

Case Study
Supplier Risk Assessment



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About the Client



- A food processing chain, with more than 31,000 outlets globally

Client Objectives / Goals



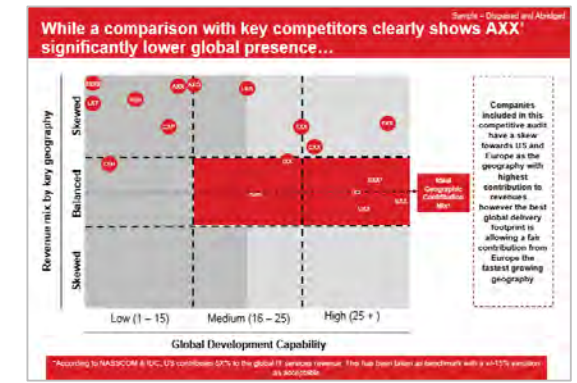
- The client's contract with one of its suppliers was about to expire. While the client was inclined to renew the contract, it intended to better understand the risks associated with its supplier
- Analyse the possibility of an acquisition/ merger of its existing supplier by a Tier-1 IT vendor; assess risks including solvency, business continuity as well as global delivery capability to evaluate whether to renew the contract

Approach and Methodology



- Conducted the supplier risk assessment basis extensive secondary research, covering business description, significant developments, key challenges and risks, corresponding strategies, recent deals, new and past acquisitions
- The team analysed the risks related to the supplier's business continuity, including analysis of new contracts / terminations and the value of new contracts vis-à-vis earlier ones
- Conducted a competitive landscape assessment, comparing the supplier's global delivery capabilities with the client's US and European vendors
- Also conducted detailed financial analysis, including impact of debt and possibility of future financial risks

Sample Output



Results / Value-add



Provided insights on pros and cons of renewing the contract and potential alternative options

Enabled the client to make an informed decision related to contract renewal; thus, minimising the associated risks