

INDUSTRY TRENDS 2024 AND BEYOND

NAVIGATING SUPPLY CHAIN DISRUPTIONS IN CPG AND MANUFACTURING



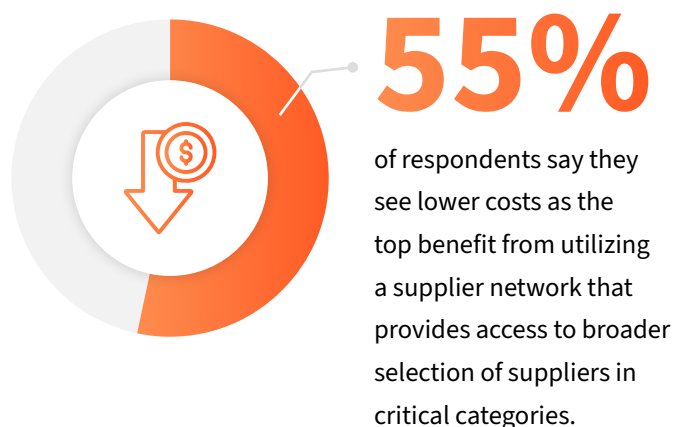
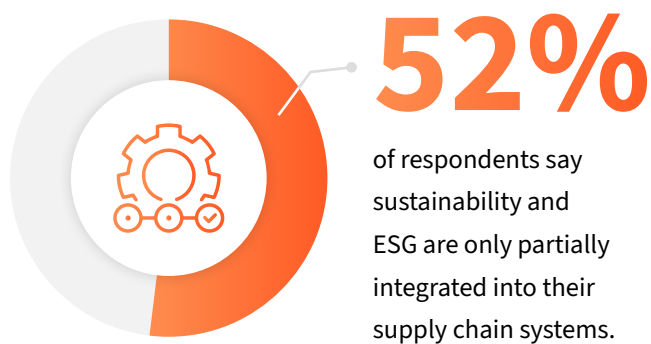
Introduction

Canam Research partnered with Optima Consulting and SAP to better understand the challenges, prioritized initiatives, and sourcing strategies among modern enterprises. We heard from respondents ranging in job function from CEO, Director of Supply Chain, and Business Intelligence Expert to Treasury Manager and Director of Logistics.



Key Observations

A significant gap exists in achieving real-time operational visibility, especially in procurement and supply chain, with many firms still in the early stages of planning and implementation. The reliance on manual or partially automated processes for supplier collaboration, coupled with the perceived benefits of expanded supplier networks, indicates a clear path for risk mitigation and cost-saving improvements. Control over maverick spending and IT usage remains moderately effective, suggesting a need for stronger governance. Looking forward, the emphasis on procurement management, ERP upgrades, and digital supply chain initiatives underscores a strategic move towards enhancing operational efficiency through supplier networks and increased process optimization.



Only 5% of respondents call their process for onboarding new suppliers to business networks is automated and easy.

