



Study: Room for Improvement in Chemical Supply Chains

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Chemical companies have invested to improve their supply chains, but there is room for improvement in several areas, including sharing of best practices and training, according to a recently released survey by consulting firm Accenture (New York). Some 400 supply chain professionals at 150 chemical companies in Asia, Europe, the Mideast, and North and South America participated in Accenture's online survey, which was conducted last year and focused on supply chain best practices in the chemical industry.

Only 37% of respondents said that their firms have formal processes for identifying and sharing best practices, Accenture says. Only 11% of those surveyed said that best practices are documented, translated into standard operating procedures, and measured at their firms. "Even worse, only 4 percent, said their companies have captured best practices in one place and made them available to all supply chain professionals within their organization," Accenture says.

"In a competitive global landscape, sharing best practices will be critical to increasing performance," says Christopher Lange, senior executive/chemicals practice at Accenture and study author.

Survey results indicate that supply chain training is now more prevalent than it was in 2005, when Accenture conducted its first such survey. However, only 29% of respondents said they are satisfied with their current level of training, Accenture says.

"Companies have invested in improving their supply chain, but if their training is ineffective or informal, their professionals will lack the high level of knowledge and skills to drive value and sustain the changes they're looking for," Lange says.

Survey results also indicate that collaboration and communication between respondents and their customers has improved, Accenture says. This includes those that collaborate and communicate with customers to make sales forecasts, and those that practice internal information sharing, the survey shows. "In the critical sales and operations planning areas, more than half, 53 percent, of respondents this year said that their business units routinely share data with each other, up from 41 percent in 2005," Accenture says.