



Commercial Risk Advisor

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Tips to Limit Supply Chain Exposure

In recent years, factors such as the COVID-19 pandemic, labor shortages, natural disasters and production issues have contributed to supply chain disruptions worldwide, impacting high-end consumer products as well as basic commodities, such as generic drugs and energy. Below are some suggestions for how businesses can limit their exposure to supply chain disruptions:

- **Diversify supplier base.** Using a single supplier can disrupt a business's entire supply chain should an issue arise. Having a diverse supplier base disperses the risk and reduces risk impact.
- **Have backup suppliers and vendors.** There are several reasons a supplier may be unable to complete an order, including unprecedented demand or issues with their own supply chain. Organizations should identify suitable suppliers to use should problems occur with the primary supplier.
- **Prepare a risk management plan.** Organizations should identify and assess all current and potential risks that could disrupt business supply chains. Preparing procedures and responses for risks and building flexibility into business processes will help them adapt to disruptions.
- **Aim for end-to-end supply chain visibility.** Supply chains typically involve many operational stages, each with its own risks and challenges. Supply chain visibility can help mitigate risks by tracking progress and ensuring quick responses to any issues.
- **Invest in cybersecurity.** Some of the most common risks that affect supply chains include data leaks, breaches and malware attacks. Businesses should assess and improve current cybersecurity measures to mitigate supply chain risks.
- **Purchase coverage.** Specialty insurance policies can help businesses recover in the event of a supply chain disruption.

Businesses should be proactive in identifying and preventing supply chain disruptions. For more information, contact us today.

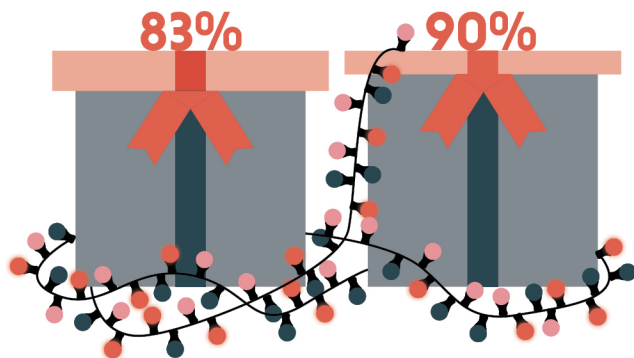
Reducing Holiday Party Liability

Office holiday parties can give employees the opportunity to celebrate a successful year of business, but they can also open companies up to liability risks, especially if alcohol is involved. However, with some advanced planning, employers can minimize those risks and enjoy the holiday celebration.

The following are steps employers can take to limit holiday party liabilities:

- **Limit alcohol consumption.** Intoxicated employees pose many liability risks. Consumption can be limited by offering employees one or two drink tickets and hiring professional bartenders to make the drinks.
- **Keep it inclusive.** In order to make sure all employees feel welcome, the party should be a nondenominational celebration, focusing on celebrating the company's successes throughout the year rather than a particular religious holiday.
- **Make the party optional.** Employees shouldn't feel pressured to attend the event, so it should be emphasized that attendance is not required.
- **Provide transportation.** Offering transportation services, including rideshare reimbursement, for employees and guests can ensure that all attendees make it home safely.
- **Avoid potluck-style celebrations.** Food safety needs to be strongly considered. Therefore, hiring a catering service may limit the risk of foodborne illnesses or allergic reactions.
- **Set expectations.** Company leaders should send an email reminding employees that professional decorum during the party is expected.
- **Skip the mistletoe.** Employees should never be put in an uncomfortable position, so avoid hanging mistletoe at the venue.

Taking preventive action can result in a fun, safe environment for everyone in attendance. For more risk management guidance, contact us today.



**Between 83%
and 90%**
of companies have
annual holiday parties.