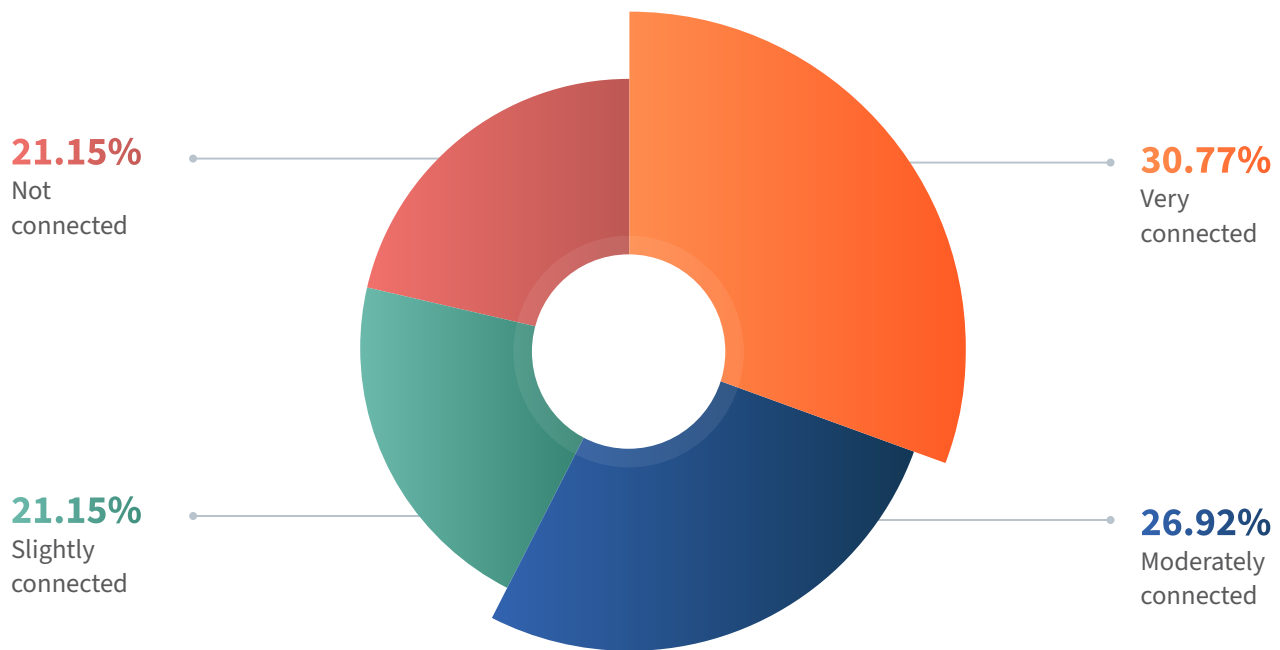


Top 2 focuses for the upcoming year are ERP upgrades and procurement management initiatives.

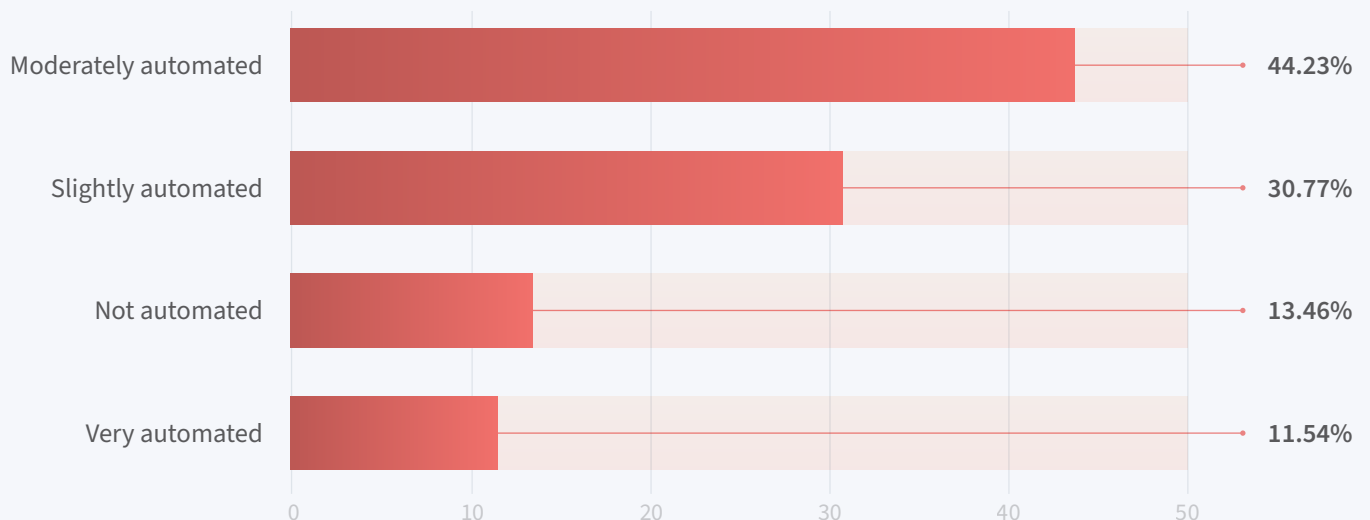
Survey Trends

- Over 20% of respondents indicate their ERP system is not connected externally to trading partners, and almost 45% say collaboration is moderately automated.

How connected or integrated is your Enterprise Resource Planning (ERP) system to external systems and trading partners?

