

PwC's Performance Measurement Group Supply Chain Benchmark

Get Started

Please contact us to discuss your company's needs and the most effective way for your organization to begin the supply chain benchmarking process

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Is your supply chain contributing to competitive advantage?

Savvy organizations know that they can create a competitive advantage in their market by effectively tapping into the power of their supply chain. They demand data-driven insights, through benchmarking and analytics, to give them information to help them uncover, understand and address a number of challenges:

- Delivering products on time and with complete orders
- Optimizing product portfolios and managing SKUs
- Managing inventory to increase working capital
- Managing supply chain costs
- Creating a flexible and adaptable supply chain to meet the changing needs of customers

Understanding PwC's PMG Supply Chain Benchmark

The PwC Supply Chain Benchmark measures SC effectiveness across three dimensions: quantitative performance measures, qualitative practices, and supply chain complexity. PwC experience suggests that not all organizations strive to achieve top performance in all supply chain areas – instead, aligning supply chain strategy to business strategy is the key priority. Balancing these demands to deliver optimal value to the wider organization is a fundamental challenge facing SC leaders.

Quantitative Metrics are the key performance metrics of the supply chain and span end-to-end supply chain functions across Plan, Source, Make, and Deliver elements. SC metrics include both customer facing, which impact your customer experience, as well as internal facing, which impact bottom-line financials. Supply Chain performance metrics are based on the Supply Chain Operations Reference-model (SCOR®), which is recognized by the 1,000+ member companies of the Supply Chain Council as an effective toolkit for companies wanting to upgrade their supply chains for strategic advantage. Sample metrics include: perfect order fulfillment, delivery lead times, supply chain management costs, and inventory days of supply.

Qualitative Metrics measure the maturity of practices across Overall Supply Chain Elements, including Plan, Source, Make, and Deliver. Maturity levels are measured against a four-stage model that PwC has developed to help companies understand what practices need to be implemented to move towards higher levels of SC maturity.

Complexity Metrics help companies understand their relative supply chain complexities against three key drivers of complexity: Products and Services, Network Structure, and Systems. PwC research shows that complexity elements can have a tremendous impact on supply chain performance if they are not managed efficiently.

PwC's experience in working with a wide range of organizations can help you to understand what high performing SC functions are doing differently to achieve process excellence and which of those could be appropriate to your organization. That experience, combined with the benchmarks and measures, can help you evaluate how to balance the competing demands of delivery, agility and efficiency, and how to prioritize improvement initiatives.

Getting results

PwC research shows the significant top- and bottom-line financial impact that leading supply chain companies achieve:

- Best in Class Companies achieve nearly **50%** higher sales growth than non-Best in Class Companies
- Best in Class Companies achieve **20%** higher profitability than non-Best in Class Companies

