

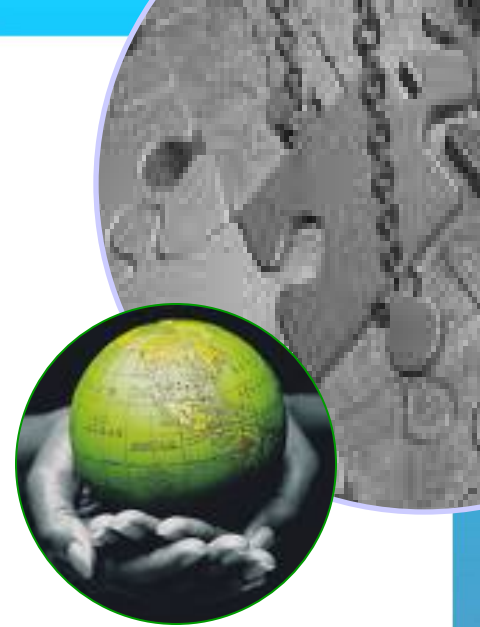
# SCRLC Standards Survey

- Establishing a foundation

Leeya Cutburth

*Intern, Global Supply Chain Health Organization*

Wednesday, May 19, 2010



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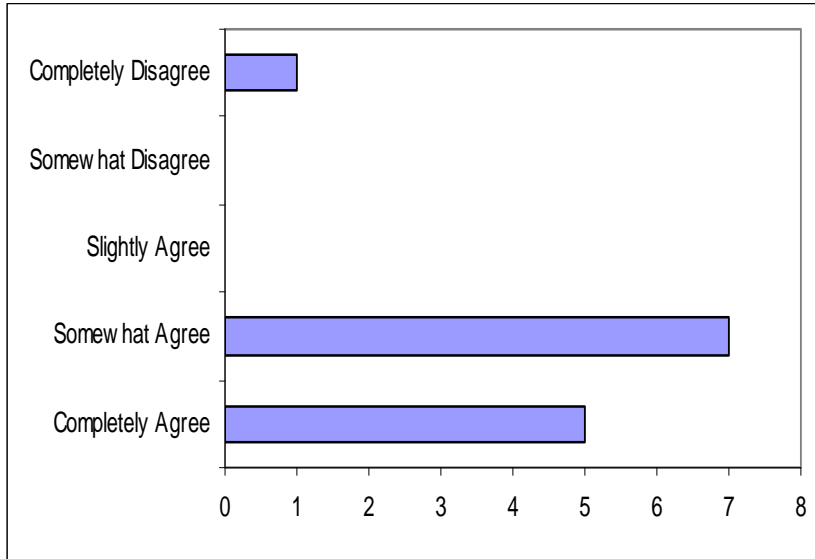
# Details



Start date:	Thursday, February 18, 2010
Stop date:	Friday, February 26, 2010
Completed responses:	13
Number of invitees:	45
Invitees that responded:	13
Response rate:	28%

**Although the participation was <30% the industry representation was well balanced**

# Do you align with the basic process of managing supply chain risk as outlined in the attached ISO 31000 Draft?



Item	Count	Percent
Completely Agree	5	38.46%
<b>Somewhat Agree</b>	<b>7</b>	<b>53.85%</b>
Slightly Agree	0	0.00%
Somewhat Disagree	0	0.00%
Completely Disagree	1	7.69%
<b>Total</b>	<b>13</b>	<b>100%</b>

