

A

Adaptec, Inc., 135
 Advanced planning systems (APS),
 67–70
 Advantage in marketplace of companies
 that excel at IT integration, 156
The Age of Unreason (Handy), 110
 Agilent Technologies, 153–54
 Airbus, 3
 Aker Maritime, 9
 Analog Devices Inc., 68
 Analytical routines, 157–58
 Apexon, 93
 Arctic Cat, 72
 Arvin-Meritor Corporation, 17
 Automatic Data Processing Inc. (ADP),
 110

B

Bank of America, 90
 Berry, William, 60
 Boeing, 12
 Bose Corporation, 82, 169
 Bottlenecks, 62
 Boundary-spanning activities, 194–98
 Boundary-spanning roles, 192–94
 Brewer, Peter C., 230
 Brown & Root Energy Services, 9
 BSC (Balanced ScoreCard)
 collaboration, 234

commitment, 235
 communication, 235
 conflict resolution, 234–35
 elements of, 234–35
 extended enterprise metrics, 227–35
 missing components in, 230–32
 overview, 223–37
 trust, 234
 Bullwhip effect, 32
 Business intelligence systems, 157–58
 Business performance management
 (BPM) systems, 156–57
 Business process integration, 138–43
 Business process outsourcing (BPO),
 112–18
 Buyers, views of, 18–20
 Buyer-supplier relationships
 extended enterprise and, 50–52
 financial/commercial complexity,
 47–48
 materials management, 37–39
 in 1960s and 1970s, 35–37
 shared vision, importance of, 49–50
 strategic importance, 47–48
 strategic sourcing, 39–44
 supply chain management, 44–49

C

Canon, 47
 Cardinal Health, Inc., 196–97

Carrier, 99, 101–2
 Carstedt, George, 191
 CEOs, 7
 Cessna, 83
 Chambers, John, 100
 Character-based trust, 173, 181
 Characteristics of firm using extended enterprise, 14–15
 Chevron, 9
 Chopra, Sunil, 66
 Chrysler Corporation, 34, 44–45, 154, 164
 Cisco Systems, 18, 100, 103, 120–22, 138–43
 Collaboration, 15, 17–18, 105–6, 234
 Commitment
 BSC (Balanced ScoreCard), 235
 development of extended enterprise, 199–200
 Communication
 BSC (Balanced ScoreCard), 235
 development of extended enterprise, 200
 trust issues, 183
 Community, 104
 Company culture, 201
 Competence-based trust, 173, 181
 Competition, 4–11
 Conflict resolution, 234–35
 Connectivity, 102–3
 Continuous replenishment of products (CRP), 62
 Contracts and trust issues, 169–72
 Control
 outsourcing and, 124–27
 relationship between trust and, 180–81
 Covisint, 34, 154
 Cross-company integration, 75–78
 Customer alignment, 14
 Customer relationship management (CRM), 69
 Cutler-Hammer, 73–74

D

Decision-making styles, 200–201
 Decision paths, 157
 DecisionPath Consulting, Inc., 131
 Dell Computer, 70–72, 87, 117, 150, 166–67
 Development of extended enterprise
 adaptation of processes and structures, 202–4

boundary-spanning activities, 194–98
 boundary-spanning roles, 192–94
 commitment, 199–200
 communication, 200
 company culture, 201
 decision-making styles, 200–201
 gatekeeping, 193, 194–95
 integrative mechanisms, 200
 Internet and, 190–91
 management, 195–98
 manager competencies, 204–10
 new economy, survival in, 191–92
 overview, 189–90
 protection and, 194
 roles in, 192–94
 stages of, 210–12
 teams, 203–4
 transaction and integration planning, 195
 transactions and, 193–94
 trends, 190–91
 win-win orientation, 201–2
 Dimensions of trust, 172–74
 Distribution resources planning (DRP), 59
 Dixon, Lance, 169
 Dyer, Jeffrey, 232–33

E

Earned competencies, 205
 Eastman Chemical Co., 74
 E-commerce, 176–78
 EDS (Electronic Data Systems), 110
 Efficient consumer response (ECR), 62
 E-manufacturing, 70–75
 Enterprise resources planning (ERP), 63–64
 Environmental changes, 10
 Example of extended enterprise, 8–9
 Executive Manufacturing Technologies (EMT), 91
 Extended decision management (XDM), 69
 Extended enterprise
 challenges of, 15–16, 237–38
 characteristics of firm using, 14–15
 definition of, 20
 environmental changes and, 10
 example of, 8–9
 factors in, 9–11
 firm-level perspective compared, 25–28

fragmented markets and, 10
 future issues, 84–85
 globalization and, 10
 implementation of, 81–84
 information content, 28
 information technology, 26
 organizational structure, 27
 outcomes, 28
 overview, 20–29, 237–41
 people and, 27
 processes and structures, 26
 procurement thinking (traditional)
 compared, 25–28
 procurement view of, 13–15
 relationship management, 92–93
 strategic intent and, 86–91, 86–96
 suggestions for developing a successful,
 239–40
 supply chains compared, 24
 technology and, 10
 trends in, 84–85
 value chains compared, 24
 views of, 11–16
 Extensible markup language (XML), 74
 Exxon Mobil, 9

