

**Module 1**  
*Section A: Supply Chain Transformations*

**Term**  
Circular economy

APICS CTSC Learning System © 2024

**Module 1**  
*Section A: Supply Chain Transformations*

**Term**  
Competitive advantage

APICS CTSC Learning System © 2024

**Module 1**  
*Section A: Supply Chain Transformations*

**Term**  
Core competencies

APICS CTSC Learning System © 2024

**Module 1**  
*Section A: Supply Chain Transformations*

**Term**  
Core process

APICS CTSC Learning System © 2024

**Module 1**  
*Section A: Supply Chain Transformations*

**Term**  
Demand shaping

APICS CTSC Learning System © 2024

**Module 1**  
*Section A: Supply Chain Transformations*

**Term**  
Digital supply chain

APICS CTSC Learning System © 2024

**Module 1**  
*Section A: Supply Chain Transformations*

**Term**  
Disintermediation

APICS CTSC Learning System © 2024

**Module 1**  
*Section A: Supply Chain Transformations*

**Term**  
Diversification strategy

APICS CTSC Learning System © 2024

The advantage a company has over its rivals in attracting customers and defending against competitors. Sources of the advantage include characteristics that a competitor cannot duplicate without substantial cost and risk, such as a manufacturing technique, brand name, or human skill set.

An economic system intended to minimize waste and maximize the use of resources through a regenerative process achieved through long-lasting design, maintenance, repair, reuse, remanufacturing, refurbishing, recycling, and upcycling. This is the opposite of the linear economy.

That unique capability that is central to a company's competitive strategy.

Bundles of skills or knowledge sets that enable a firm to provide the greatest level of value to its customers in a way that is difficult for competitors to emulate and that provides for future growth.

1) The process of delivering digital media, such as music or video files, by electronic means from the point of origin at the content provider to the destination with the consumer. Similar to how a physical item must go through a supply chain process in order to mature from components to a consumable product, digital media must pass through various stages in processing before they can be enjoyed by a consumer via a smartphone, tablet, computer, television, or other device. 2) The use of digital technology and content to improve supply chain performance. Part of this refined definition recognizes that traditional supply chains configured to distribute physical goods or services can be enhanced via technology - such as computers and other connected devices, the internet of things, and related sensors - and digital content. For example, real-time monitoring of equipment can allow companies to proactively schedule maintenance or replace parts.

The use of tactics such as price incentives, advertising, product positioning, product modifications and substitutions or trade programs to entice customers to purchase.

An expansion of the scope of the product line to exploit new markets. A key objective is to spread the company's risk over several product lines in case there should be a downturn in any one product's market.

The process of eliminating an intermediate stage or echelon in a supply chain. Total supply chain operating expense is reduced, total supply chain inventory is reduced, total cycle time is reduced, and profits among the remaining echelons are increased.

**Module 1**  
*Section A: Supply Chain Transformations*

**Term**  
Five-forces model of competition

APICS CTSC Learning System© 2024

**Module 1**  
*Section A: Supply Chain Transformations*

**Term**  
Four Ps

APICS CTSC Learning System© 2024

**Module 1**  
*Section A: Supply Chain Transformations*

**Term**  
Functional product

APICS CTSC Learning System© 2024

**Module 1**  
*Section A: Supply Chain Transformations*

**Term**  
Global Reporting Initiative (GRI)

APICS CTSC Learning System© 2024

**Module 1**  
*Section A: Supply Chain Transformations*

**Term**  
Horizontally integrated firm

APICS CTSC Learning System© 2024

**Module 1**  
*Section A: Supply Chain Transformations*

**Term**  
Key performance indicator (KPI)

APICS CTSC Learning System© 2024

**Module 1**  
*Section A: Supply Chain Transformations*

**Term**  
Key success factors

APICS CTSC Learning System© 2024

**Module 1**  
*Section A: Supply Chain Transformations*

**Term**  
Multicountry strategy

APICS CTSC Learning System© 2024

A set of marketing tools to direct the business offering to the customer; include product, price, place, and promotion.

A methodology for analyzing competitive pressures in a market and assessing the strength and importance of each of those pressures.

A network-based organization that pioneered the world's most widely used sustainability reporting framework.

Mature products that tend to have a low profit margin and a predictable demand.

1) A financial or nonfinancial measure that is used to define and assess progress toward specific organizational goals and that typically is tied to an organization's strategy and business stakeholders. Should not be contradictory to other departmental or strategic business unit performance measures. 2) A metric used to measure the overall performance or state of affairs. SCOR level 1 metrics are an example.

An organization that produces or sells similar products in various geographical locations.

