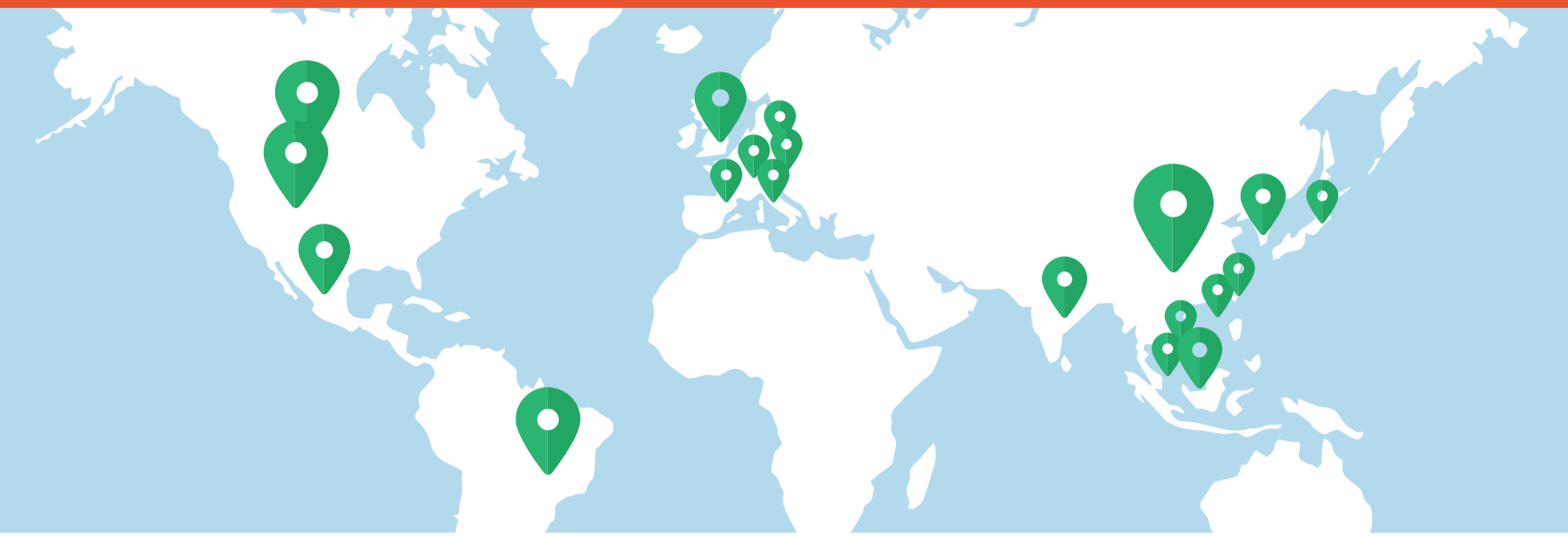


Electronics Manufacturers Need to Adapt to Effectively Manage the New High-Tech Supply Chain

