

Consolidated Risk Control Matrix for FMCG Logistics Process

RID	Process Area	Risk Description	Impact	Likelihood	Risk Rating	Existing Controls	Proposed Mitigation	Responsibility	Monitoring Frequency
R1	Procurement	Supplier failure to deliver raw materials on time	Production delays, stockouts	Medium	High	- Supplier contracts with penalty clauses - Multiple supplier sourcing	- Regular supplier performance audits - Safety stock for critical items	Procurement Manager	Monthly
R2	Procurement	Poor quality of raw materials	Product recalls, customer complaints	Low	Medium	- Supplier quality certifications - Inbound quality checks	- Enhanced supplier vetting process - Random sampling	Quality Assurance Team	Quarterly
R3	Transportation	Delays due to traffic or route inefficiencies	Late deliveries, increased costs	High	High	- Real-time GPS tracking - Route optimization software	- Contingency transport plans - Backup carriers	Logistics Coordinator	Daily
R4	Transportation	Damage or loss of goods during transit	Financial loss, customer dissatisfaction	Medium	Medium	- Insurance coverage - Proper packaging standards	- Regular carrier performance reviews - IoT sensors for monitoring	Transport Manager	Weekly
R5	Warehousing	Inventory shrinkage (theft, damage, or spoilage)	Stock discrepancies, financial loss	Medium	Medium	- CCTV surveillance - Regular stock audits	- RFID tagging - Temperature/humidity controls	Warehouse Supervisor	Bi-weekly
R6	Warehousing	Overstocking or understocking	Excess carrying costs or stockouts	High	High	- Inventory management software - Demand forecasting	- ABC analysis for stock prioritization - Automated reorder alerts	Inventory Manager	Monthly
R7	Inventory Management	Inaccurate demand forecasting	Overproduction or stockouts	Medium	High	- Historical sales data analysis - Collaboration with sales team	- AI-based predictive analytics - Seasonal trend analysis	Supply Chain Analyst	Quarterly

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<i>R8</i>	Distribution	Delivery delays to retailers/customers	Lost sales, reputational damage	High	High	- SLA agreements with distributors - Delivery tracking systems	- Last-mile delivery optimization - Customer communication protocols	Distribution Manager	Daily
<i>R9</i>	Distribution	Product damage during last-mile delivery	Returns, customer dissatisfaction	Medium	Medium	- Training for delivery personnel - Sturdy packaging	- Post-delivery feedback system - Quality checks at handover	Customer Service Lead	Weekly
<i>R10</i>	Regulatory Compliance	Non-compliance with transportation regulations	Fines, shipment delays	Low	Medium	- Regular compliance audits - Legal team oversight	- Updated training on regulations - Regulatory tracking system	Compliance Officer	Semi-annually
<i>R11</i>	Technology Dependence	IT system failure (ERP, WMS, or TMS downtime)	Process disruption, data loss	Low	High	- Regular system backups - Redundant servers	- Disaster recovery plan - Cloud-based solutions	IT Manager	Monthly
<i>R12</i>	External Factors	Natural disasters disrupting supply chain	Complete halt of operations	Low	High	- Business continuity plan - Insurance	- Diversified warehouse locations - Emergency supplier network	Risk Management Team	Annually
<i>R13</i>	External Factors	Fuel price volatility	Increased transportation costs	High	Medium	- Fuel hedging contracts - Cost pass-through clauses	- Fuel-efficient vehicles - Route optimization	Finance Manager	Quarterly
<i>R14</i>	Workforce	Labor shortages or strikes	Delays in warehousing/distribution	Medium	High	- Cross-training staff - Competitive wages	- Temporary staffing contracts - Employee engagement surveys	HR Manager	Quarterly
<i>R15</i>	Customer Interface	Misalignment with retailer/customer expectations	Lost sales, contract penalties	Medium	Medium	- Regular retailer feedback - CRM system	- Dedicated account managers - Real-time order updates	Sales Manager	Monthly

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<i>R16</i>	Cybersecurity	Cyberattack on logistics IT systems (e.g., WMS)	Data loss, operational halt	Low	High	- Firewalls and antivirus - Regular IT audits	- Penetration testing - Employee cybersecurity training	IT Security Lead	Quarterly
<i>R17</i>	Sustainability	Failure to meet carbon emission regulations	Fines, reputational damage	Medium	Medium	- Emission tracking tools - Green certifications	- Electric vehicle adoption - Carbon offset programs	Sustainability Officer	Semi-annually
<i>R18</i>	Financial	Currency fluctuations in international logistics	Increased costs, profit erosion	Medium	Medium	- Hedging contracts - Local currency invoicing	- Financial forecasting tools - Diversified supplier base	Finance Manager	Quarterly
<i>R19</i>	Process Interdependency	Warehouse delays cascading to distribution	Delivery delays, customer complaints	High	High	- Buffer stock at warehouses - Process mapping	- Integrated supply chain dashboard - Cross-functional drills	Supply Chain Manager	Monthly