

HRG contributes to symposium on supply chain design

By the INSEAD Humanitarian Research Group

Supply Chain Design is breaking out of the modeler's and analyst's room. Supply chains are interacting in a complex world and therefore new supply chain design options, as well as significant supply chain changes, can only be accepted and effective if they are anchored and supported by all the stakeholders involved. This requires pushing the boundaries of the traditional models on supply chain design.

On October 23rd, on the occasion of the public doctoral defense of Stef Lemmens (who is now a post-doctoral researcher at INSEAD), KU Leuven's Research Center for Operations Management organized a symposium on supply chain design. At this symposium, several international researchers from MIT Sloan School of Management, INSEAD, Politecnico di Milano and KU Leuven shared their findings on supply chain design for different industrial applications. These applications include vaccine, humanitarian, closed-loop, distributed manufacturing and additive manufacturing supply chains.

Prof. Dr. Luk Van Wassenhove (INSEAD) presented his critical view on closed-loop supply chains and circular economy. He postulated the relevance of closed-loop supply chains in modern times, but emphasized that the effort to make closed-loop supply chain systems work is often underestimated. Although many papers are produced about these subjects, there are still some important obstacles which prevent the development of successful circular economy business models, such as (1) customer preferences related to buy, lease and pay for use decisions, (2) uncertainty related to legislation and (dis)economies of scale and (3) complexity of the tools to evaluate circular economy business models.

