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Certificate in Supply Chain Management

## Supply Chain Fundamentals

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AIDC stands for Automatic Identification and Data Capture, which refers to the process of automatically identifying and capturing data using technologies such as barcodes, RFID, and biometrics. AIDC is commonly used in supply chain management to track and manage inventory, shipments, and other assets. Related terms include barcode scanning, radio frequency identification, and data capture.

Agile Supply Chain refers to a supply chain that is flexible and adaptable to changing market conditions and customer needs. An agile supply chain is able to respond quickly to changes in demand, supply, and other factors that may impact the supply chain. This is often achieved through the use of advanced technologies, such as cloud-based systems and analytics tools. Related terms include flexible supply chain, responsive supply chain, and adaptable supply chain.

Air Freight refers to the transportation of goods by air, typically using cargo planes or other aircraft. Air freight is often used for high-priority or time-sensitive shipments, as it is generally faster than other modes of transportation. However, it can also be more expensive. Related terms include air cargo, air transport, and express shipping.

Asset Management refers to the process of managing and maintaining the assets of an organization, including equipment, vehicles, and other physical assets. In the context of supply chain management, asset management is critical to ensuring that assets are properly maintained and utilized to support the supply chain. Related terms include asset tracking, asset maintenance, and asset optimization.

Backhaul refers to the return trip of a shipment, often at a reduced rate, after a delivery has been made. Backhaul is commonly used in logistics and transportation to reduce costs and increase efficiency. For example, a truck that delivers goods to a customer may be able to pick up a return shipment from the customer, reducing the need for an empty return trip. Related terms include backhauling, reverse logistics, and return shipment.

Benchmarking refers to the process of comparing the performance of an organization or supply chain to that of other organizations or supply chains. Benchmarking is often used to identify areas for improvement and to develop strategies for increasing efficiency and effectiveness. Related terms include best practices, performance metrics, and benchmark analysis.

Bill of Lading refers to a document that outlines the terms and conditions of a shipment, including the type and quantity of goods being shipped, the shipping route, and the payment terms. A bill of lading is often used as a contract between the shipper and the carrier, and it serves as a receipt for the goods being shipped. Related terms include shipping document, freight bill, and transportation contract.

Breakbulk refers to the process of breaking down a large shipment into smaller, more manageable shipments. Breakbulk is often used in logistics and transportation to increase efficiency and reduce costs.

For example, a large shipment of goods may be broken down into smaller shipments that can be transported by different modes, such as truck and rail. Related terms include breakbulk cargo, less-than-truckload, and intermodal shipping.

Brokerage refers to the process of acting as an intermediary between buyers and sellers, often in the context of logistics and transportation. A broker may arrange for the transportation of goods, negotiate prices, and handle other logistics-related tasks. Related terms include freight broker, logistics broker, and transportation broker.

Capacity Planning refers to the process of determining the amount of capacity needed to meet demand, including the capacity of equipment, facilities, and personnel. Capacity planning is critical in supply chain management, as it helps to ensure that the supply chain has the necessary resources to meet customer demand. Related terms include capacity management, resource allocation, and production planning.

Cargo Insurance refers to insurance that covers goods in transit against loss or damage. Cargo insurance is often used in logistics and transportation to protect against risks such as theft, damage, and loss. Related terms include freight insurance, shipping insurance, and marine insurance.

Carriage refers to the transportation of goods from one location to another, often using a carrier such as a trucking company or airline. Carriage is a critical component of the supply chain, as it enables the movement of goods from suppliers to customers. Related terms include transportation, shipping, and logistics.

Cash-to-Cash Cycle Time refers to the amount of time it takes for a company to convert its inventory into cash, including the time it takes to sell the inventory, collect payment from customers, and pay suppliers. The cash-to-cash cycle time is an important metric in supply chain management, as it helps to measure the efficiency of the supply chain. Related terms include cash conversion cycle, inventory turnover, and working capital.

Certificate of Origin refers to a document that certifies the country of origin of a shipment, often required for customs clearance and other regulatory purposes. A certificate of origin is typically issued by the exporter or manufacturer of the goods, and it serves as proof of the goods' origin. Related terms include certificate of origin form, country of origin, and export documentation.

Cold Chain refers to the transportation and storage of temperature-sensitive goods, such as perishable foods and pharmaceuticals. The cold chain requires specialized equipment and handling procedures to maintain the required temperature range, often between 2-8°C. Related terms include cold storage, refrigerated transportation, and temperature control.

Consolidation refers to the process of combining multiple shipments into a single shipment, often to reduce costs and increase efficiency. Consolidation is commonly used in logistics and transportation to increase the volume of shipments and reduce the number of trips. Related terms include freight consolidation, shipment consolidation, and warehousing.

