

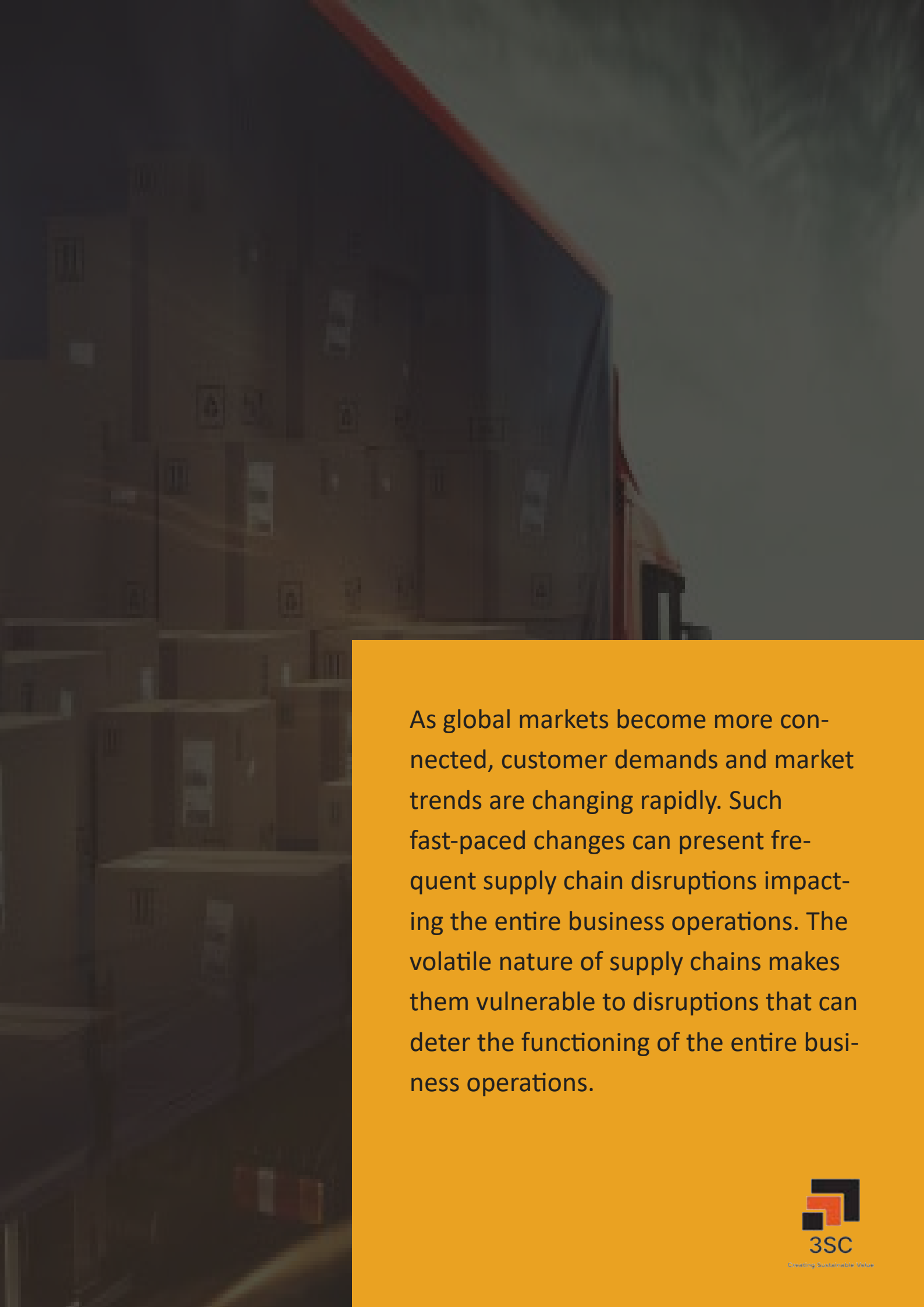


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Creating Sustainable Value



5 steps to mitigate Supply chain disruptions in 2023



As global markets become more connected, customer demands and market trends are changing rapidly. Such fast-paced changes can present frequent supply chain disruptions impacting the entire business operations. The volatile nature of supply chains makes them vulnerable to disruptions that can deter the functioning of the entire business operations.



