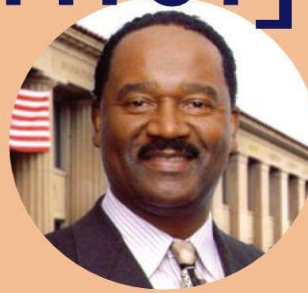


CONSULTANTS [corner]

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Question: I am a small entrepreneur who's just getting my business off the ground. What steps should I take to ensure that my business model is aligned with my supply chain design?

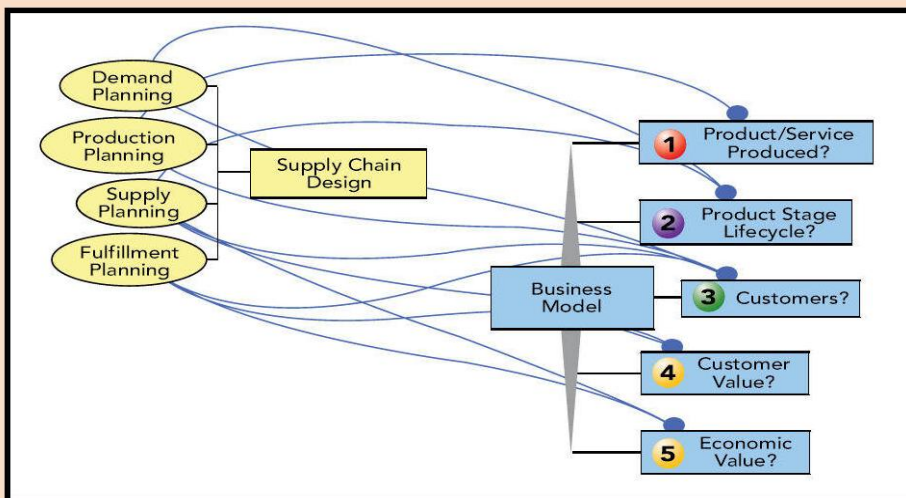
Mel's Answer: How you structure your business, in my opinion, is the most important decision that a small entrepreneur firm makes. Your business model is your blueprint for making money and your DNA for converting economic value to long-term profitability and sustainability. Simply put, your business model and supply chain design is how you plan to structure your business to make money.

To improve your supply chain efficiency, you must ensure that your business model is aligned with your supply chain design. First, you should review and answer the following questions regarding your business model:

- What are your products or services?
- What is the stage or lifecycle of your products or services?
- Who are your customers?
- What customer value do you provide?
- What is the economic value of your products or services?

Secondly, your supply chain design should be viewed strategically to determine the set of innovative capabilities and collaborations that will allow you to enhance or unleash new economic value within your business.

Supply Chain Design/Business Model Relationship



If you're a consultant, 'CSCMP Supply Chain Comment' would like to feature you in an upcoming issue. Please send your contact information to mholodnicki@cscmp.org.