An Analysis of Supply Chain Management of Standard Finis Oil Co.

Date of Submission: 24 July, 2025

“An Analysis of Supply Chain Management of Standard Finis Oil Co.”

Supervised by

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Program: MBA

Major in Supply Chain Management

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Letter of Transmittal

24 July, 2025

To

Dr. Mohammad Shibli Shahriar

Professor & Director MBA Program

Department of Business Administration

Faculty of Business & Entrepreneurship

Daffodil International University

Subject: Submission of the internship report on "An Analysis of Supply Chain Management of Standard Finis Oil Co."

Dear Sir,

I am very pleasure to submit the report titled **"An Analysis of Supply Chain Management of Standard Finis Oil Co."** Here, I tried my best to make this report resourceful and informative. My main incentive was to plan this report according to your instructions and to get an amazing experience in compliance with your directions. It helps me to examine "Standard Finis Oil Co." supply chain management sector in a brooder way. Throughout my journey in this industry, I have been internship by this organization since May-2025 in the SCM department, and I am confident that the report-writing I have done will be of great use to me in the future.

Additionally, I am extremely appreciative of the chance you gave me to showcase my talent. I hope you will recognize and be pleased with the work I put forward.

Sincerely yours,

....

Yusuf Ali Jimale

ID: 241-14-039

Program: MBA

Major in Supply Chain Management

Department of Business Administration

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Daffodil International University

Student’s Declaration

I hereby declare that the internship report titled **“An Analysis of Supply Chain Management of Standard Finis Oil Co.”** is my original work, prepared following the completion of my internship at Amazing Fashions Limited. The report was developed under the guidance of **Dr. Mohammad Shibli Shahriar**, Professor & Director MBA Program, Department of Business Administration, Faculty of Business and Entrepreneurship, Daffodil International University.

I further declare that this report has been prepared solely to fulfill my academic requirements. It has no other purpose, although the contents may prove to be useful for relevant stakeholders and for the improvement of future activities.

……………………………

Yusuf Ali Jimale

ID: 241-14-039

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Certificate of Supervisor

This is to certify that **Yusuf Ali Jimale**, a student of the MBA program, ID No: **241-14-039**, under the Department of Business Administration, has successfully completed his internship program entitled **"An Analysis of Supply Chain Management of Standard Finis Oil Co."** as a partial requirement for the fulfillment of the MBA degree.

The internship was carried out under my supervision and guidance. During this period, he demonstrated dedication and sincerity in completing the assigned tasks. I believe the knowledge and experience gained through this program will greatly contribute to his professional development and future career endeavors.

……………………………………………..

Dr. Mohammad Shibli Shahriar
Professor & Director MBA Program
Department of Business Administration
Faculty of Business & Entrepreneurship
Daffodil International University

Acknowledgement

First and foremost, I would like to thank the Almighty Allah for granting me the ability, patience, and strength to successfully complete this report.

I would like to express my heartfelt gratitude to all those who supported me throughout the preparation of this report. I am especially thankful to my academic supervisor, **Dr. Mohammad Shibli Shahriar**, Professor & Director MBA Program, Faculty of Business & Entrepreneurship, Daffodil International University, for his continuous guidance, valuable insights, and encouragement, which enabled me to complete this report on time and in an organized manner.

I am also sincerely grateful to the entire team of **Standard Finis Oil Co.** for their cooperation, support, and for allowing me access to relevant information and documents essential for the preparation of this report. Their kind assistance played a significant role in helping me gain practical knowledge and strengthen my professional skills.

Executive Summary

This report presents a comprehensive analysis of the supply chain management practices at Standard Finis Oil Co. in Bangladesh, undertaken as part of my Master of Business Administration (MBA) degree. It captures key findings, responsibilities, and experiences during my internship, providing insights into the company's operations, challenges, and strategic positioning within the fast-moving consumer goods FMCG in Bangladesh. The report also discusses quality control tools, document control, education and training programs, and the importance of a supplier feedback loop for ongoing improvement. Procurement processes are analyzed, focusing on demand planning, supplier selection, contracting, order placement, and monitoring supplier performance. Inventory management and quality assurance practices are also covered, highlighting their significance in ensuring efficient operations and product quality. Risk management strategies are discussed, emphasizing the need for proactive sourcing, supplier assessment, negotiation, and constant enhancement of supplier relationships. Methodological approaches used in this report include qualitative and quantitative data collection techniques. The scope of the report is defined, along with the limitations faced during the research process. The objectives and significance of the report are articulated, underscoring its relevance to both academic and professional spheres. Key findings and insights from the internship are presented, including the identification of operational challenges and the implementation of effective solutions. The report highlights the skills and knowledge gained during the internship, such as problem-solving, strategic planning, and supply chain optimization.

TABLE OF CONTENTS

<u>Chapter: 1</u>

Introduction

1.1Introduction

In today's increasingly competitive and globalized market, efficient supply chain management has become a critical factor for business success—particularly in industries like oil and gas where operations span vast geographies and involve complex logistical challenges. Standard Finis Oil Co., a prominent player in the petroleum sector, operates in a highly dynamic environment where timely delivery, cost control, and risk mitigation are essential for maintaining both profitability and customer satisfaction.

