



# Supply Chain Risk Management Survey

## Logistics Council Survey

June 2017

### KEY

### FINDINGS

At the request of a member, the Purchasing Council surveyed the membership about the risks to the supply chain.

Key findings include:

- Just over half of respondents reported having a formal risk management program in place.
- Fully one-third of companies identify risks rigorously while fewer than one-fifth analyze them quantitatively. More companies quantified the risk if a third-party vendor assisted formally.

Full results of the survey, based on 52 responses, are shown below.

## FULL RESULTS

### PROGRAM IN PLACE

Does your company have a formal Supply Chain Risk Management (SCRM) program in place today?

*Response percentage (n=52)*



If no...

- Not formal, but more ad-hoc
- In process

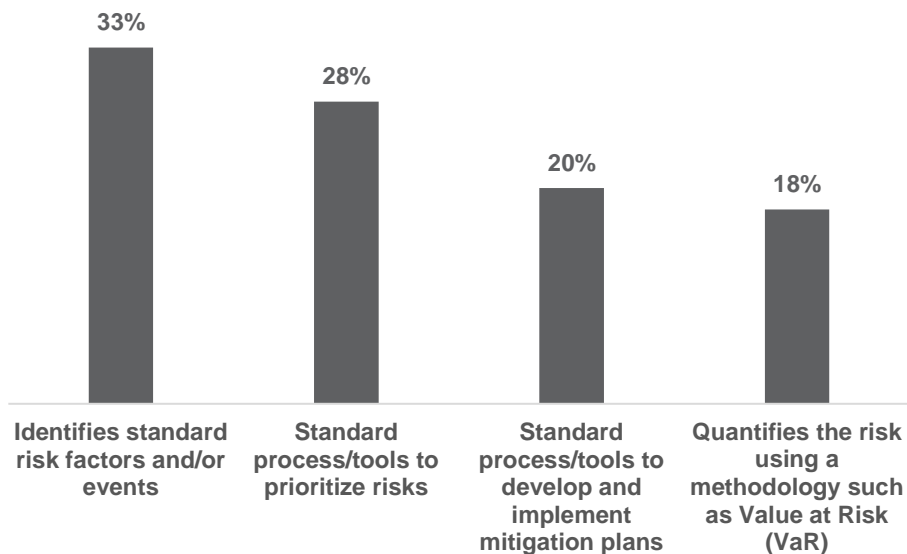


- No formal program, but reviews of selected supplier. We use different formats for these reviews around the world. We are in the process of developing a standard formal process to use around the world.
- We have various programs in place throughout the supply chain to mitigate and evaluate risk, however they are not bundled under a specific SCRM program - C-TPAT, SIOP, SNP, DP, Supplier Risk Assessment + Contingency Planning, Supplier Relationship Management, IS Security, Safety Stock Programs to name a few involving stakeholders throughout the organization-Finance, Sales, Operations, Supply Chain, Purchasing.
- We informally review supply base annually for risk and put in plans to mitigate
- It's done on informal basis
- We do supplier risk analysis annually, no formal SCRM
- We are a holding company. That may or may not be done in the BU's
- We monitor but no formal plan is in place
- We are working on a plan to develop one (resources are a challenge.)
- We are currently working on building one
- Informally done at some BU, high level part of ERM review
- We are a holding company, not an operating company. SCRM is the responsibility of our individual business.
- On the to do list
- We are in development of this but not in place as of today
- It is managed by need on a case by case basis. When we say "formal" SCRM, how do we define that?
- Just starting to build the center led model for SCM
- Hasn't been a priority
- Resources available

## ELEMENTS OF PROGRAM

Please select each of the following elements that apply to your company's program:

*Response percentage (n=60)*





### THIRD-PARTY (1)

What third party (if anyone) did your company partner with to develop your program?

Response percentage (n=17)

Responses:

- Risk Methods, Credit Safe
- Self-developed
- None at the moment
- Resilinc
- Riskconnect
- None
- Nc4
- DnB
- Confidential under NDA
- Credit Risk monitor and Internal Risk Assessment team
- Internal at this point
- None
- None

### THIRD PARTY (2)

If your company utilized an outside partner to develop your program, which of the following elements did this third party support development of:

- Identify standard risk factors and/or events
- Quantify the risk using a methodology such as Value at Risk (VaR)
- Standard process/tools to prioritize risks
- Standard process/tools to develop and implement mitigation plans

Response percentage (n=8)