## Feedback:

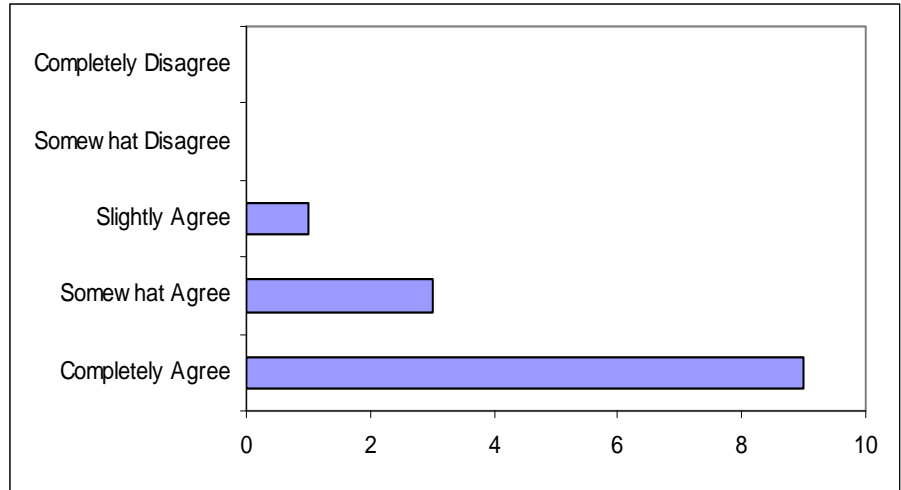
- I think this working group is getting pulled too far into the weeds. We're arguing over the risk management framework when we all agree on the foundation. I shouldn't have to commit to ISO 31000 if I want to use the Supply Chain Resiliency Standard. One doesn't necessary require the other.
- Let's not throw the baby out with the bathwater. Take a step back from your personal likes and dislikes and stay focused on our charter
- ISO 31000 provides a pragmatic, useful approach to risk management, one that can be applied immediately within supply chains.
- It was much more pleasurable to read than ISO 28002. It immediately initiated a thinking process, i.e. I tried regularly to translate the ISO description and recommendations into specific process steps which we have already embedded or which we should embed.
- On the other hand, it is not really a hands-on guideline but it is definitely triggering a thought process.
- It's general enough and leave the SCRLC room to drive a meaningful best practices guide discussion.
- Without having read ISO 31000 in detail it's difficult to know but the framework sounded good at the SCRLC meeting and given that it's already in place it minimizes effort needed to align".

# Is ISO 31000 an applicable standard to develop our objectives and approach in managing supply chain resiliency?



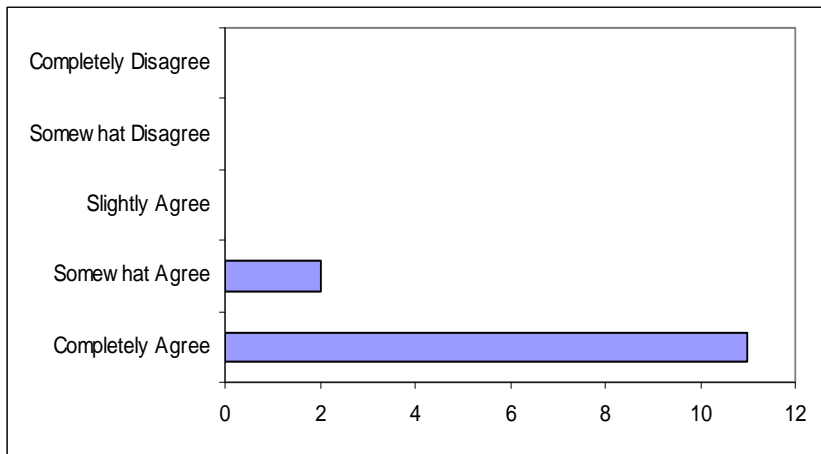
## Feedback:

- Risk management forms the core of resiliency, encompassing the identification, analyses, evaluation and treatment of risks. Risk treatment is also critical to resiliency and must address the identified risks (e.g. business continuity planning to manage the risk of disruptions in the supply chain; crisis management planning to ensure an event does not escalate to crisis proportions). An integral part of resiliency is the ability to detect, as early as possible, the onset of a risk event -- this can reduce response times, magnitude of consequences, and time to recover. Robust, and ongoing, risk management forms the basis of resiliency.
- It sounded like it but I can't know without seeing ISO 31000.
- I think this is a good fit for what we're trying to do, yes.
- Much better than our previous direction.
- Since the standard applies to management of enterprise-wide risk, it is ideal to apply to SC exposures. Using a common standard also encourages an integrated, consistent approach that enables better aggregation and correlation of data across the company.
- ISO31000 provides a good baseline for the development of an resiliency standard. It is not too detailed, is leaving room for individual development to suit companies need. Can't see any potential conflict with a future resiliency standard".