A strategy in which each country market is self-contained. Customers have unique product expectations that are addressed by local production capabilities.

The product attributes, organizational strengths, and accomplishments with the greatest impact on future success in the marketplace.

**Module 1**  
*Section A: Supply Chain Transformations*

**Term**  
Multinational strategy

APICS CTSC Learning System© 2024

**Module 1**  
*Section A: Supply Chain Transformations*

**Term**  
Omni-channel network

APICS CTSC Learning System© 2024

**Module 1**  
*Section A: Supply Chain Transformations*

**Term**  
Omnichannel order fulfillment

APICS CTSC Learning System© 2024

**Module 1**  
*Section A: Supply Chain Transformations*

**Term**  
Order qualifiers

APICS CTSC Learning System© 2024

**Module 1**  
*Section A: Supply Chain Transformations*

**Term**  
Order winners

APICS CTSC Learning System© 2024

**Module 1**  
*Section A: Supply Chain Transformations*

**Term**  
Performance objectives

APICS CTSC Learning System© 2024

**Module 1**  
*Section A: Supply Chain Transformations*

**Term**  
Product life cycle

APICS CTSC Learning System© 2024

**Module 1**  
*Section A: Supply Chain Transformations*

**Term**  
Product profiling

APICS CTSC Learning System© 2024

A cross-channel sales approach in which all sales channels, including online, mobile, telephonic, mail order, self-service, and physical retail establishments, are aligned and fulfillment processes are integrated to provide consumers with a seamless shopping experience in alignment with the company's brand proposition. Examples of this include integrated fulfillment, dedicated fulfillment, pool distribution, direct store delivery, store fulfillment, and flow-through fulfillment.

A strategy to out-compete rivals that focuses on opportunities to achieve cross-business and cross-country coordination, thereby enabling economies of scope and an improved competitive position with regard to reducing costs, cross-country subsidization, and so on.

Those competitive characteristics that a firm must exhibit to be a viable competitor in the marketplace.

The ability to confirm, aggregate, orchestrate, and fulfill orders through multiple service points, including warehouses, stores, and suppliers, through the application of distributed order management, advanced warehouse management, and transportation management systems. The objective is to reduce fulfillment time and costs while enhancing the customer experience. Some of the network designs include integrated, dedicated, pool, direct-store-delivery, store, and flow-through fulfillment.

Measurements that enable the firm to monitor whether or not the firm's strategy is being accomplished. Thus, the measurement should be aligned to strategy. May differ based on the hierarchical level of the firm and should be aligned with the corresponding strategy for that level.

Those competitive characteristics that cause a firm's customers to choose that firm's goods and services over those of its competitors.

A graphical device used to ascertain the level of fit between a manufacturing process and the order-winning criteria of its products. It can be used at the process or company level to compare the manufacturing capabilities with the market requirements to determine areas of mismatch and identify steps needed for realignment.

1) The stages a new product goes through from beginning to end (i.e., the stages that a product passes through from introduction through growth, maturity, and decline). 2) The time from initial research and development to the time at which sales and support of the product to customers are withdrawn. 3) The period of time during which a product can be produced and marketed profitably.

**Module 1**  
*Section A: Supply Chain Transformations*

**Term**  
Product-mix flexibility

APICS CTSC Learning System © 2024

**Module 1**  
*Section A: Supply Chain Transformations*

**Term**  
Reverse supply chain

APICS CTSC Learning System © 2024

**Module 1**  
*Section A: Supply Chain Transformations*

**Term**  
SWOT analysis

APICS CTSC Learning System © 2024

**Module 1**  
*Section A: Supply Chain Transformations*

**Term**  
Service industry

APICS CTSC Learning System © 2024

**Module 1**  
*Section A: Supply Chain Transformations*

**Term**  
Strategic plan

APICS CTSC Learning System © 2024

**Module 1**  
*Section A: Supply Chain Transformations*

**Term**  
Strategy

APICS CTSC Learning System © 2024

**Module 1**  
*Section A: Supply Chain Transformations*

**Term**  
Supply chain

APICS CTSC Learning System © 2024

**Module 1**  
*Section A: Supply Chain Transformations*

**Term**  
Supply chain management

APICS CTSC Learning System © 2024

The planning and controlling of the processes of moving goods from the point of consumption back to the point of origin for repair, reclamation, recycling, or disposal.

The ability to change over quickly to other products produced in a facility, as required by demand shifts in mix.

1) In its narrowest sense, an organization that provides an intangible product (e.g., medical or legal advice). 2) In its broadest sense, all organizations except farming, mining, and manufacturing. The service industry includes retail trade; wholesale trade; transportation and utilities; finance, insurance, and real estate; construction; professional, personal, and social services; and local, state, and federal governments.

