

TABLE OF CONTENTS

PREFACE / 7

1. LOGISTICS AS A SOURCE OF COMPETITIVENESS / 11

1.1 THE WAY TO WORLD CLASS LOGISTICS / 11

- The external circumstances of the origination and development of logistics / 11
- Dominance of the market economy and the western lifestyle, individualism / 14
- Changes in the ladder of values, lifestyle and the attitude towards work / 15
- Turbulent development / 15
- Changes in the character of competition / 16
- The importance of information is growing / 17
- Time as a strategic factor / 20
- New corporate strategies / 24
- The development of logistics / 26
- The new concept of the corporate logistics system / 29
- The American concept of logistics / 31
- The European concept of logistics / 32
- World Class logistics attributes / 34

1.2 CLIENT SERVICE / 35

- The American concept of client service / 36
- The European concept of client service / 41
- The optimum level of client service / 46

1.3 THE CORPORATE LOGISTICS SYSTEM / 47

- The logistics system as a multi-system / 47
- The process of creating a logistics system / 48
- The initial analysis / 49
- The logistics audit / 49
- Benchmarking / 49
- The company's objectives / 55
- The corporate strategy / 55
- The objectives of the corporate strategy / 57
- Two approaches to the formulation of the corporate strategy / 57
- Productivity / 58
- The strategy of the corporate logistics system / 64
- Feasibility study and detailed solution / 67
- The selection of methods / 69
- The relation of methods to the steps of the process / 71
- Prognostic methods / 72
- System-oriented methods / 74
- Systematically oriented methods / 80
- The methods of selecting options and evaluating effects / 84
- Logistics controlling / 88
- Preconditions for success / 90
- Feasible effects / 91
- Logistics reengineering / 92
- Logistics in the Central European region and in Eastern Europe / 100
- Differentiation of logistics services / 102

1.4 THE TOTAL SUPPLY CHAIN CONCEPT / 104

- Logistics chain, supply chain / 104
- Logistics channel / 104
- Flexibility / 110
- Logistical functions / 110
- Conflicting objectives of corporate departments / 111
- Integrated logistics / 113
- The components of logistics and logistics management / 113
- The types of logistics chains / 119
- Chain effects / 122
- Logistics chains in multinational companies / 126
- Globalisation / 130
- Logistics and the environment / 132
- Logistics and European transport policy / 149
- Zone arrangement in Europe / 158

1.5 SPECIFIC PROBLEMS OF LOGISTICS CHAINS / 163

- The beginning of logistics activities / 163
- Time compression / 163
- Concurrent engineering / 165
- Sequential engineering / 165
- New tendencies in manufacturing / 170
- The logistics typology of production / 170
- The arrangement of manufacturing workstations / 171
- "Postmodern factory" / 173
- The factory of the future / 175
- Production planning and control / 178
- Manufacturing Resources Planning / 182
- Distribution Resources Planning / 183
- Planning in a closed circle / 184
- Enterprise Resources Planning / 192
- Specialised application software / 194
- Advanced planning and Scheduling / 195
- Data Warehouse and software for forecasting / 196
- Decoupling point / 197
- The end of logistical activities / 202
- Trade Load / 202
- The structure of distribution and trade logistics chains / 204
- Multi-level warehousing / 206

1.6 LOGISTICAL TECHNOLOGIES / 213

- The establishment of handling groups / 213
- Kanban / 218
- Just in Time / 219
- Quick Response / 222
- Efficient Consumer Response / 222
- Hub and Spoke / 224

Concentration of warehouse networks and centralisation of warehouses / 226
Combined transport / 229
Automatic identification / 240
Information and communication technologies / 247
Computer integrated technologies / 259

Excursus: **Logistics chains in the automotive industry** / 260

Case studies: Ford Motor Company / 294
Mazda Motor Corporation / 298
Mazda. The history of performance growth / 301
Seat Martorello / 304
Chrysler Graz - Eurostar / 305
Elimination of waste through the adoption
of the Toyota Production System / 307
The Rover Group / 310
The Volvo engine production plant in Skövde / 311
Peguform-Werke GmbH Neustadt an der Donau / 314
Volkswagen Wolfsburg / 317
Isri France Lemgo / 318
Mazda Motor Parts Center Willebrök / 319
Adam Opel AG / 327
The sea container terminal in Singapore / 328

2. LOGISTICS AS PARTNERSHIP / 331

2.1 OUTSOURCING IN LOGISTICS / 331

Outsourcing versus insourcing / 331
Strategic alliances / 331
The structure of logistics management positions affected by outsourcing / 335

2.2 STRATEGIC ALLIANCES WITH SUPPLIERS / 343

Outsourcing in purchasing and supply / 343
The relations within logistics, purchasing and supply / 344
Strategic alliances with suppliers / 345
The selection of suppliers / 346
The purchasing and supply strategy / 348
JIT in supply chains / 354

2.3 STRATEGIC ALLIANCES WITH LOGISTICS PROVIDERS / 360

Logistics providers / 360
Logistics companies / 361
Strategic alliances with logistics providers / 361
Transport-related services / 363
Forwarders / 365
The selection of a forwarder / 367
The selection of a transport company / 368
The goods owners' - consignors' views / 369

2.4 CULTURE AND CULTURAL MANAGEMENT

AS A FUTURE CHALLENGE FOR SUCCESS / 381

The fundamental factors for a company culture / 383

Cross - cultural management in logistics on a global market / 384

Cultural leadership in logistics companies / 389

Vision, strategy and human resources / 390

Guidelines for human resources development / 391

Human resources policy / 393

Identification of staff potential / 394

An implementation concept for human resources in logistics / 400

A lifetime learning company and the management of change / 409

Excursus: Incoterms 2000. The international rules for the interpretation of delivery terms. The transfer of costs and risks. / 411

Case studies: ERF/LYNX / 420

Horst Mosolf GmbH & Co Internationale Spedition / 422

LIST OF TABLES / 427

LIST OF ILLUSTRATIONS / 428

LIST OF REFERENCES TO LITERATURE / 434

INDEX / 438