International Supply Chain Risk Management Network

ISCRIM Members

ISCRIM NEWS

Newsletter of the International Supply Chain Risk Management Network (ISCRIM) Issue 3 – August 10 2003

Words from the editor

Dear friends,

almost every day we can read in the newspaper about the vulnerability of our society and now and then we also experience that in our daily life. Here in the Lund/Malmö region in the south of Sweden where I live the train traffic just started to run again a couple of hours ago after a 26 hour long total stop. The stop was caused by a small fire in a garage in combination with the fact that the garage owner did not know exactly how many gas tubes he had and where they were. It took about two hours to stop the fire but another 24 hours to get rid of the explosion risk of the gas tubes. The result was that about 75'000 commuters had to take the bus or car instead of train and that a number of rail transports of goods were delayed.

Two weeks ago, on the 14th of August, there was an interruption in the delivery of electricity in vast areas of USA and Canada. Some days later there was an article in The New York Times written by John Schwartz which had the title "Disaster Plans Get New Scrutiny After Blackout" commenting on the event. I would like to share two citations from this article with you. The first one is about the fact that each individual firm needs to take an active decision about its tolerance level for risks. But: *More and more, the choice is not theirs to make. Government regulations of financial industries, for example, increasingly require substantial efforts aimed at ensuring stability in an emergency. And in many cases, customers are demanding to see proof that a business is ready for trouble before they will award it a major contract or place a company within its supply chain of manufacturing.*

The second one is about learning: Mr. DeMarco of I.B.M. said that some customers learn from experience, but seem to learn the wrong lesson. He described a corporate client that survived a major flood with the help of his company's disaster recovery services, and then declined to renew its contract for the next year. Mr. DeMarco said he was aghast. "Are you kidding?" he recalled asking. "We just saved your company." The client, however, was unmoved. "We're in a hundred-year flood zone," Mr. DeMarco recalled him saying, "and it just happened."

The latter raises an important question for me: Am I as a researcher learning the right lesson?

Best regards

Ulf

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Michael Smith Western Carolina University, USA Veli-Matti Virolainen Lappeenranta University of Technology, Finland George Zsidisin Michigan State University, USA

Articles, reports and literature

Printed

Akkermans, Henk A. et al. (2003) "The impact of ERP on supply chain management: Exploratory findings from a European Delphi study". *European Journal of Operational Research*, 146[2]. 4-16-2003, pp. 284-301.

Hallikas J.; Virolainen V.-M. & Tuominen M. (2002) "Risk analysis and assessment in network environments: A dyadic case study". *International Journal of Production Economics*, Vol. 78, issue 1, pp. 45-55.

Harland, C.; Brenchley, R. & Walker, H. (2003) "Risk in supply networks". *Journal of Purchasing and Supply Management*, 9[2], pp. 51-62.

Helbing, Dirk (2003) "Modelling supply networks and business cycles as unstable transport phenomena". *New Journal of Physics*, Vol. 5, issue 1, pp. 90.1 – 90.28.

Huang, G. Q.; Mak, K. L. & Humphreys, P. K. (2003) "A new model of the customer-supplier partnership in new product development". *Journal of Materials Processing Technology*, 138[1-3], pp. 301-305.

Lee, Hau & Wolfe, Michael (2003) "Supply chain security without tears". *Supply chain management review*, January/February 2003, pp. 12-20.

Lewis, Michael A. (2003) "Cause, consequence and control: Towards a theoretical and practical model of operational risk". *Journal of Operations Management*, 21[2], pp. 205-224.

Palaneeswaran, E. et al. (2003) "Curing congenital construction industry disorders through relationally integrated supply chains". *Building and Environment*, 38[4], pp. 571-582.

Ryan, Sarah M. (2003) "Capacity expansion with lead times and autocorrelated random demand". *Naval Research Logistics*, 50[2], pp. 167-183.

Manuscripts under review

Choi, T.M., Li, D. & Yan, H. (2003) "Optimal returns policy for supply chain with e-marketplace". *International Journal of Production Economics*. In Press, Corrected Proof.

