New Haven and MASS Minuteman Chapter PDM

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A BETTER WORLD THROUGH SUPPLY CHAIN

- ASCM is the largest non-profit supply chain professional association globally with a global network of partners, instructors and thought leaders.
- ASCM is a signatory on the United Nations Global Compact.
- ASCM world-class standards (SCOR DS, Digital Capabilities & Enterprise Supply Chain Sustainability) – all available FREE of charge to anyone in the world.
- Wide range of certifications (APICS), certificates, training, education and benchmarks which have been leveraged by over 5,000 organizations worldwide, helping navigate their respective journeys to supply chain excellence.

ABOUT ASCM

1957
APICS founded

50,000+
Professional members in 100+ countries with 1,600+ active volunteers

100+
Global Training Partners across 50+ countries and 6 continents

2019
ASCM launched,
ASCM Foundation launched,
~$45M annual revenue

120,000+
Certified professionals

110+
Staff headquartered in Chicago

ascm ASSOCIATION FOR SUPPLY CHAIN MANAGEMENT

The Impact of the Global Supply Chain

Dynamic Forces Challenge the Supply Chain Every Day

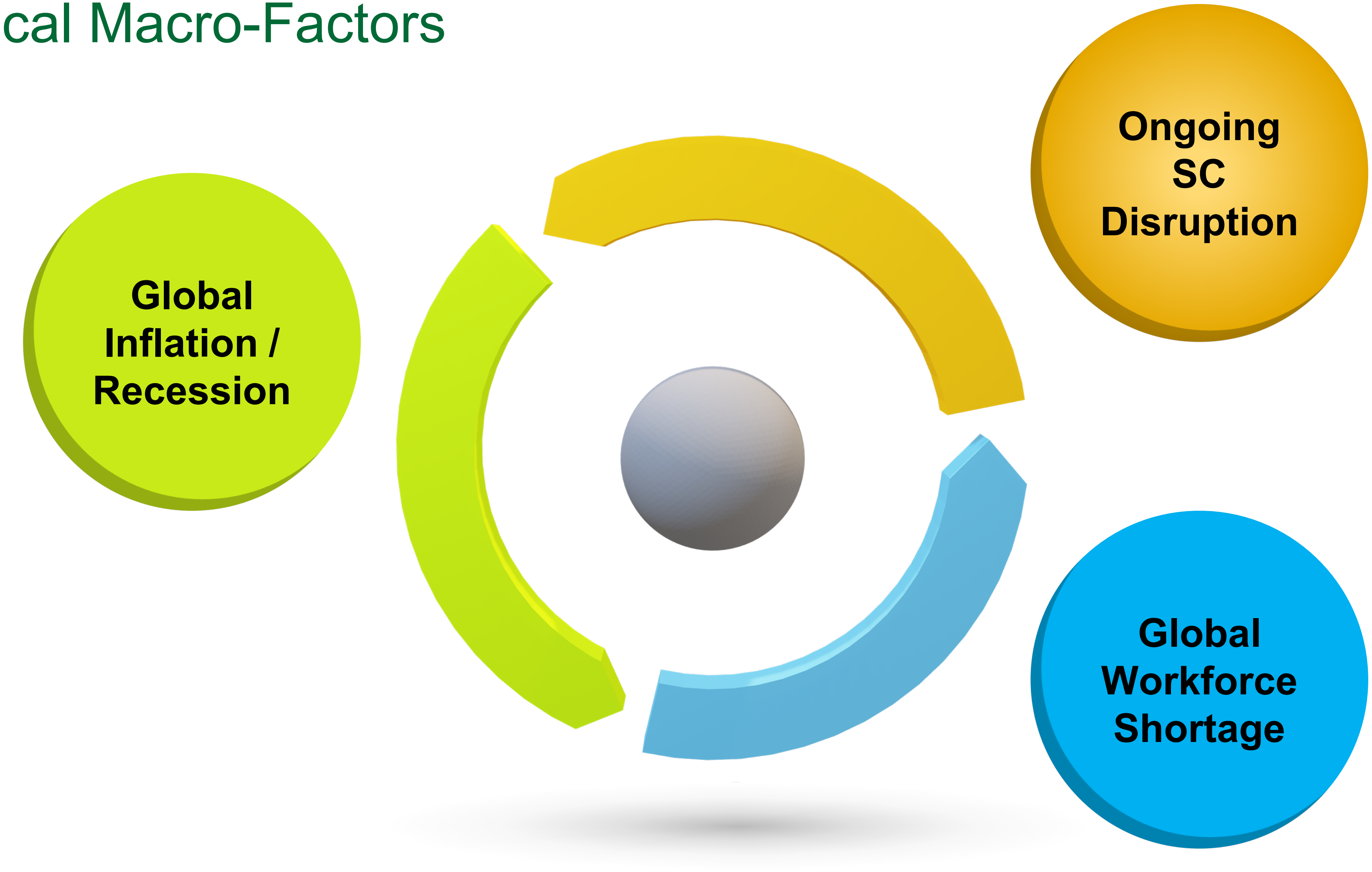
- Coronavirus, diseases
- Tariffs and geopolitical tensions
- Conflict in Ukraine
- Cyber security
- Earthquakes, hurricanes and natural disasters
- Environmental and climate concerns
- Child/forced labor