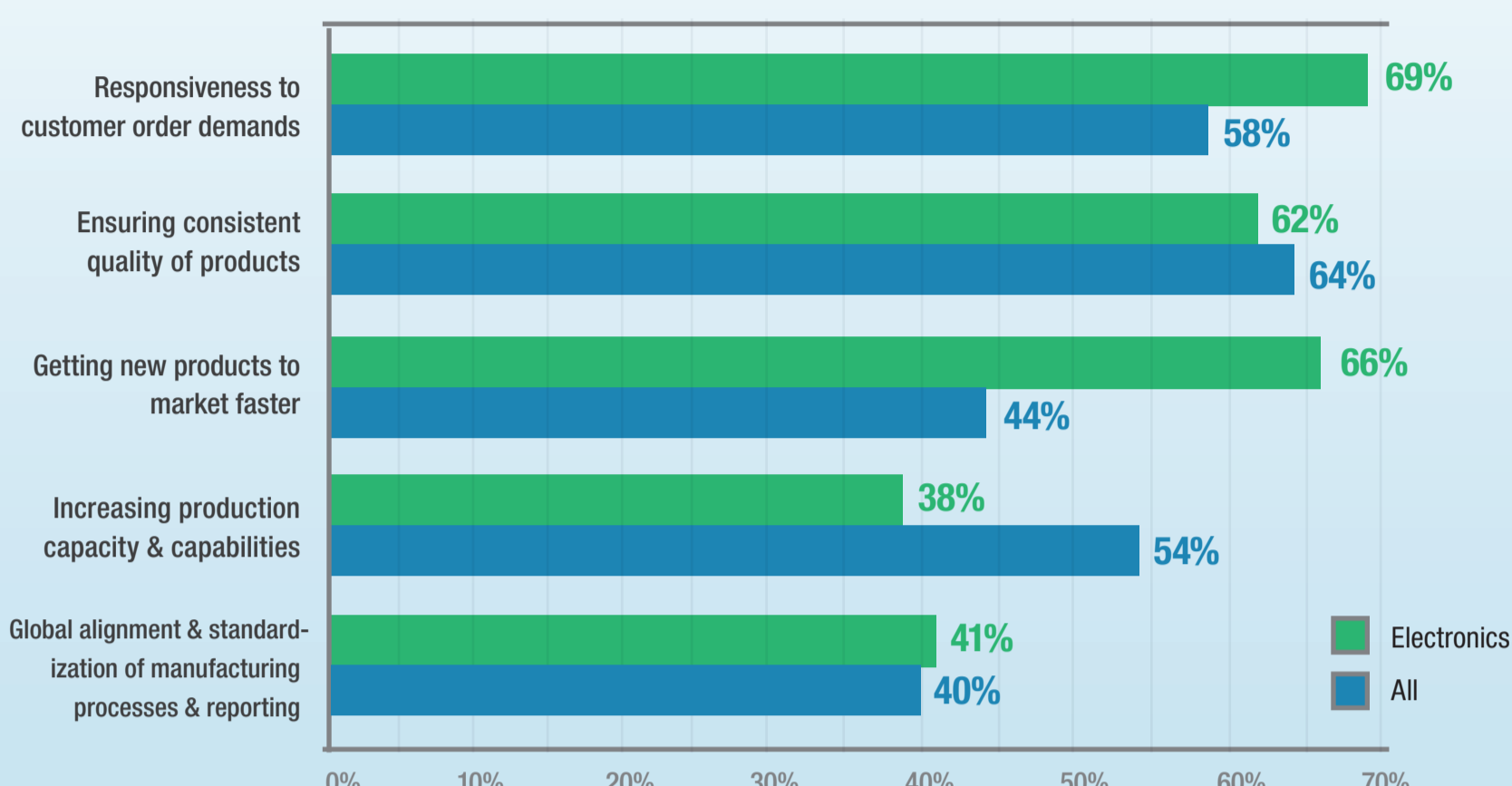
There is no supply chain quite like the electronics supply chain.

In many ways, it is the most global, fast-paced, and dynamic in the world.



Whether they're large or small, electronics manufacturers face pressure to get more products to market more quickly, among other market challenges. We highlight some of those challenges in the recent Manufacturing Operations Management survey of over 500 companies.