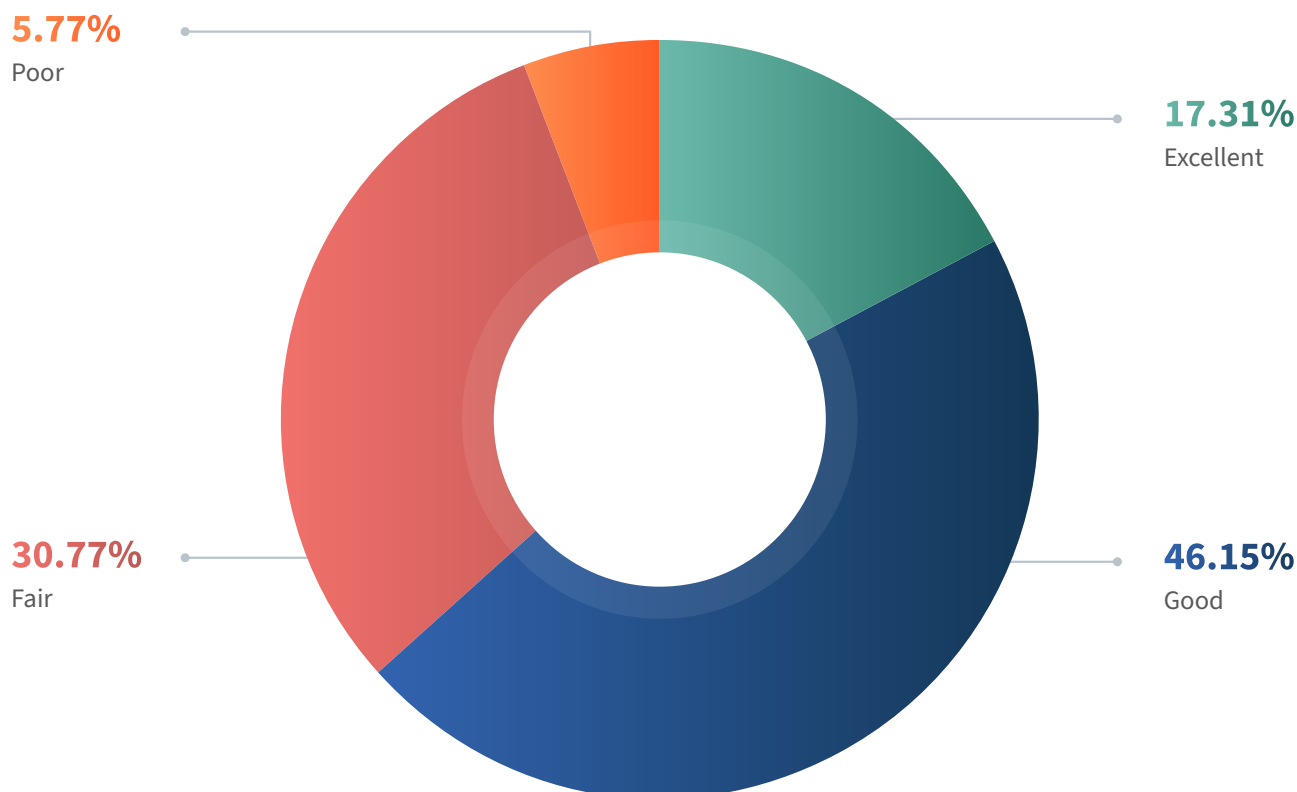


How automated is your communication and collaboration with trading partners?



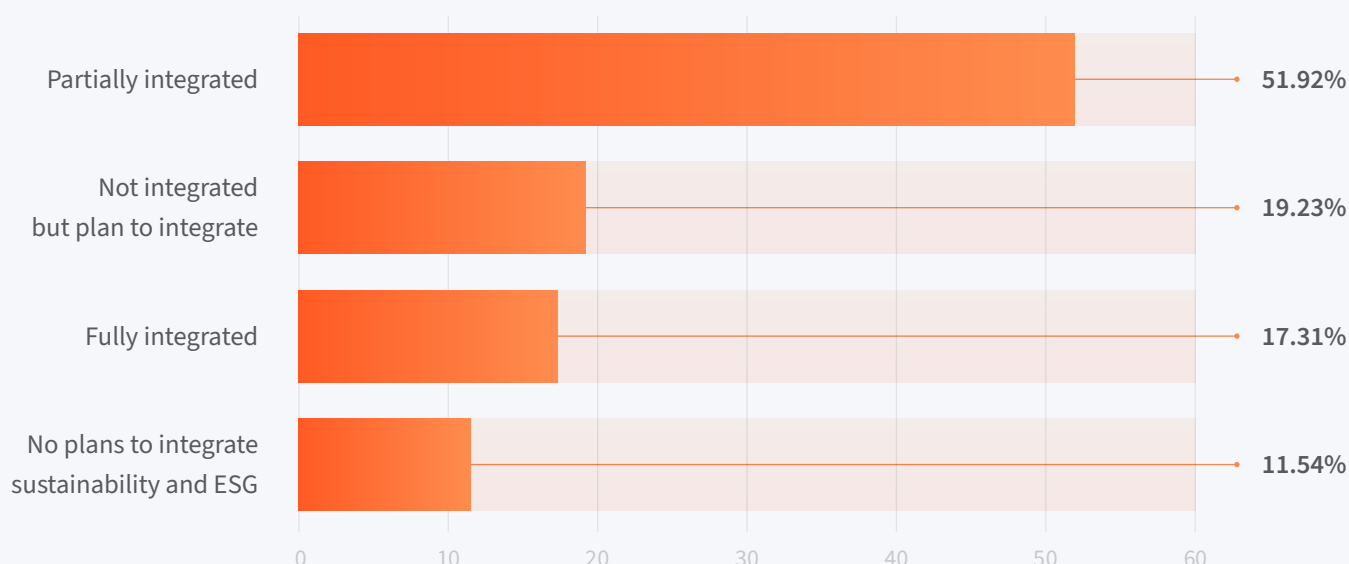
■ Most organizations could improve their ability to assess and mitigate supply chain risks.

