# Research on the Relationship between Supply Chain Management and Enterprise Development

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**Abstract.** In today's increasingly fierce competition in the global market, the trend of enterprises operating without borders is more and more obvious. With the rapid development of high and new technology, the production efficiency of enterprise products is greatly improved, the product renewal cycle is greatly shortened, and the market competition is becoming increasingly fierce. Supply chain management is an important part of modern enterprise management. With the development of the economy, the demand for supply chain management in the new era is getting higher and higher. In the past, when enterprises implemented production arrangements, due to the lack of self-knowledge, they could not manage the supply chain more effectively and scientifically, resulting in confusion about supply chain management and a negative impact on the development of enterprises. Therefore, it requires enterprise managers to correct their management concepts, do a good job in enterprise supply chain management, and avoid the negative impact of management chaos on enterprise development. This paper analyzes the important role of enterprise supply chain management in the development of enterprises, summarizes the current situation of enterprise supply chain management, and puts forward the corresponding optimization measures to ensure the healthy and sustainable development of enterprises.

**Keywords:** Supply chain management; Enterprise management; Enterprise development.

## 1. Introduction

Supply chain management, that is, from the purchase link of the supply chain to the final satisfaction of the customer, is a management way to optimize the operation of the supply chain while reducing operating costs.

Supply chain management includes acquiring raw materials, designing products and providing services. Strategy refers to the long-term strategic management of the enterprise, controlling the operation and production activities of the existing company according to the objectives. Systems refers to the ability to acquire multiple businesses or multiple units within the same business. Controlling and optimizing the supply chain management model throughout the development process of an organization can help enterprises become more competitive in the market and provide specific guarantees [1].

Businesses at each node in the supply chain have their own roles and human tasks. Supply chain management is to integrate the resources of each enterprise in the supply chain to ensure the professionalism, rigor and science of the production management process. Therefore, enterprises should pay attention to source management in the process of development and pay attention to the protection of resources and environment in all links when implementing supply chain management to reduce the risks caused by environmental pollution. At the same time, it is also necessary to more strictly control the role played by the cost of each link in the supply chain and firmly grasp the production cost of the enterprise, which is of great benefit to promote the development of the enterprise. The impact of supply chain management on enterprises is that the management mode of supply chain management system can effectively reduce the operating cost of enterprises and create greater benefits for enterprises. The interconnection of the supply chain system can greatly reduce the transaction cost and transaction time between all links of the supply chain. Due to less capital loss in the process, it can effectively improve its competitiveness.

This paper studies the problems existing in supply chain management by literature review. This paper aims to adjust resource utilization and supply chain processes to improve company profitability.

## 2. Literature Review

### 2.1. Current Situation of Enterprise Supply Chain Management

#### 2.1.1. No modern management system has been established

In the new economic era, the requirements of supply chain management are becoming more and more stringent. However, many enterprises have insufficient understanding of their own production arrangements, which hinders enterprises' scientific and effective management of supply chain, leading to chaos in supply chain management and directly affecting the production speed of enterprises. Similarly, the industry has failed to establish modern management systems and continues to rely on outdated vertical management models, which are not conducive to cross-functional coordination within the supply chain. These constraints prevent transparent adjustments at all stages of the supply chain, leading to stagnation in corporate supply chains. Therefore, the inventory pressure faced by enterprises increases, and the products are difficult to be converted into cash flow in a timely manner, thus amplifying the operating risk. The traditional supply chain management mechanism cannot meet the needs of production and development of modern enterprises. This has a direct impact on their overall business operations [2].

#### 2.1.2. The technology update is not in place

Although the Internet of Things technology has been widely applied in various industries and there is a growing trend of its promotion, non-high-tech aspects of the supply chain appear to be lagging behind technologically. For instance, there is a delay in adopting new technologies and methods such as implementing barcode technology in actual production processes, which requires labeling each product accurately. The use of traditional barcodes may limit the technical content and fail to record complete and comprehensive product information. Consequently, it hinders effective tracking of individual information within the supply chain management system. In case any raw product issues arise, this lack of clarity regarding the source of problems will result in waste. Similarly, Electronic Data Interchange (EDI) technology has not been fully integrated into supply chain management despite being at a mature stage. Currently, only some customs have implemented this technology. It can be observed that delays in technological updates directly impact information exchange during supply chain management [2, 3].