Item	Count	Percent
<b>Completely Agree</b>	9	<b>69.23%</b>
Somewhat Agree	3	23.08%
Slightly Agree	1	7.69%
Somewhat Disagree	0	0.00%
Completely Disagree	0	0.00%
<b>Total</b>	<b>13</b>	<b>100%</b>

# Do you agree with the basic principles of the Risk Identification, Risk Analysis, Risk Evaluation, and Risk Treatment?



Item	Count	Percent
<b>Completely Agree</b>	11	<b>84.62%</b>
Somewhat Agree	2	15.38%
Slightly Agree	0	0.00%
Somewhat Disagree	0	0.00%
Completely Disagree	0	0.00%
<b>Total</b>	<b>13</b>	<b>100%</b>

## Feedback:

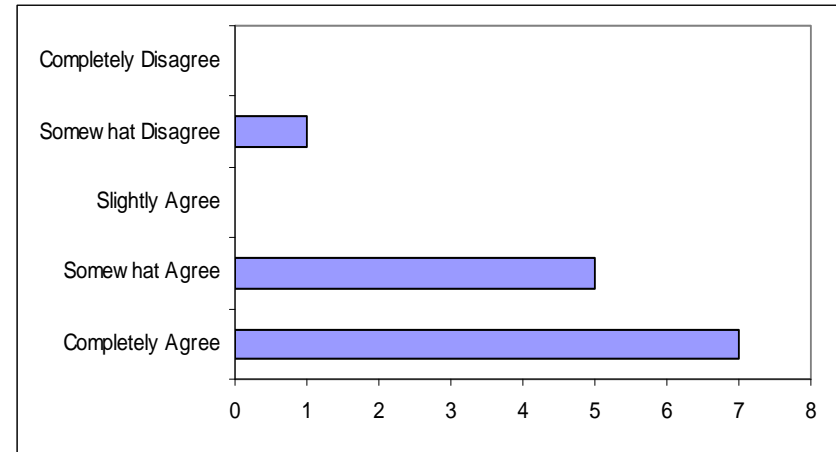
- YES!
- Is pretty much textbook approach, generic, in most companies already embedded, therefore implementation of a supply chain resiliency measure will be more evolutionary than a big revolutionary change. This has a much better chance of acceptance and usage.
- I think it includes monitoring as well, which is the only one missing from this list

# Adding the core supply chain definitions as defined in SCOR ( Plan, Source, Make, Deliver, Return ) creates additional clarity to this document in managing supply chain resiliency.



## Feedback:

- Feel the SCOR model provides the basic building blocks of supply chains, and thus SCRM. However, the potential exists in that the model can oversimplify supply chains and ignore the networked and interconnectness complexity inherent in today's environment. It can also lead to supply chain risk management being performed in silos.
- I think this approach may be useful and resonate well with supply chain practitioners”, “It offers a common, known approach which would be helpful”, “Link to
- SCOR would provide a better emphasis on Supply Chain Management without taking away the generic character of ISO31000.
- I can imagine a simple cross-reference instead of a document merge. ISO31000 is referencing ISO Guide 73 and 31010. In the same way we may link in the future any kind of standard we develop within the SCRLC for Supply Chain Resiliency
- Should align with the SCC team that added risk to the SCOR model to help with alignment of processes, metrics, and practices.
- The best practice of managing SC efficiency cost, security etc) do not necessarily equate to the management of the RISK in the SC. In fact, well intentioned steps taken to drive cost out often drive risk in. Thus, we should be careful how we frame up the definitions.
- We should also look at other global best practice sourcing models to ensure we have covered all bases”.



