



INTERNATIONAL LOGISTICS MANAGEMENT IMPORTANCE AND CHALLENGES IN SUPPLY CHAIN MANAGEMENT

Sanjit Jha¹, Dr. Amit K Srivastav²

^{1,2}Department of Management, Capital University, Koderma (Jharkhand)

ABSTRACT

The Logistics Performance Index (LPI) is a useful tool produced by the World Bank that provides an in-depth and international assessment of the performance of logistics. Its major purpose is to measure and evaluate the efficiency and efficacy of commerce and transit networks in various countries, with the ultimate objective of boosting responsiveness and competitiveness. The study has taken all the possible major challenges into consideration. For a smooth International Logistic management process the role of SCM is very crucial in the same reference the study has tried to connect ILM and SCM to address the on-road challenges in the process. The study found the challenges are there in SCM in relation to ILM which needs to be taken into consideration and work on the gaps left in generating the challenges.

Keywords: *International, Logistic Management, Challenges, Supply chain, Goods.*

INTRODUCTION

Logistics across borders is a means of moving completed goods through a worldwide network of suppliers. Worldwide shipment and abroad delivery are included in what is referred to as logistics around the world in order to effectively provide goods to end consumers throughout the globe.

The study, planning, and production of the method by which a firm delivers physical merchandise or supplies from an importer to a customer that needs crossing no less than any world border may be summed up as global logistics in enterprise. It also includes cross-border details and monetary transfers.

The practices of logistics and supply chain management are a collection of methods that aim to enhance the effectiveness and efficiency of supply chain management. These objects interact in a variety of ways, some of which include partnerships with suppliers, real item movement, consumer requests, and the sharing of data along the supply chain. Other practices that influence performance include the use of specialists for specialized duties across the supply chain. Every one of these approaches has some kind of bearing on the efficiency of the logistics and supply chain. Supply chain management (SCM) and logistics were considered to be undesirable but unavoidable processes.

On the other hand, in order to have a better SCM system, it is necessary to design a performance evaluation that truly reflects the performance of the SC. The vast majority of businesses are aware that SCM needs to be evaluated not only for its performance but also for its procedures, all of which need to be clearly defined and kept up to date. As a result, performance evaluation is essential and significant from a security perspective. Carvalho, Azevedo, and Cruz-Machado are the three participants in this matchup.

The growth of international trade is aided by the establishment of capable institutional structures as well as an environment that is supportive of their operation. The export growth index is the single most important indicator of a developing economy's ability to sustain its current level of economic activity over the long run. The only approach to encourage exports is to cultivate an environment that is favorable. The implementation of the necessary legislation to support the framework structure is necessary in order to accomplish the core goal and objective of the framework, which is to stimulate growth.



LITERATURE REVIEW

Author	Methodology	Findings
R. Neil Southern (2011)	Supply-chain administration and logistics for businesses research during the last 60 years.	Despite this, some bigger firms are using the technology that is available to work virtually with their channel collaborators. Elearning and distant education in logistics and supply-chain management has expanded significantly in the past couple of decades.
Frank Dooley (2005)	Current trends in food farms	To provide a desired degree of satisfaction, a supply chain that is quicker to respond and bigger buffer stocks may be required for items with unanticipated demand, having a brief lifespan, or market replication.
Ke Zhao (2019)	Literature review	The job assigned of the overseas transportation service supply chains in the area's coast is realised thanks to the information transmission from RFID sticker to data governance interface via Internet of Things connection model.
Z Zhang, Y Van Hui and H Chen. (2013)	An example scenario is used to demonstrate managerial challenges in implementing.	Integrating advance and reversing transport flows to closed-loop logistics networks is a desired approach. Trainers may maximise their cost savings throughout their shipping strategy by using the suggested model and the previously discussed resolution.

Table 1: Literature Review

Research aims and objectives

Based on the above discussion the aim of the research is to identify the challenges of the International Logistic Management in the process of SCM.

Objective of the study:

To identify challenges of the International Logistic Management in the process of SCM.

METHODOLOGY

One of the most crucial elements of any research project is the study's design since it provides a guide for conducting rigorous analysis and producing meaningful results. It alludes to the entire plan and strategy that details how the research study has carried out, including the techniques, steps, and tactics. One of the most crucial elements that affects the validity, reliability, and generalizability of the results is how the research was conducted. The existing qualitative data has been used in conducting the study.

RESULTS AND DISCUSSION

The challenges of the International Logistic Management in the process of SCM has been discussed in a qualitative statement.

Custom Clearance Difficulties

The process of handling international logistics involves multiple steps, one of which is getting products through customs clearance. In order for goods to enter or leave a country, it is necessary to comply with the customs regulations that are currently in effect and to get the necessary licenses. However, as a result of this approach, logistical organizations regularly confront obstacles and challenges, which has a detrimental impact on the efficiency and effectiveness of the activities those organizations carry out. It is essential to get an understanding of these problems associated with customs clearance and to take actions to overcome them if one wants to maximize the efficiency of logistical processes and ensure the uninterrupted flow of international trade.

