ICRON

10 questions on the use of decision intelligence for risk mitigation

Checklist for Resilient Supply Chain Planning

In today's era of rapid change and uncertainty, effective risk modelling is crucial for supply chain planning. While risks pose threats, they also present opportunities for growth and innovation. Forward-thinking companies recognize the importance of capitalizing on emerging market trends, technological advancements and changing customer preferences.

By staying agile and adaptable, businesses can proactively identify and seize opportunities to enhance their supply chain efficiency, optimize processes and deliver exceptional customer experiences. In fact, according to a study by McKinsey, companies that successfully integrate risk modelling within their supply chain planning can experience as much as a 30% reduction in supply chain disruptions.

Impact of disruptions

By quantifying the potential impact of supply chain disruptions on customer satisfaction and loyalty, companies can make well-informed decisions regarding risk mitigation measures, resource allocation and contingency planning. This proactive approach can lead to a 20% increase in customer satisfaction and a 15% improvement in customer loyalty.

Technology is essential in proactively reducing risks and seizing opportunities. With advanced analytics, real-time data and predictive modelling, organizations can identify potential threats and hidden chances ahead of time. Technology also boosts supply chain visibility, efficiency and decision-making, making businesses agile and responsive to market changes and new possibilities.

By implementing robust risk management strategies, fostering collaboration and leveraging technology, organizations not only effectively navigate the ever-evolving business environment, but also unlock the potential for growth, innovation and long-term success.

This practical checklist developed by Supply Chain Movement and software vendor Icron will help you to assess the resilience of your supply chain planning.



Checklist for Resilient Supply Chain Planning

	Yes	No
1. Does your company view supply chain risks as opportunities?	☐	☐
2. Have you developed mitigation plans for both known and unknown risks in your supply chain?	☐	☐
3. Is your company's growth strategy translated into practical supply chain planning and allocation rules in the event of shortages?	☐	☐
4. Do you assess and update your supply chain planning strategies monthly to identify emerging risks and capitalize on new opportunities?	☐	☐
5. Do all relevant colleagues have access to a tool for proactive supply chain risk planning and mitigation?	☐	☐
6. Does your company have a financially defined risk range for supply chain planning activities	☐	☐
7. To anticipate possible operational impacts, does your supply chain planning process incorporate external data on suppliers' capacities and customer needs?	☐	☐
8. Do you have a clear set of guidelines to help you promptly respond to sudden disruptions in demand levels, order levels and raw material supplies?	☐	☐
9. Are you utilizing scenario analysis and what-if simulations to assess the financial impact of different risk profiles on your supply chain planning decisions?	☐	☐
10. Do you apply clear customer segmentation and differentiation in your supply chain planning to optimize both customer satisfaction and profitability?	☐	☐

RESULTS

0-3 questions answered with No

Your company's supply chain planning is quite mature and resilient. However, you could still take some final steps to truly optimize the maturity.

4-6 questions answered with No

The supply chain planning within your company shows some flaws in addressing risks and disruptions. An objective check-up of the whole process would help you to address risks and opportunities more effectively and improve your supply chain planning resilience.

7-10 questions answered with No

Your company's supply chain planning severely lacks resilience. A thorough maturity assessment of your planning organization and the available tools is clearly needed to help you address risks and opportunities effectively and efficiently.