How do you rate your organization's ability to assess, predict, and mitigate risks in your supply chain?



■ Half of respondents say their ESG and sustainability initiatives are partially integrated – with 1/5 still in the planning process.

Which best describes how sustainability and ESG are integrated into your organization's supply chain and procurement systems and strategies?



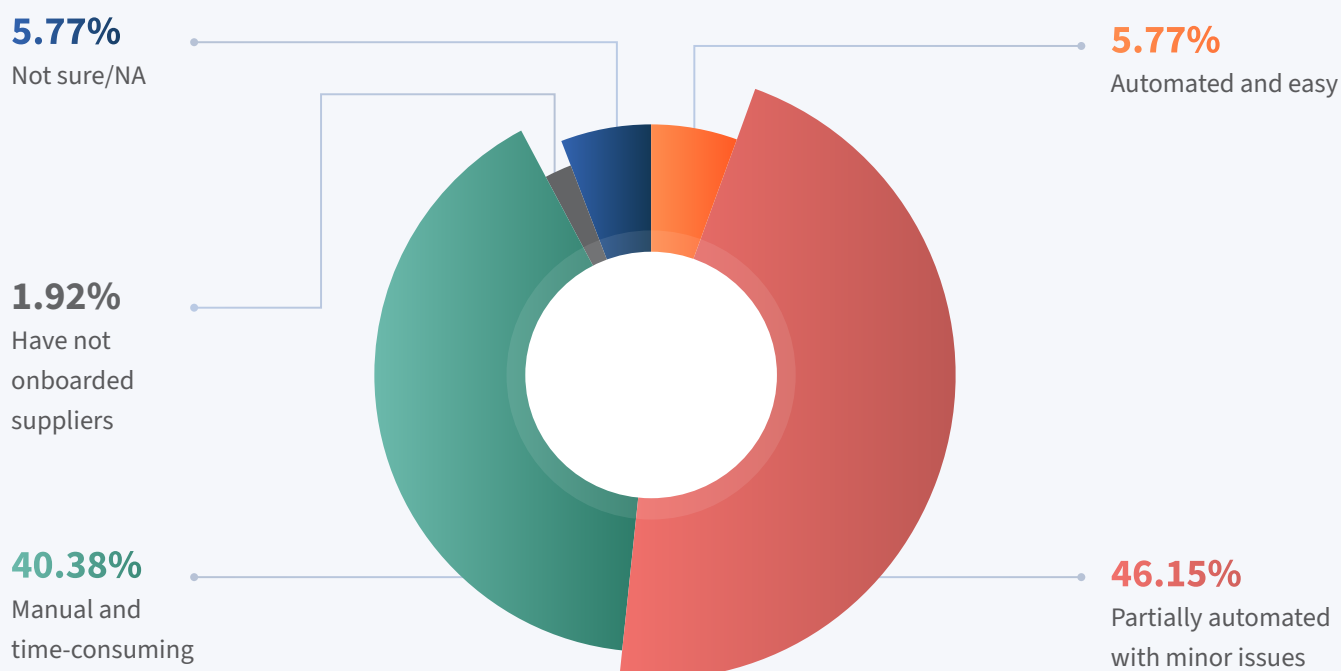
- **Real-time visibility and control of finance and procurement have been achieved by over 40% of respondents. However, at least 45% of respondents still indicate their company hasn't moved past the planning and discussion stage for supply chain.**

Rate your organization's progress toward achieving real-time visibility and control for the following:

