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Strengthening today's supply chains for tomorrow

Ever since the World Health Organization (WHO) declared the global COVID-19 outbreak a pandemic on March 11, nearly every country has been hard-pressed to contain the spread of the coronavirus. The global economic turmoil caused by the rapid spread of COVID-19 has significantly impacted supply chains of industries. This article lists key considerations to help companies build a resilient supply chain.

End-To-End Supply Chain Risk Assessments

Regular checks must identify changing demand and inventory levels to locate critical gaps in supply, production capacity, warehousing and transportation. A real-time supply chain risk intelligence system should also be in place to provide early warning in case of potential and pervasive disruption to the supply chain.

Robust Risk Management and Diversified Supplier Network

Enterprises should map out supply chain networks from end consumers to tier-N suppliers. Firms should establish a methodology to measure risk for each supply chain node/arc-like channel, warehouse, factory, supplier, or transportation mode.

Digital and Automated Manufacturing Capability

A strong manufacturing excellence program enabled by digital technology can allow the standardization of daily work and job aids, relieving the pressure of relying on specific individuals to maintain operational performance.

Evaluate and Adjust Procurement Category Strategic Priorities

Procurement should be transformed into a value-generation function through adjustments to category strategic priorities, defining new business relationships with suppliers to meet the company's overall supply chain objectives. By enabling various technologies and factoring in category strategic priorities across variables such as cost, quality, delivery, innovation, etc. will also help drive resiliency.

More Collaborative and Agile Planning & Fulfillment Capability

IoT devices for demand sensing and goods movement tracking to advanced forecasting solutions and social media demand behavior monitoring are heavily impacting how companies understand demand signals and how quickly they can react to them.

Building a Resilient Supply Chain

It is time for companies to rapidly assess, recover, and respond quickly through numerous obstacles and challenges that remain, as building towards a resilient supply chain will be at the epicenter of future discussions for years to come.

Excerpts from: <https://www.bworldonline.com/strengthening-todays-supply-chains-for-tomorrow/>