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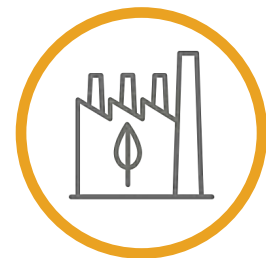
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These five measures can make your supply chain resilient and proactive, making it adaptable to any disruptions and exceptions.

Strong supply chain data management

Implement a robust data management system that can collect, store, and analyze data from various sources, including internal systems and external partners. This system should also be able to automate data entry and ensure data accuracy and integrity. In addition to that, organizations should develop data governance policies that clearly define the roles and responsibilities of different departments in managing data, as well as the standards for collecting, storing, and using data.





Incorporate Advanced Technology in Supply Chain Planning

Incorporating advanced technology into supply chain planning can help organizations achieve greater efficiency, accuracy, and agility in their operations. Using Artificial Intelligence (AI) and Machine Learning (ML) to automate and optimize key processes such as demand forecasting, inventory management, and transportation planning. Advanced analytics tools and techniques, such as predictive analytics and simulation, to better understand supply chain risks and opportunities and make informed decisions about resource allocation and capacity planning. Real-time tracking technologies such as GPS, Internet of Things (IoT) devices, and mobile technologies can help monitor and track the movements of goods and shipments. This information can be used to make more informed decisions about inventory levels and delivery times.

Deploy Digital Twin Technology for Supply chain Risk Management

A digital twin is a virtual replica of a physical system, product, or process that can be used to simulate and analyze its behavior in real-time.

Deploying digital twin technology in [supply chain risk management](#) can help organizations better understand and manage risks in their operations. It can be used to simulate different supply chain scenarios and analyze the impact of potential disruptions on operations. This can help organizations identify and prioritize risks and develop mitigation strategies. It can also enable companies to monitor the performance of physical systems in real time and detect potential problems before they occur. This way, organizations can take proactive steps to minimize the impact of supply chain disruptions. Digital twin technology can provide deeper insights into the potential risks and disruptions so that effective strategies can be developed to mitigate those risks.



Collaboration and Communication

Collaboration and communication are critical components of effective supply chain risk management. By working together, organizations can identify, assess, and mitigate risks more effectively, minimizing disruptions' impact on their operations. Here are some critical points to develop transparent communication and collaboration among teams:

- To manage supply chain risk, create a team of representatives from different departments, including procurement, logistics, and operations. This team should be able to make decisions and take action to mitigate risks.
- Establish clear communication channels, such as regular meetings, email, or instant messaging, to ensure that all stakeholders are informed about potential risks and the actions being taken to mitigate them.
- Encourage open and transparent communication by sharing information about potential risks and disruptions and the steps being taken to mitigate them. This can help build trust and improve collaboration among stakeholders.
- Use technology such as digital platforms, collaboration tools, and data analytics to improve stakeholder communication and collaboration. This can help organizations make informed decisions and take swift action to mitigate risks.

By improving collaboration and communication in supply chain risk management, organizations can better understand and manage risks and minimize the impact of disruptions on their operations.



Diversify Supplier Portfolio

Diversifying a supplier portfolio is a common strategy used to reduce supply chain risk. By relying on various suppliers, organizations can reduce their dependence on any one supplier and minimize the impact of disruptions. Here are some ways organizations can diversify their supplier portfolios for supply chain risk mitigation:

- Consider sourcing products or materials from multiple suppliers rather than relying on a single supplier. This can help reduce the risk of supply chain disruptions and ensure that there are alternative sources of materials if needed.
- Connect with suppliers located in different regions or countries to reduce the risk of disruptions caused by events such as natural disasters or political instability.
- Develop contingency plans for different types of supply chain disruptions, such as natural disasters or supplier bankruptcy. This can help organizations quickly respond to disruptions and minimize their impact on operations.