#### 2.1.3. Lack of expertise

No matter what position is inseparable from human supervision and operation, although under the current economic development, all walks of life have realized the computer work and computer office of the machine to varying degrees, but still need the support of programmers and robot engineers. It is very important to cultivate high-tech and high-quality personnel for the development of enterprises. However, enterprises have been unable to effectively follow up the construction of professional talent teams, so it is difficult to establish an effective management system. In the case of supply chain management problems, supply chain management is generally at a standstill, and even some enterprises only have supply chain, without effective supply chain management, which is also a problem plaguing enterprises [2].

#### 2.1.4. There are barriers to industry information sharing

The supply chain management problem for SMEs is primarily attributed to the information asymmetry between industries, making it challenging for enterprises to engage in supply chain construction, let alone management. The industry information sharing issue for small and medium-sized enterprises stems from their imperfect information systems and reluctance to invest substantial funds in information infrastructure due to scale and capital limitations. Currently, the information infrastructure of small and medium-sized enterprises in China lags behind; some lack their own

system entirely, while others have rudimentary systems limited to individual departments. Without an advanced and comprehensive information system, these enterprises cannot achieve effective information sharing or participate in supply chain management and construction. Furthermore, a lack of awareness about inter-industry information sharing results in asymmetric industry knowledge distribution: more developed enterprises possess greater resources and knowledge, while those with less development struggle to participate in supply chain construction due to this imbalance [3].

### 2.2. Improvement Measures of Enterprise Supply Chain Management

#### 2.2.1. Improve the supply chain management system

First of all, the corresponding management personnel of the enterprise need to have high comprehensive quality and advanced management concepts. Enterprises need to pay more attention to human resource management and introduce more professionals. Secondly, gradually improve their own business process. The lifeline of enterprise development is the core business of the enterprise. The main resources should be used for the core business, and other auxiliary businesses can be transferred to other professional subjects by using the supply chain. No matter which enterprise can really do everything. If the core business and auxiliary business are fully spread out, it will cost the enterprise more energy, and then there will be many and imperfect conditions, and the enterprise will lose the competitiveness of core business. At the same time, through the reorganization of the organization, the existing work process of the enterprise is redesigned according to the actual situation, so that the key links of the whole supply chain can be optimized, so that the whole supply chain is more smooth and concise, so as to save manpower, material resources and other management costs. On this basis, further improve the relevant systems of supply chain management, including procurement outsourcing, logistics, human resources, cost, finance, quality and a series of systems, to provide institutional support and basic guarantee for the supply chain management of enterprises, eliminate the traditional obstacles of supply chain management, so that they can participate in the development of enterprises more deeply. So as to improve the economic and social benefits of enterprises [2].

#### 2.2.2. Improve the level of informatization

The level of enterprise informatization has a great impact on enterprise supply chain management. The key of supply chain management is information resource sharing. Only by continuously improving the level of enterprise informatization can we make the information exchange between enterprises efficient and smooth, improve the quality and efficiency of cooperation, effectively deal with the business between suppliers and customers, and ensure that it has the advantages of standardization and electronization. Affected by the Internet of Things economy, information resources have become dynamic resources. Informatization is a way for enterprises to obtain information in a timely manner, evaluate and process the obtained information more accurately, scientifically and quickly, and realize dynamic and real-time update of information flow, which provides certain references for operators' decision-making. At the same time, informatization is also the basis for enterprises to carry out modern supply chain management. All aspects of modern enterprise development are inseparable from information, such as logistics management, inventory management, and production management and so on. Through information technology to achieve enterprise supply chain management, to achieve scientific, efficient, digital, automated supply chain management, to promote enterprises to gradually improve their own modernization level [1].

#### 2.2.3. Strengthen supplier management to meet customer needs

Supply chain is the value chain from suppliers to customers, therefore, enterprises should strengthen the management of suppliers, and to meet the reasonable needs of customers is the focus of supply chain management. At this point, first, to put the needs of customers in the first place. In supply chain management, the business operation of suppliers and the operation effect of enterprises depend on whether they can meet the needs of customers, and only in the case of meeting the needs of customers can enterprises obtain benefits. In the face of diversified and constantly updated market,

it is necessary for enterprises to formulate supply chain management plans according to their own needs, clarify the overall demand of the whole field, reasonably balance various needs, do not let go of any specific demand, provide services and products for different customer groups, so that enterprises gradually occupy a favorable position in the highly competitive market. Second, it is necessary to ensure the suitability of suppliers, search extensively in the business scope, select suppliers that can best meet the needs of enterprise development according to their performance, their own characteristics, as well as the degree of information technology, professional level and corporate reputation, and establish a perfect and efficient supply chain with them. Third, strengthen the management of suppliers and do a good job in later evaluation; Help and drive suppliers to continuously improve their performance; at the same time, it is necessary to strengthen the exploration and cultivation of suppliers' potential capabilities. Enterprises also need to establish a more perfect and clear management process, carry out hierarchical and classified management of suppliers, implement differentiated management, and carry out targeted integration and integration [2].