	Have achieved	Planning but haven't started	Discussion stage only	No plans to implement
Procurement	42.31%	36.54%	15.38%	5.77%
Finance	44.23%	42.31%	7.69%	5.77%
Supply chain	42.31%	40.38%	15.38%	1.92%

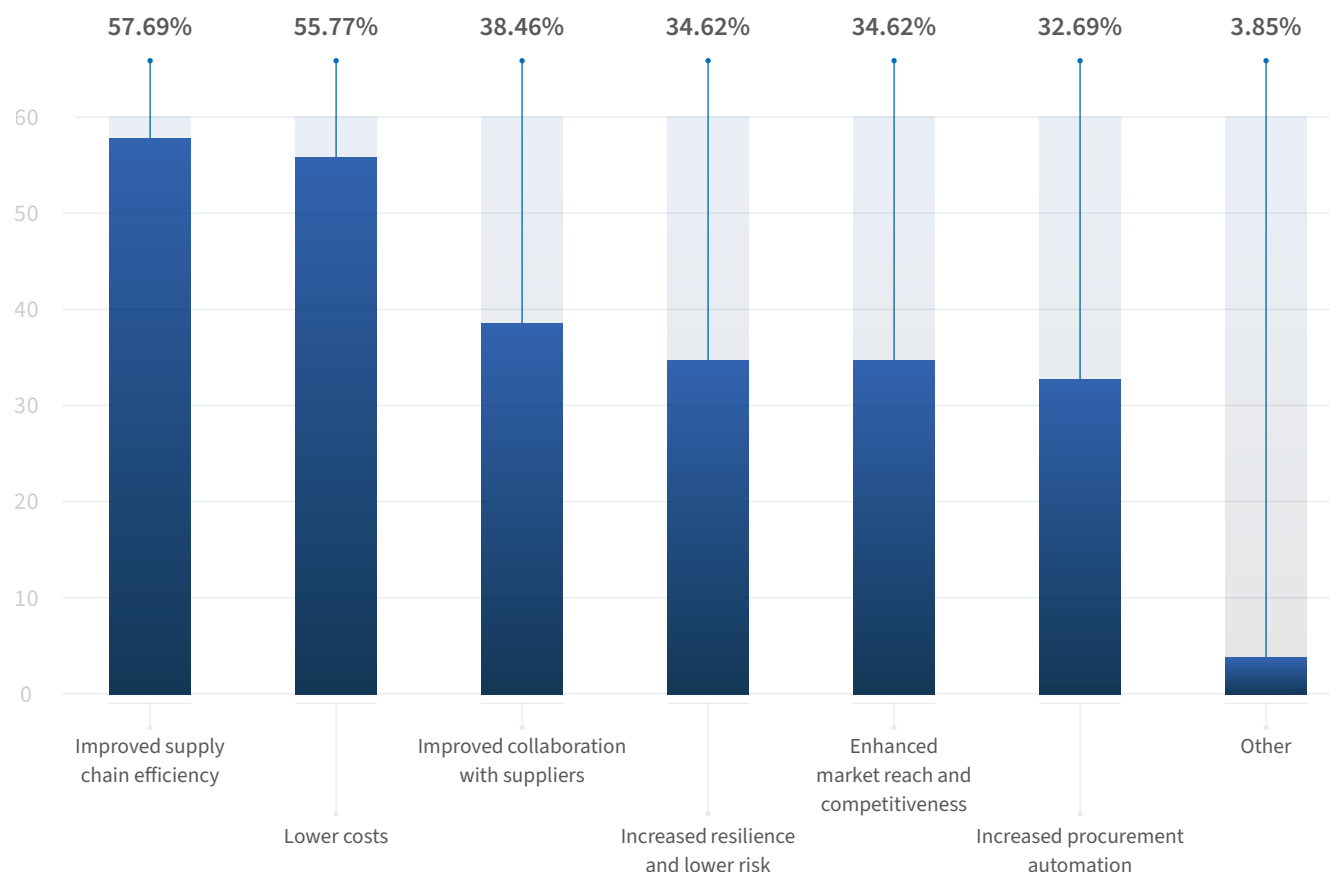
- **In relation to supplier networks, most respondents either indicate their company relies on time-consuming, manual processes for supplier onboarding, or the process has only been partially automated.**

Which of the following best describes your process for onboarding new suppliers?



