

## SUPPLY CHAIN

### Considerations when implementing BC capabilities

During a recent assignment of mine the company who hired me had just recently bid and won a prestigious transport scheme. Their client, a large provider of transport services and devoted to ensure interruptions are kept to a minimum, provided reams of material that was part of the agreed contract and terms of business. A whole section of the contract was devoted to business continuity and was very detailed concerning implementation, deliverables and monitoring. Although there was a mention of BS25999 this was largely implied, but if the company wasn't to face financial penalties for poor performance or not managing interruptions then BS25999 had to be followed during the implementation of the contract.

There were whole sections of the contract devoted to disaster recovery, testing and Information Security and one felt that the client were becoming obsessed with interruptions. The business continuity schedule of the contract was aimed in its entirety to this, with explicit detail concerning the implementation of plans, risk awareness, resilience, exercising and testing and the monitoring of the capability to ensure any interruptions were dealt with quickly. If they weren't then there was a whole section concerning the financial penalties.

The issue was how to ensure that their suppliers could match the implementation criteria set by their client. This was a monumental compliance for implementing as the primary supplier was based in Canada and they had no idea what was meant by business continuity. The supplier had less than 50 employees but crucially they supplied all the hardware for the transport scheme.

It occurred to me that Supply Chain Planning hadn't been run. If it had they would have considered:

1. Risk-sharing and understanding Supply Chain limitations. (Have 2 or more suppliers);
2. Managing cost;
3. Managing the supply and demand;
4. Better management of the distributed supply chain;
5. Understanding the supply chain lifecycle;
6. Combining scalability with responsiveness.

These are fundamental. In the case described above it should have been carried as the bid was being delivered. That is BEFORE they were awarded the contract. Probably through luck the transport scheme was delivered but it was late and the agreed number of available units was initially reduced to help with manufacturing issues.

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