#### 2.2.4. Attach importance to the construction of supply chain management professionals

The establishment and management of supply chain need to have professional talents to do support, but the lack of professional talents in the enterprise makes it in the process of supply chain management is greatly limited. At present, many enterprises lack a scientific and effective system in the construction of supply chain, resulting in its function cannot be fully played. Therefore, the company should pay attention to training professionals in supply chain management, strengthen the training of internal personnel, and improve their business skills and management level [4].

## 3. Logistics Enterprise Supply Chain Management Problems

### 3.1. Product Quality needs to be improved

At present, the supply chain operation and management mode of many enterprises is still in the preliminary stage of development, which has not complied with the requirements of the development of The Times and rationally applied big data technology. Among them, product quality is a very prominent problem, which is generally closely related to the core business of logistics enterprises, including product logistics and distribution [5]. It should be noted that the distribution center, as an intermediary between suppliers and cargo owners, attaches more importance to the delivery of goods, but ignores the control of product quality [6]. Enterprise management in the actual process of supply chain management and operation of logistics enterprises, the quality control of products needs to start from the selection of suppliers, and it needs to focus on the process of warehousing and warehousing of products, and implement the supervision work well [7].

### 3.2. Conflicts of Interest with Suppliers are Obvious

From the current stage of enterprise supply chain management, there is a certain lack of supplier management. In the selection of suppliers, it is often necessary to follow certain evaluation criteria, but because enterprises pay too much attention to cost, the difficulty of supplier management has also increased. Especially in the procurement process, cost control needs to be realized by reducing prices, which may affect the supplier's own interests and the cooperation relationship between the enterprise and the supplier. Therefore, it is difficult to establish a long-term cooperation relationship.

### 3.3. Weak Awareness of Supply Chain Management

The weak awareness of supply chain management of relevant staff cannot fully combine the internal and external environment of the enterprise to reach a consensus, which leads to the inability of supply chain management to be effectively transformed into value chain management. If enterprises can realize the innovation of supply chain management mode and thinking, they can maximize the utilization of resources at each node of supply chain management, so as to play a synergistic role and provide enterprises with more efficient and high-quality services. According to

the research results of most enterprises, the innovation of supply chain management cannot be realized. Most of them adopt the traditional and old operation mode. All partners are independent, and unable to communicate effectively, resulting in a great waste of resources, in addition to the enterprise leadership itself is lack of supply chain management innovation awareness of enterprise supply chain management innovation work to carry out smoothly is extremely difficult.

### 3.4. In efficient Supply Chain Connection

Under the background of big data, the biggest obstacle faced by enterprise supply chain management is the lack of effective communication among supply chain units. Using world-class supply chain management standards, logistics management efficiency is low because of the poor connecting ability between links. Most enterprises have many defects. The reason is that in the process of supply chain management, there is a lack of connection between the relevant links involved in the chain, so that the whole supply chain is inefficient, and then there is a series of problems such as overstocking of goods in inventory and low material turnover rate. Supply chain problems will affect the overall capital chain operation level of enterprises, and the era of big data also puts forward higher requirements for enterprise supply chain management, which needs to be advanced

However, the low degree of connection between supply chains seriously hinders the innovation and development of enterprise supply chain management and makes it impossible for enterprises to adapt to the development concept of big data with the help of supply chain management. The core content of enterprise supply chain management is to maintain the strategic cooperative relationship established among various enterprises and various departments. Moreover, the supply chain management node between each enterprise and department is the key point of supply chain connection. Only by strengthening the connection of each key point can the overall coordination of enterprise supply chain in design, production, marketing, after-sales service and other links be realized. References are cited in the text just by square brackets [1].