This study aims to explore the structure, performance, and strategies of the supply chain system at Standard Finis Oil Co. By examining key components such as procurement, transportation, storage, distribution, and supplier relationships, the research provides insight into how the company manages its resources from upstream extraction to downstream delivery. The analysis also highlights areas where the supply chain is optimized, as well as challenges faced in terms of infrastructure, regulation, and market volatility.

Understanding the supply chain framework of Standard Finis Oil Co. not only sheds light on its operational efficiency but also contributes to broader discussions on best practices in supply chain management within the energy sector.

1.2Background of the Study

The Daffodil International University (DIU) MBA Program requires completion of an internship related to the major subject and the writing of a report. As an MBA student, I was required to finish a four-month internship at Standard Finis Oil Co. I appreciate the chance to work with Standard Finis Oil Co. as an Internee from May-2025, I have worked with Standard Finis Oil Co. in the supply chain management department. Supporting the logistics process for the development of new products, inventory control, shipping and delivery, and product returns was my key responsibility. Finding cost-effective solutions for supply chain operations, establishing and carrying out purchasing strategies, generating cost estimates, and upholding budgets, as well as overseeing day-to-day warehouse operations, such as quality control, inventory management, space management, logistics, floor productivity, shipping, and customer service.

1.3 Scope of the Study

The study incorporates all of the knowledge I have gained from the various jobs I have been given by Standard Finis Oil Co. Both qualitative and quantitative versions of this data are offered. The majority of the assigned tasks were finished via the company's computer-generated website and phone calls to the various parties involved.

In order to help higher authorities reach the necessary conclusions, the document also argues how I collected and presented a variety of data from the field sales force. During the lockdown, I had to work from home. This is also included in the report.

My understanding of a multinational company and my experiences with it are reflected in this report, especially with regard to the manner in which the sales team generates and keeps data and reports to support it.

1.4 Objectives of the Study

The objectives of this report can be viewed from two perspectives:

1. Broad Objective:

The broad objective of the study is to analyze supply chain management activities of Standard Finis Oil Co.

2. Specific Objectives:

The specific objectives of this report are as follows:

i. To analyze supply chain activities of Standard Finis Oil Co.
ii. To evaluate supply chain activities of Standard Finis Oil Co.
iii. To find out some problems of those activities.
iv. To make some suggestions to overcome the problems.

1.5 Methodology of the Study

Two categories of data are often distinguished.

(a) Primary Data: This will be discovered by completely original observations. This data, however, cannot be utilized with data that has already been used.

(b) Secondary Data: Receiving assistance from someone who has already gathered information and completed a research paper or news story is known as secondary data.

For this report, I typically use secondary data sources. Standard Finis Oil Co. and earlier studies are the sources of the information I use on this topic.

1.5.1 Procedure for Gathering Data:

I gathered all kinds of data from Standard Finis Oil Co. across several departments during my internship. In Standard Finis Oil Co., there are two main methods for gathering the crucial information needed to comprehend the current state of affairs and make judgments based on it. The first is a report generated by software, and the second involves calling the sales force to get various data. Market visits, market research, speaking with retailers and wholesalers, TSO, and, lastly, asking customers for their opinions are some of the methods. I had the chance to gather information from all of the aforementioned sources.

1.6 Limitations of the Study

I ran into a number of obstacles during my three-months internship that made it difficult for me to get the most out of the educational opportunity. The workplace transfer process, which took about a week, presented one significant obstacle. I could not bring my laptop or get the tools and resources I needed to keep working during this change. I consequently lost out on important learning opportunities and experienced a disturbance in my productivity during that time. Furthermore, I had restricted access to important systems, tools, and resources because I was an intern. Although these limitations made sense from a security perspective, they frequently kept me from getting firsthand experience with important corporate procedures and made it more difficult for me to really comprehend how the organization actually operates. This restriction made it difficult to apply academic information to practical situations and gain a deeper understanding of the corporate environment.

Despite these obstacles, I took advantage of any chance that came my way and adjusted to the situation as best I could. In addition to highlighting areas where businesses may improve to better support interns and new team members, these stories provide insightful information on the challenges encountered in a professional setting.

Chapter: 2

Company Profile

2.1 About Standard Finis Oil Co.

With Finis Phenyle, Standard Finis Oil Co., Bangladesh's oldest manufacturer of insecticides and disinfectants, launched the sanitation sector in 1950. With constant innovation based on customer needs, SFOC has expanded over the last 75 years to maintain 3 brands and 57 SKUs in-house. With its robust distribution network throughout Bangladesh, SFOC guarantees that everyone has access to defense against a wide range of bacteria, viruses, and illnesses. We have established an unrivaled level of goodwill in the business.

