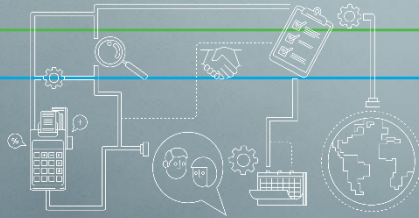


Helping you move forward
with confidence



WHY AN INTERNAL AUDIT IS NECESSARY FOR YOUR SUPPLY CHAIN

Did you know?

A supply chain isn't a stand-alone feature rather it forms a strong network in every aspect of your business. The strength of the network is determined by a strong relationship management mechanism between one department and the other.

The performance of the supply chain has a direct impact on a company's ability to provide services to their customers and create additional value through effectively offering the services.

Simply put, a robust supply chain is one that produces efficiencies over the flow of goods and services until the end user.

Internal audit helps an organization to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes," as defined by The Institute of Internal Auditors (IIA).

Even the most educated guesses can't predict the weather or a broken-down truck. This means that within every supply chain, there will always be an element of risk.

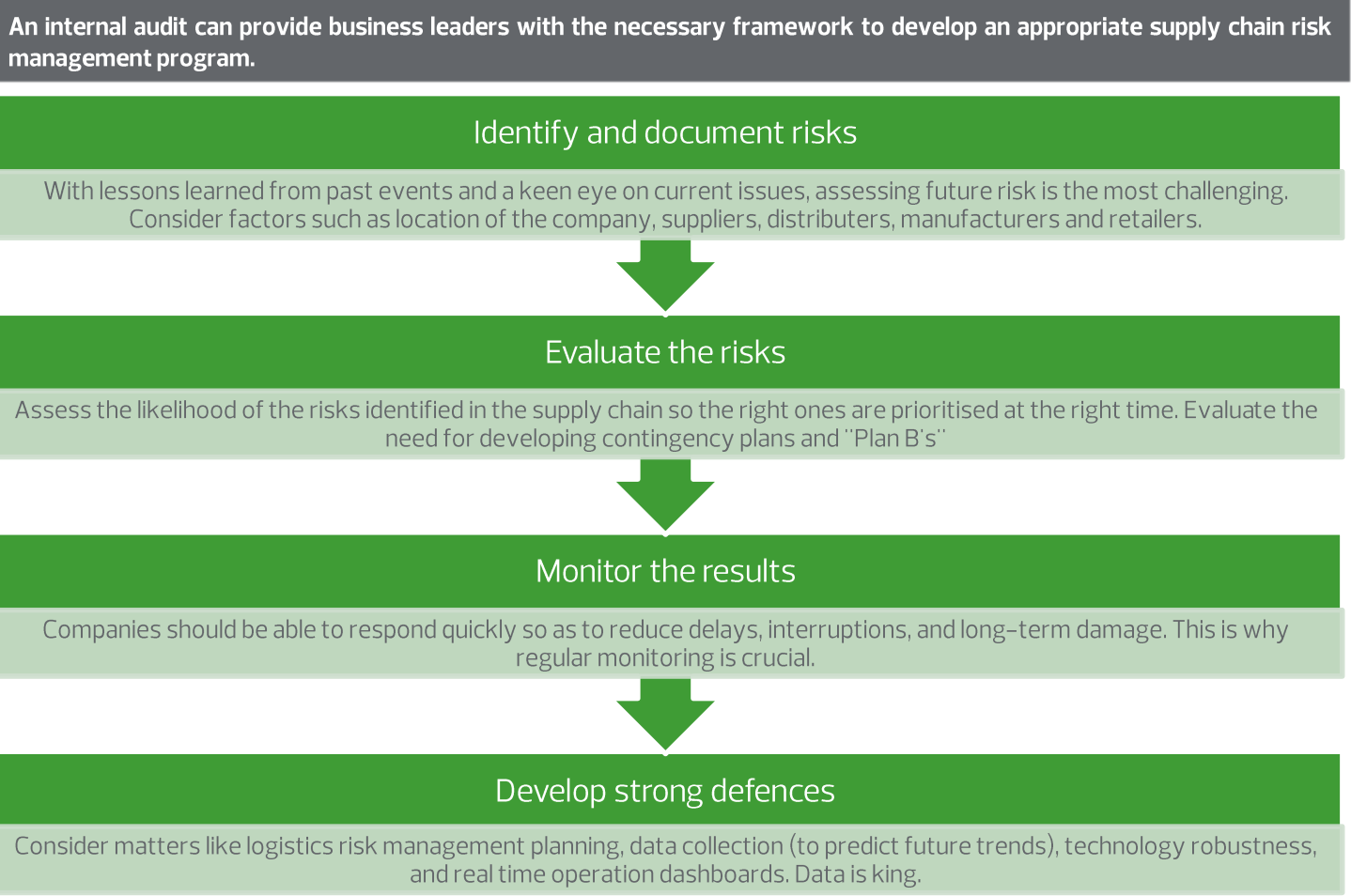
With recent advancements in information technologies, supply chain management has become a complex activity aimed at value creation, competitiveness and managing risks. With the rise in digitalisation, production and distribution systems have been redefined to have greater control over information, finance and good flows. For the very reason of increasingly complex logistics, technologies and automation, there is an imperative need to manage risk when evaluating your supply chain.



An internal audit of a supply chain will have the following advantages:

- It will support managers in process optimisation which will enable to prevent or reduce negative effects.
- It will help in cost reductions through increased efficiencies.
- It will extend the strategic capability and reach of business (through new markets).
- It can build and improve on business relationships.
- It can increase a Company's credibility and reliability.

How does internal audit help to formulate a supply chain risk management program?



While all risks can't be completely avoided, the majority can be mitigated if the right review mechanisms are in place. A thorough review of a company's supply chain makes it more dependable and empowered. That, coupled with intelligent technology gives companies the best opportunity to maintain their supply chains despite the risks and even come out on top because of quick response.

How can we help you?

Are you satisfied with your current internal control framework? Has the COVID-19 pandemic disrupted your supply chain as well as your crucial sleep? It is time we adapt change and stay ahead by planning ahead.

At RSM Eastern Africa, we can help in designing supply chain risk management program as described above as well as conduct reviews of an established supply chain management to assess its effectiveness and highlight any control gap.

CAVEAT

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