## 4. Relevant Measures and Development Direction of Supply Chain Improvement

### 4.1. Improve the Supply Chain Management System

Among the various management of enterprises, supply chain management is relatively complex and systematic. Enterprises need to gradually innovate their own management concepts with the changes of the economic environment, abandon the traditional old ideas and backward modes, form an overall view, focus on the long-term development of enterprises, establish a win-win, cooperative consciousness, break through the original barriers, and gradually improve the enterprise supply chain management mode. The corresponding management personnel of the enterprise need to have high comprehensive quality and advanced management concept. Enterprises need to pay more attention to human resource management and introduce more professionals. Secondly, gradually improve their own business process. The lifeline of enterprise development is the core business of the enterprise. The main resources should be used for the core business, and other auxiliary businesses can be transferred to other professional subjects by using the supply chain. No matter which enterprise can really do everything. If the core business and auxiliary business are fully spread out, it will cost the enterprise more energy, and then there will be many and imperfect conditions, and the enterprise will lose the competitiveness of core business. At the same time, through the reorganization of the organization, the existing work process of the enterprise is redesigned according to the actual situation, so that the key links of the whole supply chain can be optimized, so that the whole supply chain is more smooth and concise, so as to save manpower, material resources and other management costs.

### 4.2. Improve the Level of Informatization

The level of enterprise informatization has a great impact on enterprise supply chain management. The basis of enterprise information integration and integration is supply chain management informatization. Only by constantly improving the informatization level of enterprises can the information exchange of each enterprise be effective and smooth, the quality and efficiency of cooperation be improved, the business of suppliers and customers be effectively handled, and the advantages of standardization and electronization be ensured. At the same time, informatization is also the basis for enterprises to carry out modern management of supply chain. Each link of modern enterprise development is inseparable from information, such as logistics management, inventory management, production management, etc., through information to achieve enterprise supply chain management, to achieve scientific, efficient, digital, automatic management of supply chain, promote enterprises to gradually improve their own level of modernization.

### 4.3. Strengthen Supplier Management to Meet Customer Needs

Supply chain is the value chain from suppliers to customers, therefore, enterprises should strengthen the management of suppliers, and to meet the reasonable needs of customers is the focus of supply chain management. At this point, first, to put the needs of customers in the first place. In supply chain management, the business operation of suppliers and the operation effect of enterprises depend on whether they can meet the needs of customers, and only in the case of meeting the needs of customers can enterprises obtain benefits. Facing the diversified and constantly updated market, enterprises need to formulate supply chain management plans according to their own needs, clarify the overall demand of the whole field, and reasonably balance various needs.

Do not let go of any specific needs, to provide services for different customer groups and products, so that enterprises gradually occupy a favorable position in the highly competitive market. Second, it is necessary to ensure the suitability of suppliers, search extensively in the business scope, select suppliers that can best meet the needs of enterprise development according to their performance, their own characteristics, as well as the degree of information technology, professional level and corporate reputation, and establish a perfect and efficient supply chain with them. Third, strengthen the management of suppliers and do a good job in later evaluation; Help and drive suppliers to continuously improve their performance. Gather excellent suppliers into daily operation, scientific research and production, so as to further reduce the cost of supply chain management and promote the long-term development of enterprises

## 5. Conclusion

This paper mainly studies the strategic choice of enterprises in supply chain design and development, including competitive strategy, partnership establishment, outsourcing decision-making, etc. Research in this field can explore how to formulate the best supply chain strategy based on market demand and enterprise resources, focusing on coordination and cooperation among all links of the supply chain to achieve overall performance improvement.

Ensure supply chain strategy is aligned with business objectives and market needs. This includes determining the best supply chain structure, positioning the company's role in the supply chain network, and ways to work with partners. Improve efficiency and reduce costs by optimizing supply chain processes and operations, including production planning, inventory management, logistics, and order processing. Use modern technologies and tools such as ERP systems and supply chain management software to improve supply chain visibility and management capabilities. Identify, assess and respond to various risks in the supply chain, including market risk, supplier risk, logistics risk, etc. Develop contingency plans and disaster recovery strategies to ensure supply chain resilience and stability.

Before implementing supply chain management, enterprises need to clearly recognize their own problems and make targeted rectification. At present, supply chain management has become a very

important part of the enterprise management mode. If an enterprise wants to ensure the sustainability and stability of its own development, it needs to carry out reasonable configuration and design of the supply chain. At the same time, it needs to continuously improve the supply chain system, improve various management systems, and strengthen process management, so as to meet the actual needs of customers and expand the enterprise market. We will promote the sound and steady development of enterprises.

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