

Supply chain managers spend 52 days a year on compliance

Thursday July 3rd 2008

Supply chain managers spend up to 52 days a year keeping abreast of, and complying with regulation and legislation relating to the supply chain, according to a survey of more than 100 supply chain professionals within UK companies.

The research found 84 per cent spend up to 52 days a year on compliance while 16 per cent claim even more time. More than half (58 per cent) claim to be either concerned or very concerned about operating in an increasingly regulated environment.

Despite spending significant resources on compliance, 30 per cent of supply chain professionals admit they do not have a risk management strategy in place for their supply chain, leaving them potentially exposed to the many threats they face.

As efforts towards greener supply chains become more prevalent, supply chain professionals are looking to the government to help, rather than hinder, their quest to comply with requirements. In fact, two thirds feel that the Government should subsidise their green initiatives.

“Supply chains are increasingly complicated, and the fact those responsible for managing supply chains are spending up to 52 working days a year on compliance alone is surprising and of serious concern. With the need to dedicate 20 per cent of their working time to supply chain compliance, it's little wonder that professionals struggle to find the time to unlock cost savings, optimise productivity and add all-important value to the business”, comments Andrew Kinder, director, industry and product marketing, Supply Chain Management, Infor.

“Supply chain regulations make a risk management strategy more important than ever. Organisations are well practiced at deploying risk management strategies for their data centres and mission critical applications such as order taking and dispatch functions. However they often leave supply chains, which carry millions of pounds worth of assets, exposed. Failure to comply with legislative requirements can be among the most expensive of risks, with financial penalties and damage to reputation posing real threats. These findings demonstrate that supply chain managers need to ensure that supply chain risk management becomes a formal consideration.”

This article was published by the Retail Bulletin <http://www.theretailbulletin.com> on Thursday July 3rd 2008

© 2008 The Retail Bulletin Limited. All rights reserved.