



Commercial Insurance Profile

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What's Your Supply Chain Strategy?

The national lockdowns during the COVID-19 pandemic and the recent economic uncertainty demonstrate that business supply and demand can change at a moment's notice. Furthermore, poor supply chain management can result in the underproduction or overproduction of products. In fact, approximately £132 billion worth of inventory is discarded each year due to expiry or overproduction, according to a report by manufacturing company Avery Dennison Corp. Therefore, it's crucial for businesses—especially small and medium-sized enterprises—like yours to have a sustainable strategy for managing where, when and how they will secure business-critical resources.

A supply chain is commonly made up of suppliers, manufacturers, distributors and consumers. With several entities involved, it's no wonder that chains occasionally break down and impact businesses. Fortunately, a solid supply chain strategy—a detailed plan organisations use to manage the flow of goods and services—can help you keep production on track. Consider the following guidance when implementing a supply chain strategy:

- **Forecast demand.** Avoid the perils of overstocking by leveraging market research and sales data to determine what products need stocking and how much to stock. For new lines of business, consider stocking a simple variety of offerings to build upon over time.
- **Consider a supply chain partner.** Weigh the benefits of a supply chain partner who supplies products using full end-to-end solutions. Make sure any chosen partner is able to grow as the business expands.
- **Increase supply chain visibility.** Monitor the supply chain and proactively fix issues to make sure products reach consumers as expected. Consider supply chain management software solutions that facilitate real-time tracking.
- **Diversify the supplier base.** Engage multiple suppliers—ideally in different locations—to help spread risks and increase supply chain resilience.
- **Plan for worst-case scenarios.** Conduct a supply chain risk assessment to identify potential flaws, then implement measures to remedy these. Additionally, develop a business continuity plan to prepare for future disruptions. This should include information on secondary suppliers and other backups.

Contact us today for additional risk mitigation and insurance guidance.

How Protected Is Your Business From Civil Unrest?

Civil unrest can create unique challenges for businesses. Specifically, business owners like you face the risk of vandalism, stolen or damaged goods, and extensive property damage. Unfortunately, 101 out of 198 countries saw an increase in civil unrest risk between quarters two and three in 2022, according to the Verisk Maplecroft Civil Unrest Index. This and other factors led to Allianz's 2023 Risk Barometer naming "political risks and violence" a top-10 peril facing businesses this year. With this heightened threat, it's imperative to take steps to mitigate the risk of potential damages during periods of civil unrest. Consider the following tips for doing so:

- **Stay informed.** Proactively keep abreast of any issues that could lead to civil unrest in the local area. Specifically, stay informed via local authorities, news outlets and social media channels.
- **Assess business vulnerabilities.** Conduct a thorough inspection of the premises and surrounding areas to determine any vulnerabilities. In particular, analyse neighbouring businesses, car parks, alleys and streets for specific risk management issues (eg potential traffic or crowding concerns or poor security measures).
- **Bolster security.** Implement robust security measures to remedy any vulnerabilities found. For instance, replace window and door locks with more secure versions, install security cameras and intruder alarms and consider hiring security guards.
- **Remove valuables.** Remove as much cash, merchandise and high-value supplies and equipment as possible to minimise losses in the event of civil unrest. In particular, consider relocating vehicles to a temporary, secure storage location. Additionally, deter potential thieves by utilising signage to communicate that money and high-value items have been removed from the premises.
- **Plan for the worst.** Educate staff on how to respond in emergencies—including conflict resolution strategies—and designate specific staff responsible for securing the property before evacuation. Furthermore, establish an evacuation plan that enables employees and customers to leave the area during dangerous situations.

Contact us today for more workplace safety strategies.



Approximately **£132 billion worth of inventory** is discarded each year due to expiry or overproduction, according to a report by manufacturing company Avery Dennison Corp. Fortunately, a supply-chain strategy can help reduce wastages and keep production on track.