Disruption – Recovery - Resiliency – Transform

3 Critical Questions are consistently being asked

- When will we return back to "normal"?
- What does the "new normal" look like?
- How can we best prepare for success?

3 Critical Macro-Factors



Pre-Pandemic Supply Chain Strategy

Just in Time (JIT):

Primary focus on increasing efficiency and decrease waste by receiving goods only as they are needed in the production process, i.e. reducing inventory costs. Demand singles are principal data point:

Key Features:

- **Minimized Inventory**: Keeps stock levels very low. Inventory arrives exactly when it's needed for production or sale.
- **Efficiency Focus**: Emphasizes efficiency in production processes and quick response to demand.
- **Cost Reduction**: Reduces costs associated with storage, insurance, and management of inventory.
- **Supplier Relationships**: Requires strong relationships with reliable suppliers for timely delivery.
- **Risks**: High risk if there are supply chain disruptions: demand surges, demand shifts, bullwhip effect results in a lack of inventory buffer that can halt production.

Critical Gaps Identified – **Technology & Talent**

Lack of Visibility

- Data and Information Silos
- Lack of Real-Time Information
- Global and Complex Supply Chains – Beyond Tier 1
- IT Infrastructure and Integration Issues
- Lack of Supply Chain Standardization

Lack of Transparency

- Data Accuracy and Reliability
- Supplier Reluctance
- Compliance and Regulation
- Cultural and Language Barriers
- Cost and Resource Constraints

Lack of Traceability

- Inability to trace origin of raw materials and components
- Balancing Confidentiality and Transparency
- Disparate Information Systems and Data Formats
- Complex Supply Chain Networks

Post-Pandemic Supply Chain Strategy

Just in Case (JIC):

Inventory and production strategy where companies keep large amounts of stock on hand to buffer against potential supply chain disruptions.

Key Features:

- **Higher Inventory Levels**: Maintains higher levels of inventory to prepare for uncertainties.
- **Risk Management**: Focuses on mitigating risks associated with supply shortages or sudden spikes in demand.
- **Increased Storage Costs**: Involves higher costs for storage, insurance, and inventory management.
- **Less Dependency on Suppliers**: Reduces dependency on supplier reliability and external factors.
- **Risks**: Risk of excess inventory, which can lead to increased costs and potential waste.

