



Building resilience Investing in Supply Chain

For centuries business models have tried to derive as much internal value as possible using timesheets, clock cards and ordering supplies closely aligned with production timelines. Businesses were striving for efficiency, zero defects and efficient monthly financial reporting which lead to the creation of expected Shareholder value and thus this blueprint worked well.

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One question you should be asking yourself is “how can you develop the resilience you need to strategically and effectively meet this new challenge?

The answer is - invest in your Supply Chain.

Deployed strategically, procurement can help firms build whole constellations of value—rather than simple chains of value—in which stakeholders of all sorts are connected to one another holistically and dynamically
(*Harvard Business Review*).





Considerations in Futureproofing your business through Investing in Supply Chain

- Deciding what to sell during and after the COVID-19 pandemic will depend on what you are able to source and procure
- Solid relationships in your supply chain and customers is a great approach to building resilience As apposed to just focusing on the financial aspect, solid relationships in supply chain and with customers is a great approach to building resilience
- This is an opportunity to move the country forward and comply with the B-BEEE act and support black owned businesses in localising part of your supply chain i.e. while you may be importing, there is an opportunity to also buy local and help develop industries
- Designing and building a resilient value-creating system requires human competences outside the classic transactional procurement toolkit. This can be achieved by the use of technology and digitizing the Supply Chain Management processes
- These designs bring about a new culture of procurement that, compared to the traditional model, is more networked (less centered on dyads), less transactional (win-lose), involves longer time horizons, and is more collaborative (win-win)
- Procurement extends from just defining work-sharing (make-buy) and risk-sharing (warranties, etc.) to co-designing the offering and the R&D that it requires.



SNG Grant Thornton's Supply Chain solutions

- Supply Chain Analysis for Strategy and B-BBEE purposes
- Verification of Suppliers
- Outsourcing of supply chain
- Development/update of B-BBEE policies and procedures;
- ESD strategies and implementation projects
- Procurement advisory
- Internal audit of SCM function and implementation of related projects
- Risk assessment of Supply Chain Management function



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