2.2 Mission and Vision

Mission

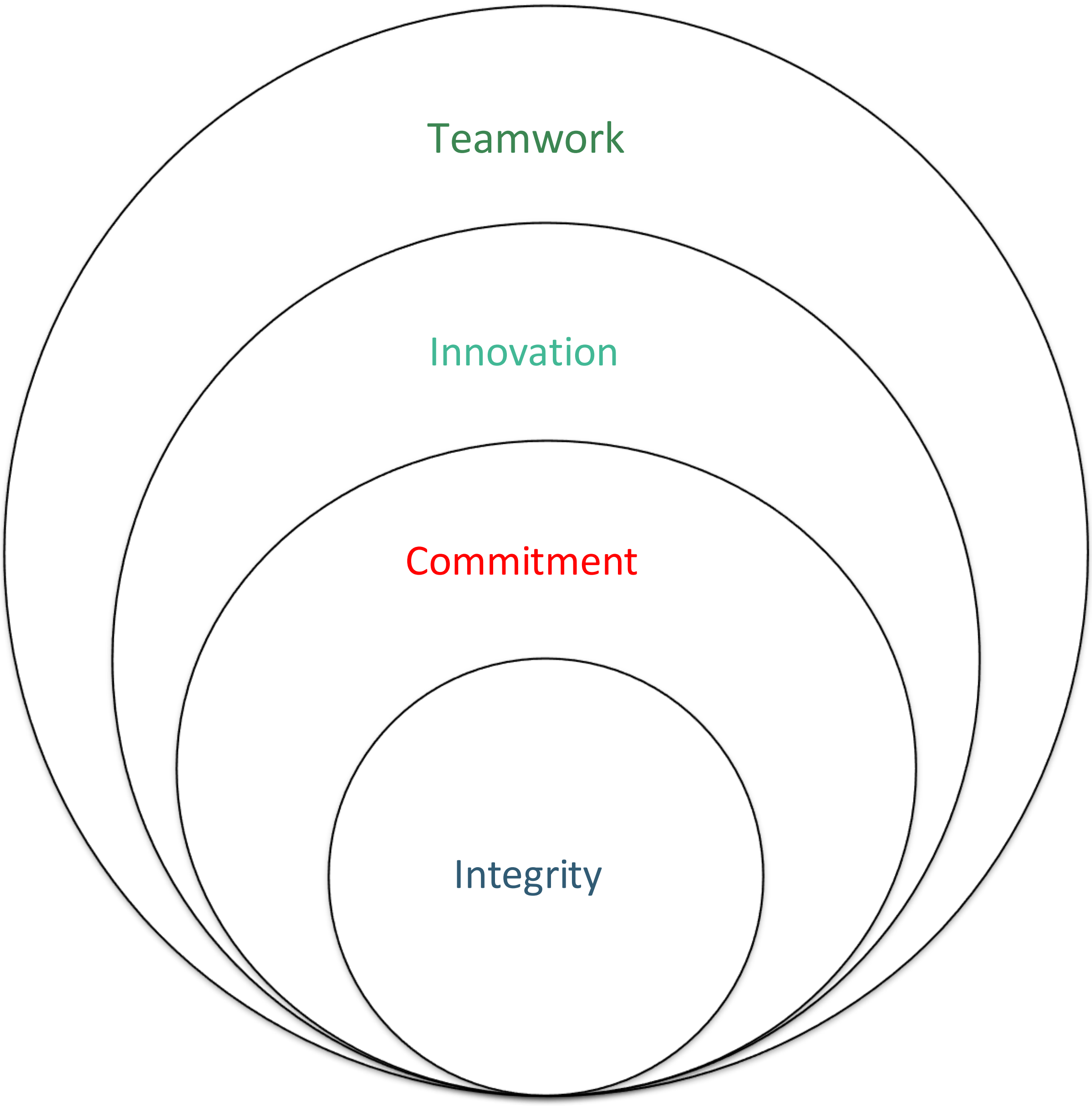
To deliver value to all of our stakeholders in the FMCG sector in a way that is ethical and env ironmentally responsible while meeting consumer needs.

Vision

To be a developing business that offers our clients high quality, reasonably priced items in the quickly evolving consumer sector.

2.3 Products of Standard Finis Oil Co.

2.4 Core Values of Standard Finis Oil Co.



2.5 Activities of Standard Finis Oil Co.

Every product at Standard Finis Oil Company passes a number of meticulous testings to guarantee our customers' safety and satisfaction. Beyond these essential aspects, our research and vision for every product provide a plethora of advantages. SFOC seeks to develop brands and products that are ethically produced, user-friendly, and environmentally conscientious.

2.6 Partners of Standard Finis Oil Co.

Chapter: 3

Theoretical Frameworks of SCM

3.1 The Origin of SCM

The term "supply chain management" as we use it now was first used in respectable media and literature in the early 1980s. More precisely, it first appeared in an article in the Financial Times in 1982 by Oliver and Webber that described the organization's scope of supplier management and processing. However, the early supply chain management literature from the 1980s focused mostly on purchasing operations. The 1990s saw a significant expansion and rise in publications in the areas of supply chain integration and supplier-buyer relationships as the concept as we now know it started to be gradually established.

