Title: Vietnam firms suggested to focus on supply chain strategy for long-term resilience

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Being among the first countries in the region to reopen its economy, Vietnam should take the advantage to build upon the foundations for proactive resilience, stated PwC Vietnam.

While Vietnam has moved from managing the Covid-19 crisis to leading through recovery, it is time for businesses to bring their supply chain strategy into sharper focus by asking how to build long-term resilience post pandemic, according to PwC Vietnam.

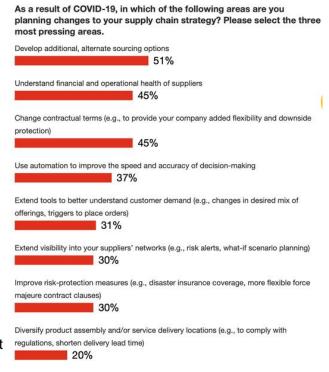
Supply chains today are made of many complex and interconnected links that when disruption happens, impacts will be felt on a human, social and economic level. The Covid-19 pandemic exposed how vulnerable and interdependent the supply chain ecosystem is as we see its effects rippling across countries and industries.

With drastic shifts in demand and disruption in trade activities due to the consolidation of suppliers by geography, the impacts on companies' supply chain has been farreaching and is no longer temporary.

Looking to the future, supply chain operations will need to move toward more comprehensive and proactive modeling.

This sentiment is reflected in recent May results from PwC's Global CFO Pulse Survey, where world CFOs expressed their plans for supply chain and wider third-party recalibration to better prepare for future shocks.

In particular, more than half (51%) of CFOs cite developing alternate sourcing options as the most pressing matter in their supply chain strategy. Meanwhile 45% CFOs expect to change contractual terms and 45% like to understand the financial and operational health of their current and future suppliers better.





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With learnings from the outbreak, businesses need to leverage on their newfound agility. Supply chains of tomorrow no longer center around efficiency and cost management but rather on building a secure and resilient supply chain. Looking at the current situation strategically and aligning your supply chain actions smartly will likely pay off as a competitive advantage for businesses in the long run." said Grant Dennis, chairman of PwC Vietnam.

Companies should understand their position in the supply chains more deeply and in more dimensions. In its latest publication, Beyond COVID-19: Supply chain of tomorrow, PwC explored 10 major supply chain and third-party challenges which will result in the reconfigurations of the pre Covid-19 supply chain ecosystem:

10 supply chain and third-party challenges	
Supply chain mapping and analytics	Digital operations and cyber security
Logistics and security	Environmental, social and governance and regulatory compliance
Distributors, agents and resellers	Contract and commercial
Critical labour availability in the supply and service chain ecosystem	Claims and losses
Financial health of suppliers and third-party service providers	Tax