

Supply Chain Resilience

Understanding Market Trends and Best Practices

COVID-19 has exposed brittle supply chains. When third parties are not included in supply chain resilience efforts companies leave themselves vulnerable to severe disruptions and other risks.



of businesses reported experiencing a supply chain disruption related to the COVID-19 pandemic.



Of organizations are not assessing the business continuity risk of their vendors.



Of organizations are not assessing the financial viability of their third parties.



Of organizations are not assessing the operational risks of their third parties.

A COMMON MISCONCEPTION:

Some organizations who do not have a physical supply chain assume they are immune to these risks. However, if they utilize a software vendor or other third party for any service, they have a digital supply chain that is vulnerable to cyber attacks, disruptions, and more.



RESILIENCE STEPS YOU CAN TAKE TODAY:

- Identify who your vendors are, their roles in your company, and risks they bring to the table
- Know your fourth, fifth, and nth parties (your vendors' subcontractors)
- Prioritize which vulnerabilities are at highest risk
- Collaborate with vendors on digital supply chain resiliency
- Keep internal stakeholders updated on any third-party related purchases



Sources
Axios, April 2020;
Aravo and Compliance Week Taking the Pulse of
Third Party Risk Management Survey 2020

Learn more about supply chain resiliency by speaking with one of Aravo's experts!