

The background features a dark purple-to-blue gradient with several stylized, red and yellow virus-like particles scattered across the frame. These particles have a central core and numerous protruding spikes or tentacles.

LEADERSHIP NEEDED:
*Agility and Practical Innovation During Times of
Crisis and Disruption*

May 13, 2020



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GLOBAL ENTERPRISE

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Christopher Caine

President, CGE



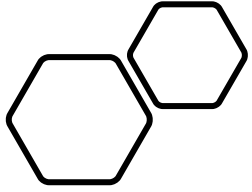
Christopher G. Caine is President of the Center for Global Enterprise, a New York based non-profit organization dedicated to the study of the contemporary corporation in the era of global economic integration. He is also President & CEO of Mercator XXI, LLC (www.mercatorxxi.com), a professional services firm helping clients engage the global economy. Prior to April 2009, Mr. Caine was employed by IBM Corporation for 25 years. For thirteen years he had corporate responsibility for global public policy issues that impacted IBM in his role as Vice President, Governmental Programs.

George Bailey

Executive Director & Chief Research Officer, DSCI

George Bailey is the Executive Director & Chief Research Officer of CGE's Digital Supply Chain Institute (DSCI). He is on the Advisory Board of Lockheed Martin and the American Productivity and Quality Center. He is also the Executive Professor of Digital Innovation at Pepperdine University and the Chairman of the Jackson Hole Ocean Sailing Team. Previously, George was the CEO of DIVA Networks, an Internet applications development firm, was the Chief Transformation Officer for Sony, ran several business as part of the IBM senior leadership team, and managed PwC's strategic change consulting unit.





Collaboratory Objectives

Outline

Outline overall impact of the Coronavirus (or other mega disruption) on global supply chains, and overall business