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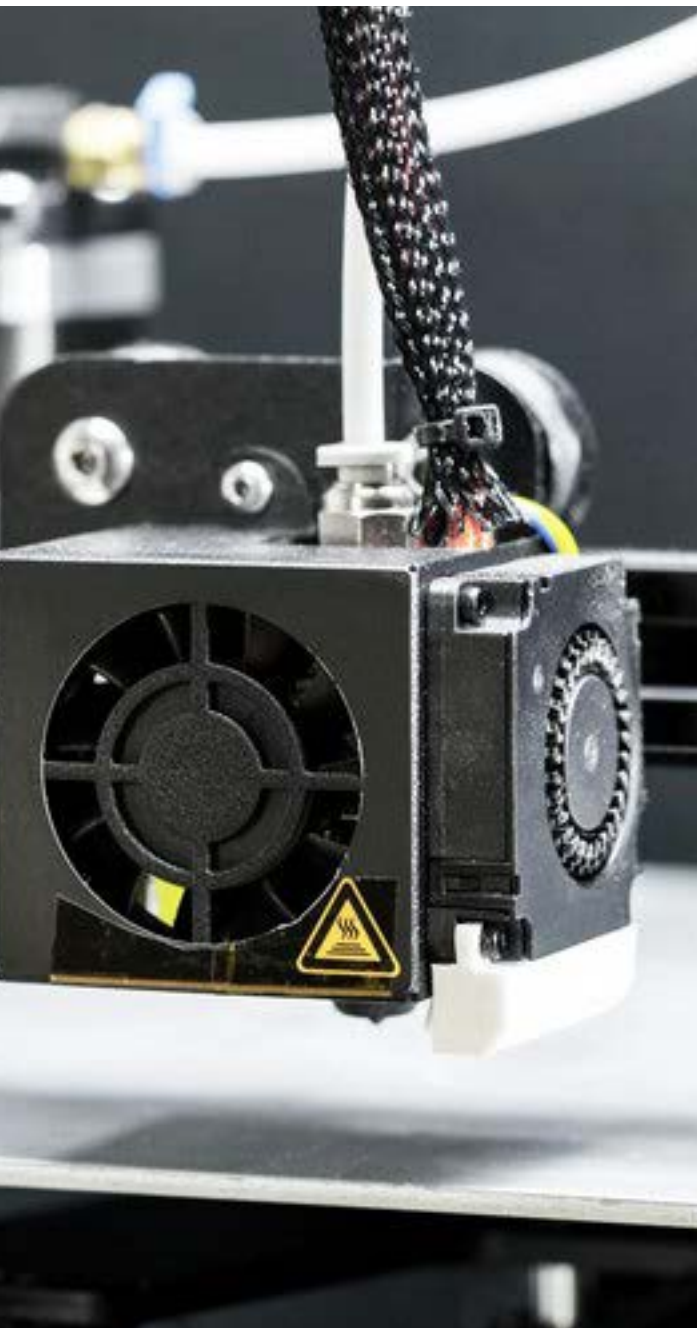