3.2 Importance of SCM

Among many other things, supply chain management increases productivity, income, costs, and teamwork. SCM provides companies with the resources they need to better control demand, maintain the right level of inventory, deal with disruptions, save expenses, and meet customer demands. There are several supply chain management (SCM) benefits when the appropriate methods and resources are employed to handle the growing complexity of today's supply networks.

3.3 Common Factors of SCM

There are a number of factors to take into account when deciding how to expand a supply chain. As Mattson (2002) notes:

- The quantity of primary and secondary suppliers. Module suppliers or several subcontractors
- The supplier's address
- The size of the supplier
- Cooperating with the supplier
- Direct deliveries
- Centralized, regional, or local storage
- Distributors who provide other companies with third-party logistics, or 3PL, services

3.4SCM (Supply Chain Management) Process

One individual or business is not in charge of all supply chain operations. It requires the active participation of several individuals in a variety of processes.

- Planning: This process aims to develop both short- and long-term supply chain plans that work. Supply chain leaders must create integrated supply chain strategies for everything from supply chain network architecture to customer demand forecasting.
- Procurement: The buy process is concerned with acquiring the necessary items, components, and raw materials.
- Production: The process of creating finished goods or components for other products include the manufacturing, conversion, or assembly of raw materials. Supply chain managers guarantee that essential commodities are available when needed and support manufacturing.
- Distribution: The logistical movement of commodities along the supply chain is managed by the move process. Goods are moving swiftly and securely toward the point of demand thanks to the efforts of transportation companies, third-party logistics providers, and others.
- Customer Interface: The demand process centers on all matters pertaining to organizing customer interactions, meeting their requirements, and flawlessly completing orders.

3.5 Seven Principles of SCM

- Principle 1: Segment customers based on the service demands of diverse groups and adjust the supply chain to serve these segments profitably.
- Principle 2: Customize the logistics network to the service requirements and profitability of customer segments.
- Principle 3: Listen to market signals and align demand planning properly across the supply chain, ensuring consistent predictions and effective resource allocation.
- Principle 4: Differentiate product closer to the customer and expedite conversation across the supply chain.
- Principle 5: Manage sources of supply strategically to lower the total cost of owning materials and services.
- Principle 6: Develop a supply chain-wide technology plan that supports many levels of decision making and gives clear perspective of the movement of products, services, and information.
- Principle 7: Adopt channel-spanning performance measurements to monitor collective success in reaching the end-user effectively and efficiently

3.6 Common Challenges of SCM

The Supply Chain Council is assisting organizations to take a hard look at their supply networks in rooting out some serious inefficiency. Their objective is growth of supply chain expertise and how to utilize it in solving challenges. Some of the followings are challenges encountered in a supply chain and how the supply chain council seeks to aid in overcoming them:

Customer service is particularly crucial in the supply chain in delivering the correct product, in the right condition, right amount, right price, right place, right time, and appropriate documentation. It does sound simple and uncomplicated but indeed, it is not. The council offers a supply chain operations reference model, which create a platform for improvement. It will assist in analyzing cost performance; establish strategies for achieving customer expectations and respond to global as well domestic.

Cost control which are continuously under pressure in any supply chain and the council offers their SCOR mark-benchmarking platform in order to provide organizations with metrics as the basis in measuring.

Supplier and Partner relationship management is the other concern addressed by the council with its SCOR program. Organizations as well as department inside a company have their own approaches in communicating and measuring performance results and expectations. They give a single language across all boards from the classification and analysis of a supply chain. The usage of a single language and framework make communications simpler between teams boosts evaluation of best practices and speed up benchmarking efforts.

3.7 Supply Chain Management Software

Supply chain managers used to struggle to make their supply chains run efficiently and effectively years ago, before the Internet superseded all core technology and activities like physically keeping inventories. In vivo communication technology we use several software for maintaining the data, track the data and efferently handle all the operation. For maintaining all the warehouse activity vivo employs Warehouse Management System (WMS) & ERP software. Also, for controlling the scanning, PCBA, mobile phone tracking and controlling purposes employs MES & MES panda software. For logistics operation and shipment tracking purpose PMC, warehouse team of supply chain management employs the Transportation Management System (TMS). Also, for material identification verify, produce, bind unbind all operation associated export and import warehousing uses the VLM system. By applying those technology vivo playing a great function in current advance planet. The software is only as good as the person supplying the data to it; consequently, supply chain managers must enter data into it appropriately if they want their supply chains to function and balance. A producer may perform all computations without utilizing a manual approach by installing supply chain management software. With proper supply chain management, there won't be any more surplus products stockpiled or paid to be made when there is no demand for them.

Chapter: 4

Supply Chain Activities in Standard Finis Oil Co.