F

Federal Express, 42
The Fifth Discipline (Senge), 65
 Financial/commercial complexity in
 buyer-supplier relationships, 47–48
 Firestone, 200
 Firm-level perspective, 25–28
 Flexibility, 15
 FMC Energy Systems, 8
 Ford Motor Company, 91, 154, 200
 Fragmented markets, 10
 Functional competencies, 205
 Future issues, 84–85, 155–58

G

Gap analysis, 97–106
 Garrett Engine, 96
 Gatekeeping, 193, 194–95
 General Electric, 99, 101–2, 198
 General Motors, 33, 154
 Globalization, 10
 Goldratt, Elihu, 62
 Governance structure, 184–85
 Grainger, 32

H

Hammer, Michael, 75–76
 Handy, Charles, 110
 Han-Padron Associates, 9
 Harreld, Heather, 191
 Herman Miller, 165–66
 Hershey Chocolate Company, 153
 Hewlett Packard, 47, 75–76, 164–65,
 166–67
 Home Depot, 32
 Honda of America, 43, 176
 Honeywell, 70, 96
 HON Industries, 68
 Hunt, William, 17

I

IBM, 72, 115–17
 Implementation of extended enterprise,
 81–84
 Information access, 18
 Informational IT, 147
 Information content, 28
 Information integration, 138–43
 Information technology (IT)
 advantage in marketplace of companies
 that excel at IT integration, 156
 analytical routines, 157–58
 business intelligence systems, 157–58
 business performance management
 (BPM) systems, 156–57
 business process integration, 138–43
 challenges, 152–55
 decision paths, 157
 direction of, consensus on, 151–52
 extended enterprise and, 26, 143–44
 future issues, 155–58
 informational IT, 147
 information integration, 138–43
 infrastructure IT, 145–46
 management of, 158
 multiple integrations, challenge of,
 154–55
 overview, 131–33
 planning, control and decision
 integration, 137–38
 Reach and Range, 148–55
 seamless integration with, 135–37, 143
 strategic IT, 148
 strategic planning process, 150–51
 strategies for, 144–48

Information technology (IT) continued
 supply chain integration, role in,
 133–44
 transactional IT, 146–47
 Infrastructure IT, 145–46
 Integration and supply chain planning
 (SCP), 65–66, 75–78
 Integrative mechanisms, 200
 Intel, 72–73
 Internet
 and development of extended
 enterprise, 190–91
 and supply chain planning (SCP),
 70–75
 Interpersonal competencies, 205–6

J

J. D. Edwards, 69
 John Deere Co., 43
 Just-in-time (JIT) pull systems, 43,
 59–61

K

Kaplan, Robert S., 223–24
 Kearney, A. T., 50
 Keen, Peter, 149
 Kmart, 164

L

Lean manufacturing, 111
Living on the Fault Line (Moore), 119
 Lockheed Martin, 12, 168
 Logistics-related metrics, 215
 Lopez, Ignacio, 33
 Lucent Technologies, 4, 77–78

M

Make-to-order (MTO) business model,
 67–68
 Management process
 development of extended enterprise,
 195–98
 gap analysis, 97–106
 information technology, 158
 strategic intent to partner selection,
 93–96
 supply chain perspective, 51
 traditional buying perspective, 51
 value creation, 98–102

Manager competencies
 development of extended enterprise,
 204–10
 earned competencies, 205
 functional competencies, 205
 interpersonal competencies, 205–6
 network perspective, 207–8
 overview, 204–5
 question sampling to determine, 208–9
 teachable competencies, 205–6
 unteachable competencies, 206–7
 Manufacturing execution systems
 (MES), 63
 Manufacturing-related metrics, 215
 Manufacturing resources planning
 (MRPII), 57–58
 Master production schedule (MPS), 57
 Material requirements planning (MRP),
 56–58
 Materials management, 37–39
 Maytag Corporation, 74–75
 Meindl, Peter, 66
 MKS Instruments, 11
 Moore, Geoffrey, 119
 Motorola, 16, 87
 MSX International, 34
 Multiple integrations, challenge of,
 154–55

N

Network perspective, 207–8
 New economy, survival in, 191–92
 Nike, 90, 117–18, 153
 Nissan, 43
 Nokia, 92
 Norton, David P., 223–24

O

OneChannel, 121
 Open Ratings, 177–78
 Organizational structure, 27
 Outsourcing
 business process outsourcing (BPO),
 112–18
 challenges to, 120–24
 control and, 124–27
 extended enterprise approach to,
 127–28
 overview, 109–12
 reasons for, 112

strategic outsourcing, 118–20
 successful outsourcing relationships,
 what is needed for, 125–27
 trends in, 110–12

P

Partners

partnering behavior, 13
 perspective, understanding, 185–86
 selection of partner, 186–88
 trust issues, 170–71