Containerization refers to the use of containers to transport goods, often using standardized containers

such as 20-foot or 40-foot containers. Containerization has revolutionized the transportation of goods, making it easier, faster, and more efficient. Related terms include container shipping, intermodal transportation, and port operations.

Contract Logistics refers to the outsourcing of logistics operations to a third-party provider, often under a long-term contract. Contract logistics providers may handle a range of tasks, including transportation, warehousing, and freight forwarding. Related terms include third-party logistics, logistics outsourcing, and supply chain management.

Cost-to-Serve refers to the cost of serving a customer, including the cost of producing and delivering the product, as well as the cost of providing customer service and support. The cost-to-serve is an important metric in supply chain management, as it helps to measure the profitability of serving a particular customer. Related terms include cost-to-serve analysis, customer profitability, and supply chain costs.

Cross-Docking refers to the process of transferring goods from one vehicle to another, often without storing them in a warehouse. Cross-docking is commonly used in logistics and transportation to reduce costs and increase efficiency. Related terms include cross-dock facility, cross-dock warehouse, and transshipment.

Customs Brokerage refers to the process of clearing customs on behalf of an importer or exporter, often using a customs broker. A customs broker may handle tasks such as preparing and submitting customs forms, paying duties and taxes, and arranging for the transportation of goods. Related terms include customs clearance, customs compliance, and import regulations.

Cycle Counting refers to the process of regularly counting and verifying the inventory levels of a warehouse or distribution center. Cycle counting is often used to ensure the accuracy of inventory records and to identify any discrepancies or errors. Related terms include inventory counting, inventory verification, and warehouse management.

Damage-Free Delivery refers to the delivery of goods without damage, often using specialized packaging and handling procedures. Damage-free delivery is critical in logistics and transportation, as it helps to ensure that goods arrive at their destination in good condition. Related terms include damage-free shipping, damage-free transportation, and product protection.

Demand Planning refers to the process of forecasting and managing demand for a product or service, often using statistical models and other analytical tools. Demand planning is critical in supply chain management, as it helps to ensure that the supply chain is aligned with customer demand. Related terms include demand forecasting, demand management, and supply chain planning.

Distribution Center refers to a warehouse or facility that is used to store and distribute goods to customers. A distribution center may handle a range of tasks, including receiving and storing goods, picking and packing orders, and shipping goods to customers. Related terms include distribution warehouse, fulfillment center, and logistics facility.

Drop Shipping refers to the practice of shipping goods directly from the supplier to the customer, often

without storing them in a warehouse or distribution center. Drop shipping is commonly used in e-commerce and other industries, as it helps to reduce inventory costs and increase efficiency. Related terms include drop ship, drop shipment, and e-commerce fulfillment.

Economic Order Quantity refers to the optimal quantity of goods to order, often based on the trade-off between the cost of ordering and the cost of holding inventory. The economic order quantity is a critical concept in supply chain management, as it helps to minimize costs and maximize efficiency. Related terms include economic order quantity formula, inventory optimization, and supply chain optimization.

Electronic Data Interchange refers to the electronic exchange of business documents, such as purchase orders and invoices, between trading partners. Electronic data interchange is commonly used in logistics and transportation to increase efficiency and reduce errors. Related terms include EDI standards, EDI software, and electronic commerce.

Expedited Shipping refers to the rapid transportation of goods, often using air freight or other expedited modes. Expedited shipping is commonly used in logistics and transportation to meet tight deadlines or to transport high-priority goods. Related terms include expedited freight, express shipping, and fast shipping.

Export Management refers to the process of managing the export of goods, including tasks such as customs clearance, documentation, and transportation. Export management is critical in international trade, as it helps to ensure that goods are properly exported and that all regulations are complied with. Related terms include export compliance, export regulations, and international trade.

Freight Audit refers to the process of reviewing and verifying the accuracy of freight bills and other transportation-related documents. Freight audit is commonly used in logistics and transportation to ensure that freight costs are accurate and that all regulations are complied with. Related terms include freight audit software, freight audit services, and transportation audit.

Freight Forwarder refers to a company that specializes in the transportation of goods, often using a network of carriers and other transportation providers. A freight forwarder may handle tasks such as booking shipments, arranging for transportation, and tracking shipments. Related terms include freight forwarding, logistics provider, and supply chain management.

Global Trade Management refers to the process of managing the global supply chain, including tasks such as customs clearance, compliance, and logistics. Global trade management is critical in international trade, as it helps to ensure that goods are properly imported and exported and that all regulations are complied with. Related terms include global trade compliance, global logistics, and international trade.