4.1 Supply Chain Management Process

The supply chain department of Standard Finis Oil Co. is dedicated to fulfilling its short-term and long-term goals through a systematic and well-organized strategy. By adopting a number of strategic measures, the department assures the efficient movement of goods, information, and resources from suppliers to end consumers. These processes are aimed to streamline operations, save costs, and maintain high standards of quality and customer satisfaction. This section gives an in-depth review of the supply chain management (SCM) processes followed by the company, highlighting significant practices that contribute to its operational excellence and alignment with corporate objectives.

4.2 Vendor Selection

The Standard Finis Oil Co. supply chain department follows several procedures when choosing vendors to make sure they are trustworthy, reasonable, and excellent partners. Here's a general outline of the procedure:

Determine Needs: Recognize the needs of the supply chain division, including the products or services required the amount, the quality standards, the delivery dates, etc.

Supplier Identification: Look up possible suppliers using a variety of resources, including internet databases, industry associations, trade exhibits, trade directories, recommendations, and market research.

Pre-qualification: Consider factors including reputation, financial soundness, expertise, capacity, quality standards, technology capabilities, geographic reach, and regulatory compliance when assessing vendors. This could entail conducting preliminary interviews or distributing pre-qualification surveys.

RFP (Request for Proposal): Request comprehensive estimates or proposals from qualified vendors detailing their services, costs, terms and conditions, delivery schedules, and guarantees.

4.3 Assessment and Comparison

Using pre-established assessment criteria, evaluate the vendor proposals that you have received. Consider variables including cost, value, dependability, adaptability, customer support, past results, and compatibility with the objectives and ideals of your firm.

Start negotiating with the suppliers you choose to confirm the terms and conditions, prices, delivery dates, terms of payment, service level agreements, warranties, and any other important components of the agreement.

Due Diligence: Verify the credentials, references, competencies, and compliance with legal and regulatory requirements of the chosen vendors by conducting rigorous due diligence on them.

Contract Finalization: Draft and finish a contract that describes the parties' rights, Performance Monitoring: Set up methods to evaluate and review vendors' performance concerning set standards and metrics. This may require periodic evaluations, examinations, and feedback systems to assure adherence to contractual duties and continued development.

4.4 Relationship Management

Through efficient communication, performance evaluations, feedback channels, and reciprocal assistance cultivate a strong and mutually beneficial connection with chosen vendors. Develop a partnership mentality to reach long-term success and common objectives, expectations, duties, and commitments on both sides. To reduce risks and prevent miscommunication, make sure the contract language is precise and unambiguous.

4.5 Continuous Improvement

Continuously assess the effectiveness of the selection process and the performance of the vendors. Identify areas that need improvement and take corrective action to maximize the supply chain and increase overall effectiveness and efficiency.

By following these guidelines, businesses can streamline their procurement processes, increase income, and choose suppliers for their supply chain department more effectively.

Quality Test: To ensure that first-mover consumer goods meet all specifications and expectations prior to being put on the market, the supply chain department must implement a quality check procedure. Here is a detailed description of the process:

Define Quality Standards: For first-mover consumer items, set measurable, explicit standards of quality. This should cover things like the product's specs, packaging specifications, safety laws, and any other relevant needs.

Supplier Qualification: Make sure suppliers fulfil your quality criteria by collaborating closely with them. Conduct in-depth analyses of their quality monitoring practices, production processes, and compliance with standards set by the industry.

Incoming Inspection: Before components and raw materials are used in production, a thorough initial inspection procedure should be put in place to guarantee their quality. This might include testing, sampling techniques, and inspections through sight.

In-Process Inspection: Maintain an attentive eye on the production process to identify potential issues early on. At various stages of production, conduct routine inspections to make sure that quality demands are being maintained.

Final Inspection: Before issuing the finished goods for distribution, do a final examination. This should entail an in-depth evaluation of the product to ensure that it exceeds all requirements.

4.6 Quality Control Tools

To track and improve the quality of the products across the supply chain, use quality control tools and techniques including statistical process control, Six Sigma, and quality management systems.

Document Control: Maintaining thorough records of every quality assessment and inspection performed during the supply chain procedure. Records of inspections, test outcomes, corrective actions implemented, and any additional relevant information should be included in this paperwork.

Education and Training: Ensure that employees engaged in the quality check process have an in-depth knowledge of the standards and procedures by supplying them with training. To keep quality control at a high level, skill development and ongoing training are essential.

Continuous Improvement: To find areas for improvement, review and assess the quality check procedure on an ongoing basis. Ask stakeholders for their thoughts.

Supplier Feedback Loop: Develop a feedback loop with the vendors you use so that you can resolve any issues or concerns with quality. Through cooperation, problems can be proactively addressed, and similar problems are unlikely to occur in the future.

Through compliance with these guidelines and ongoing assessment and enhancement of the quality control procedure, you may guarantee that first-mover consumer goods satisfy the most exacting specifications concerning reliability as well as excellence throughout every stage of the supply chain.

