

The background of the slide is a dark blue, semi-transparent image of a warehouse interior. It shows tall stacks of shipping containers in various shades of blue and grey. A forklift is visible in the center, lifting a container. The overall scene is dimly lit, with the primary light source being the text and logo.

BUILDING A STRONGER SUPPLY CHAIN - 4
STEPS TO RESILIENCE

WHY SUPPLY CHAIN RESILIENCE IS CRITICAL

Given the turbulent times all companies are experiencing, now more than ever, the strength of their supply chains are being called into question. COVID-19 has seen companies have their supplies, transportation routes, workforce, and screening protocols all impacted significantly. As such, it's become clear which companies have powerful, adaptable, and agile supply chains capable of weathering whatever unforeseen events the world throws up and which don't.



WHY SUPPLY CHAIN RESILIENCE IS CRITICAL

The one attribute central to those companies, the trait that separates those companies and their supply chains from the rest is resilience. To some degree resilience comes in the form of mindset and culture. The ability for a company to expect and cope with the unforeseen impediments that come its way. However, it is just as much a way of being—an operational standard. To be resilient, companies also have to be prepared for every possibility, poised in the face of disaster.

With that in mind, here are 4 steps to make your supply chain more robust as well as the critical advantages that come individually with each measure.



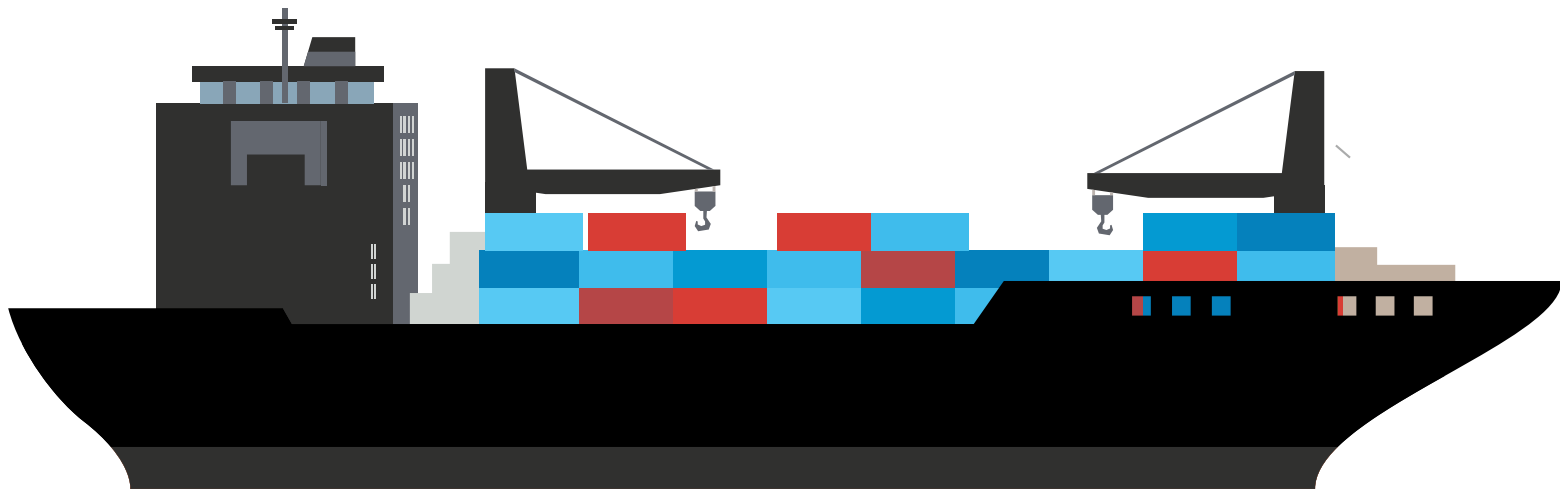
EVALUATE RISK AND ADDRESS PROBLEM AREAS

Every supply chain can be better. They are all going to have areas of vulnerability that can be shored up. Thus, that's where to begin when trying to build a more resilient supply chain. Take a look at the entirety of your supply chain and run a risk assessment of it. There are going to be stronger areas and weaker ones. As your first measures, you have to identify your most glaring areas of risk, plan out how to strengthen them, and then enact those plans.

