

STRATEGY

IN TIMES OF DISRUPTION

EXECUTIVE SUMMIT 2023

THE VINEYARD HOTEL, NEWLANDS, CAPE TOWN, SOUTH AFRICA

SAPICS Executive Summit - Summary

Talent and Workforce

Issues caused by high degree of unskilled labour

- Issues caused by high degree of unemployed skilled labour (youth)
- Lack of required entrepreneurial skills

Supply Chain Risk and Resilience

Why is South Africa not an industrial and manufacturing powerhouse?

- Infrastructure
- Politics
- Education
- Regulatory

Lack of Focus on key products and activities within businesses

Sustainability

- · Lack of Sustainability education
- Ethical issues around corruption
- Identification of key products / materials with negative environmental impacts
- Infrastructure and regulatory issues preventing further greening of the supply chain

- Focus on upskilling the "skilled" labour for EQ and soft skills
- Focus on exposure to supply chain management industry
- Increase entry level competencies for unskilled labour force
- With digitization, refocus of skills to prepare for different work requirements
- · Retraining and Cross-Training

- Rationalization of products and activities within businesses
- More frequent updates of Risk Status
- Additional metrics may be needed

 e.g. Frequency of Orders
 placed.. Given high rate of change
- Challenge previously 'static' aspects of the supply chain – E.g. MOQ, Lead times
- Product Life Cycle Management Engrain as a way of life

- Incorporate overarching sustainability strategy vs isolated initiatives
- Supplier prequalification on sustainability aspects
- Improvement opportunities in infrastructure and regulatory environment

SAPICS Africa Café - Summary

Talent and Workforce

- · Recognition of good work and
- Soft skills AND technical skills training and education opportunities
- · Benchmarking on salaries
- Help employees understand the strategy of the organization – "Strategy on one page" example
- Inclusion practises to allow for all employees to benefit from learning opportunities within the organisation

Supply Chain Risk and Resilience

- Increases utilization of 'What if scenarios'
- Reviewing and updating key process flows for the purpose of being more ready to handle the new environment in which the supply chain operates
- Train people on new technology / digital transformation to enable better 'risk readiness'

Sustainability

- Prequalifying suppliers to ensure they meet sustainable standards
- Partnering with suppliers to create solutions - Regulations that support sustainability
- Educating investors and consumers on what impact the supply chain is having on the environment
- Advocate for regulations changes

 Implement Policies to drive the actions Top-down driven approach

Proposed Initiatives

What are some of the current challenges for South African Supply Chains?

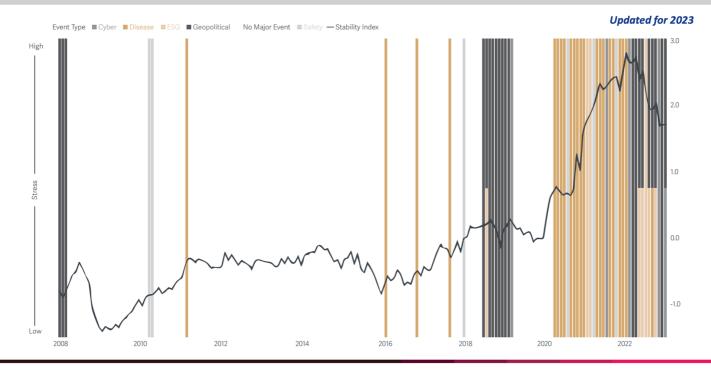
- Inefficient customs processes, complex regulations, and bureaucratic red tape can hinder the smooth movement of goods across borders.
 - Delays in customs clearance can disrupt supply chains and impact businesses' ability to meet customer demands.
- South Africa's infrastructure , particularly transportation n networks, can pose challenges for efficient supply chain operations. Road conditions, congestion, and limited rail capacity in certain areas can lead to delays and increased costs.
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- South Africa relies heavily on its ports for international trade. Port congestion, especially in major ports like Durban, can cause delays in clearing cargo, resulting in longer lead times and increased costs.
- Labor strikes and unrest are not uncommon in South Africa, and they can disrupt supply chain operations. Strikes in key sectors such as transportation, manufacturing, and logistics can result in delays, reduced

and increased

- South Africa faces security challenges, including theft, hijacking, and vandalism, which can directly impact supply chain operations.

 Cargo theft is a significant
 - Cargo theft is a significant problem, particularly in certain areas and along major transport routes.
- The availability of skilled supply chain professionals can be limited, which can hinder the optimization of supply chain processes and the adoption of best practices.
 - This shortage of skilled personnel can affect the overall efficiency of supply chain operations
- South Africa has experienced challenges with its power supply, leading to intermittent power outages.
 - These power disruptions can disrupt manufacturin g operations and impact the flow of goods within the supply chain.