4.7 Procurement

The Fast-Moving Consumer Goods (FMCG) sector uses several essential procedures in its procurement process that ensure the timely sourcing of components, raw materials, and finished goods. A description of the typical procurement procedure in the FMCG industry is provided below:

Demand Planning: To predict future product demand, procurement teams study market trends, historical data, and sales projections in the first phase of the process. This aids in figuring out the kinds and quantities of commodities required.

Supplier Selection: Procurement teams look for prospective vendors of the products or components needed after the need has been identified. They evaluate suppliers according to criteria like cost, reliability, quality, and delivery capacity. Since prompt delivery and response are essential in the FMCG industry, building strong relationships with suppliers is necessary. The procurement departments negotiate with selected vendors over terms and conditions, such as expenses, terms of payment, delivery dates, and quality standards. Securing the most beneficial deals while making sure the provider can fulfill the necessary standards and timelines is the aim.

Contracting: Following conversations, official contracts with the terms decided upon by both sides are drafted. Usually, these contracts include information on prices, quantities, delivery dates, quality requirements, and any other pertinent terms and conditions.

Order Placement: Upon signing contracts, procurement groups place orders with the chosen suppliers by the conditions that were previously agreed upon. The size and frequency of orders can fluctuate based on inventory levels and demand projections.

Monitoring Supplier Performance: During the procurement process, procurement teams keep an eye on the performance of suppliers to make sure they fulfill their responsibilities. This entails monitoring delivery schedules, product quality, conformity to requirements, and issue or concern response times.

Inventory management: To maintain ideal stock levels of raw materials, components, and completed goods, procurement teams collaborate closely with inventory management. To minimize shipping expenses and prevent running out or surplus inventory, supply and demand must be balanced.

Quality Assurance: In the FMCG industry, quality control plays a crucial role in the procurement process. To make sure that products and materials fulfill the necessary quality requirements, procurement teams collaborate closely with suppliers. This could entail carrying out quality control checks, audits, and inspections at every stage of the supply chain.

4.8 Risk Management

Procurement teams recognize, and address risks related to the procurement process, including price swings, supply chain interruptions, quality problems, and geopolitical considerations. Creating backup plans, diversifying sources, and keeping up with industry trends are a few examples of strategies.

Lastly, to maximize effectiveness, lower expenses, and minimize risks, procurement teams continuously assess and refine the procurement process. This could entail using best practices, optimizing workflows, and making use of technology.

Procurement teams may effectively manage the procurement process in the FMCG industry to meet the changing demands of the market by adhering to these stages and keeping an emphasis on efficiency, quality, and responsiveness.

Sourcing: The process of supply chain sourcing entails the methodical identification, assessment, choice, and administration of suppliers to guarantee the prompt and economical procurement of goods and services necessary for business operations. This is a thorough explanation of each phase in the supply chain sourcing procedure:

Find the Needs for Sourcing: Recognize the needs of the company or undertaking, including the kinds of products or services required their quantities, their quality requirements, and their delivery schedules. To determine sourcing priorities, examine developments in the market, inventory levels, and demand projections.

Identification of Supplier: To find possible vendors who can meet the needs of the company, conduct market research. To find fresh suppliers, make use of web resources, trade exhibits, industry directories, and supplier networks. Consider variables including supplier reputation, competencies, cost, location, and compliance with regulations.

Assessment and Pre-qualification of Suppliers: Assess possible suppliers according to predetermined parameters, including technical proficiency, regulatory compliance, production capacity, financial stability, and quality control procedures. Utilize surveys, site inspections, audits, and reference checks to pre-qualify vendors to determine whether they meet the requirements of the company.

Information Request: RFIs should be sent to the vendors who made the shortlist to obtain comprehensive data regarding their qualifications, offerings, costs, terms, and conditions.

Utilize the data acquired to refine the list of prospective providers and evaluate the suitability of each supplier in further detail.

RFQ (Request for Quotation): Send out requests for proposals, or RFQs, with specified needs, requirements, and assessment standards to chosen vendors. Request quotations or proposals from suppliers detailing their services, rates, terms of delivery, procedures for quality control, and any other value-added services.

4.9 Negotiation and Supplier Selection

Consider criteria including price, quality, dependability, adaptability, and alignment with the organization's objectives and core values when assessing supplier quotations or proposals.

To settle on terms and conditions, including price, terms of payment, delivery dates, warranties, and service levels, negotiate with your selected vendors.

Strive to reach a win-win solution that maximizes value for the supplier and the company.

Entering a contract: Use purchase agreements or contracts to formally establish the arrangement with the chosen suppliers. Make sure contracts expressly state each party's rights, obligations, responsibilities, and performance standards.

Incorporate clauses about intellectual property rights, confidentiality, and dispute settlement, among other pertinent issues.

Relationship Management with Suppliers (SRM): Develop and preserve a relationship of trust, cooperation, and openness with chosen suppliers. Regularly assess the performance of suppliers about key performance indicators like cost, responsiveness, quality, and delivery.

Effectively communicate with suppliers, take quick action to resolve problems, and look for ways to improve continuously.