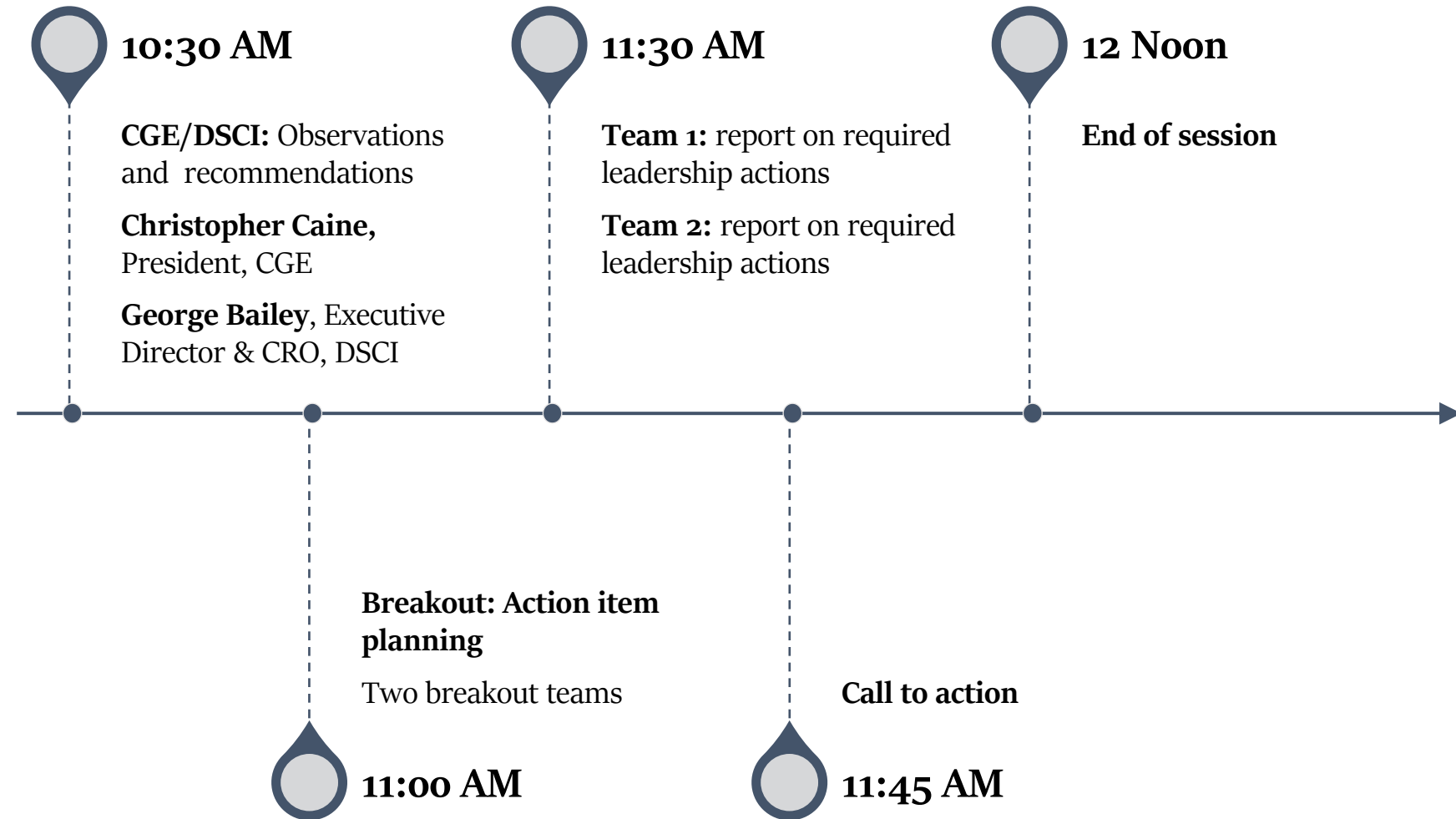
Describe

Describe leadership actions being taken across companies on the supply chain

Develop

Develop action items and a transformation framework that you can take back to work and execute on Thursday

