

BUILDING SUPPLY CHAIN RESILIENCE AND PLANNING FOR QUALITY THROUGH DISRUPTIONS

Our experts can provide supply chain risk modelling solutions to identify potential quality risks. We offer strategic advice to help mitigate current and future disruptions and provide quality management solutions to build in resiliency that will reduce the negative business impacts to your company, products, and customers.



Background

Supply chain disruptions can have severe negative impacts on a company's operations if they do not have a proper risk management framework in place to respond to these adverse events. Your ability to repair supply networks quickly when there are disruptions can provide a significant tactical advantage. Many factors can contribute to supply chain disruptions including natural or environmental occurrences, shifts in regulations, transportation failures and delays, price fluctuations, geopolitical instability, or global pandemics (e.g. COVID-19).

Risks and Challenges

When planning for disruptive supply chain risks, companies recognize that processes need to shift quickly to accommodate the changes in demand or supply shortages. To better navigate disruptions and avoid future operational shutdowns, companies need to integrate resiliency in their supply chains (multi-sourcing, supplier/raw material network diversification, component criticality, etc.).

Quality is often an afterthought when disruptions occur, and this can lead to increased risk and supply chain vulnerabilities. Common risks and challenges that companies experience are:

- **Outsourcing:** Where there is a limited number of manufacturers for a specific product, companies may use another manufacturer that can fulfill the needs of their orders, but they may not have the same quality measures in place or experience.
- **Temporary staff:** When companies have limited mobility and need to fulfill demand, they hire temporary workers – this can lead to reliability issues, an increased time investment in training staff, and lower quality outputs in comparison to more experienced staff.
- **Operating outside of core service areas:** When there is a current need/demand, companies may look to import, manufacture, or sell products that they do not have experience with – this can lead to recalls due to unforeseen production issues.

How to Manage Risk

With global demand and greater worldwide interconnectedness, supply chains have become complex. Intertek can help companies avoid disruptions by providing a systemic, end-to-end strategy to risk management throughout their sourcing and distribution channels. We take a holistic approach to quality management to create a more resilient supply chain and ensure better quality transparency. Our services include:

- **Advisory:** Supply chain risk assessments, supplier quality management, risk mitigation, replacement materials, research
- **Quality:** Resilience strategy development, deployment, and management
- **Assurance:** Engineering/quality assurance tools (DFMEA, control plans, PFMEA, etc.)
- **Training:** Use and application of quality tools, systems, processes and procedures

FOR MORE INFORMATION

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