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## LOGISTICS OPERATIONS AND TEORETICAL CONCEPTS-IDENTIFY SPHERES OF IMPROVEMENT AND AMELIORATED MANAGEMENT

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*Abstract: Drawing flow value must be a repetitive process in which we all steps including the ordering process to delivery process. Through a new value will map flows exploit opportunities for improvement identified in the current map. We will use FIFO and HEIJUNKA method for determining the time of receipt of order to dispatch them.*

*Even if you do not purchase new technology that was moving towards standardization, we can optimize the new procedures appeared in the literature are known internationally but still in the early stdiul for some companies in Romania. Depending on the decisions of change processes chessboard will look different, definitely better on the money and time.*

*In the following we talk about the logistics systems that are currently in a company that produces bakery-Vel Pitar and another company EcoPaper SA is a company specialized in producing paper for corrugated cardboard, using as raw material 100% waste paper and cardboard, thus contributing to environmental protection.*

*What I propose, in this article, is to implement **Keine Touch** technology, computer controlled, as follows: raw material, paper, already filtered into the production process, noting that the stock of raw material to be started at the end line and the finally bales and barcode serially taken by crane and then stored.*

*Types of management used by the two companies are: management by objectives, management and product management on the budget. The exception is participatory management is today used by the japanese.*

*The objectives of each company is different, but the logistics do not break news. I saw that there are two leading companies, but the stability of the product or range of products.*

*Keywords: flexible processes, demand for products, material flow, information flow, visual management .*

### 1. INTRODUCTION

The industry Logistics and Supply Chain is full of daily challenges. As in any field of activity for Logistics and Supply Chain information flow is crucial for the proper conduct of business. For a good and efficient collaboration between supply chain participants is necessary for all to speak the same language,

the same understanding of a particular concept / term specific when using it.

Survival and growth is dependent on the existence of a management that is based exclusively on the use of economic instruments, for all management decisions as resource efficiency and profit maximization.

From a macro perspective, due to international conflicts (fight for markets, military conflict), "economic element" or

"economic weapon" has influenced the world of logistics industry in recent years.

Also at the macro level, influenced as measured by the financial industry, contribute to instability and lack of financial assistance allocated by the IMF and World Bank Group, which forced managers to loans with high interest and short repayment terms, payment rates triggering the growth process.

## 2. GENERAL AND THEORETICAL CONCEPTS

Of course, profit and cost efficiency characterize the products and services at the microeconomic level.

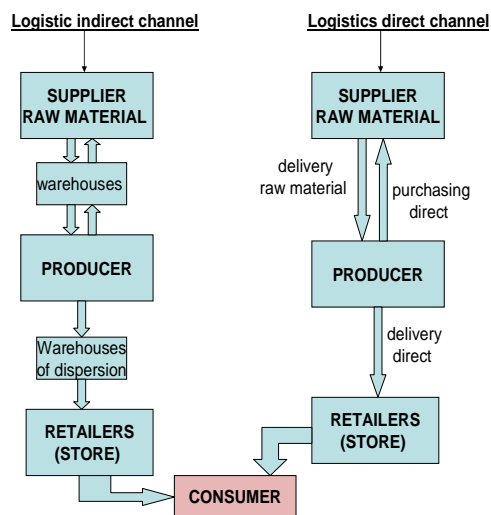


Fig.1 Logistics Supply Chain variants .

We speak so much logistics or logistics function as on the part of the organizational structure of companies in an efficient manner, saving substantial operational costs and that support is essential to implement the marketing strategy of the company, allowing to provide customers with improved service permanently.

Logistics, in an enunciation own, means the acquisition, movement, storage and delivery functions including transport, distribution and storage of materials and stocks. Today is the strategic management of a supply chain that transforms any resources.

### 2.1 The systemic approach.

In this article we contribute to the clarification of "logistics" and "supply chain".

We begin with the evolution of logistics management to better understand current logistics context. To achieve this objective, we describe developments and will show little impact of these changes on logistics management in the table. There are three different periods of logistics management: the period of "logistics separate" from the "integration" and period "Logistics Cooperation."

The systemic approach of the company and use all the knowledge in the field of logistics, management of existing resources gives managers the opportunity to meet objectives, allowing them to react quickly and take informed decisions. Thus there is an adaptation of the structure and activity of the company to external environmental conditions, process ensuring internal stability of the organization.

"Technology is defined by Krajewski and Ritzman (2000, p. 17) as 'the know-how, physical things, and procedures used to produce products and services'. Over the past two decades, the development of high-technology-based firms has been actively encouraged by governments and development agencies (Westhead & Storey, 1994) as a source of competitive advantage. In many cases, small high-technology-based firms have effectively exploited market opportunities. This has been helped by the emergence of generic technologies, most notably information technology that is knowledge intensive rather than capital and labour intensive (Rothwell, 1994, p. 12). Such technologies have been effectively used to open up new market niches for small and medium-sized firms (SMEs). Accordingly, high-technology firms have become well established as sources of both competitiveness and employment creation (Oakey, 1991)."

