

Predict and prevent supply chain disruptions



Increase resilience with a supplier risk management platform

Introduction

Supply chain disruptions are becoming increasingly common and costly due to a range of complex issues, including geopolitical conflicts, inflationary pressures, labor shortages, and climate change-related events.

These issues make it harder to work with certain suppliers, reduce access to their products, and hinder the smooth flow of goods to their final destinations. That's why many global companies are implementing supplier risk management platforms to better understand their supply chain ecosystems.

When selecting a platform, while the comprehensiveness and validity of supplier data, along with the ease of visibility, are important, these factors aren't the only ones to consider. You should also assess various essential capabilities to ensure your organization can proactively detect and prevent supplier risks *before* they become disruptive. To help you make a more informed decision, we've compiled a checklist of the most crucial capabilities.

DID YOU KNOW?



Average frequency with which companies experience a supply chain disruption of 1-2 months¹

Be ready for anything

Strengthen supplier sourcing to boost agility

Sourcing

Making well-informed sourcing decisions, obtaining a deeper understanding of your suppliers and their businesses, and bolstering your ability to adapt swiftly to changing conditions are all critical to shaping your organizational resilience, responsiveness and agility. To safeguard against disruptions and capitalize on growth opportunities, we recommend four key platform capabilities.

When integrated seamlessly into your sourcing process, they will enable you to navigate uncertainties with confidence, streamline operations, and make better, faster decisions across your organization.



Comprehensive Supplier Intelligence Checklist:



Global Supplier Data

In-depth supplier data and insights across key risk categories, including financial, operational, legal and regulatory, ESG, strategic, brand reputation, macroeconomic, and cybersecurity.



Global Supplier Locations

Detailed location and contact information for suppliers around the world. These data improve supply chain visibility and support informed decision-making.



Global Coverage & Market Insights

Extensive global supplier coverage, facilitating market research, trend analysis, and competition evaluation worldwide.



Data Aggregation, Enrichment & Integration

Seamlessly aggregate, refine, enrich, and restructure data from various sources to improve its usability and accuracy, and easily integrate them into one unified platform for a comprehensive supplier perspective.



Advanced Search & Filtering

Advanced search and filtering functions enable users to pinpoint specific companies based on complex criteria.

Know more in far less time

Evaluate suppliers in minutes – not weeks


Evaluating

When it comes to evaluating potential suppliers, the optimal supplier risk management platform equips you with a range of customizable metrics and powerful analytics. Together, they help you develop a comprehensive portrait of every potential supplier. Armed with this information, procurement and supplier risk managers can make more informed decisions, faster. Below is a checklist of the most important capabilities and metrics you need to thoroughly assess potential suppliers.

53%
Of organizations plan to increase their focus on sustainable sourcing³

40%
The percentage of a year's profit a company can expect to lose every decade from supply chain disruptions⁴

Supplier Evaluation Checklist:

 Financial Performance	Financial health metrics include revenue growth, profitability, debt levels, and liquidity ratios.
 Supplier Stability	Insights into a supplier's stability, including factors like years in business, financial solvency, and credit ratings.
 Market Presence	Supplier market reach and presence with data on market share, geographic coverage, and customer base.
 Multi-tier Mapping	Reveals interconnections between diverse suppliers, including parent-subsidiary ties, partnerships, and affiliations.
 Operational Efficiency	Operational efficiency metrics, such as production capacity, lead times, and on-time delivery rates.
 Risk Assessment	Supplier risk metrics related to financial risk, regulatory compliance, foreign influence, sustainability and geopolitical factors.

Prevent disruption before it happens

Monitor supplier risk with more insights and less effort

Monitoring

As supply chains become increasingly global and interconnected, the need to maintain operational excellence and ensure supply chain resilience have never been more critical.

A supplier risk management platform not only provides real-time monitoring but also empowers users to tailor alerts, categorize them by level and type of risk, location, and more, delivering critical information exactly when and how users need it most, enabling them to move from being reactive firefighters to proactive risk mitigators.

Together, these capabilities safeguard against disruptions, maintain quality, ensure compliance, and foster innovation through collaboration, empowering procurement and supplier risk managers to anticipate trends and respond swiftly to changes.

Almost Half

Of global organizations consider cyber security as an important operational challenge for their supply chains through the next three years⁵

71%

Of global companies site raw material costs as their number one supply chain threat for 2023⁶

Supplier Monitoring Checklist:



Predictive Analytics & Insights

Provides predictive analytics based on data, helping users anticipate trends and potential developments.



Real-Time Monitoring

Delivers instant insights on changing company dynamics, such as funding, acquisitions, partnerships, and leadership changes.



Custom Alerts

Facilitate proactive tracking of significant supplier developments.

Stay ahead of the pack

Minimize risk across your entire supply chain

Managing Supplier Risk

The most effective platforms provide a seamless, holistic experience spanning the entire supplier risk management process and include data, capabilities and tools that streamline operations, increase productivity and foster collaboration, ensuring that procurement and supplier risk managers can navigate complexities with efficiency and transparency while building greater supply chain resilience.

More than 6 out of 10

Of global organizations expect geopolitical instability may have a detrimental impact on their supply chains in the next three years⁷

15% - 25%

Of global goods exports could potentially shift to different countries over the next 3-5 years⁸

Collaboration Checklist:



Collaboration & Communication

Fosters collaboration within and across organizations and supply chains, facilitating seamless information sharing, alignment, orchestrated workflows, and synchronized decision-making.



Automation

Streamlines supplier management tasks, accelerates decision-making, and reduces errors, freeing managers to concentrate on strategic priorities.



Machine Learning & Artificial Intelligence

Generates data-driven insights to fuel proactive risk management and more informed decision-making.



Centralized Supplier Risk View

Provides a singular, customizable view of an organization's suppliers, their associated risks, and allows for them to be prioritized based on risk level, impact or other criteria.

Transform risk into resilience

Strengthen your supply chain with insights and intelligence

Conclusion

In today's global and fast-changing business world, implementing a robust supplier risk management platform is crucial to increasing global supply chain resilience. These platforms offer powerful capabilities that procurement and supplier risk managers use to find more reliable suppliers around the world, conduct detailed assessments, and closely monitor their performance, while streamlining operations, increasing collaboration, and making better, faster decisions. Embracing these platforms is not just a prudent choice, it's a strategic imperative for global organizations looking to bolster supply chain agility and resilience in an increasingly complex, competitive global marketplace.

6/10

Number of global organizations planning to invest in digital technology to bolster their supply chain processes, data synthesis, and analysis capabilities.

Craft empowers organizations to strengthen their global supply chains

Our advanced data fabric and risk mitigation engine provides 360-degree visibility to quickly explore and evaluate suppliers, AI-driven insights to minimize disruptions, and collaborative tools to optimize supply chain strategies. With Craft, organizations can confidently navigate regulatory environments, uphold ethics, and drive business continuity and growth.

Ready to learn more about our solutions?

Connect with a Craft expert today: sales@craft.co

¹ McKinsey "Future-proofing the supply chain," June 14, 2022.

² Ibid

³ "Shaping the Future of Logistics," DB Schenker, 2023.

⁴ "Risk, resilience, and rebalancing in global value chains," McKinsey Global Institute, August 6, 2020.

⁵ "The supply chain trends shaking up 2023," KPMG.

⁶ Ibid.

⁷ Ibid.

⁸ "Building national supply chain resilience," McKinsey Global Institute, July 11, 2021.