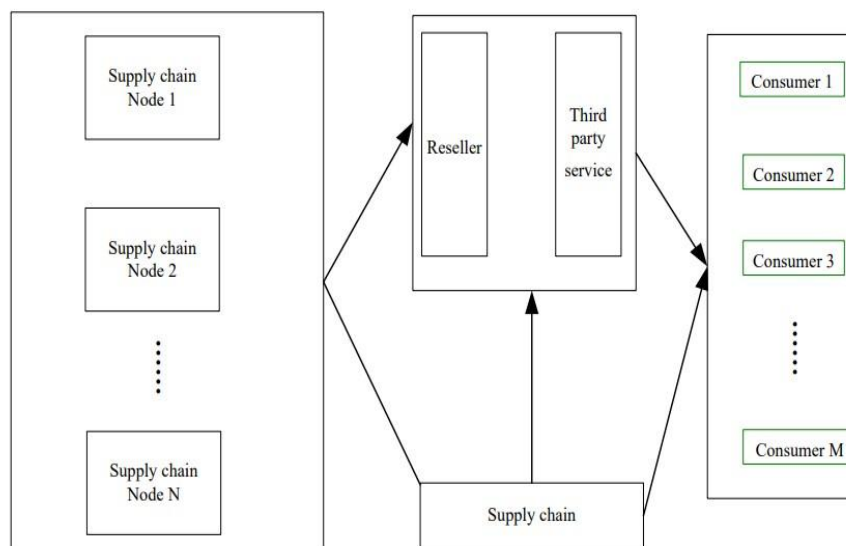


Figure 3. Information distribution process for real-time monitoring of international logistics service supply chain in coastal areas.

Source:Ke Zhao (2019)

According to Lee and Wang (2019), customs authorities are required to have documentation that is both comprehensive and correct in respect to the items that are being exported. Invoices, packing lists, bills of lading, certificates of origin, and any other relevant documents may be included in this documentation. The process of preparing and certifying these documents can take a considerable amount of time and is fraught with the danger of making errors. Any information that is incorrect or missing could cause a delay in the process of customs clearance, which would result in longer lead times and possibly penalties or fines. This delay could be caused by any information.

Key challenges of SCM:

- Unexpected delays
- Cost control
- Collaboration and syncing of data across the supply chain



-
- Increasing freight prices
 - Difficult demand forecasting
 - Digital transformation
 - Port congestion

Clearing customs might be difficult due to the environment's intricate norms and constant revisions. It's important to stay up to date on customs regulations because they vary every country. Customs requirements must be followed to avoid delays, fines, or merchandise seizure. Customs documentation is time-consuming and error-prone, according to Gupta and Malhotra (2018). This complicates customs clearance. These challenges slow products flow and increase lead times, reducing logistical efficiency.

CONCLUSION

Almost 94% of the Fortune 1000 companies experienced supply chain interruptions as a result of the epidemic, according to a Fortune Magazine analysis. As COVID-19 showed the flaws in the established supply chain logistics' typical workflows, the majority of logistics leaders personally experienced these disruptions. It soon became obvious that businesses needed to accelerate the optimization of supply chain management and logistics (SCML). A new generation of non-SAP technologies and SAP for logistics, which promised to address issues like inconsistent tracking and rising transportation costs, became the solution for many. E-commerce is becoming more and more common as internet use increases yearly. The majority of internet purchases are sent from overseas, and the shipping timeframes might be weeks. Although accurate data is simply not accessible, the end user still wants to be notified or be able to track the arrival of their own things. As costs grow across every aspect of the production networks, company profits are being strained. Spending on operations may rise as a result of the variety of expenses that arise and the lack of responsibility for their lowering. So, it can be concluded that the International Logistic management faces challenges in managing the Supply Chain Management.

REFERENCES

- 1) R. Neil Southern. (2011). Historical Perspective of the Logistics and Supply Chain Management Discipline. *Transportation Journal*, Vol. 50, pp. 53-64.
- 2) Frank Dooley. (2005). Logistics, Inventory Control, and Supply Chain Management. *Choices*, 20(4), 287-291. <http://www.jstor.org/stable/choices.20.4.0287>
- 3) Zhao, K. (2019). Design of Supply Chain Task Assignment System for International Logistics Service in Coastal Area. *Journal of Coastal Research*, 1093-1098. <https://www.jstor.org/stable/26853402>
- 4) Zhang, Z., Van Hui, Y., & Chen, H. (2013). A forward and reverse logistics shipment planning model. *The Journal of the Operational Research Society*, 64(10), 1485-1502. <http://www.jstor.org/stable/24501858>
- 5) Lee, M. Y., & Wang, Y. (2019). Difficulties And Countermeasures Of Logistics Companies In Customs Clearance Procedures: A Case Study Of China. *Journal Of International Logistics And Trade*, 17(1), 33-50.
- 6) Gupta, M., Jain, R., & Luthra, S. (2018). Supply chain visibility: A systematic literature review and bibliometric analysis. *International Journal of Logistics Systems and Management*, 29(4), 1301-1339.