Item	Count	Percent
<b>Completely Agree</b>	7	<b>53.85%</b>
Somewhat Agree	5	38.46%
Slightly Agree	0	0.00%
Somewhat Disagree	1	7.69%
Completely Disagree	0	0.00%
<b>Total</b>	<b>13</b>	<b>100%</b>



# Would you participate in a controlled assessment to determine if your company has Best Practices, once a draft is completed?

Option	Count	Percent
Yes	11	84.62%
No	2	15.38%
Total	13	100%

## If "NO" would you allow a neutral third party?

Option	Count	Percent
Yes	0	0
No	2	100.00%
Total	2	100%

### Feedback:

- Assuming I can get management support to do so.
- Given the caveat that we are in the early stages of implementing a global supply chain risk management program.
- I will do as much as I can to support this. I will have to confirm with the organization on how and what we share, but I don't think it is a big issue.
- In principle yes, preferably cross-sector. Final decision pending who (which company) wants to assess us
- Our company is primarily a services firm; however, we can share the best practices we developed for the SCOR model", "We would need to get alignment and consensus around the controlled process".

### Feedback:

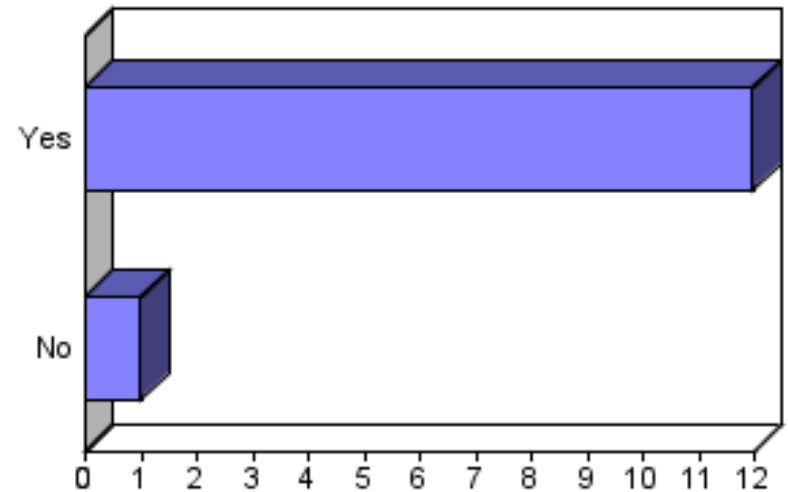
We are in the initial stages in developing a risk strategy for our enterprise and an assessment would not be seen as value added at this time

# Could we count on your participation in the Standards Development Work Group 2?



## Feedback:

- I am very supportive of best practice supply chain risk standards being developed.
- Time dependant of course.
- Would like to support actively.
- I'm in the Security working group”.



Option	Count	Percent
Yes	12	92.31%
No	1	7.69%
Total	13	100%

# Next Steps.....



- To use ISO31000 as the foundation for determining **Best Practices**
- To develop a **Maturity Model** assessment to identify **Best Practices** within the SCRLC member companies
- To provide a document of **Best Practices** to our SCRLC member companies
- To use these **Best Practices** as the vehicle to influence standards





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APPLIED MATERIALS®

# SCRLC members which have responded



## Participants of Survey

grover.thurman@foxconn.com  
hank.koller@intel.com  
jacqueline\_thatcher@merck.com  
jbrown3@na.ko.com  
kenneth.d.konigsmark@boeing.com  
lasolomo@cisco.com  
linda.conrad@zurich.com  
Marc\_Fernandez@Edwards.com  
nick.wildgoose@uk.zurich.com  
patrick.nowatzky2@rolls-royce.com  
robert.weronik@ge.com  
SmolaRobertJ@JohnDeere.com  
twilkerson@lmi.org