

# Survey from PMP Research finds the vast majority of companies fail to achieve the expected benefits from their supply chain and manufacturing systems

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## SUPPLY CHAIN & MANUFACTURING SYSTEMS FAIL TO DELIVER

A new survey from PMP Research finds the vast majority of companies fail to achieve the expected benefits from their supply chain and manufacturing systems

Only a tiny minority of companies are happy with the results of their investments in supply chain and manufacturing software, according to the latest survey on this topic from PMP Research.

Just 2% of those polled feel they have realised all the benefits they expected to gain from their current systems. A third (32%) report no success so far, but are hopeful of seeing benefits in the future. But 10% state that they have identified no benefits to date and feel they are very unlikely to do so.

The challenges of operating faster and more flexibly than ever before emerge as key issues for most companies. Compared to two years ago, 40% of the sample say that the product lifecycle of their best-selling items is shorter than it was.

A third of companies have a typical product lifecycle of under two years, with 9% updating products every six months. Added to this, 60% of organisations say their products are now more customised or personalised and that they are offering a greater choice of options.

The impact of this is evident in the survey's finding that 38% of companies describe re-engineering their supply chain as an 'ongoing process', with 46% expecting to be re-engineering on a continuous basis in the future.

Lack of enthusiasm for online services amongst suppliers and customers is cited by more than half the sample as the reason why collaborative working along the supply chain has been slower to take off than predicted.

Organisations are also worried about the accuracy and reliability of the information in their core systems, with one in five indicating they are 'unhappy' about poor data and 68% reporting that they have projects in place to address this.

Despite disappointing results to date, companies indicate that they intend to keep up their spending in this area. Half (48%) reckon they are currently putting about the same amount of money into supply chain and manufacturing systems as they did three years ago, while 37% claim to be spending considerably more.

For this survey PMP Research polled a range of UK-based organisations, 60% of which are active in the manufacturing sector.

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Note for editors:

About PMP Research

PMP Research, founded in 1990, is the leading European independent analyst firm and part of PMP Group Services. The firm provides bespoke research, analysis and consultancy on a UK, European or global basis, typically within the IT, telecoms and professional services markets.

Clients include Accenture, KPMG, AT&T, Cisco, Oracle and SAP.

PMP Research being part of the PMP Group, has access to a database of over 68,000 individuals. This unique facility reduces cost and timescales for any project undertaken.

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