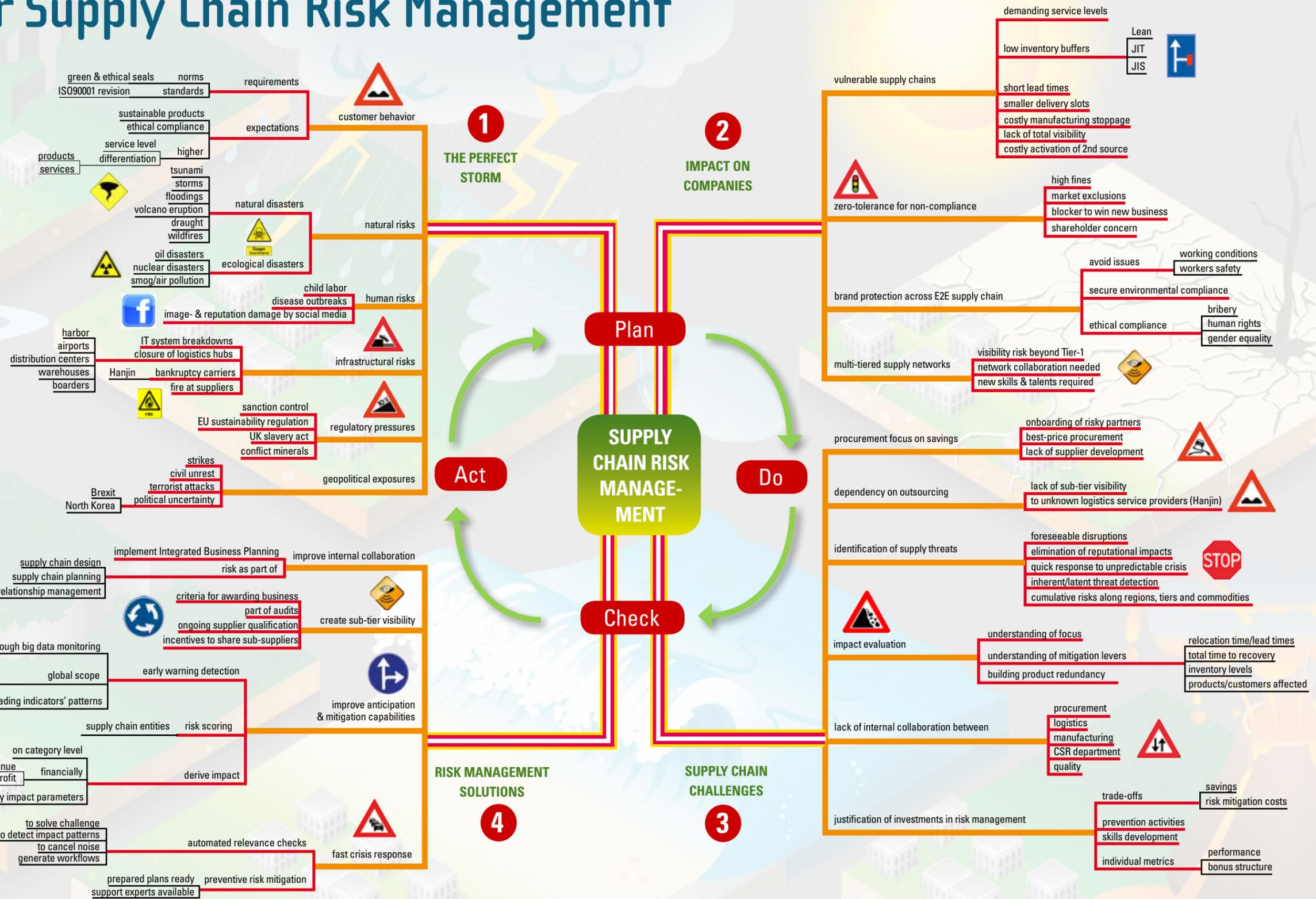
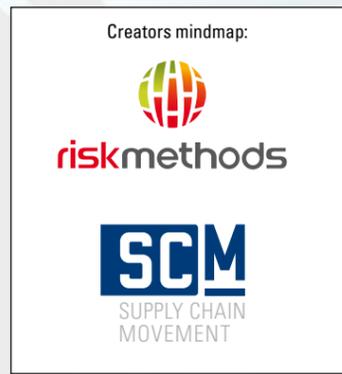


Mindmap for Supply Chain Risk Management

Globalization is increasing the frequency with which supply chains are affected by disruptions such as natural disasters and epidemics at some link in the chain. Such risk events can have far-reaching consequences and long-lasting impact. Companies must ensure that their supply chains are prepared for such risks. Together with software vendor Riskmethods, Supply Chain Movement has created this mindmap for supply chain risk management, outlining the route with road signs indicating the potential hazards along the way.



MINDMAP MANUAL

As supply chains become ever-more global in nature, there is a corresponding increase in the likelihood of them being affected by risk events – not only natural disasters, but also financial volatility, disruptions to infrastructure, political instability and man-made risks. But there are other unknown threats in addition to

these familiar ones. Companies must be prepared for every possible risk: **Plan**. Supply chain risks have a fairly broad impact on an organization. From a financial perspective, companies must evaluate the business at risk they are willing to take or mitigate. To

limit damage to their reputation and further knock-on effects, companies must make plans to withstand the potential for product recalls and PR campaigns. Risks invariably lead to an increase in rules. Analyzing the impact of threats gives insight into the possible consequences, which can then translate into impli-

cations for its supply chains: **Do**. Supply chain risks create a need for better planning and place greater pressure on delivery reliability. Upstream supply chain disruptions could definitely cause production interruptions and distribution delays. The

dependence on IT is not only an operational risk, but is also crucial in gaining an overview of, and responding to, disasters. It is necessary to carefully analyze the implications and the operational bottlenecks in the supply chain: **Check**.

There are several different approaches to mitigate supply chain risk. Supply chain visibility enables companies to monitor possible dangers. Developing a number of scenarios can provide insight into causes and effects. Flexibility and buffers to soften the blow of disruptions can be created in various ways,

and supply chain collaboration could also offer solutions. Tighter controls may be necessary. By taking these precautionary measures, companies will be better prepared to act appropriately when faced with a wide variety of supply chain threats. **Act**.