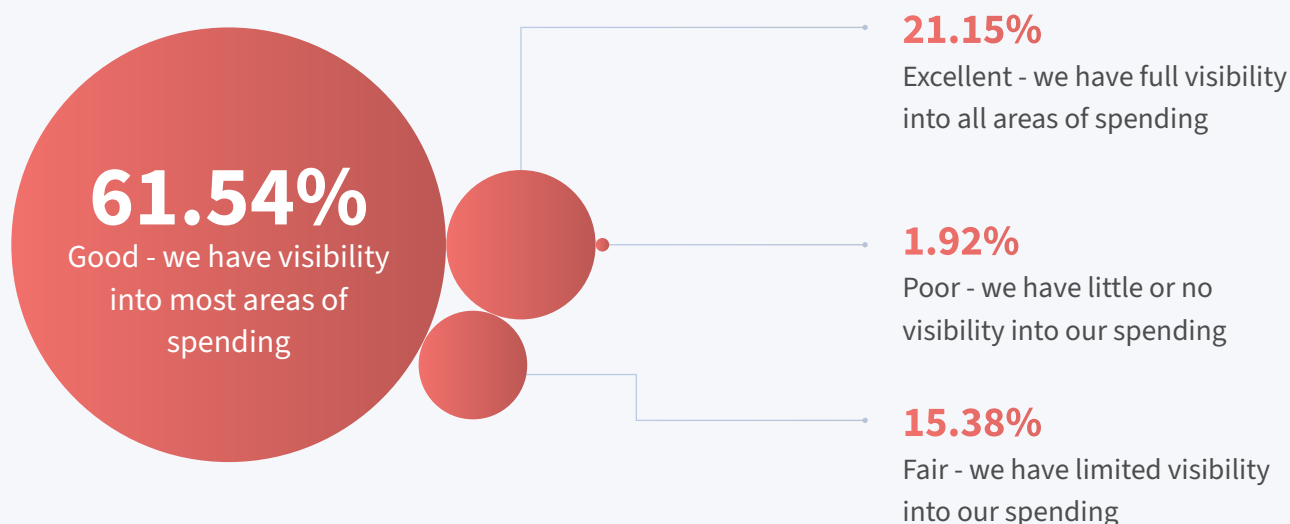
■ Utilization of a supplier network with access to a broader selection of suppliers would mostly lead to cost-savings and improved supply chain efficiency.

What potential benefits would or does your organization see from utilizing a supplier network that provides access to suppliers of all kinds?



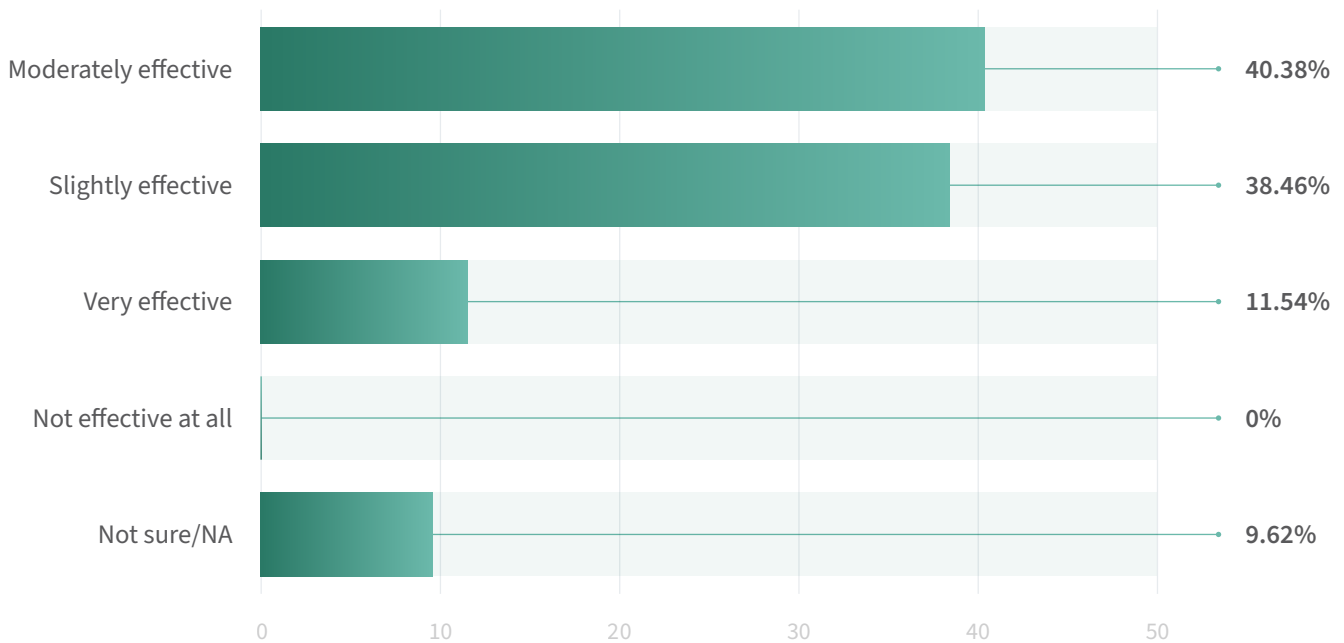
■ Majority of respondents say their visibility into company spending could use improvement.