Top Operational Challenges



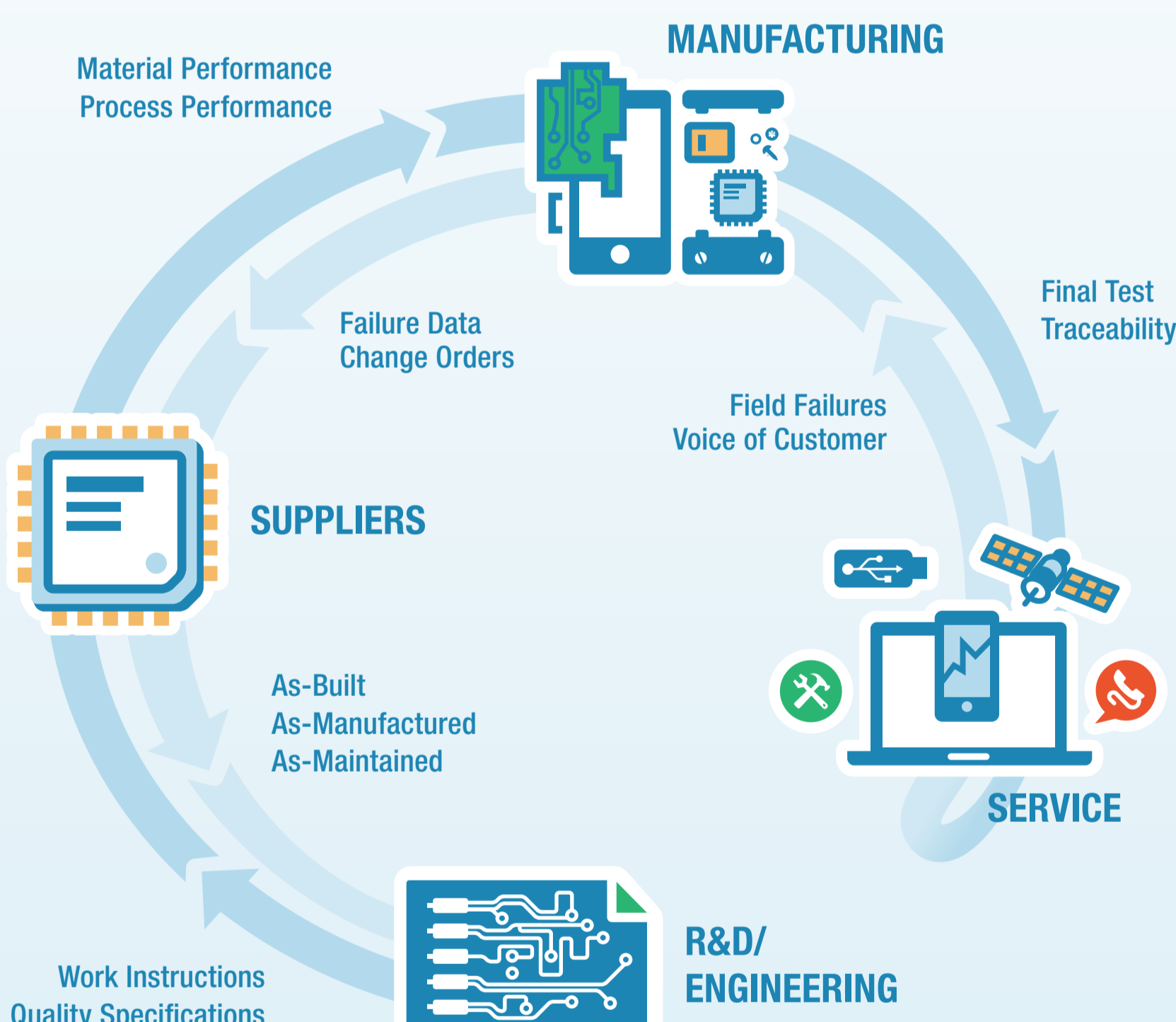
Focusing on Growth

Electronics manufacturers are focusing on how to support profitable growth, being almost 20% more likely than other manufacturers to be focused on responsiveness to customer demands and 50% more likely to be focused on getting new products to market, all while ensuring consistent quality.

It is not surprising electronics manufacturers are focused on these objectives. When the median performances in these metrics are examined, electronics manufacturers are actually underperforming in these areas, largely due to constantly compressing demand forecast (<30 days) and new product launch cycles (<6 months).

	All Industries	Electronics Manufacturing
On-Time and Complete Shipments	88%	86%
Successful New Product Introductions	80%	54%

To improve in these areas, electronics manufacturers need to invest in an end-to-end, cohesive manufacturing strategy that aligns processes and connects operations with both internal and external collaborators, and provides both collaboration and real-time visibility of performance.



Proven Benefits

In fact, companies that have taken this approach and implemented the following capabilities have enjoyed considerably higher performance.

	OTCS Improvement (On-Time and Complete Shipments)	NPI Improvement (New Product Introductions)
Formal continuous improvement or Lean Manufacturing group established with executive leader and reporting structure	10%	14%
Manufacturing/Operations Intelligence Software	6%	7%
Product Lifecycle Management (PLM) Software adopted	7%	10%
Processes in place to rapidly respond to changes in supply and demand	16%	na
Processes in place to speed new product designs to volume in manufacturing	na	20%

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