

COVID-19

Effects on Supply Chains and Business Continuity



CRITICAL SUPPLY CHAIN DISRUPTIONS

In the last quarter of 2019, the Novel Coronavirus COVID-19 developed in the Wuhan province of China and has since disrupted economic and social aspects of life around the globe. Since the start of the outbreak, supply chains are facing increased disruptions, affecting manufacturers and consumers around the globe.

According to the Institute of Supply Management, nearly

75%



of companies have experienced disruptions to their supply chains

ADDITIONAL IMPACTS:

80%



of companies surveyed anticipate an economic impact due to COVID-19

57%



of companies surveyed have reported on longer lead times from tier-1 China-sourced component since 2019

Manufacturers have reported on operating at

50%



capacity, with 56% of personnel

Over

60%



of companies surveyed have experienced delays in receiving orders

More than

44%



of companies surveyed do not have a Business Continuity or crisis management plan in place to respond to the current crisis

Source: Institute for Supply Chain Management. "COVID-19 Survey: Impact on Global Supply Chains." ISM, 11 Mar 2020.

VIRTUAL SUPPLIER AUDITS

Supplier audits are designed to evaluate risks to your business to assist with mitigation if a crisis (such as COVID-19 does occur). Now, TÜV SÜD has the ability to provide supplier audits virtually for your company, ensuring that you are prepared to meet the latest risks and supply chain disruptions due to COVID-19.

Supplier audits can assist companies combat risks originating from:



Pandemics and other crises



Management systems



Adherence to technical specifications



Brand-specific requirements



Regulation/standards compliance



Security of intellectual property/technology licenses

BUSINESS CONTINUITY PLANNING

- Companies that are unprepared for a disaster are less likely to survive one.
- Identifying business interruption risks, quantifying the potential impacts to your company, developing mitigation strategies, and pre-planning prior to a situation such as COVID-19 are the critical to managing risk.
- These tasks are generally referred to as Business Impact Analysis (BIA) and Business Continuity Planning (BCP).
- Vulnerability to both supply chain risk and a Pandemic Crisis are included in this analysis.



Risk Identification and Assessment



BCP Documentation and Reporting



Updating of BIA Information



Implementation and Frequent Communication



America

TÜV SÜD is here to assist you during this time.

Contact us to learn more.