

# Supply chain management



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Japan's tsunami effect on Global supply chain management To begin with, the recent tsunami and earthquake that shook Japan have just not affected the economy and peace of the " Land of the Rising Sun" but also had impacts in various aspects, " The global supply chain management" being one among them. Looking closely into it would reveal its future affects globally. Japan being one of the world's largest automotive parts suppliers, has failed many automotive firms through out the world with the inevitable natural disaster. Toyota, Honda, Volvo and many such companies have been victims to this globally affected supply chain management of automotive parts. Many companies have suffered huge losses and some of them have stopped the production for quite sometime. The disaster has caused a rise of imports and a decline in exports of the country, owing to many factors such as physical damage and loss of capital. This in turn has a great affect on the global supply chain management because until Japan completely recovers from this havoc and gets back to the production on a normal basis, all the firms globally that have depended on Japan for their supplies would have to search for other sources which may result in the compromise of quality. This would show the worst affects on firms that have adapted " Just in Time" strategy for inventory management as they plan to keep just enough sources with no excess inventory. " The coming days and weeks are going to be intense for supply management professionals". ( " The Impact of the Japanese Tsunami on the Supply Chain" ). For my organization, I would make sure I maintain enough inventory and not completely rely on JIT strategy. I would make sure that my supplies come from different manufacturers (at least two) so that when one fails, the other can be of help. I would prepare my strategies for any unexpected disasters that can curb my production

potential. I would have a system in place, like an Insurance that can protect my organization against these kinds of natural disasters and see that my organization does not completely run into losses through continuous assessment. Works cited " The Impact of the Japanese Tsunami on the Supply Chain." Enterprise Resilience Management Blog. Web. 19 June 2011. .