Hunter, L.M. et al. (2003) "A classification of business-to-business buying decisions: risk importance and probability as a framework for e-business benefits". *Industrial Marketing Management*. In Press, Uncorrected Proof.

Smyth, S. & Phillips, P.W.B. (2003) "Labeling to manage marketing of GM foods". Trends in Biotechnology. In Press, Corrected Proof.

Manuscripts under review, produced by ISCRIM members

Burtonshaw-Gunn, S.A.: "Managing Procurement Risk in International Infrastructure Projects".

Conference papers

Andersson, D. & Norrman, A. (2003) "Managing Risk When Outsourcing Advanced Logistics" in proceedings from the *12th IPSERA* conference in Budapest, Hungary (March 13-15), pp. 377 – 391.

Haywood, M. & Peck, H. (2003) "Improving the Management of Supply Chain Vulnerability in UK Aerospace Manufacturing". *EUROMA/POMS Joint International Conference*, Lake Como, June 16-18.

Norrman, A. (2003) "Supply Chain Risk Management" in proceedings from the 5th International Packaging Seminar, *The Society of Packaging Science & Technology*, Japan (June 27), pp. 1-9.

Haywood, M. & Peck, H. (2003) "An investigation into the Management of Supply Chain Vulnerability in UK Aerospace Manufacturing" in Pawar & Muffato (eds) Logistics and Networked Organizations. Proceedings of the 8th International Symposium on Logistics, July 6-8 in Seville, Spain, pp. 35-42.

Lindroth, R. & Norrman, A. (2003) "Contracts for Supply Chain Risk Handling – A case study from the Telecom Industry" in Pawar & Muffato (eds) (2003) Logistics and Networked Organizations. Proceedings of the 8th International Symposium on Logistics, July 6-8 in Seville, Spain, pp. 43-52.

Peck, H. & Christopher, M. (2003) "Supply Chain Resilience: Understanding the Uncertainties and Managing the Risks". *Logistics Research Network Annual Conference*, London, September 10-12.

Literature

Pfohl, H-C (ed) (2002) Risiko- und Chancenmanagement in der Supply Chain: proaktiv - ganzheitlich - nachhaltig. Erich Schmidt Verlag. Berlin.

Call for papers

Special issue of "Production & Operations Management" on "Risk Management in Operations"

In the fast-paced global economy of today, operations have begun to play an increasingly larger role due to several critical reasons. Process design and management have business- and industry-wide implications for firm success. Processes can be mapped, recorded, benchmarked, compared, and improved using a number of practical and readily accessible tools. A number of trained professionals, both in Operations and Information Systems, can provide process management expertise to firms in most industries. However, one significant facet of process management, namely, risk management remains under-developed. To a large extent this is probably due to a disconnect between Operations Management and Finance. Excellent tools for measuring and managing risk have been developed by finance professionals, such as retail and investment bankers, fund managers, credit analysts, etc. But, underlying any risk is the process that exposes the firm to the risk. Thus, risk management should become a part of the business process analysis tools. Several topics suggest themselves in this regard, such as:

•risk measurement and management in supply chains. (More topics are mentioned/Ulf P)

Guest editors: Professor Marti G. Subrahmanyam and professor Sridhar Seshadri.

Deadline: November 30, 2003. Articles will be peer-reviewed double-blind.

More information: www.stern.nyu.edu/om/whatsnew/papers.htm

Special issue of "International Journal of Operations & Production Management" on "Supply Management: The Emergence of an Academic Discipline?"

This Special Issue will cover a range of issues focusing on the development of and future trends for SCM. Articles covering the following topics (but not limited to them) are welcome for this Special Issue:

•SCM Trends for the future •SCM Strategy Development •SCM and Technology Management •SCM and People

Guest Editor: Professor Paul D Cousins.

Deadline: June, 2004.

More information: http://isacco.emeraldinsight.com/vl=1955733/cl=62/nw=1/rpsv/journals/ijopm/call2.htm

Books in progress

Brindley, Claire (ed): "Supply Chain Risk: A Reader". Ashgate Publishing Limited. (Production is scheduled for November 30, 2003).