An analysis of the strengths, weaknesses, opportunities, and threats of and to an organization. Useful in developing strategy.

For an enterprise, identifies how the company will function in its environment. Specifies how to satisfy customers, how to grow the business, how to compete in its environment, how to manage the organization and develop capabilities within the business, and how to achieve financial objectives.

A plan for how to marshal and determine actions to support the mission, goals, and objectives of an organization.

The design, planning, execution, control, and monitoring of supply chain activities with the objective of creating net value, building a competitive infrastructure, leveraging worldwide logistics, synchronizing supply with demand, and measuring performance globally.

The network of suppliers that deliver products from raw materials to end customers through either an engineered or transactional flow of information, goods, and money.



**Module 1**  
*Section A: Supply Chain Transformations*

**Term**  
Time-based competition (TBC)

APICS CTSC Learning System© 2024

**Module 1**  
*Section A: Supply Chain Transformations*

**Term**  
Value-driven enterprise

APICS CTSC Learning System© 2024

**Module 1**  
*Section A: Supply Chain Transformations*

**Term**  
Vertically integrated firm

APICS CTSC Learning System© 2024

**Module 1**  
*Section B: Value Proposition, Methodologies, and Organizational Design*

**Term**  
Agile supply chain

APICS CTSC Learning System© 2024

**Module 1**  
*Section B: Value Proposition, Methodologies, and Organizational Design*

**Term**  
Balanced scorecard

APICS CTSC Learning System© 2024

**Module 1**  
*Section B: Value Proposition, Methodologies, and Organizational Design*

**Term**  
Buffer

APICS CTSC Learning System© 2024

**Module 1**  
*Section B: Value Proposition, Methodologies, and Organizational Design*

**Term**  
Business context summary

APICS CTSC Learning System© 2024

**Module 1**  
*Section B: Value Proposition, Methodologies, and Organizational Design*

**Term**  
Constraint

APICS CTSC Learning System© 2024

An organization that is designed and managed to add utility from the viewpoint of the customer.

A broad-based corporate strategy that emphasizes time as the vehicle for achieving and maintaining a sustainable competitive edge. Its characteristics are as follows: (1) It deals only with those lead times that are important to customers, (2) the lead-time reductions must involve decreases in both the mean and the variance [from the mean], and (3) the lead-time reductions must be achieved through system or process analysis (the processes must be changed to reduce lead times). Involves design, manufacturing, and logistical processes.

The ability to respond quickly to unpredictable changes in customer needs by reconfiguring operations.

An organization with functions that were previously performed by suppliers but are now done internally.

In theory of constraints, time or material that supports throughput and/or due date performance.

A list of financial and operational measurements used to evaluate organizational or supply chain performance. Dimensions might include customer perspective, business process perspective, financial perspective, and innovation and learning perspectives. It formally connects overall objectives, strategies, and measurements. Each dimension has goals and measurements.

Any element or factor that prevents a system from achieving a higher level of performance with respect to its goal.

Used in the S: Set the Scope phase of the SCOR Racetrack to identify and document the business and establish a high-level view of the competitive landscape. Composed of a business description, challenges and opportunities, a value proposition, critical issues, risks, financial performance, an internal structure profile, and an external profile.

**Module 1**  
*Section B: Value Proposition, Methodologies,  
and Organizational Design*

**Term**  
DMAIC

APICS CTSC Learning System © 2024

**Module 1**  
*Section B: Value Proposition, Methodologies,  
and Organizational Design*

**Term**  
Gemba

APICS CTSC Learning System © 2024

**Module 1**  
*Section B: Value Proposition, Methodologies,  
and Organizational Design*

**Term**  
Genchi genbutsu

APICS CTSC Learning System © 2024

**Module 1**  
*Section B: Value Proposition, Methodologies,  
and Organizational Design*

**Term**  
Lean six sigma

APICS CTSC Learning System © 2024

**Module 1**  
*Section B: Value Proposition, Methodologies,  
and Organizational Design*

**Term**  
Poka-yoke

APICS CTSC Learning System © 2024

**Module 1**  
*Section B: Value Proposition, Methodologies,  
and Organizational Design*

**Term**  
Postponement

APICS CTSC Learning System © 2024

**Module 1**  
*Section B: Value Proposition, Methodologies,  
and Organizational Design*

**Term**  
Quality

APICS CTSC Learning System © 2024

**Module 1**  
*Section B: Value Proposition, Methodologies,  
and Organizational Design*

**Term**  
Root cause analysis

APICS CTSC Learning System © 2024

The place where humans create value or the real workplace. Also a philosophy: "Go to the actual place; see the actual work."

