

Abstract

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From Reversed Logistics to Sustainable Green Supply Chains: Turning Green to Gold

Awareness of the art & science of logistics & supply chain management continues to increase. Especially in today's worldwide competitive marketplace where the launch of a truly new, creative product is quickly followed by competition offering multiple choices with the same look, feel & function. Most companies realize that post-sales service is a critical differentiator & the means for customer retention. For this reason, great interest in reverse logistics has been piqued. Companies that previously did not devote much time energy to the management & understanding of reverse logistics, have begun to pay attention for reverse logistics as becoming a competitive necessity. Firms still believe that a satisfied customer is their most important asset. As a result, typical reverse logistics activities would be the processes a company uses to collect used, damaged, unwanted, outdated products, as well as packaging & shipping materials from the end-user the reseller. If the focus of logistics is the movement of material from the point of origin toward the point of consumption (Council of Logistics Management, 1999), then the focus of reverse logistics should be the movement of material from the point of consumption toward the point of origin. Within the reverse logistics there are challenges that differ from the forward flow of materials & products. Issues that make it difficult to forecast & allocate resources to return systems in reverse logistics are factors such as timing, quality & the quantity of product returns. While this is how the term was originally used, it has become a blanket term for efforts to reduce the environmental impact of the supply chain. A new opportunity for reverse logistics is forming across industries, & it is the reality that companies must be more environmentally conscious, focusing on sustainable practices & materials, & becoming more socially responsible corporations. This is often referred to simply as Green. This is why true visionaries in reverse logistics recognize that several areas are opening up for both educating their companies about reverse logistics while being on the leading edge inside their companies toward the vital goal of becoming green. Reverse Logistics has the opportunity to support new green corporate initiatives & to bring new practices, benefits & cost savings to their companies. Turning Green to Gold will happen only in organizations who have the management superiority & experience to develop the new vision, & who can find a way to gather the facts & details needed to launch effective competences to maximize the level of customer satisfaction through green initiatives. All in all, this paper aims at exploring reverse logistics trends & practices that will act as a guide to a sustainable green supply chain to achieve both ecological & economic advantages.