EVALUATE **RISK** AND ADDRESS PROBLEM AREAS

NOTABLE ADVANTAGES

- A full picture of your weaknesses
- A game plan as to how to improve
- Actionable insights of shortcomings



MEASURE RISK THROUGHOUT EACH STEP ALONG YOUR SUPPLY CHAIN

This may appear the same as the recommendation before this one. It's not. Where that was a broad overview, this about specifics. Instead of looking at your supply chain as a whole, here you should look at its specific parts individually. Once you've done this, you'll have a granularity to your risk management unlike that outlined earlier.

As an article from Supply Chain Digital recommends:



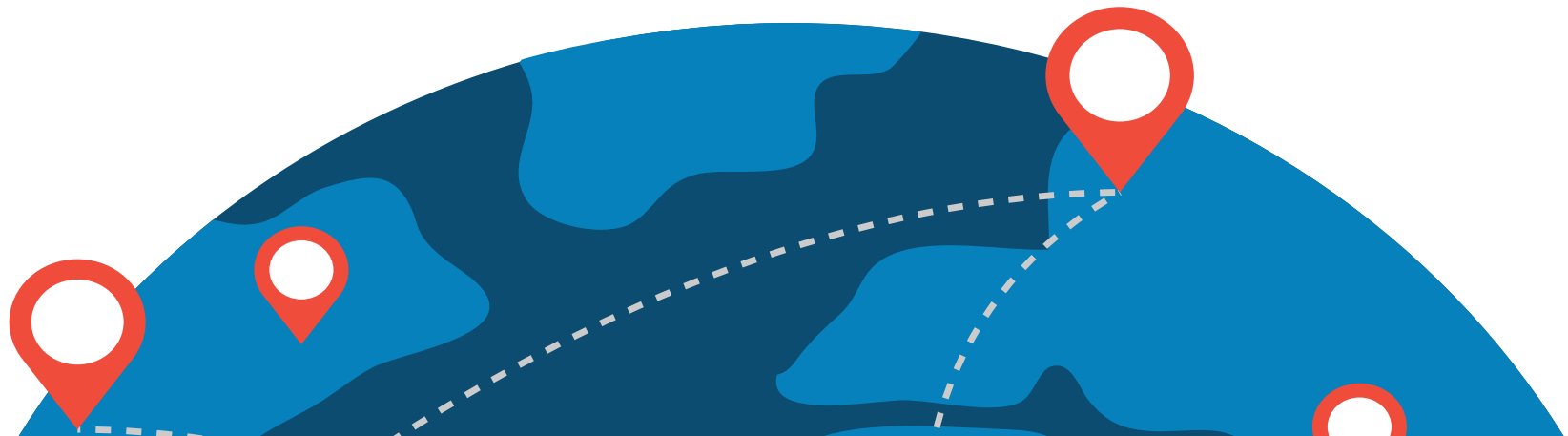
ENTERPRISES SHOULD WORK OUT SUPPLY CHAIN NETWORKS FROM END CONSUMERS TO TIER-N SUPPLIERS. COMPANIES SHOULD DEVELOP A METHODOLOGY TO MEASURE RISK FOR EACH SUPPLY CHAIN NODE, WAREHOUSE, FACTORY, SUPPLIER OR TRANSPORTATION NODE.



MEASURING RISK

NOTABLE ADVANTAGES

- An opportunity to strengthen every facet of your supply chain
- An analysis of every component of your supply chain
- A greater understanding of the strength of your operations



DIVERSIFY YOUR SUPPLIERS

Even if your suppliers don't appear to be an area of risk, they are still worth diversifying. This is because no matter how reliable your suppliers have been up until now, they can always suffer unforeseen problems that leave you at their mercy. Having more suppliers reduces that risk and, in turn, takes away that sense of dependency on any one of them. Moreover, having more suppliers to work with breeds a healthy sense of ingenuity.

