

Deloitte.



Supply Chain Diagnosis and Assessment

**MAKING AN
IMPACT THAT
MATTERS**
Since 1845

Comprehensive supply chain assessment

Our comprehensive assessment dives deep into the key segments of your company's supply chain to provide a clear overview of critical focus areas. We aim to connect the dots across your supply chain activities, identifying opportunities for improvement in the areas that matter most.

Our Approach:

- Conduct a detailed evaluation of your supply chain, focusing on key segments.
- Leverage industry best practices to offer valuable insights and recommendations.
- Identify opportunities for improvement to enhance efficiency and effectiveness.

Who Benefits:

- Management: Gain strategic insights to drive decision-making.
- Department Heads: Discover specific areas for operational improvements.
- Internal Auditors: Obtain a thorough understanding of compliance and risk management.
- Compliance teams: Ensure alignment with industry standards and regulatory requirements.

Let us help you optimise your supply chain for better performance and compliance.

Assessment by Categories and Types of Segments

Segments	Output of assessment						
	Profiling of transactions	Systems and data availability	Responsibilities and delegation of authority	Key risks	Assurance mapping	Maturity	Key priorities
Planning	Quantum and quantity of transactions to assess areas of focus	Data required to improve practices and areas to leverage technology	<ul style="list-style-type: none"> • Process optimisation and integration • Any issues on the segregation of duties 	Key risk to assess further actions - audit plan	Assessment of whether certain processes are sufficiently or overly reviewed	Assessment of maturity levels for each segment	Addressing areas of importance
Procurement Logistics - Inbound Warehousing Distribution Manufacturing Quality	Profiling of transactions	Systems and data availability	Responsibilities and delegation of authority	Key risks	Assurance mapping	Maturity (lagging, developing, performing or leading)	Key priorities

Illustrative Deliverables

Segments	Output of assessment						
	Profiling of transactions	Systems and data availability	Responsibilities and delegation of authority	Key risks	Assurance mapping	Maturity	Key priorities
Planning	3 methods: ¹ 1. Consumption 2. Forecast 3. Re-order	SAP ²	Approvers for purchase requisition ³	Overstock of materials	<ul style="list-style-type: none"> No internal audit 2 ISO audits annually No financial audit 	Lagging	<ul style="list-style-type: none"> Business assessment to be performed to categorise the data appropriately Implementing planner approvals in SAP
Procurement	<ul style="list-style-type: none"> Average of 50 purchase orders monthly \$1.2 million spent monthly 	<ul style="list-style-type: none"> SAP Data available: <ol style="list-style-type: none"> Vendor Master Listing Purchase Order Listing Purchase Order Ageing 	<ul style="list-style-type: none"> Centralised procurement⁴ Evaluation Committee Approvers for purchase⁵ Approvers for waiver of competition Contract Signatories 	<ul style="list-style-type: none"> Supplier Risk – Reliance on key suppliers Anti-corruption and bribery risk - Conflict of interest declaration Contract Risk – Business terms review by legal 	<ul style="list-style-type: none"> Scope audited once every two years 3 recurring findings from prior years⁶ 2 findings are common in the industry 	Developing	<ul style="list-style-type: none"> To update/refresh the training materials and simplify the content for ease of understanding With more than 20 related companies, to assess the controls on conflict-of-interest declaration

¹ Reports not available to identify percentage of materials are planned by which method.

² Data is not maintained in SAP to assist planner to plan accurately.

³ While there are approvers for quantity to purchase, the approval is not embedded in SAP, which can be implemented.

⁴ Current centralised model is adopted by most companies in the same industry with more than \$1M spent monthly.

⁵ Approvers for purchase is the same party as approvers for requestor for value more than \$500K.

⁶ While there are recurring internal audit findings, it is due to employee familiarity. Hence, additional audits are not required.

Profile



Cheryl Lim
Executive Director
cherylim@deloitte.com

Cheryl co-leads the internal audit and enterprise risk management practice in Deloitte Singapore. She has over 16 years of experience in providing statutory audit, internal audit and Assurance services. She is the Project Partner delivering internal audit and Assurance services for a number of listed, government linked as well as multi-national corporations. She also provides SOX consulting and attestation services to US and Japanese multi-national corporations.

Cheryl has a proven track record in serving clients from a range of diversified industries such as energy (including oil and gas), real estate (REIT and Asset Management), government, hospitality, gaming, food and beverage, manufacturing, and port management.

In relation to supply chain management, her clients include petrochemical logistics services providers, a leader in the supply chain industry and a multi-geography integrated specialised logistics provider.



Andy Wee
Executive Director
awe@deloitte.com

Andy has over 12 years of professional work experience in the area of Auditing (internal controls and financial), Enterprise Risk Management (advisory and implementation), corporate governance, business process review, establishing policy, implementing control self assessment framework and information system implementation. Andy is exposed to various industries such as the energy, resources and industrial, internet content and information, real estate, food and beverage, consumer (for online retail), pharmaceuticals, and the public sector.

Supply chain management

In this area, he has audited companies in the industry of energy, manufacturing, food and beverage, consumer (for online retail). Besides identifying internal control weakness, he shares insights on potential cost savings practices. In his earlier employment, he was in the aviation/defence industry for 8 years where he was involved in managing optimal inventories to support requirements which involves 20,000 types of inventory, and considerable value per inventory item. This involves dealing with users, suppliers, and logistics support. He was also involved in the company wide upgrade of SAP which require setting the governance, strategy and operational aspects such as controls to prevent misuse of data, critical data to import, and data cleansing.

Industry specialisation: Energy, resources and industrial

In this industry, he has performed services on internal controls, business process review, regulatory related audits, risk assessment to identify auditable areas, assurance map, and control self-assessment. The generic processes where he had been involved in this sector are revenue, procurement and payment, contract management, supply chain management, cash management, human resource, incident reporting, environmental and sustainability, business continuity planning, due diligence and managing anti-corruption, enterprise risk management, and spend analysis. The Industry specific processes he has covered are project management on renewable energy, investment on renewable assets, compliance with electricity and gas market, retail business on sales, portfolio effectiveness for energy, fuel and inventory management, trading office involving physical and hedging, chemical management, operations and maintenance, and construction.



Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited (“DTTL”), its global network of member firms, and their related entities (collectively, the “Deloitte organization”). DTTL (also referred to as “Deloitte Global”) and each of its member firms and related entities are legally separate and independent entities, which cannot obligate or bind each other in respect of third parties. DTTL and each DTTL member firm and related entity is liable only for its own acts and omissions, and not those of each other. DTTL does not provide services to clients. Please see www.deloitte.com/about to learn more.

Deloitte Asia Pacific Limited is a company limited by guarantee and a member firm of DTTL. Members of Deloitte Asia Pacific Limited and their related entities, each of which are separate and independent legal entities, provide services from more than 100 cities across the region, including Auckland, Bangkok, Beijing, Hanoi, Hong Kong, Jakarta, Kuala Lumpur, Manila, Melbourne, Osaka, Seoul, Shanghai, Singapore, Sydney, Taipei and Tokyo.

About Deloitte Singapore

In Singapore, financial advisory services are provided by Deloitte & Touche Financial Advisory Services Pte. Ltd. and other services (where applicable) may be carried out by its subsidiaries and/or affiliates.

Deloitte & Touche Financial Advisory Services Pte. Ltd. (Unique entity number: 200205727K) is a company registered with the Accounting and Corporate Regulatory Authority of Singapore.