

News

How to Mitigate Risk Amid Disrupted Times

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In a volatile global economy, building a resilient supply chain has become more essential than ever.

The advice from Paolo Nibioli, Vice President of Supply Chain at MacDermid Enthone Industrial Solutions, is straight to the point: always have a plan B.

Here, Paolo outlines strategic actions that help mitigate disruptions and enhance operational agility in an increasingly uncertain landscape.

Can you share a time when having a Plan B saved your supply chain?

In 2022, we faced widespread and impactful [raw material shortages](#) within our supply chains. We had anticipated this kind of risk well in advance and had already launched a program to reduce the number of single-source materials in our portfolio, which included those with only one qualified supplier.

Qualifying an alternative supplier is a complex and time-consuming process. It requires extensive testing across all relevant applications and, where applicable, communication with customers for approval, particularly when the material is part of a qualified process with downstream customers such as PPAPs.

That year, one of our major suppliers experienced extended maintenance-related downtime, eventually declaring force majeure. This supplier provided a key raw material we regularly purchased. Fortunately, after a two-year effort, we had qualified an alternative supplier. This allowed us to transition quickly, avoiding any delays.

Without a qualified alternative supplier, the situation would have caused significant disruption to our supply chain and downtime for our customers, which demonstrates the importance of diversifying your supply chain with qualified suppliers.

What's the best way to diversify suppliers without losing efficiency?

Working regularly with a single supplier has significant benefits in terms of the integration of supply chains. It allows us to work with the same interfaces and create

streamlined processes. At the same time, a well-balanced supply chain does not rely on single-source suppliers, as resilience and price competitiveness are key drivers of success.

A [best practice for ensuring strong diversification](#) without losing efficiency is implementing a regular cadence for the reassessment of supplier performance. Typically done on a quarterly basis, this reassessment ensures that all suppliers are operating efficiently while meeting your designated quality standards.

How should companies choose and implement supply chain tech?

Supply chain technology is a critical driver of both quality and efficiency. While managing vast amounts of data today is far more affordable than ever before, one key question remains: how does this technology translate into tangible benefits for our business?

While it's easy to generate large datasets and uncover multiple insights, data alone is not enough. Without a strong system in place to act on those insights, even the most advanced analysis becomes fundamentally useless.

Companies must carefully balance the depth of data analysis with their ability to implement and act on performance indicators. The value lies not in the volume of data, but in how effectively it can drive meaningful, actionable change.

How can businesses balance cost efficiency with resilience?

This often feels like an impossible equation, especially if we assume that the only way to build more [resilient supply chains](#) is by increasing inventory levels, which is still the default mindset for many. In recent years, the conversation has shifted from just-in-time to just-in-case, driven by the heavy disruptions supply chains have experienced globally.

But there's another path: improving demand control rather than simply stockpiling. One of the most significant advantages of today's supply chain technologies is their ability to dramatically enhance demand forecasting. By analyzing data faster and in

more sophisticated ways, these tools help companies make smarter, more proactive decisions.

What's particularly exciting is that this level of insight – once reserved for large organizations with robust planning departments – is now accessible even to smaller companies. That's a game-changer. And, while we're still in the early stages of tapping into the full potential of these systems, the direction is clear: smarter, not just safer, supply chains.

What are the biggest upcoming supply chain challenges and how can companies prepare?

[US tariffs](#), and the global responses to them, are undoubtedly top of mind right now. At this moment, they represent one of the most significant disruptors to global supply chains.

Looking ahead, however, the biggest long-term driver in the chemical industry will be workforce automation. Companies that start investing in automation processes today will be better positioned to reduce costs and gain a lasting competitive advantage. This shift won't happen overnight, but the first movers in this space will set the pace for the industry.

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