SAPICS Executive Summit - Strategy in Turbulent Times - Session Reminder

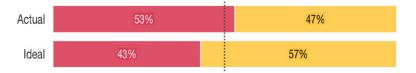


SAPICS Executive Summit - Strategy for SCM - Session Reminder

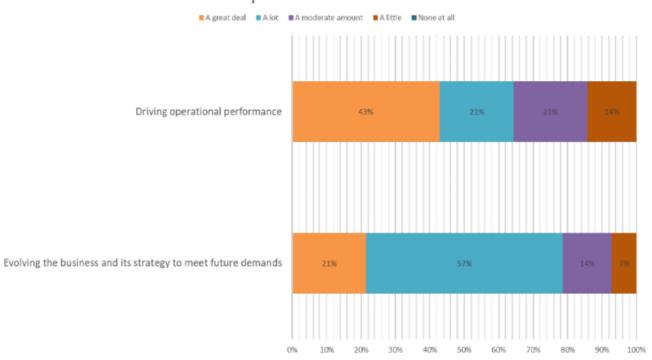
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Turbulent-Uncertain-Novel-Ambiguous

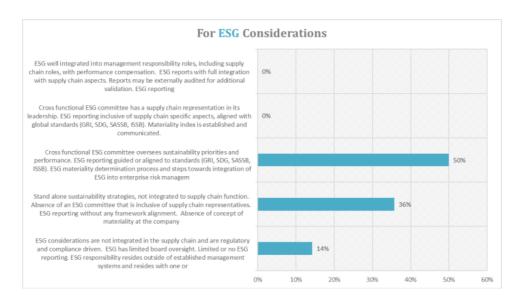
- Driving current operating performance
- Evolving the business and its strategy to meet future demands

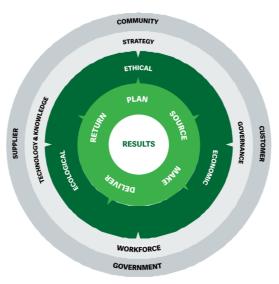


Time Spent on these 2 Activities:

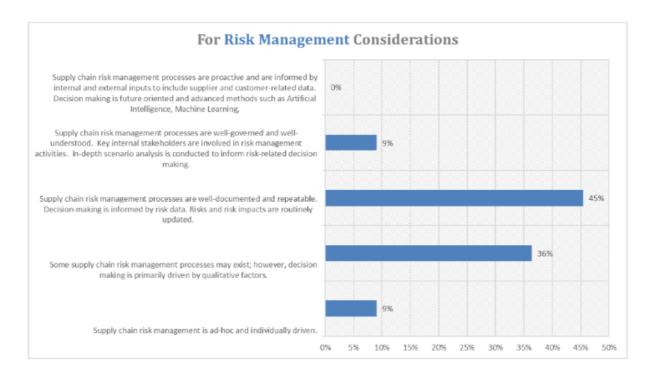


SAPICS Executive Summit - Sustainability for SCM - Session Reminder

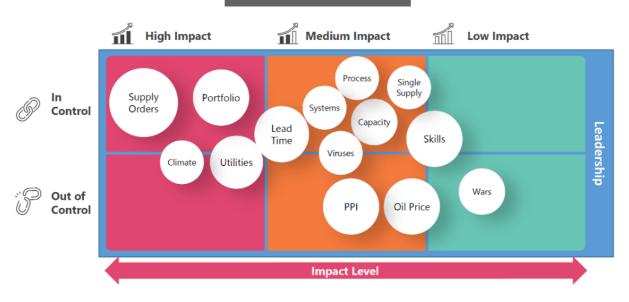




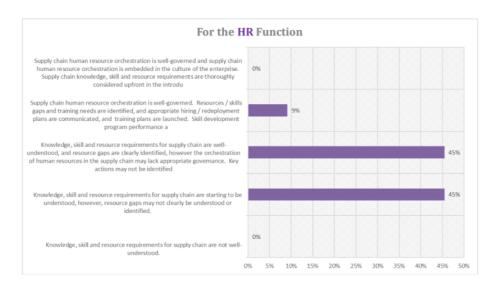
SAPICS Executive Summit – Risk Management- Session Reminder

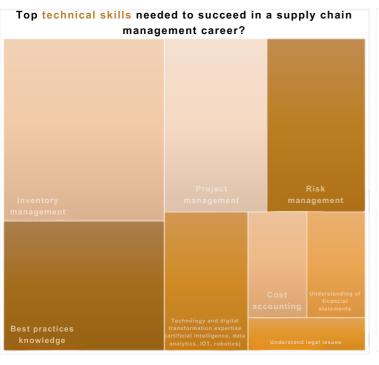


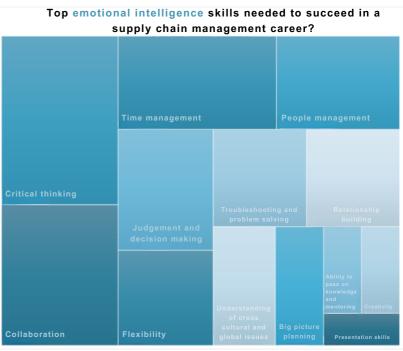
Control Impact Matrix



SAPICS Executive Summit – Skilling and Talent - Session Reminder







Supply Chain Levels Maturity - Striving for Excellence in SCM