New Trends and Changes, Year Over Year

2025 Trend Ranking		Change from 2024
1	Artificial Intelligence	2 ↑
2	Global Trade Dynamics and Geopolitical Policies	8 ↑
3	Big Data and Analytics	1 ↓
4	Cybersecurity	4 ↑
5	Agility and Resilience	2 ↑
6	Visibility and Traceability	1 ↓
7	Digital Integration and Connectivity	*
8	Strategic Sourcing and Supplier Management	*
9	Workforce Evolution	*
10	Risk Management	4 ↓

* Last year's broad trend of Digital Supply Chain has evolved into more specific subtrends – Digital Integration and Connectivity, Supply Chain Connectivity, and Technological Innovations in Manufacturing – reflecting the increasing sophistication and specialization of digital supply chain solutions.

New Trends and Changes, Year Over Year

#1 Artificial Intelligence

Artificial intelligence's predictive capabilities will revolutionize supply chain planning and efficiency by analyzing complex patterns, adapting to real-time data, and enhancing forecast accuracy for optimal inventory management.

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New Trends and Changes, Year Over Year

#2 Global Trade Dynamics & Geopolitical Policies

Geopolitical shifts and deglobalization trends will introduce uncertainties in supply chain networks, influencing demand forecasting by necessitating adaptable strategies to navigate changing trade policies and market dynamics.

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New Trends and Changes, Year Over Year

#3 Big Data & Analytics

Employing big data and analytics for demand forecasting will enable companies to extract actionable insights from vast datasets, leading to more precise predictions and informed strategic decisions.

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New Trends and Changes, Year Over Year

#4 SC Cybersecurity

Incorporating robust supply chain cybersecurity measures will safeguard sensitive forecasting data, ensuring the integrity and confidentiality of information crucial for overall operational resilience.

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New Trends and Changes, Year Over Year

#9 Workforce Evolution

The supply chain is changing quickly due to new technologies and leadership approaches, improving resilience and efficiency. However, a skilled labor shortage due to demographic changes and automation makes talent management and skill development essential for future success.

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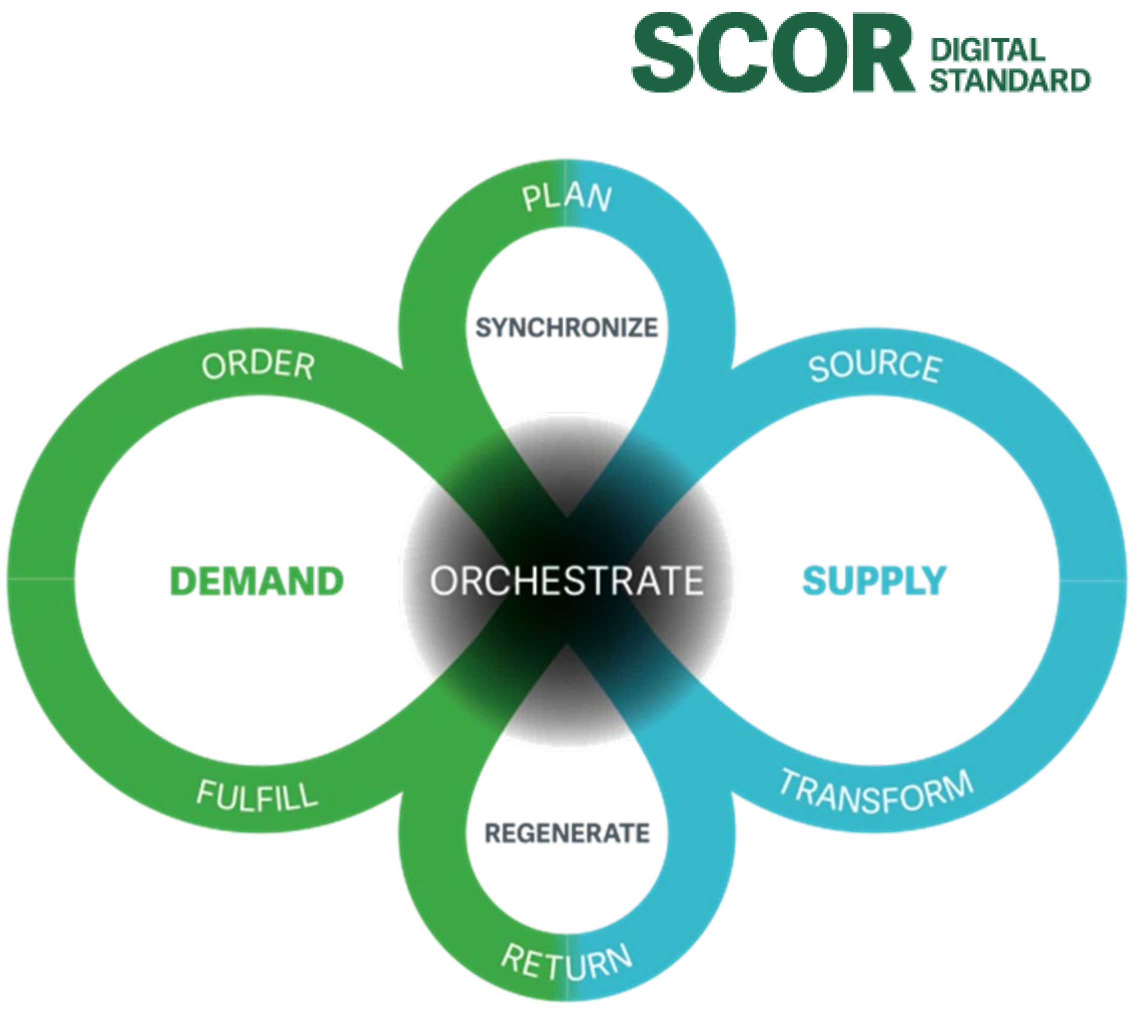
Can talent keep pace?

