

Q&A with Director of the Disaster Recovery Institute International

With all of the recent supply chain disasters being reported in the press I thought it would be interesting to ask Chloe Demrovsky, the executive director of the [Disaster Recovery Institute International](#) about the state of the global supply chain.



1. We often hear about supply chain disasters, whether it's in food or paints in toys. Is there a role for sensors and Internet of Things technologies to help prevent or limit such risks?

New technologies bring opportunity for improvement in the way we do things, but they also come with inherent risks. It is important that companies carefully assess the risks and analyze the value proposition before adopting them. It is important to balance the need to appear innovative by being an early adopter while asking the hard questions of whether or not this new technology will actually help your company deliver a better and safer product.

2. It's important for the US to limit risk, since our supply chain is global and interconnected, but isn't this a global problem?

Yes, it is undoubtedly a global problem. In today's interconnected world, rare is the production process or supply chain that exists within one nation's borders. The supply chain for food supply is increasingly fragmented, so the effects of a contamination can spread rapidly and can be more difficult to track and contain. For this reason, consumer advocates may want to focus on a company-driven approach to enforcing safety standards above a government-mandated solution. Regulation has a critical role to play, but it is tougher to enact cross-border controls. Companies will make safety and responsibility a priority if their customers ask for it. We are seeing the effects of this already with the rise of social enterprise and corporate social responsibility that extends beyond charitable giving and into the core strategic planning of companies.

3. As a consumer I am seeing more and more manufacturers put bar codes and QR codes on projects so we can track and trace down to the farms. Will this become more commonplace in the next few years or will government need to mandate it?

Companies put measures like this in place because of one of two reasons: either because it is mandated by the government through regulation or because their customers ask for it.

These new measures are the result of consumer advocacy and companies should try to get ahead of the trend. They will appear forward-thinking and transparent. Trust in food companies is at record low levels and studies indicate that the only way to combat it is through transparency measures that do not resemble marketing ploys, but rather provide access to comprehensive information so that consumers can make informed [buying decisions](#).

4. What are the top tips you have to advise supply chain professionals to reduce the risk on such health hazards?

Implementing a robust risk management program that includes business continuity must be a priority. This program should be managed at the highest levels of an organization with input into strategic decision-making rather than letting it be passed off as a low-level functional responsibility. This requirement must be written into contractual agreements with suppliers and verified through joint exercising and two-way information sharing. A comprehensive program is the only way to ensure that there is an ongoing process in place to deal with issues of quality control from manufacture through delivery and disposal. Organizations must also conduct effects-based planning so that there is a crisis management plan in place before an incident occurs. The plan will enable an organization to face a crisis immediately and handle the response in a way that will improve safety and minimize damage to the organization.

Bio

[Chloe Demrovsky](#) is Executive Director of DRI. She designed and implemented DRI's international market development strategy and manages a global network in over 50 countries. Follow her [@ChloeDemrovsky](#).

Posted by [Christopher Sciacca](#) at 3:48 PM

