

BOOK REVIEW

CHAIN REACTION: HOW TODAY'S BEST COMPANIES MANAGE THEIR SUPPLY CHAINS FOR SUPERIOR PERFORMANCE

Robert A. Malone

2007, Kaplan Publishing, New York

Supply chain management is now fashionable, as once were management by objectives, re-engineering, and other now forgotten makeover strategies. Like they once were, an effective supply chain is an important technique to try to beat your competitors and stay ahead of the game. Supply chains are now hugely important, but managing them gets more difficult by the day as they inevitably become more complex and sophisticated and thus more vulnerable to upsets. That is actually Mr. Malone's theme, the vulnerability of supply chains.

This is a book by a practitioner, whose career has included commissions by some big famous-name organisations to study and design the movement of people and goods. He is also an experienced editor and columnist. This is a rich background for an author who hopes to influence diverse organizations and even countries.

He does not disappoint. The book's scope is wide, including a historical review of supply chains and much gazing into their possible future. It is firmly based on big name companies such as Dell, UHP, FedEx, IBM, IKEA, and Wal-mart. It is also a pleasure to read.

However, it is very American. That is not really a criticism, as there are other books about other places. But it is obviously culture-bound, and one wonders to what extent his ideas and strategies can apply to other cultures. Thailand, for example, has a very very different working culture to USA.

Indeed, Mr. Malone's major concern is the failure of many American companies to keep up with developments, especially technology. He backs up his descriptions and evaluations with figures, lots and lots of statistics; perhaps too many, but probably a deliberate ploy to wake up his fellow Americans with this avalanche of numbers.

His chapters have eye-catching titles, some provocative, some mysterious, but all luring the reader to actually delve and read. Each chapter is broken into small parts, again with catchy titles, sometimes two on a page, making it easy to devour a piece at a time and return later to the next sub-title. Mr. Malone uses his journalistic skills to communicate to practitioners who often put books firmly behind them when they left college and proudly proclaim that they want facts not theories.

The first third of the book is about how we now find ourselves in an era of rapid revolutionary change, how firms can survive and adapt to this, and how new methods of automation and communication require a new look at innovation and strategies. The next third reviews supply chains, and their successful application in logistics, manufacturing and retailing. The final part, attempts to present a model of supply chains as dynamic, organic, systems, built to produce the best response to customers and profits. The book concludes with his recommendations for 'repairing our world's supply chain'. He presents so many hindrances to this repair, including cost, politics, governments, pollution, and sustainability, that one wonders at his bravery in even suggesting it is possible.

This informative book takes us on a fascinating tour of the micro and macro supply chain issues. But I suspect that many practitioners who dip into it will think that it is too futuristic for ordinary businesses who are not in the ranks of DHL and Wal-mart. Those huge and hugely successful firms will already have their own expensive think-tanks whose members will probably read the book to see if any of their ideas and innovations now appear in print to be stolen by competitors.

Reviewer: Asst, Professor Brian Lawrence, School of Management & Economics, Assumption University, Bangkok.