What current level of visibility does your organization have into its spending?



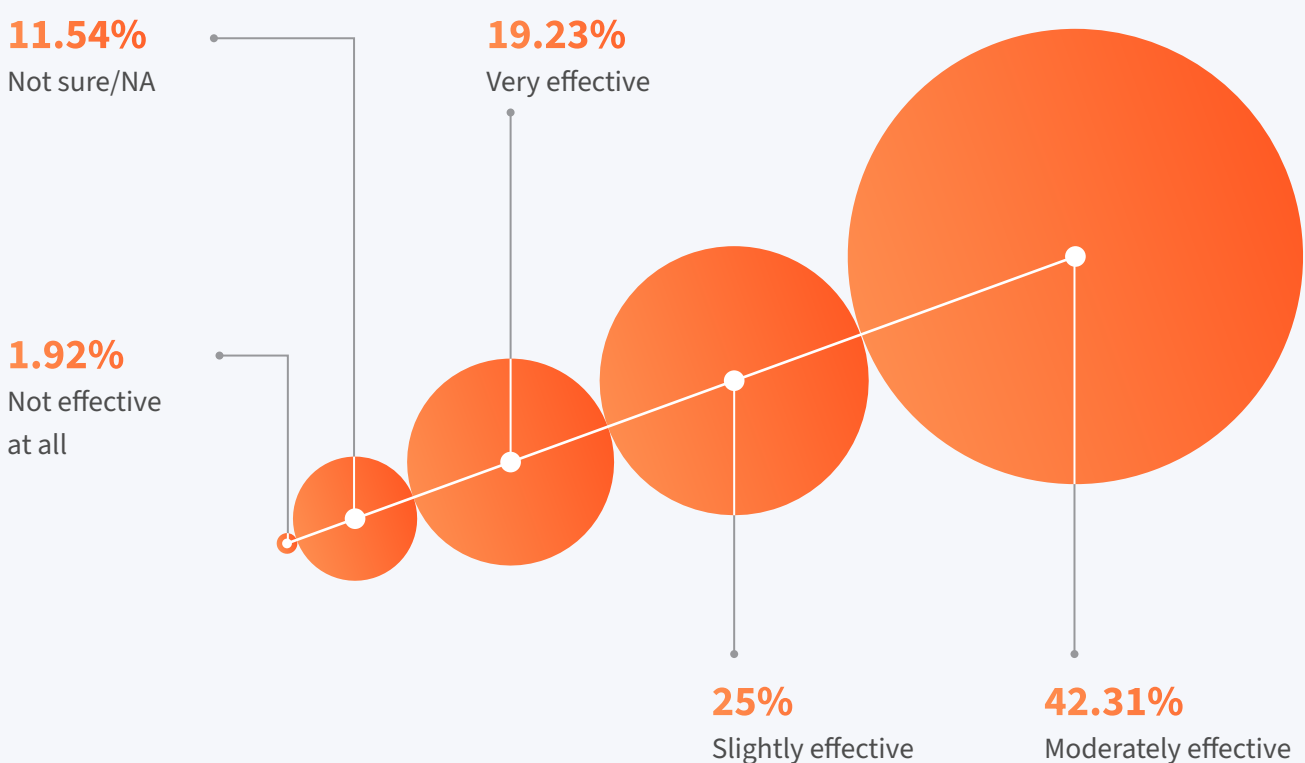
■ **Less than 12% of respondents say their organization is very effective at mitigating the silent burden of maverick spending.**

How effective are your organization's current controls for managing maverick spending and shadow IT?



