

SUPPLY CHAIN RISK MANAGEMENT



Supporting growth in your business by managing supply chain

As the world economy changes with increasing velocity, global supply networks grow correspondingly more complex and vulnerable. While rapid advancements in automation, single sourcing, cloud computing, and offshoring in emerging economies have provided competitive efficiencies for organisations, these advantages are threatened by a growing array of risks. In this volatile business environment, a deep understanding of supply network ecosystems and the organisational resilience to respond quickly to threats and their impact is critical to business success.

No company operates in isolation and is part of a vast value chain of suppliers, internal processes, and customers. Any outsourcing decisions should take due account of the reduced ability to identify, assess, and exert control over risks arising within these outsourced elements of the supply chains. Internal supply chains also require visibility in order to identify any potential bottlenecks, single points of failure, or continuity risks to the business.

KEY QUESTIONS ADDRESSED

- What are the most critical points in your supply chain?
- What is the financial impact to a loss of a key supplier and how long could the disruption be?
- What contingency measures are available to ensure supplier continuity?
- Who supplies your suppliers and what do their risk profiles look like?
- How visible are the suppliers' risk management and continuity processes?

CLIENT SERVICES

- Supply chain risk review.
- Supply chain maturity assessment.
- Risk management training focused on supply chain.
- Supply chain due diligence analysis.
- Considering insurance solutions to offset potential financial losses.
- Organisational resilience advisory focusing on supply chain.

VALUE WE DELIVER

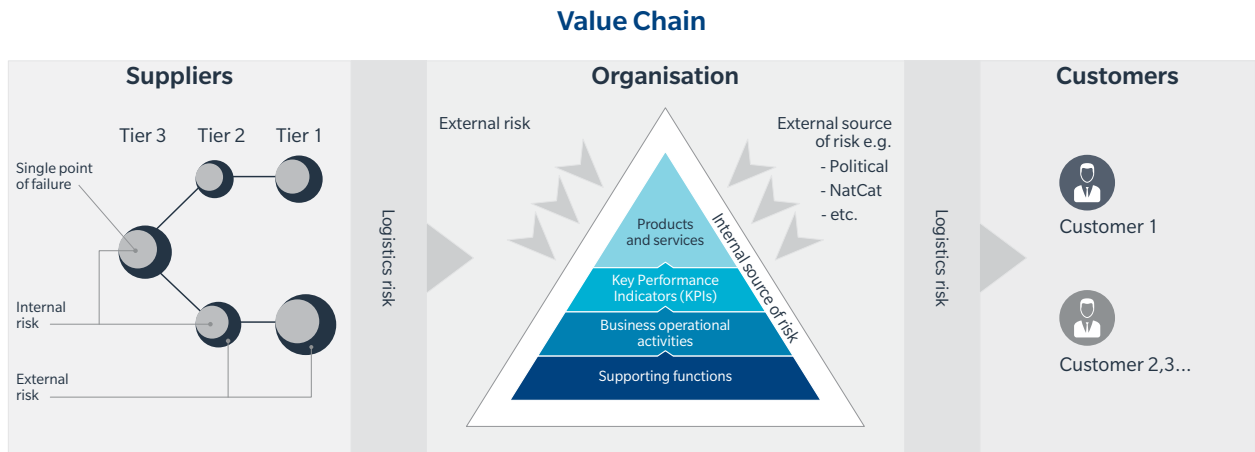
- Risk-informed decisions to protect the supply chain and contribute to the success of business strategy.
- Higher level of organisational resilience.
- Enhanced visibility over the supply chain risk profile, including natural catastrophe risk.
- Quantification of exposures to allow informed decisions on risk transfer options.
- Improved management information and corporate governance.
- Consider the cost of risk and expected losses to help determine insurance solutions to better manage your ever evolving damage and hidden non-damage risk.

SAMPLE CLIENT INDUSTRIES

- Retail and consumer brands.
- Aviation and aerospace.
- Communication, media, and technology.
- Construction.

Our approach

- Our supply chain risk management approach is built around the value chain, from upstream suppliers to internal organisational processes creating the product or service and delivering it to customers through downstream logistics' providers.
- Suppliers are subject to risks within a variety of tiers, seen below. We identify, analyse, and quantify these risks on the basis of internal/external taxonomy ensuring that single points of failure, risk connectivity, and level of exposure are identified.



CASE STUDIES

FASHION RETAILER CLIENT

The project

Comprehensive review of the client's supply chain to identify the key risks/single points of failure, gap analysis, and development of the mitigation plans. The engagement also involved the improvement of risk management processes to ensure its alignment with supply chain management.

How we supported the client

Engagement through interview discussions, data analysis, and an interactive workshop with key stakeholders. Key objectives were to analyse the end-to-end supply process, including production locations, ports of entry/egress, logistics, warehousing, distribution, and associated risk.

The value we delivered

The client's processes in relation to identification, management, and monitoring of their supply chain risks were systematically and efficiently improved, providing broad and holistic understanding.

For more information, visit uk.marsh.com or please contact our team at Marsh Risk Consulting at mrc-uk@marsh.com.

GLOBAL TEA AND COFFEE PRODUCER

The project

A two-day interactive training session aimed at providing guidance in establishing an approach and methodology of assessing supply chain risks for all areas of the business.

How we supported the client

The training session focused on positioning supply chain risk management within the context of organisational risk management and governance. It involved mapping of global business activities, identifying resources and services that are outsourced to third parties, and identifying the associated risks.

The value we delivered

The client's processes were mapped and a supply chain risk assessment toolkit was developed. Advice was also provided on broader implementation of the supply chain risk management initiatives.



The information contained herein is based on sources we believe reliable and should be understood to be general risk management and insurance information only. The information is not intended to be taken as advice with respect to any individual situation and cannot be relied upon as such.

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GRAPHICS NO. 16-1329b