

**PRESS RELEASE**

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**Supply Chain Managers Worried about Government Intervention**

Lehigh Business Supply Chain Risk Management Index shows concern with tariffs, trade wars and regulatory restrictions.

**BETHLEHEM, PA, June 22, 2024** | The results of the [Lehigh Business Supply Chain Risk Management Index](#) for the third quarter of 2024 show cybersecurity is the biggest risk on supply chain managers' minds for the sixth straight quarter, although at its lowest level in the last three quarters.

“What’s interesting in the LRMI this quarter is the second and third place risks,” said [Zach G. Zacharia, Ph.D.](#), associate professor of supply chain management and director of the Center for Supply Chain Research at Lehigh.

“The government intervention score surged over five points, to its highest level in the past four years, going from number three to number two on the list. This reflects managers' worries about tariffs, trade wars and regulatory restrictions on source materials, methodologies or technologies.”

Economic risk has climbed from sixth to the third highest risk. “This speaks to supply chain managers' concerns about rising energy costs, commodity price volatility, labor shortages, sudden demand shocks, global energy shortages and border delays,” said Zacharia.

According to the LRMI, the average total risk index increased slightly, compared to last quarter, but remains low compared to the average risk historically.

The LRMI was launched in 2020 by the [Center for Supply Chain Research at Lehigh](#) and the [Council of Supply Chain Management Professionals](#) in order to rank 10 broad categories of supply chain risks. Zacharia says that the LRMI allows executives and supply chain managers to look ahead and prepare for risks that will become important in planning for the next quarter. The risk categories are cybersecurity and data, customer, economic, environmental, government intervention, operational, quality, supplier, technological and transportation disruption.

A unique feature of the LRMI is the opportunity to compare across all 10 risk categories directly against each other, instead of scoring each individually. When supply chain professionals take that approach, the top four risks for the third quarter of 2024 are economics, cybersecurity, government intervention and customer.

Another important aspect of the LRMI is that the quarterly reports include a sampling of candid comments from supply chain managers about each risk category that takes you beyond the numbers. Comments from this new third quarter report include:

- Hackers are more agile than internal IT resources. Password management is a growing problem.
- There will be a continued increase in cyber-threats as AI offers criminals more options.
- Inflation, political division and increased global aggression are impacting us.
- Government intervention risk is unpredictable, yet constant.
- Russia is especially worrisome. The geopolitics in Europe are similar to 1939.
- Our customers view labor shortage as the number one risk to their businesses.
- [Read more comments.](#)



LRMI reports are available every quarter in March, June, Sept. and Dec.

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).

**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.](#)

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