

China and the Global Supply Chain

Jan Hammond (Harvard) and Hau Lee (Stanford)

China is emerging as a major economic power, and plays a very important role in the global supply chains of many industries. It serves as a key supply source, center of technological innovations, increasing design and manufacturing base, and an emerging consumer market. The entry into the World Trade Organization will create even greater opportunities. Yet operating a supply chain with China being a key part of it, can be challenging. Besides the cultural and organizational differences, global companies have to learn the local strengths and limitations of business relationships, consumer preferences, logistics infrastructures, channel structures, information systems and technological trends in the country.

In this session, we will describe an overview of the current trends and developments of supply chain practices in China (based on a very unscientific approach, i.e., very subjective, and sample-based personal experiences and lessons), review current teaching materials and research projects that are related to supply chains in China, and offer ideas for opportunities of additional teaching and research areas. The final part of the session, i.e., ideas for opportunities of additional teaching and research areas, will be conducted with the full participation of the thought leaders. We expect this part of the session to be a truly brainstorming one.

Questions

1. What is so special about a country such as China? Can we simply represent the country as having some characteristics, and then global supply chain management is simply designing and operating a supply chain with these characteristics? That way, it does not matter whether it is China or Brazil, as long as we have those characteristics appropriately represented. Do you agree?
2. If so, what would you say are those salient characteristics that best represent a country or a location in global supply chain management?
3. Are you aware of any teaching materials or ongoing research that relate to global supply chain management involving China, or, an emerging/developing economy?