Collaboratory 90-minutes plan



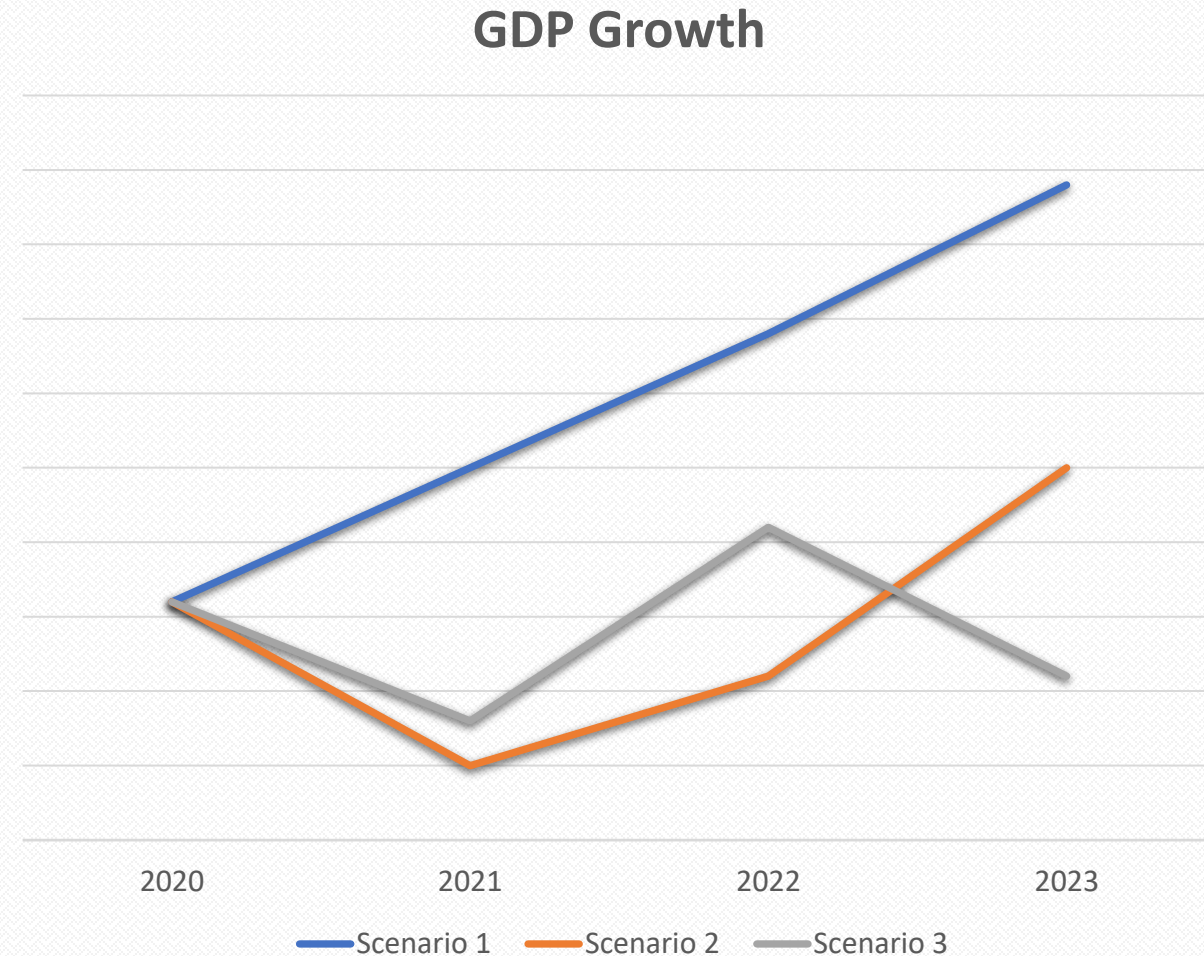


Unprecedented change

- 97% reduction in airline seats
- Multiple trillion \$ government programs
- A nearly 26% gain in food and beverage store sales
- Global market cap in Jan 2020 was around ~\$90 trillion and lost around ~\$6 trillion in Feb and Mar 2020

Companies are focused on the present, but preparing for the future

- Huge uncertainty on the health impact of opening up economies, but resolve to go back to work
- Demand remains repressed and recovery difficult to predict
- Unemployment figures are estimated to be the highest that they have been since the Great Depression

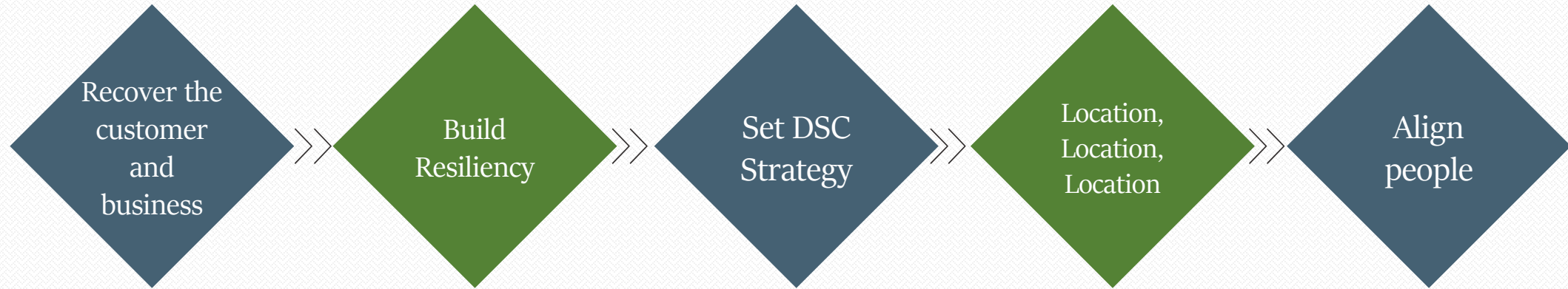


2020: Supply Chain becomes a buzz word

- Coronavirus (COVID-19) wreaks havoc on the world's supply chains and people take notice!
- Industries have significant supply chain challenges
 - Pharma example: China is the main supply source for USA 95% of ibuprofen, 91% of hydrocortisone, 70% of acetaminophen, 80% of antibiotics*
- Some misunderstand what a "supply chain" really is.....
- Some believe "global" is risky and uncontrollable
- Leading companies know that the supply chain is THE core process
- Never waste a good crisis: Companies are preparing supply chains for the new normal

* <https://www.supplychainquarterly.com/news/20200505-commentary--coronavirus-exposes-the-weak-links-in-the-pharmaceutical-supply-chain/>

Supply Chain Leadership Actions



Manage cash flow,
Invest in future

Set alternate
suppliers,
Diversify
locations,
Develop agility

Determine New
Customer,
routes to
market, on-line
strategy, supply
chain benefits

Assess supply
chain risk, past
needs, current
requirements,
future of New
Customer

