

## Application Software Exercise

### ***Spreadsheet exercise: Improving supply chain management***

You run a company that manufactures aircraft components. You have many competitors that are trying to offer lower prices and better service to customers, and you are trying to determine if you can benefit from better supply chain management. At the companion website (or the course website) you can find a spreadsheet file that contains a list of all of the items that your firm has ordered from its suppliers over the past three months. The fields on the spreadsheet include vendor name, vendor identification number, the purchaser's order number, item identification number and item description (for each item ordered from the vendor), the cost per item, number of units of the item ordered, the total cost of each order, the vendor's accounts payable terms, promised shipping date, promised transit time, and actual arrival date for each order.

Prepare a recommendation of how you can use the data in the spreadsheet database to improve your supply chain management. You may wish to look at ways to identify preferred suppliers or other ways of improving the movement and production of your products. Some criteria you might consider include the supplier's track record for on-time deliveries, suppliers offering the best accounts payable terms, and suppliers offering lower prices when the same item can be provided by multiple suppliers. Use your spreadsheet software to prepare reports and, if appropriate, graphs to support your recommendations.