

# Supply Chain Visibility Proves Elusive for Procurement Professionals



**A new report unveils core challenges organizations face when working to achieve end-to-end supply chain visibility.**

End-to-end supply chain visibility has always been the Holy Grail for organizations, but even with the proliferation of advanced technology and data, this goal is proving elusive for a wide range of companies. Defined by [Gartner, Inc.](#) as applications that allow enterprises to monitor and manage events across the supply chain to plan their activities more effectively and pre-empt problems, supply chain visibility also appears to be easier for some organizations versus others.

A new [Chartered Institute of Procurement & Supply \(CIPS\) report](#) paints a picture of a business world that, even when it thinks it has its supply chain visibility bases covered, may still be lacking in some important areas. In its report, CIPS says researchers at the University of Warwick's Warwick Management Group (WMG) explored the "reality of supply chain visibility for procurement and supply chain leaders" over the course of a year.

The group studied responses from 267 procurement and supply professionals working in a range of industries and came up with some interesting findings.

"To be able to operate at that level of responsiveness, procurement and supply professionals need accurate, up-to-date information about the location, quantity, quality, documentation, and status of products and materials at each stage of the supply chain. They need supply chain visibility," CIPS says in its preliminary report on the findings (the full report will be released next year).

The question is, are companies getting the visibility levels they need? And do they have the technology in place to deliver it? Finally, is the technology delivering real insight rather than just generating more dashboards?

"What seems to be emerging from the research is that organizations often believe that they have this kind of visibility and oversight in place, but may at times be giving themselves a false sense of security," CIPs points out. "If push came to shove, and they need to adjust to a "dynamic situation," they may not always have the necessary tools in place."

## Four Snapshots

Digging down deeper, the organization posted four questions, each of which yielded some insightful responses from the procurement and supply chain professionals surveyed. Here are the four "snapshots" that CIPS outlined in its report:

- When asked whether their organization has continuous visibility of supply and demand levels through the supply chain, there's a clear spread of opinion. Out of 125 respondents to this particular survey question, close to one-third do not have continuous visibility. Just 28% strongly agree that they have continuous visibility.
- Next, respondents were asked whether they have continuous visibility of inventory levels throughout the supply chain. CIPS says more than half the respondents claim a good level of visibility, while 46% either "somewhat" or "strongly" disagree with the statement. So even in the past-pandemic world, just under 50% of companies lack continuous visibility of inventory levels.

- Respondents were also asked whether their companies currently have supply chain visibility software in place. More than half of respondents strongly disagree, disagree or will not commit on whether or not they're using supply chain visibility software. And 33% of companies aren't currently using any type of supply chain visibility software.
- Finally, the procurement and supply chain professionals were also asked whether the firms used tracking technology to improve control over the flow of products within the supply chain. This is another area that many companies haven't invested in, according to CIPS, which says 27% of respondents are using tracking technology, while 48% either don't use it or are only using the software some of the time.

### **The Pressure is On**

The pressure is on procurement and supply leaders to have and provide high levels of supply chain visibility, which helps mitigate risk, enables quick response to fast-changing events and gives the C-suite reassurance about good supply chain practices.

So do global procurement and supply professionals have the supply chain visibility they think they have? CIPS says the early signs indicate: not always. As supply chain risk and complexity both continue to increase, expect to see more companies placing a bigger emphasis on visibility.

“Supply chain visibility involves having a clear and comprehensive view of the entire supply chain,” Ahmed Tarek El-Said, assistant professor at the University of Warwick, said in the report, “including all companies, organizations, and processes involved in the production, transportation and delivery of products and materials.”