A post by Construction Executive expounds on this:



THE “IF IT AIN’T BROKE, DON’T FIX IT” MENTALITY SEEMS TO PERMEATE A LOT OF OPERATIONS AND PROCUREMENT IN BUSINESSES WITH A STATIC LISTS OF SUPPLIERS, WHICH ULTIMATELY PUTS UP A ROAD BLOCK TO INNOVATION AND REMOVES CREATIVE POTENTIAL FOR COMPANY IMPROVEMENT. BY WORKING WITH A DIVERSE LIST OF VENDORS, YOU EXPOSE YOURSELF TO NEW WAYS OF OPERATING AND EVEN UNTAPPED MARKETS.



DIVERSIFYING SUPPLIERS



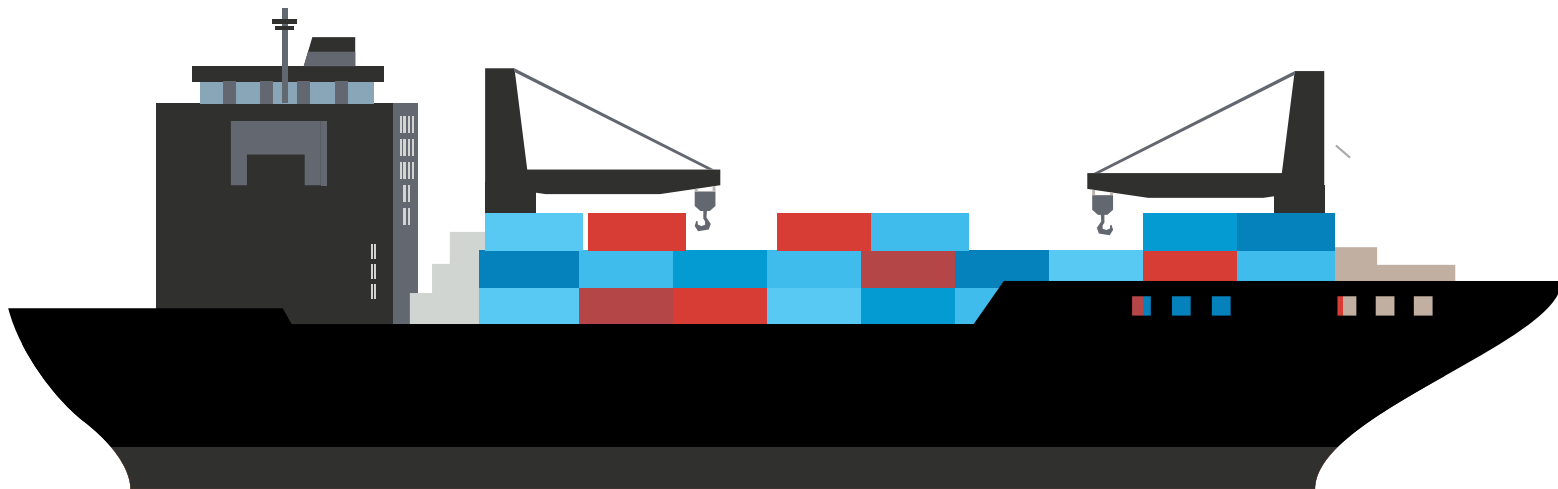
NOTABLE ADVANTAGES

- A diffusion of risk
- Reduced dependency on a single supplier
- A broader view of supplier options and benefits

DIGITIZE AND AUTOMATE YOUR MANUFACTURING

A final step worth taking when boosting supply chain resilience, is to digitize and subsequently automate your manufacturing. This introduces a degree of reliability to your manufacturing that simply isn't possible with people. No one person is responsible for your operations, but rather the whole system is set to operate how you want it.

Moreover, automation, without the shortcoming of the uneven output of manual labour allows for your production to be standardized and sped up. While having it all digitized means you gain a better view of your manufacturing and can better integrate it into the totality of your digital supply chain processes.



DIGITIZATION & AUTOMATION



NOTABLE ADVANTAGES

- Reduced labour dependence
- Standardization of output
- Streamlined operations (greater integration)

SOURCES

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<https://www.constructionexec.com/partner-article/five-reasons-to-diversify-your-supplier-list>