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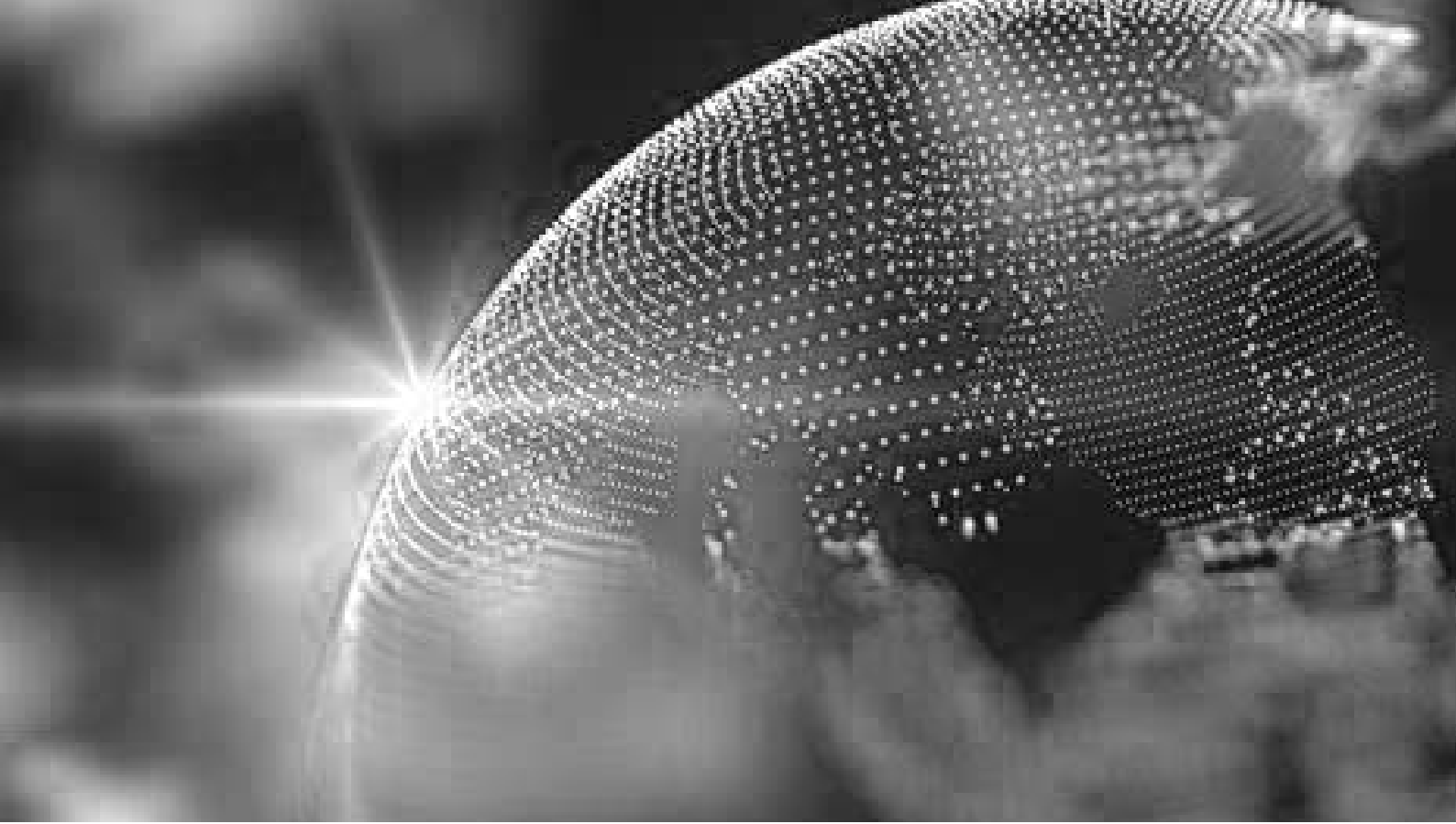
“The best way to deal with supply chain disruptions is to anticipate them, plan for them, and be proactive in managing them.”

Supply chain disruptions like COVID-19, the Russia-Ukraine war, and the Suez Canal blockage will continue to happen in the future. Is your supply chain resilient enough to adapt to such disruptions and bounce back?



You must ask yourself these questions for your complex supply chain to be disruption-proof.

- Do you have healthy enough, concurrent, and coherent data to perform advanced analytics?
- Have you incorporated advanced analytics, artificial intelligence (AI), and machine learning (ML) in your supply chain planning process?
- Are you able to run “What If” scenario simulations to study the impact of possible disruptions on your supply chain and develop a contingency plan?



3SC's [Risk Management and Digital Twin](#) module can help make your supply chain disruption-proof by providing real-time visibility and monitoring of your supply chain operations. The digital twin of your supply chain allows you to create a virtual replica of your supply chain that can be used to simulate, analyze, and optimize your supply chain processes. This allows you to identify potential risks and disruptions in advance and take proactive measures to minimize their impact. With 3SC's risk management capabilities, you can monitor key risk indicators, such as supplier performance, natural disasters, and supply chain disruptions, in real-time, allowing you to quickly respond to any potential threats and take action to prevent or mitigate the impact of supply chain disruptions.