- Companies are being **reinvented** as a result of technological advancements and digitization.
- Organizational strategy is a continuous readjustment to shifting priorities with workplaces changing quicker than **workers can adjust to new technology and procedures**
- A majority of managers feel their employees will **not be able to keep up with future skill requirements** and workers claim they **haven't even mastered the abilities they have now**.
- Industry leaders have advocated for employee upskilling and reskilling, but it **does not appear to be working.**
- Too many businesses lack a clear understanding of their employees' capabilities or the skills they possess in order to **close the talent gap**

SCOR DS 'Orchestrate' includes ESG and Circular SCM

1. Supply Chain Strategy
2. Business Rules
3. Performance and Continuous Improvement
4. Data, Information, and Technology
5. Human Resources
6. Contracts and Agreements
7. Network Design
8. **Regulatory and Compliance**
9. Risk
10. **Environment, Social and Governance**
11. Enterprise Business Planning
12. Segmentation
13. **Circular Supply Chain Management**



Measuring Sustainability
The Triple Bottom Line

The new SCOR DS incorporates the triple bottom line performance attributes in the supply chain:

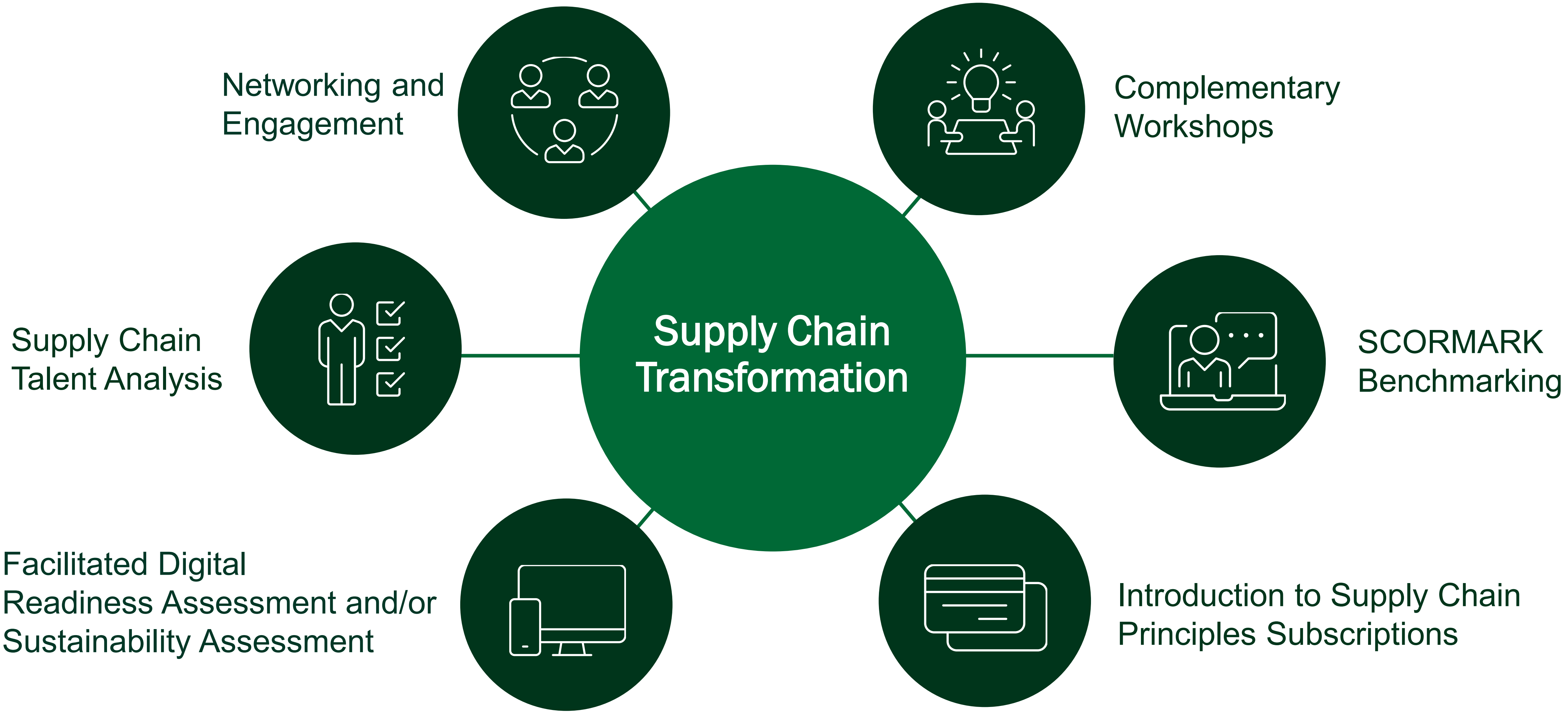
- **Economic**
- **Environmental**
- **Social**

Technology & Fixed Asset Investments must align to equal attention to the Balanced Scorecard.

Resiliency	Reliability	Perfect Customer Order Perfect Supplier Order Perfect Return
	Responsiveness	Customer Order Fulfillment Cycle Time
	Agility	Supply Chain Agility
Economic	Cost	Total Supply Chain Management Cost Cost of Goods
	Profit	EBIT Effective Tax Rate
	Assets	Cash-to-Cash Cycle Time Return on Fixed Assets Return on Working Capital
Sustainability	Environmental	Materials Used Energy Consumed Water Consumed GHG Emissions Waste Generated
	Social	Diversity and Inclusion Wage Levels Training

Organizational Value of ASCM Corporate Membership

ASCM Corporate Membership Helps You Achieve Supply Chain Transformation



“The Chain – How the World Works”

A new series… that takes viewers inside the world of supply chain … six episodes:

Food
Healthcare
Transport
Apparel
Communications
Sport

ASSOCIATION FOR SUPPLY CHAIN MANAGEMENT

Thank You!