Green Supply Chain refers to a supply chain that is environmentally sustainable and responsible, often using practices such as recycling, reducing waste, and using renewable energy. A green supply chain is critical in today's business environment, as it helps to reduce the environmental impact of the supply chain and improve the company's reputation. Related terms include sustainable supply chain, environmentally responsible supply chain, and corporate social responsibility.

Inbound Logistics refers to the process of managing the receipt and storage of goods, often using a

warehouse or distribution center. Inbound logistics is critical in supply chain management, as it helps to ensure that goods are properly received and stored. Related terms include inbound transportation, inbound warehousing, and inventory management.

Incoterms refers to a set of international trade terms that define the responsibilities of buyers and sellers in the transportation of goods. Incoterms is commonly used in international trade to clarify the terms of sale and to avoid misunderstandings. Related terms include incoterms 2020, incoterms chart, and international trade.

Intermodal Transportation refers to the use of multiple modes of transportation, such as truck, rail, and sea, to transport goods. Intermodal transportation is commonly used in logistics and transportation to increase efficiency and reduce costs. Related terms include intermodal shipping, intermodal freight, and multimodal transportation.

Inventory Management refers to the process of managing the inventory of a company, including tasks such as ordering, storing, and tracking inventory. Inventory management is critical in supply chain management, as it helps to ensure that the company has the right amount of inventory on hand to meet customer demand. Related terms include inventory control, inventory optimization, and supply chain optimization.

Inventory Turnover refers to the number of times that a company sells and replaces its inventory within a given period, often used as a metric to measure the efficiency of the supply chain. Inventory turnover is critical in supply chain management, as it helps to identify areas for improvement and to optimize the supply chain. Related terms include inventory turnover ratio, inventory turnover rate, and supply chain metrics.

Just-in-Time refers to a production and inventory management system that aims to produce and deliver products just in time to meet customer demand, often using a pull-based system. Just-in-time is commonly used in supply chain management to reduce inventory costs and increase efficiency. Related terms include just-in-time production, just-in-time inventory, and lean manufacturing.

Kaizen refers to a philosophy of continuous improvement, often used in supply chain management to identify and implement improvements to the supply chain. Kaizen is commonly used in logistics and transportation to increase efficiency and reduce costs. Related terms include kaizen event, kaizen methodology, and continuous improvement.

Key Performance Indicator refers to a metric used to measure the performance of a company or supply chain, often used to evaluate the effectiveness of supply chain management. Key performance indicators are critical in supply chain management, as they help to identify areas for improvement and to optimize the supply chain. Related terms include KPI dashboard, KPI metrics, and supply chain metrics.

Last Mile Delivery refers to the final leg of the delivery process, often using a local carrier or delivery service to deliver goods to the customer's doorstep. Last mile delivery is critical in e-commerce and other industries, as it helps to ensure that goods are delivered quickly and efficiently. Related terms include last mile logistics, last mile transportation, and delivery service.

Lead Time refers to the amount of time it takes for a company to produce and deliver a product, often used as a metric to measure the efficiency of the supply chain. Lead time is critical in supply chain management, as it helps to identify areas for improvement and to optimize the supply chain. Related terms include lead time reduction, lead time optimization, and supply chain optimization.

Lean Manufacturing refers to a production system that aims to minimize waste and maximize efficiency, often using techniques such as just-in-time production and total quality management. Lean manufacturing is commonly used in supply chain management to reduce costs and increase efficiency. Related terms include lean production, lean supply chain, and continuous improvement.

Less-than-Truckload refers to a shipment that is less than a full truckload, often using a carrier that specializes in less-than-truckload shipments. Less-than-truckload is commonly used in logistics and transportation to reduce costs and increase efficiency. Related terms include LTL shipping, LTL freight, and parcel shipping.

Logistics refers to the process of managing the flow of goods, information, and resources from the point of origin to the point of consumption, often using a network of carriers, warehouses, and other logistics providers. Logistics is critical in supply chain management, as it helps to ensure that goods are delivered quickly and efficiently. Related terms include logistics management, logistics services, and supply chain management.

Maintenance, Repair, and Operations refers to the process of managing the maintenance, repair, and operations of equipment and facilities, often using a computerized maintenance management system. Maintenance, repair, and operations is critical in supply chain management, as it helps to ensure that equipment and facilities are properly maintained and operated. Related terms include MRO software, MRO services, and asset management.

