational performance. Alignment works when a number of well-oiled teams work together towards the same goal. If a company does not have its supply chain aligned, its business will suffer disruptions that can lead to poor output from manufacturing and sourcing raw materials, eventually resulting in inefficiencies, additional costs, and customer dissatisfaction.

**Important Areas of Focus**

There are two key areas that alignment will focus on **corporate strategy** and **supply chain strategy.**

Corporate strategy is the overall leading principle of a company's objectives. Every firm needs a corporate strategy in order to know what it operates for, how it builds up its competitive advantages and what it wants to achieve. If the corporate strategy is unclear, underlying layers will find it challenging to attempt a cohesive goal and focus on different directions.

A supply chain strategy will enable a firm to obtain the required supplies needed for its operations and deliver within the required performance. If every stakeholder maximizes their interests, then their optimal decisions may cause delivery delays and excessive inventories in another part of the supply chain. (Lee, 2004). It is thus critical to ensure alignment between all stakeholders involved across the departments and companies involved.

**Expected Outcome of an Aligned Supply Chain**

Alignment in supply chain management creates a successful supply chain partnership that shares and is built on understanding your firm's objectives and vision. I.e., the better your alignment with suppliers, the more likely you will achieve your targets. Aligning with suppliers is critical for achieving efficiency, innovation, speed to market, and cost-effectiveness.

An aligned supply chain aims to deliver the best value to the end customer.

* There will be a greater focus on customer service as everyone involved in the supply chain will be more concerned about how their actions affect the customer.
* Suppliers can be more responsive to changes in demand from their customers if they are aware of them early enough.
* Suppliers can respond more quickly to disruptions in their own processes if they know that their customers will tolerate minor delays.
* Supply chains will be able to react quickly to ever-changing circumstances within an industry and external forces such as economic changes or natural disasters because all members of the supply chain will work together.
* Overall delivery of customer value by offering products and services tailored specifically to the customer's needs.

**Planning for Collaboration**

As you may have understood from this article, alignment in supply chain management is essentially one of the most important factors to the success of any firm. An aligned supply chain helps to improve customer service, reduce costs, and improve demand forecasting and reduction in warehousing costs.

An aligned supply chain does not just help save time and prevent delays in a supply chain. It also ensures that there's no misalignment of resources in terms of human and capital investment. When you put your resources into planning for an aligned supply chain, you principally plan for trust, cooperation, and a shared vision. If there is no alignment in the supply chain, it will be challenging to achieve and maintain customer satisfaction, collaboration, and innovation.