Conferences & Workshops

Have taken place in 2003

Securing the Supply Chain. A workshop to Maximize Supply Chain Preparedness. March 10-11, 2003. George Mason University, School of Public Policy, Arlington, Virginia, USA.

The 14th Survive Annual International Conference & Exhibition. The Millennium Gloucester Hotel and Conference Centre, London. May 28-29, 2003. Arranged by SURVIVE – The Business Continuity Group. www.survive.com

Smart and Secure Supply Chains. 2day Annual Symposium. Stanford University, USA. June 10-11, 2003. Arranged by Stanford Global Supply Chain Management Forum. For more information please contact haulee@standford.edu

NOFOMA 2003 in Oulu, Finland, June 12-13, 2003. www.nofoma.org

ISL 2003 in Seville, Spain, July 6-8, 2003.

Research projects and research groups

Christos Doulaveris, University of Plymouth, UK: For the time being I am doing my dissertation for the University of Plymouth (UK) (MSc in International Logistics). The title of my dissertation is: "The role of risk management in global supply-chains and how this approach fits in with the challenge of supply-chain optimisation".

Interesting Internet links

CAPS - Centre for Advanced Purchasing Studies

www.capsresearch.org

Procurement Strategy Council

www.psc.executiveboard.com

Risk Transfer Magazine (useful links to organisations, conferences, books and articles. To get full access to the articles you have to be a subscriber) *www.risktransfermagazine.com*

SCOR - Supply-Chain Council

www.supply-chain.org

SOLE - The International Society of Logistics *www.sole.org*

SOLEurope - The International Society of Logistics - European partner organisation *www.soleurope.org*

SURVIVE - The Business Continuity Group. An international, industry-wide group for business continuity practitioners with 3000 members. *www.survive.com*

International journals on risks

Enterprise Risk. Informa Professional, London.

Journal of Risk and Uncertainty. Kluwer.

Journal of Risk Research. (The official journal of the society for Risk analysis Europe and the Society for Risk Analysis Japan). Carfax Publishing.

Risk Analysis - an international journal. Blackwell.

Risk Transfer Magazine. Ark-group Publishing. London. (www.risktransfermagazine.com)

Risk Transfer E-bulletin. Ark-group Publishing. London. (Free) (www.risktransfermagazine.com/newsletter.asp)

Risk Management. Gale Group. Thomson Corporation Company.

Security Management

Treasury & Risk Management

International Supply Chain Risk Management Network

Coming Conferences & Workshops

Supply chain risk management: Identifying and overcoming supply chain risk to meet the challenge of supply chain optimization. Shanghai September 8-9, 2003. Arranged by Marcus Evans conferences. (Among the speakers Mr Ulf Jansson, Ericsson, that speaks about "Disruption of Supply Chain and Mitigation of Supply Chain Risks). http://www.marcusevans.com/SearchE/searchset.htm

Logistics Research Network (LRN) Annual Conference in London, September 10-12, 2003. http://www.logistics100.com/lrn2003

Business Intelligence Connect. A 2-day forum arranged by the ARK Group. September 23-24, One Whitehall Place, London. http://www.businessintelligenceconnect.com/default.asp

The 3rd International Research Seminar on Supply Chain Risk Management. October 13-15, 2003. Crewe and Alsager Faculty, Manchester Metropolitan University. Crewe. UK. Registration and information: *C.S.Brindley@mmu.ac.uk*. The seminar is open only to members of the ISCRIM network and invited guests.

ISCRIM News

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Download old issues from *www.iscrim.org*

There you will also find some information about the ISCRIM Network.

ISCRIM – The International Supply Chain Risk Management Network

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Issue plan for 2003

Issue	Deadline for Contributions	From Print
2003:1	February 1	February 10
2003:2	May 1	May 10
2003:3	August 1	August 10
2003:4	November 1	November 10
Anyone interested in being added to the distribution list for the		
Newsletter will be so. Just send an e-		
mail to the editor and express your		
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