Material Requirements Planning refers to a system used to manage the production and inventory of goods, often using a computerized system to plan and schedule production. Material requirements planning is commonly used in supply chain management to reduce inventory costs and increase efficiency. Related terms include MRP system, MRP software, and production planning.

Mode of Transportation refers to the method used to transport goods, such as truck, rail, sea, or air. Mode of transportation is critical in logistics and transportation, as it helps to determine the cost, speed, and reliability of the transportation process. Related terms include transportation mode, freight mode, and shipping method.

Network Optimization refers to the process of optimizing the network of logistics providers, warehouses, and other supply chain assets, often using advanced analytics and simulation tools. Network optimization is critical in supply chain management, as it helps to reduce costs and increase efficiency. Related terms include network optimization software, network optimization services, and supply chain optimization.

Offshoring refers to the practice of outsourcing operations or services to a foreign country, often to take advantage of lower labor costs or other benefits. Offshoring is commonly used in supply chain management to reduce costs and increase efficiency. Related terms include offshoring outsourcing, offshoring services,

and global sourcing.

On-Shelf Availability refers to the percentage of time that a product is available on the shelf, often used as a metric to measure the effectiveness of the supply chain. On-shelf availability is critical in supply chain management, as it helps to ensure that products are available to meet customer demand. Related terms include on-shelf availability metrics, on-shelf availability analysis, and inventory management.

Order Fulfillment refers to the process of filling customer orders, often using a warehouse or distribution center. Order fulfillment is critical in supply chain management, as it helps to ensure that customers receive their orders quickly and efficiently. Related terms include order fulfillment process, order fulfillment software, and customer service.

Outsourcing refers to the practice of contracting with a third-party provider to perform a specific task or function, often to reduce costs or increase efficiency. Outsourcing is commonly used in supply chain management to reduce costs and increase efficiency. Related terms include outsourcing services, outsourcing providers, and third-party logistics.

Packaging refers to the process of preparing goods for shipment, often using materials such as boxes, bags, and pallets. Packaging is critical in logistics and transportation, as it helps to protect goods during shipment and ensure that they arrive at their destination in good condition. Related terms include packaging materials, packaging design, and product protection.

Procurement refers to the process of acquiring goods or services, often using a procurement system or procurement software. Procurement is critical in supply chain management, as it helps to ensure that goods and services are acquired at the best possible price and quality. Related terms include procurement process, procurement software, and supply chain management.

Product Lifecycle Management refers to the process of managing the lifecycle of a product, from design and development to production and disposal. Product lifecycle management is critical in supply chain management, as it helps to ensure that products are designed and produced with the supply chain in mind. Related terms include product lifecycle management software, product lifecycle management services, and product development.

Quality Control refers to the process of ensuring that goods or services meet certain standards or specifications, often using quality control procedures and quality control software. Quality control is critical in supply chain management, as it helps to ensure that goods and services meet customer requirements and are safe for use. Related terms include quality control process, quality control procedures, and quality management.

Radio Frequency Identification refers to the use of radio frequency identification tags or labels to track and manage inventory, often using a radio frequency identification reader. Radio frequency identification is commonly used in supply chain management to increase efficiency and reduce costs. Related terms include RFID technology, RFID tags, and inventory management.

Receiving refers to the process of receiving goods or shipments, often using a receiving process or receiving

software. Receiving is critical in logistics and transportation, as it helps to ensure that goods are properly received and stored. Related terms include receiving process, receiving procedures, and inventory management.

Return Merchandise Authorization refers to the process of authorizing the return of goods, often using a return merchandise authorization number or code. Return merchandise authorization is critical in supply chain management, as it helps to ensure that returns are properly handled and processed. Related terms include return merchandise authorization process, return merchandise authorization software, and returns management.

Reverse Logistics refers to the process of managing the return of goods, often using a reverse logistics process or reverse logistics software. Reverse logistics is critical in supply chain management, as it helps to ensure that returns are properly handled and processed. Related terms include reverse logistics process, reverse logistics services, and returns management.

Safety Stock refers to the amount of inventory that is held in reserve to meet unexpected demand or supply chain disruptions, often used as a buffer against stockouts or supply chain failures. Safety stock is critical in supply chain management, as it helps to ensure that goods are available to meet customer demand. Related terms include safety stock calculation, safety stock management, and inventory management.

Shipper refers to the party that ships goods, often using a carrier or logistics provider. Shipper is critical in logistics and transportation, as it helps to determine the cost, speed, and reliability of the transportation process. Related terms include shipper's agent, shipper's broker, and freight forwarder.

Shipping refers to the process of transporting goods from one location to another, often using a carrier or logistics provider. Shipping is critical in logistics and transportation, as it helps to determine the cost, speed, and reliability of the transportation process. Related terms include shipping process, shipping procedures, and transportation management.