Risk Control: Determine and evaluate the risks connected to the sourcing process, such as changes in regulations, supply chain interruptions, quality problems, and geopolitical concerns. To lessen the impact of future interruptions, implement risk mitigation techniques like dual sourcing, supplier diversification, inventory buffers, and backup plans.

4.10 Constant Enhancement

To improve productivity, save expenses, and lower risks, the sourcing process should be reviewed and optimized regularly.

Get input from internal teams, suppliers, and stakeholders to pinpoint areas that need work and implement best practices.

Streamline sourcing processes, enhance decision-making, and propel strategic initiatives using technology and data analytics.

Organizations can achieve improved supply chain performance, cost optimization, risk mitigation, and successful supplier relationship management by implementing a methodical approach to supply chain sourcing and adhering to these guidelines.

Manufacturing Process:

- Set up a manufacturing facility or partner with a contract manufacturer.
- Follow Good Manufacturing Practices (GMP) to ensure product quality and safety.
- Blend and mix the raw materials according to your formulation.
- Test the product for quality and make any necessary adjustments.

Packaging:

- Design attractive and functional packaging that aligns with your brand.
- Source packaging materials and work with a packaging manufacturer.
- Implement quality control measures during the packaging process.

Regulatory Compliance:

- Ensure compliance with regulatory requirements for labeling Ingredient listing and safety standards.
- Obtain necessary certifications for your hair oil.

Distribution and Logistics:

- Establish distribution channels, considering both traditional retail and online platforms.
- Develop relationships with distributors, retailers, or set up your own e-commerce platform.
- Implement efficient logistics and inventory management systems.

Marketing and Branding:

- Develop a strong brand identity and marketing strategy.
- Utilize digital marketing, social media, and traditional advertising to create awareness.
- Consider partnerships with influencers or beauty professionals for endorsements.

Sales and Customer Service:

- Train your sales team or customer service representatives on product knowledge.
- Provide excellent customer service and address customer queries and concerns promptly.
- Feedback and Continuous Improvement:
- Collect customer feedback and reviews to identify areas for improvement.
- Continuously innovate your product and packaging based on market trends and customer preferences.

Expansion and Diversification:

- Explore opportunities for expanding your product line or entering new markets.
- Stay informed about industry trends and adapt your strategies accordingly.

Remember that each of these steps requires careful planning and execution. Paying attention to quality control, regulatory compliance, and customer satisfaction will contribute to the long-term success of your hair oil manufacturing business.

Chapter: 5

Findings, Recommendations and Conclusion

5.1 Findings of the Study

The study of Standard Finis Oil Co.'s supply chain and procurement strategy reveal a structured and strategic approach aimed at operational excellence, risk mitigation, and quality assurance. The company integrates industry best practices to ensure efficient product flow from suppliers to end consumers, aligning its practices with long-term business goals.

1. **Strategic Supply Chain Management**

Standard Finis Oil Co. adopts a systematic SCM approach, focusing on cost-efficiency, quality control, and timely delivery. The process ensures optimal coordination between procurement, production, quality control, and distribution.

2. **Robust Vendor Selection Process**

Vendor selection is handled with a comprehensive methodology that includes pre-qualification, financial and technical assessments, and rigorous due diligence. The use of Request for Proposal (RFP) processes ensures transparency and allows the company to compare multiple suppliers on key parameters like quality, cost, compliance, and capacity.

3. **Vendor Performance and Relationship Management**

A continuous monitoring system is in place to evaluate vendor performance against clearly defined KPIs. The company emphasizes building long-term, collaborative partnerships through performance reviews and clear communication, which contributes to supply chain resilience and mutual growth.

4. **Emphasis on Quality Control**

Quality assurance is a major pillar in the company's supply chain. Through multiple inspection stages—such as incoming, in-process, and final inspections—quality standards are maintained. Quality control tools like Six Sigma and statistical process control are used to track and improve processes consistently.

5. **Procurement Efficiency in FMCG Context**

Procurement activities are tightly integrated with demand planning and inventory management. The company employs forecasting techniques, maintains close supplier coordination, and practices agile procurement to respond effectively to the volatile nature of FMCG markets.

6. **Risk Identification and Mitigation**

The organization proactively manages risks by diversifying suppliers, setting up contingency plans, and monitoring geopolitical and economic trends. This allows for continuity in supply even in the face of disruptions.

7. **Sourcing and Contracting Strategy**

Sourcing decisions are driven by a well-documented process of supplier identification, pre-qualification, and competitive bidding. Contracts clearly outline deliverables, performance standards, and legal requirements, which reduces ambiguity and builds accountability.

8. **Continuous Improvement and Innovation**

Continuous assessment and feedback mechanisms are embedded across all functions. The company not only monitors internal performance but also collects stakeholder feedback to refine processes and respond to changing market dynamics.

9. **Manufacturing and Packaging Integration**

Manufacturing follows Good Manufacturing Practices (GMP) to ensure product safety and quality. The packaging process is aligned with branding strategies and quality controls, enhancing customer appeal and regulatory compliance.

