

Over Half of Companies Lack Clear Picture of Their own Supply Chain, According to New Report from ASCM and the Economist Intelligence Unit

CHICAGO, Feb. 23, 2021 /PRNewswire/ – Over half of companies lack end-to-end visibility into their supply chains because they rely on a picture of supply and demand that is based only on internal data from the company itself. This leaves many vulnerable to unexpected risks according to a new [Economist Intelligence Unit \(EIU\)](#) research report commissioned by [The Association for Supply Chain Management \(ASCM\)](#). The report "The Resilient Supply Chain Benchmark: Ready for Anything? Turbulence and the Resilience Imperative" presents findings on how 308 publicly-listed retail, pharmaceutical and consumer electronics companies have adopted resilience-building capabilities to manage real-time and longer-term risks, and how they've performed over the past year.

The end-to-end supply chain refers to the entire process starting at the procurement of materials from suppliers and ending when the product reaches the customer. According to the EIU research, just over half of the companies benchmarked rely on their own internal data. In addition, 37% of companies in the benchmark reported that their visibility was hampered by either internal siloes or was not data-driven at all.

This limits their ability to detect emerging threats or calculate how a disruption will unfold across supply chains and business units. In addition to improving visibility, data from across the supply chain can unlock higher-level capabilities that lead to greater supply chain resilience and supply chain innovation. The benchmark shows that high performers build an 'outside-in' picture through the integration of supply chain partners into demand forecasting and planning as well.

"While each industry faces unique supply chain dynamics, in a time of increased turbulence it has become critical to reconsider the balance between efficiency and resilience, said ASCM CEO Abe Eshkenazi, CSCP, CPA, CAE. "The Resilient Supply Chain Benchmark provides both data and analysis to better understand the critical capabilities driving resilience, where the most common vulnerabilities lie, and how to strengthen operations for the future."

The results of the Resilient Supply Chain Benchmark are based on a combination of primary survey data collected in October 2020, data from corporate disclosures, and a wide-ranging interview program that included corporate executives and industry experts from IBM Sterling, Intel, Novartis, AbbVie, the Consumer Technology Association (CTA), and the Retail Industry Leaders Association (RILA), among others. To develop the framework, the EIU consulted leading experts on supply chain resilience from The Ohio State University, Michigan State University, MERC & CO LLP, and many others.

Additional key findings from the report include:

- **Benchmarked companies ranked supply chain sustainability as a top way to build resilience over the next three to five years, but there is a gap between rhetoric and reality.** Less than half (42%) of companies have set targets to reduce supply chain-related (or Scope 3) carbon emissions, even though climate change is among the biggest risk factors of the 21st century. After setting targets, comes the more difficult challenge of reducing emissions across complex networks with numerous suppliers.
- **Business continuity plans and playbooks should include triggers outlining actions to be taken across a range of disruptions.** Overall, only 57% of companies benchmarked claimed that they had business continuity plans that met this criterion, a number that is shockingly high with today's complex and dynamic threat matrix. Moreover, the pandemic has revealed that business continuity planning needs to include practical guidance on all processes including those that seem less critical. During such a prolonged crisis, processes that may not seem essential have blindsided critical processes when they fail.
- **Companies are building strategic supply chain resilience by forging strong long-term relationships with key suppliers and customers.** High performers work together with their supply chain partners by sharing best practices, joint long-term planning and providing financial assistance to preserve supply chain networks. Over half (55%) of companies benchmarked stated that they directly helped suppliers remain solvent during times of crisis.

"By providing evidence based, sector-specific analysis into best practices and areas for improvement, we hope that the benchmark will give companies a first step in assessing their own resilience-building capabilities against their industry-peers," said Sabu Mathai, the Project Lead and a Senior Manager at the Economist Intelligence Unit.

Please join Claire Casey, EIU Global head, Policy and Thought Leadership and Abe Eshkenazi, ASCM CEO for a discussion on the Resilient Supply Chain Benchmark at 1:00pm EST on February 24, 2021. To register, please visit <https://bit.ly/2M68W97>

The Resilient Supply Chain Benchmark Report and full report can be accessed [here](#).



About ASCM

The Association for Supply Chain Management (ASCM) is the global leader in supply chain organizational transformation, innovation and leadership. As the largest nonprofit association for supply chain, ASCM is an unbiased partner, connecting companies around the world to the newest thought leadership on all aspects of supply chain. ASCM is built on a foundation of APICS certification and training spanning 60 years. Now, ASCM is driving innovation in the industry with new products, services and partnerships that enable companies to further optimize their supply chains, secure their competitive advantage and positively influence their bottom lines. For more information, visit [ascm.org](https://www.ascm.org).

About The Economist Intelligence Unit

The Economist Intelligence Unit is part of the Economist Group, the leading source of analysis on international business and world affairs. Founded in 1946 as an in-house research unit for The Economist newspaper, The EIU delivers business intelligence, forecasting and advice to over 1.5m decision-makers from the world's leading companies, financial institutions, governments and universities. This Index was created by the public policy practice of the Economist Intelligence Unit. To learn more about The EIU's services, please visit <https://www.eiu.com/n/> or contact a member of the team.

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