Six Sigma refers to a methodology used to improve the quality and efficiency of processes, often using statistical tools and techniques. Six sigma is commonly used in supply chain management to reduce defects and variations and to improve the overall quality of the supply chain. Related terms include six sigma certification, six sigma training, and quality management.

Sourcing refers to the process of acquiring goods or services, often using a sourcing process or sourcing software. Sourcing is critical in supply chain management, as it helps to ensure that goods and services are acquired at the best possible price and quality. Related terms include sourcing process, sourcing procedures, and procurement management.

Supplier Management refers to the process of managing the relationship between a company and its suppliers, often using a supplier management system or supplier management software. Supplier management is critical in supply chain management, as it helps to ensure that suppliers are properly managed and that goods and services are acquired at the best possible price and quality. Related terms include supplier management process, supplier management procedures, and supply chain management.

Supply Chain Analytics refers to the use of data and analytics to optimize the supply chain, often using advanced analytics tools and techniques. Supply chain analytics is critical in supply chain management, as it helps to identify areas for improvement and to optimize the supply chain. Related terms include supply chain analytics software, supply chain analytics services, and data analytics.

Supply Chain Finance refers to the use of financial instruments and services to optimize the supply chain, often using techniques such as factoring and supply chain financing. Supply chain finance is critical in supply chain management, as it helps to improve the flow of goods and services and to reduce costs. Related terms include supply chain finance software, supply chain finance services, and financial management.

Supply Chain Management refers to the process of managing the flow of goods, information, and resources from the point of origin to the point of consumption, often using a network of carriers, warehouses, and other logistics providers. Supply chain management is critical in business, as it helps to ensure that goods and services are delivered quickly and efficiently. Related terms include supply chain management process, supply chain management software, and logistics management.

Supply Chain Optimization refers to the process of optimizing the supply chain, often using advanced analytics tools and techniques. Supply chain optimization is critical in supply chain management, as it helps to identify areas for improvement and to optimize the supply chain. Related terms include supply chain optimization software, supply chain optimization services, and supply chain analytics.

Supply Chain Risk Management refers to the process of identifying and mitigating risks in the supply chain, often using techniques such as risk assessment and risk mitigation. Supply chain risk management is critical in supply chain management, as it helps to ensure that the supply chain is resilient and able to withstand disruptions. Related terms include supply chain risk management process, supply chain risk management software, and risk management.

Supply Chain Visibility refers to the ability to track and manage the flow of goods, information, and resources in the supply chain, often using advanced analytics tools and techniques. Supply chain visibility is critical in supply chain management, as it helps to identify areas for improvement and to optimize the supply chain. Related terms include supply chain visibility software, supply chain visibility services, and supply chain analytics.

Third-Party Logistics refers to the use of a third-party provider to manage logistics operations, often using a network of carriers, warehouses, and other logistics providers. Third-party logistics is commonly used in supply chain management to reduce costs and increase efficiency. Related terms include third-party logistics provider, third-party logistics services, and logistics outsourcing.

Total Cost of Ownership refers to the total cost of acquiring, operating, and maintaining a product or asset, often used as a metric to measure the cost-effectiveness of a product or asset. Total cost of ownership is critical in supply chain management, as it helps to ensure that products and assets are acquired and operated at the lowest possible cost. Related terms include total cost of ownership calculation, total cost of ownership analysis, and cost management.

Transportation Management refers to the process of managing the transportation of goods, often using a transportation management system or transportation management software. Transportation management is critical in logistics and transportation, as it helps to determine the cost, speed, and reliability of the transportation process. Related terms include transportation management process, transportation management procedures, and logistics management.

Vendor-Managed Inventory refers to the practice of allowing a supplier to manage the inventory of a company, often using a vendor-managed inventory system or vendor-managed inventory software. Vendor-managed inventory is commonly used in supply chain management to reduce inventory costs and increase efficiency. Related terms include vendor-managed inventory process, vendor-managed inventory procedures, and inventory management.

Warehouse Management refers to the process of managing the operations of a warehouse, often using a warehouse management system or warehouse management software. Warehouse management is critical in logistics and transportation, as it helps to ensure that goods are properly stored and shipped. Related terms include warehouse management process, warehouse management procedures, and inventory management.

Warehousing refers to the process of storing goods in a warehouse, often using a network of warehouses and distribution centers. Warehousing is critical in logistics and transportation, as it helps to ensure that goods are properly stored and shipped. Related terms include warehousing services, warehousing solutions, and inventory management.