

Supply Chain Benchmark Study / Chemicals, Materials, and Petroleum

FROM PRTM MANAGEMENT CONSULTANTS

Measuring Supply Chain Performance: Are You Keeping Up With Your Peers?

Our research shows supply chain performance impacts top and bottom line financials:

- **Profitability:** Best-in-class supply chain companies achieve nearly 40 percent higher profitability than median companies
- **Working capital:** Best-in-class supply chain companies operate with 40 percent lower inventory days of supply and achieve a 55 percent shorter cash-to-cash cycle time compared to median companies

Process manufacturing industries have been significantly impacted by recent disruptions in the global economic environment. These disruptions have prompted operational leaders to reassess the reliability, flexibility, and cost effectiveness of their supply chains.

As pressure mounts for increased levels of service and speed at lower cost, companies are aggressively innovating with new and emerging organizational, structural, technological, and process solutions to take supply chain performance to the next level. The ability to measure comprehensive, end-to-end supply chain performance is critical to understand performance and focus efforts on the key improvements required to achieve competitive advantage.

To help senior operations executives understand how their supply chain performance, practices, and complexity compare to those of their peers, PRTM and their benchmarking subsidiary The Performance Measurement Group (PMG) are seeking participants for our *Chemicals, Materials, and Petroleum Supply Chain Benchmark Study*. The 2010 study is based on PMG's industry-leading supply chain benchmarking approach—a comprehensive and robust process that assesses the operational performance, practices, and complexity of a company's end-to-end supply chain. The *Chemicals, Materials, and Petroleum Supply Chain Benchmark Study* is based on PMG's established cross-industry *Supply Chain Benchmark Study* and includes:

- Delivery performance and order fulfillment lead times
- Inventory levels and cash-to-cash cycle times

- Total supply chain management costs
- Supply chain adaptability, flexibility, and sustainability
- Product portfolio, customer base, supplier base, and distribution complexity
- Regulatory compliance
- Supply chain overhead costs

We have also added and expanded several benchmarking topics, which have been of specific interest to our chemicals, materials, and petroleum clients, including:

- Forecast accuracy
- Manufacturing capacity and utilization
- Market position and trends
- Supply chain strategy
- Transportation costs
- Organizational structure

Deliverables

Participants will receive their customized, benchmarking results that show how each of their supply chains' performance, practices, and complexity compare to best-in-class and median benchmarks.

Timing

Ongoing. Timeline to complete the study is approximately 6–8 weeks.

Study Audience

CEO, COO, CFO, CTO, (S,E)VP Supply Chain, (S,E)VP Operations, (S,E) VP Operational Excellence.

To learn more about the benchmark, please contact PMG Marketing and Sales Director Glenn Heywood directly at 781.434.1405 or gheywood@prtm.com.

About PRTM

Since 1976, PRTM has created a competitive advantage for its clients by changing the way companies operate. PRTM's management consultants work with senior executives to develop and implement innovative operational strategies that deliver breakthrough results. The firm is a leader in operational strategy, supply chain, product development, and customer value management. PRTM has 19 offices worldwide and serves major industry and global public sectors. More information is available from www.prtm.com.

About The Performance Measurement Group (PMG)

The Performance Measurement Group (PMG), a PRTM company, is the premier operations performance measurement and management services firm, providing the most reliable and accurate industry specific benchmarks and proven practices for the most critical aspects of business operations. Since its formation in 1998, PMG has collected and analyzed performance and practice data from more than 1,000 supply chains.