10. **Customer-Focused Distribution and Sales Strategy**

The company blends traditional and digital distribution models to optimize reach and efficiency. Sales and customer service teams are trained to deliver product knowledge and resolve issues quickly, thereby enhancing customer experience and loyalty.

5.2 Recommendations

1. **Strengthen Digital Integration Across the Supply Chain**

To improve coordination, reduce lead times, and enhance visibility, the company should invest in integrated supply chain software that allows real-time tracking of goods, automated reporting, and predictive analytics. This will help in making more accurate decisions based on real-time data.

2. **Expand Supplier Base for Resilience**

To reduce dependency on a limited number of suppliers and mitigate risks associated with supply disruptions, Standard Finis Oil Co. should consider diversifying its vendor portfolio both geographically and by scale (e.g., including local and international suppliers).

3. **Formalize a Supplier Development Program**

Establish a structured approach to developing and improving suppliers' capabilities, especially around quality control, compliance, and delivery performance. This will enhance long-term reliability and foster stronger vendor partnerships.

4. **Refine Risk Management Framework**

Proactively monitor external and internal risks by creating a formal risk register and contingency plans for potential disruptions such as geopolitical tensions, inflation, or logistic constraints. Dual sourcing and maintaining buffer stock for critical items should be part of this plan.

5. **Invest in Continuous Staff Training and Capacity Building**

Ongoing training programs should be implemented for procurement, production, and quality control teams to keep them updated with current practices, regulatory changes, and technical skills. Cross-functional training should also be encouraged for better collaboration across departments.

6. **Enhance Supplier Relationship Management (SRM)**

Move beyond transactional vendor relationships and build long-term strategic alliances by implementing a formal SRM system. This includes setting mutual goals, conducting joint reviews, and working on continuous improvement initiatives together.

7. **Tighten Quality Control and Compliance Monitoring**

Strengthen quality assurance measures across all stages of the supply chain—from sourcing raw materials to final delivery—by regularly updating testing protocols, increasing the frequency of inspections, and ensuring compliance with industry standards and safety regulations.

8. **Improve Packaging and Branding Alignment**

While the packaging is already designed with brand aesthetics, further market research and customer feedback can be used to innovate packaging that is both sustainable and consumer-friendly, enhancing appeal while complying with environmental standards.

9. **Optimize Inventory and Warehouse Management**

Adopt lean inventory practices and integrate inventory forecasting tools to avoid overstocking or shortages. Collaborate closely between the procurement and sales teams to ensure demand-driven inventory planning.

10. **Expand Distribution Networks Strategically**

To reach a wider consumer base, the company should explore opportunities in untapped regional and international markets. This includes forming strategic partnerships with logistics providers, exploring franchise models, and strengthening online distribution channels.

11. **Enhance Customer Engagement and After-Sales Services**

Establish systems for collecting and responding to customer feedback efficiently. Building loyalty through responsive customer service and actively addressing product concerns will help sustain long-term consumer trust and satisfaction.

12. **Foster a Culture of Continuous Improvement**

Create mechanisms for regular internal audits, employee suggestion systems, and performance reviews to drive innovation. Encourage cross-departmental collaboration to identify inefficiencies and opportunities for cost reduction and process optimization.

5.3 Conclusion

My internship with Standard Finis Oil Co. has been a life-changing opportunity that has given me a thorough grasp of the dynamics and difficulties of supply chain management in the fast-paced FMCG industries. Through this chance, I was able to observe directly how important efficient supply chain operations are to maintaining a competitive edge in the market, improving customer satisfaction, and propelling organizational success. I worked with a variety of supply chain processes throughout my internship, such as quality control, risk management, procurement, vendor selection, and continuous improvement projects. I have to handle issues like vendor optimization for these engagements. The activities' practical application helped me close the gap between theory and practice, greatly enhancing my analytical, strategic planning, and problem-solving abilities. One of the most important lessons learned from this event was how crucial it is to keep supply chain operations flexible and promote a continuous improvement culture. My contributions such as enhancing procurement tactics and quality assurance systems showcased the observable effects of such initiatives on overall operational performance. The information acquired and the contributions made during my tenure are attested to in this report. Additionally, it provides Standard Finis Oil Co. with practical suggestions, focusing on topics like advanced quality testing methods, vendor relationship management, and using technology to maximize supply chain effectiveness. In addition, this internship has greatly influenced my professional growth and comprehension of supply chain management. It gave me a strong basis for my future professional goals and gave me the tools I needed to take advantage of the chances and overcome the obstacles in the industry. Without a question, the knowledge and understanding I have obtained will help me grow and contribute to the industry going forward. All things considered, this experience has not only helped me better understand supply chain management, but it has also reaffirmed how important teamwork, creativity, and strategic thinking are to success. I have no doubt that future professionals hoping to succeed in the field of supply chain management will find great value in the experiences and information included in this study.

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