

**PRESS RELEASE**

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**Transportation is Biggest Supply Chain Risks for 1st Quarter 2021**

LRMI shows supply chain managers worried about the strain pandemic is putting on on-time deliveries.

The [Lehigh Business Supply Chain Risk Management Index](#) for the first quarter is nearly unchanged from the fourth quarter, but the transportation risk showed a marked increase.

The LRMI identified the top four risk categories in rank order for the first quarter of 2021 when compared head-to-head are transportation, customer, economic and supplier risk. The other six categories are cybersecurity and data, government intervention, environmental, operational, technological and quality risk.



“The transportation risk had the biggest change, rising almost eight points since last quarter,” said [Zach G. Zacharia, Ph.D.](#), associate professor of Supply Chain Management and director of the Center for Supply Chain Research at Lehigh. “While several transportation executives have told me they are having their best year ever, supply chain managers expect an increase in transportation risk from the stress that new E-commerce growth has placed on the system.”

“Due to the increase in online shopping and vaccine shipments, carriers have had to increase prices as they hire additional help,” said Zacharia. “It will be interesting to see how long retailers can hold on to their free delivery policies.”

The LRMI reports quarterly on how supply chain managers rank 10 broad areas of supply chain risk. A unique aspect of the LRMI is that the quarterly reports include a sampling of candid comments from supply chain managers about each risk category that take you beyond the numbers.

Comments from the fourth quarter report include:

- Uncertainty around COVID-19 related labor issues, lockdowns and business disruptions.
- China and Asia have returned to pre-pandemic levels in manufacturing and the U.S. may not be able to compete.
- The increase in remote workers makes cybersecurity an increasing concern.
- The change in administrations could lead to a more restrictive and regulation filled environment.
- [Read more comments.](#)

The LRMI was developed by the [Center for Supply Chain Research at Lehigh University](#) and the [Council of Supply Chain Management Professionals](#) to help rank 10 broad categories of supply chain risks.

“This report allows executives, not just supply chain managers, to look ahead and prepare for risks the experts are saying may become important to manage,” said Zacharia.

LRMI reports will be available every quarter on September 15, December 15, March 15 and June 15.

To get the latest report for free and to find out how supply chain managers can take the LRMI survey for the next quarter go to: [business.lehigh.edu/LRMI](https://business.lehigh.edu/LRMI).

[Listen to the iLLUminate podcast about the LRMI and the first quarter of 2021.](#)

**About the Center for Supply Chain Research at Lehigh**

CSCRL bridges theory and practice to promote a collaborative exchange of ideas on critical issues affecting supply chain management. By leveraging Lehigh's faculty, students, alumni and industry partners, the Center brings the latest developments in research and best practices together to generate new ideas for education and future knowledge in the field of supply chain management. [Learn more.](#)

**About the Council of Supply Chain Management Professionals**

CSCMP's mission is to connect, educate and develop the world's supply chain management professionals throughout their careers. No matter where you are in your career development, CSCMP has the resources and network to help you achieve your goals. [Learn more.](#)