Performance measures

BSC (Balanced ScoreCard), 223–35
 logistics-related metrics, 215
 manufacturing-related metrics, 215
 overview, 213–14

PMG (Performance Measurement
 Group) Scorecard, 220–23

purchasing-related metrics, 215

SCOR (supply chain operations
 reference) model, 218–19, 220, 221

supply chain performance measures—
 enterprise view, 216–19

supply chain performance measures—
 supply chain-wide view, 219–23

traditional approach to, 214–16

Planning, control and decision

integration, 137–38

Planning for trusting relationship, 182–83

PMG (Performance Measurement
 Group) Scorecard, 220–23

PolyOne Chemicals Corporation, 76–77

Pratt Whitney, 198

Pricing pressure, 18

Processes and structures, 26

Procter & Gamble, 32, 155

Procurement

thinking (traditional) compared to
 extended enterprise, 25–28

view of extended enterprise, 13–15

Profits, buyers' responses to improve, 2

Protection, 194

Purchasing-related metrics, 215

Q

Quick response (QR), 61

R

Raytheon, 92

Reach and Range, 148–55

Relationship management, 92–93

Reverse marketing, 43

Richter, Gene, 115–16

Roles in development of extended
 enterprise, 192–94

Ryder Systems, 170

S

Saipem, Inc., 9

SCOR (supply chain operations
 reference) model, 218–19, 220, 221

Seamless integration, 135–37, 143

Selection of partner, 186–88

Self-serving behavior and trust issues,
 185

Sellers, views of, 18–20

Senge, Peter, 65, 191

Shared vision, importance of, 49–50

Shell, 9, 11–12

Speh, Thomas W., 230

Stallkamp, Tom, 34

Strategic importance of buyer-supplier
 relationships, 47–48

Strategic intent, 86–96

Strategic IT, 148

Strategic outsourcing, 118–20

Strategic planning process, 150–51

Strategic sourcing, 39–44, 93

Sun Microsystems, 59, 168

Supplier development, 174–76

Supply chain event management
 (SCEM), 5–6

Supply chain execution (SCE), 55

Supply chain learning, 6–7

Supply chain management (SCM),
 44–49

1-2

Supply chain performance measures

enterprise view, 216–19

supply chain-wide view, 219–23

Supply chain perspective, 51

Supply chain planning (SCP)
 advanced planning systems (APS),
 67–70

continuous replenishment of products
 (CRP), 62

cross-company integration, 75–78

distribution resources planning (DRP),
 59

efficient consumer response (ECR), 62

e-manufacturing, 70–75

Supply chain planning (SCP) continued
 enterprise resources planning (ERP),
 63–64
 integration and, 65–66, 75–78
 Internet and, 70–75
 Just-in-time (JIT) pull systems, 59–61
 manufacturing execution systems
 (MES), 63
 manufacturing resources planning
 (MRPII), 57–58
 material requirements planning (MRP),
 56–58
 in 1960s and 1970s, 55–56
 overview, 53–55
 process of planning, 64–65
 quick response (QR), 61
 supply chain execution (SCE), 55
 supply chain transaction (SCT), 55
 theory of constraints (TOC), 62
 vendor-managed inventory (VMI), 62
 Supply chains, 23, 24
 Supply chain transaction (SCT), 55
 Synchronous manufacturing, 62
 SYSCO, 32

T

Teachable competencies, 205–6
 Teams, 12–13, 203–4
 Texas Instruments (TI), 5–6
 Theory of constraints (TOC), 62
 Thyssen Steel, 17
 Toyota, 43, 232–33
 Traditional buying perspective, 51
 Transactional IT, 146–47
 Transaction and integration planning,
 195
 Transactions, 193–94
 Trends
 development of extended enterprise,
 190–91
 extended enterprise, 84–85
 outsourcing, 110–12
 Trust issues
 BSC (Balanced ScoreCard), 234
 building trust, 174, 178
 character-based trust, 173, 181
 communication, 183

competence-based trust, 173, 181
 components of trust, 178–79
 contracts and, 169–72
 control, relationship between trust
 and, 180–81
 developing trusting relationship,
 182–88
 dimensions of trust, 172–74
 e-commerce, 176–78
 fundamental need for, 167–69
 governance structure, 184–85
 importance of trust, 163–67
 Open Ratings, 177–78
 overview, 161–63
 partnering, 170–71
 partners' perspective, understanding,
 185–86
 planning for trusting relationship,
 182–83
 selection of partner, 186–88
 self-serving behavior and, 185
 supplier development, 174–76
 Tyndall, Gene, 170

U

Unifi Inc., 74
 Unteachable competencies, 206–7

V

Value chains, 24
 Value creation, 98–102
 Value in use, 99
 Vendor-managed inventory (VMI), 62
 Vertical integration, 135
 Views of extended enterprise, 11–16
 Virtual integration, 135
 Vollman, Tom, 60

W

Wal-Mart, 33
 Whirlpool, 5
 Whybark, Clay, 60
 Williams, Steve, 131
 Williamson, Oliver, 185
 Win-win orientation, 201–2