

UNIVERSITY OF MANAGEMENT AND TECHNOLOGY	UMT
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Managing agro supply risks
The case of potato chips manufacturing firm

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MS Supply Chain Management

by

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Abstract

The study was conducted to evaluate the management of risks associated with potato supply in potato chips manufacturing firm, which ultimately drive business performance. The methodology adopted was case study approach with objective to find out the management of risks in supply chain of potato in a potato chips manufacturing firm, from its crop management program to ultimate consumption at manufacturing site. The findings of this research show that management of risks associated with potato supply is highly critical for the focal company because of agricultural nature. Such supply chain is highly dependent on multiple factors including natural phenomena, which could normally be forecasted but cannot be controlled. The case also illustrates that how risks associated with potato along the supply process affect the business performance. The case also discusses the risk management program, which the company ensures at each stage to ultimately mitigate the risks, ensure continuity of business and deliver performance. The research focuses on the risks and its management in supply specific to potatoes, which proved to be highly critical regarding continuity and performance of business. The significance of agro based supply risk management process and its impact on overall business performance was highlighted in the study. The findings from this research also raise the need to further strengthen the risk management of other agro based supply chains, which is high important for the continuity and performance of organizations operating with such inputs.

Keywords: Potato supply, risk management, potato chips manufacturing

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1. Introduction

Supply chain processes are not as simple as were few decades back. Globalization expanded these operations across the world and organizations are sourcing their inputs from different parts of the world (Ghadge et al; 2012). The complex network of supply chain not only impact internally but also externally due to linkages with network of other organizations. Technology and speed of operations has also improved drastically, which also exposed the supply chain operations to more risks in terms of flow of information, materials and cash. Increasing inflation of commodities and grouping of different countries through mutual economic forums made the supply chain absolutely strategic.