Reduce expense,
Build skills
Customer focused
Healthy/
energized

Financials

Tough

Horizon

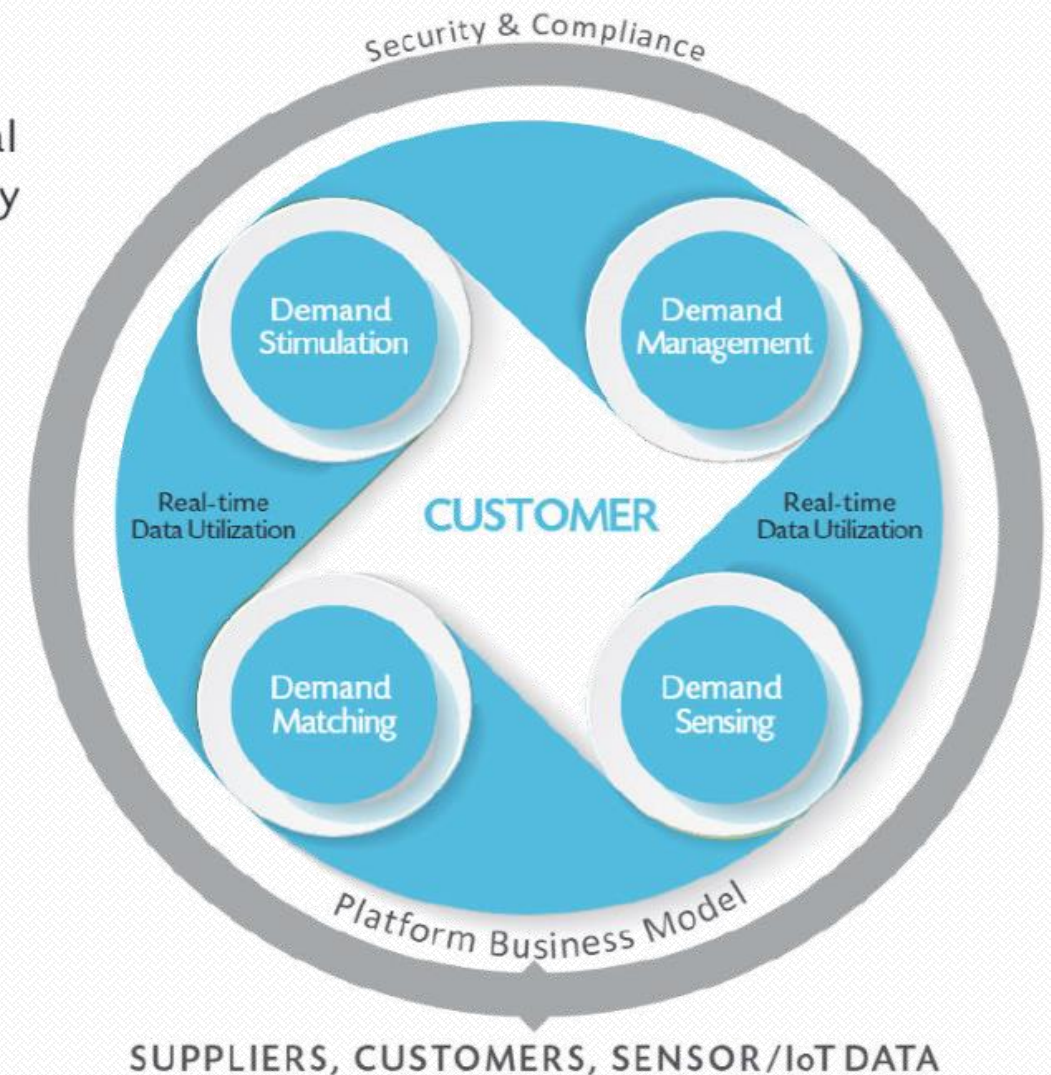
Near Shore

Heroes

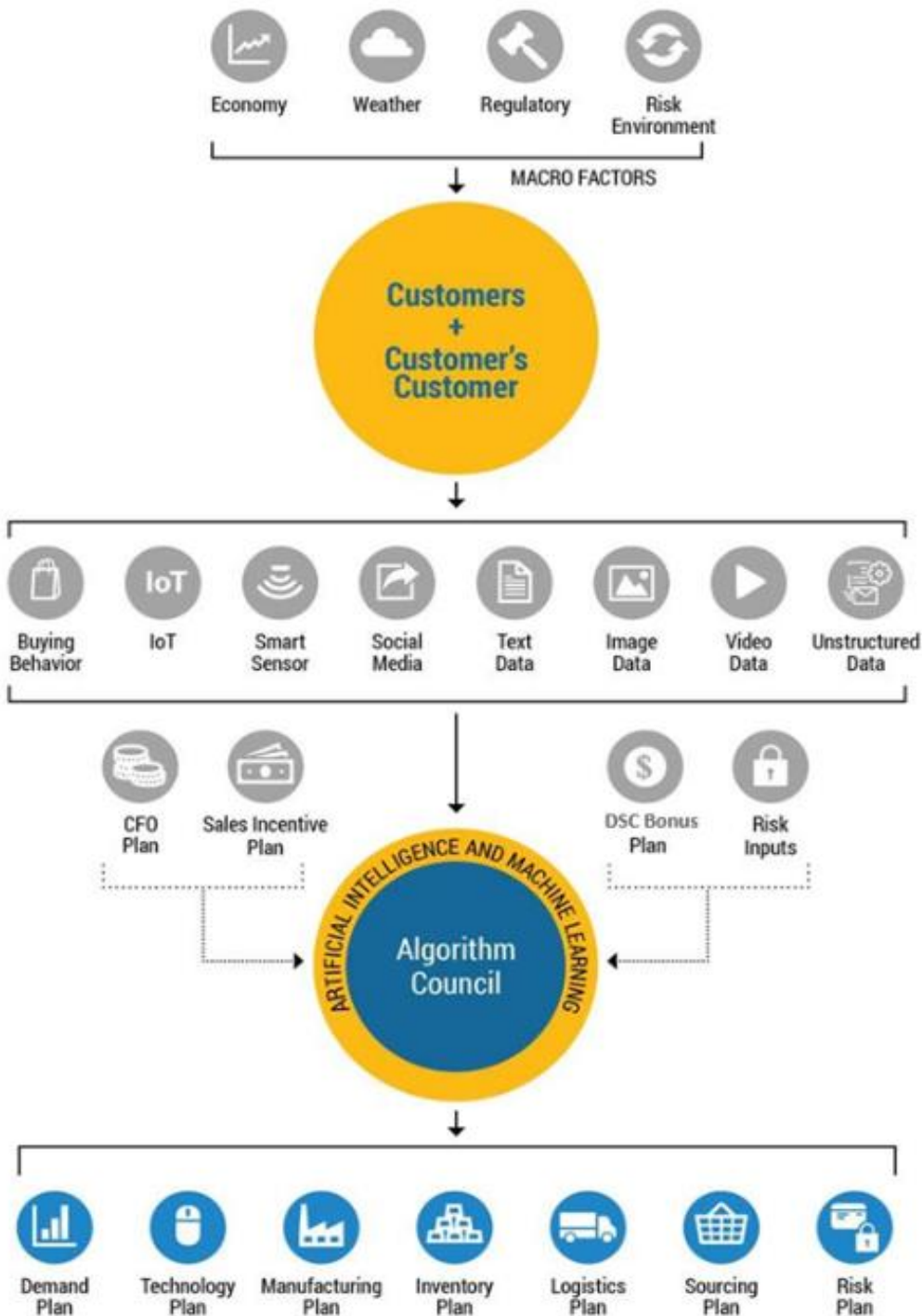
Digital Supply Chain

A Digital Supply Chain (DSC) is a customer-centric platform model that captures and maximizes utilization of real-time data coming from a variety of sources. It enables demand stimulation, matching, sensing, and management to optimize performance and minimize risk.

Digital
Supply
Chain



Customer and Algorithm Council-Driven Data Model



CEO Mandate: Executing the Digital Supply Chain Framework

DSC Execution Framework



Group work

- Two teams
- Thirty minutes of discussion and action planning
 - Identify two section items for each section of “Supply Chain Leadership Actions Framework”
- 7-minutes report back
- There will be a **winner**
 - Clearest examples of leadership actions
 - Most “implementable”
 - Best vision for the future
- Complete the slide, which you will see in a moment, and make it real!

Supply Chain Leadership Actions Framework



Report Back



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Summary, Take-aways, Call-to-Action



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Thank You



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Appendix



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The Global Supply Chain Community



The Global Supply Chain Community