### 2.2 Improving planning and management, transparency and simplicity.

What is good in one of them and can implement the other. Let's take them one by one:

**Vel Pitar Group** is the leader of the Romanian bakery and milling and a major player in the production and distribution of



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biscuits, wafers, specialty cakes and pastries because:

- Made his presence felt with several production centers
- Short production lines
- Integrated management system implemented
- The first to have invested heavily in new technologies
- Regular evaluation of customer satisfaction for continuous quality improvement and safety products and services

Vel Pitar Group has invested in cutting-edge production lines, fully automatic operation from mixing and packing up the process. Products made on these lines are high quality (long freshness, color and shape constant), and productivity is increased.

Investment in new technologies have allowed the packaging, the entire process of production and use **Keine Touch technology** - without prejudice (consumer product is the first person to reach).

This new technology can be implemented in any production flow.

EcoPaper S.A. is currently the top corrugated paper manufacturers in Romania.

The basic raw material is the waste of paper and cardboard. The company has authorized the recovery and authorization for the collection of waste. In a short time the company has gained a well-defined market segment being number one in top consumer waste paper and cardboard so.

To efficiency these activities were conducted:

- modernizing the reception and storage by computerized tracking
- purchase of scrap balers with a capacity of 200 tons / day
- purchase specific equipment for handling and shipping

- arranging for transportation and storage platforms paved bales of waste paper

I propose to implement **Keine Touch** technology, computer controlled, as follows: raw material, paper, already filtered into the production process, noting that the stock of raw material to be started at the end line and the finally bales and barcode serially taken by crane and then stored.

Another proposal is to build it and loading ramps for trucks, a more efficient work and time by the warehouse workers.

The main suppliers are companies producing waste, corrugated cardboard packaging and companies dealing with the collection of domestic waste paper. Was necessary to introduce a clear and well-founded strategies to ensure appropriate quantities of waste in the production process, and a minimum stock. Therefore the company is situated in a table 1, at INTEGRATED LOGISTICS, that production from the bakery found at the LOGISTICS COOPERATION.

Today the situation presented in table 2, the production of bread is found in the last section where there is cooperation between the manufacturer-supplier-customer and paper production is found in the first column where manufacturer is king.

Processes used in food production is the methods FIFO and HEIJUNKA because the products are perishable.

Control method called flow quantity of products in terms of specialized Kanban (the stock) with push production system is used for paper manufacturing industry, and JIT, pull production system by the bakery. "Transition from the old way of development and production to the new is available everywhere at the same time" japanese experts say when are required changes for the better.

Table 2. Analysis of some logistics indicators

PERIOD/ BACKGROUND	YEARS 1940-1970	YEARS 1970-1980	YEARS 1980-2000	2000- TODAY
report				
request / offer	request > offer	request = offer	request < offer	request < offer
knowledge demand (order)	production is determined	predictable with errors accepted	production based on the statistics	uncertain
priority manufacturer	quantity	flexibility	quality	speed response
life cycle product	long	medium	short	very short limited edition
choice customers	limited	very diversified	diversified	personalized
size market	national	commerce with countries neighboring	continental	world
relationship between producer / customer	the producer is king	client is king	cooperation between customer and producer	cooperation between producer, supplier, customer
philosophy chosen management	mass production	0 mistakes 0 stock	internal supply chain	0 response time simultaneous engineering integrated supply chain

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### 3. CONCLUSIONS

Today, especially in future socio-economic and natural environment in which firms operate is increasingly complex and uncertain risks generator. In terms of logistics organization, surpassed other food processing industries, it was always one step ahead.

If we talk about flexibility, fewer manufacturing operations to manufacture paper, in food flexibility is varied on request.

In terms of visual management can say that in the paper manufacturing industry is still room for improvement. Such developments occur against a background of significant movements in economic activity: the tendency of economic globalization, accelerating the pace of change, transforming knowledge into a great resource on which competitive advantage.

The decisions of managers are given by:

- Priority on the organization, considered essential criterion of profit
- Integrated management reins in knowledge related to immediate needs
- No confidence in competition

- The main objective is profit, not market share growth

Traditionally, operations and logistics activities anticipated future transactions. It is recommended to use real-time logistics, a strategy to reduce risks of anticipation of demand.

Finally, the performance analysis, consists of the analysis of final results, analysis of leading indicators, indicators decomposition depending on what interests us and draw action plan.

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