A six sigma improvement process composed of five stages: (1) Define - Determine the nature of the problem; (2) Measure - Measure existing performance, and commence recording data and facts that offer information about the underlying causes of the problem; (3) Analyze - Study the information to determine the root causes of the problem; (4) Improve - Improve the process by effecting solutions to the problem; and (5) Control - Monitor the process until the solutions become ingrained.

A methodology that combines the improvement concepts of lean and six sigma. It uses the seven wastes of lean and the define, measure, analyze, improve, control (DMAIC) process from six sigma and awards recognition of competence through judo-style belts.

A Japanese phrase meaning to visit the shop floor to observe what is occurring.

A product design or supply chain strategy that deliberately delays final differentiation of a product (assembly, production, packaging, tagging, etc.) until the latest possible time in the process. This shifts product differentiation closer to the consumer to reduce the anticipatory risk of producing the wrong product. The practice eliminates excess finished goods in the supply chain. This strategy is sometimes referred to as delayed differentiation.

Mistake-proofing techniques designed in a way to prevent an error from resulting in a product defect. For example, in an assembly operation, if each correct part is not used, a sensing device detects that a part was unused and shuts down the operation.

Analytical methods to determine the core problem(s) of an organization, process, product, market, and so forth.

Conformance to requirements or fitness for use.

**Module 1**  
*Section B: Value Proposition, Methodologies,  
and Organizational Design*

**Term**  
Six sigma

APICS CTSC Learning System © 2024

**Module 1**  
*Section B: Value Proposition, Methodologies,  
and Organizational Design*

**Term**  
Six sigma quality

APICS CTSC Learning System © 2024

**Module 1**  
*Section B: Value Proposition, Methodologies,  
and Organizational Design*

**Term**  
Total quality management (TQM)

APICS CTSC Learning System © 2024

**Module 1**  
*Section B: Value Proposition, Methodologies,  
and Organizational Design*

**Term**  
Value chain

APICS CTSC Learning System © 2024

**Module 1**  
*Section B: Value Proposition, Methodologies,  
and Organizational Design*

**Term**  
Value chain analysis

APICS CTSC Learning System © 2024

**Module 1**  
*Section B: Value Proposition, Methodologies,  
and Organizational Design*

**Term**  
Value stream mapping

APICS CTSC Learning System © 2024

**Module 1**  
*Section C: Drivers of Supply Chain  
Transformation*

**Term**  
Benchmark measures

APICS CTSC Learning System © 2024

**Module 1**  
*Section C: Drivers of Supply Chain  
Transformation*

**Term**  
Benchmarking

APICS CTSC Learning System © 2024

A set of concepts and practices that focuses on reducing variability in processes and reducing deficiencies in the product. Important elements are (1) producing only 3.4 defects for every 1 million opportunities or operations and (2) process improvement initiatives striving for six sigma-level performance.

A methodology that furnishes tools for the improvement of business processes. The intent is to decrease process variation and improve product quality.

The functions within a company that add value to the goods or services that the organization sells to customers and for which it receives payment.

A management approach to long-term success through customer satisfaction; based on the participation of all members of an organization in improving processes, goods, services, and the culture in which they work.

A lean production tool to visually understand the flow of materials from supplier to customer that includes the current process and flow as well as the value-added and non-value-added time of all the process steps. It is used to help reduce waste, decrease flow time, and make the process flow more efficient and effective.

An examination of all links a company uses to produce and deliver its products and services, starting from the origination point and continuing through delivery to the final customer.

Comparing products, processes, and services to those of another organization thought to have superior performance. The target may or may not be a competitor or even in the same industry.

A set of measurements or metrics that is used to establish goals for improvements in processes, functions, products, and so on. Often derived from other firms that display best-in-class achievement.

<div><div><b>Module 1</b></div><div><i>Section C: Drivers of Supply Chain Transformation</i></div></div>
<div><div><b>Term</b></div><div>Corporate culture</div></div>
<div><div>APICS CTSC Learning System</div><div>© 2024</div></div>

<div><div><b>Module 1</b></div><div><i>Section C: Drivers of Supply Chain Transformation</i></div></div>
<div><div><b>Term</b></div><div>Total cost of ownership (TCO)</div></div>
<div><div>APICS CTSC Learning System</div><div>© 2024</div></div>

The sum of all the costs associated with every activity of the supply stream.

The set of important assumptions that members of the company share. It is a system of shared values about what is important and shared beliefs about how the company works. These common assumptions influence the ways the company operates.