

Eighth Edition

Purchasing and Supply Chain Management

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Key Principles within Supply Chain Management (SCM) Philosophies Supply Chain Management is defined by Lambert et al (1998, p. 1) as "the integration of key business processes from end user through original suppliers that provides products, services, and information that add value for customers and other stakeholders. . Although SCM is a widely accepted term, there is no definitively recognised description of SCM or its activities." For purchasing partnerships to add value and create competitive advantage they must be strategically managed with the required due diligence. Purchasing has needed to move from a monolithic linear supporting role to a critical strategic management role of supplier integration into the organisation, its structure and its future strategic plans.