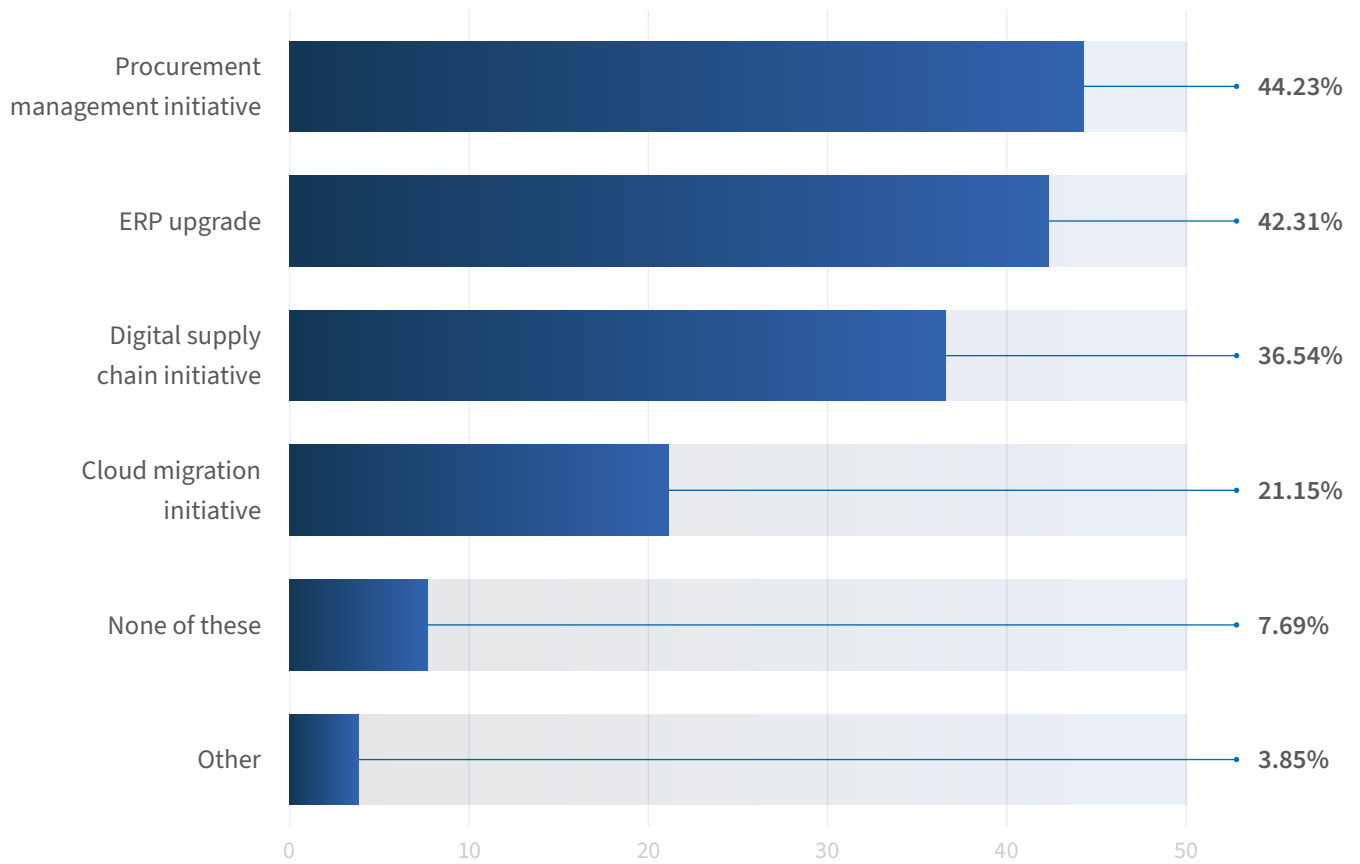
■ **Respondents report at least 1/4 of organizations are only slightly effective at implementing Working Capital Management strategies and programs.**

How effectively does your organization implement and use Working Capital Management?



■ **The top 3 focuses for the upcoming year will include launching procurement management initiatives, ERP upgrades, and strategies to improve digital supply chain.**

In the next 12 months, what will your organization focus on to improve operational performance and efficiency?



About Optima Consulting

Optima Consulting is a leading consulting firm and trusted adviser in the field of digital transformation, with a strong focus on Spend Management and Content Management in the SAP ecosystem. Having served more than 150 large enterprises from 20+ industries, we have completed over 500 successful projects.

Established in 2009, we are a Certified, Woman-Owned SAP Gold Partner with headquarters in Phoenix, Arizona. Our global presence extends to Europe and Latin America and is supported by a highly experienced team of consultants.

Our innovative yet mature approach streamlines the SAP deployment experience to deliver a simplified, straightforward journey and our hundreds of successful projects have deepened our understanding of businesses' unique challenges in today's digital landscape ensuring our clients receive the maximum ROI on their technology investments. Optima Consulting's exceptional client feedback tells the story of how we will work together on your transformation journey. Come join us!

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