

Risk Management of Materials Supply

Yuriy Shcherbakov, Ph.D.¹

Copyright 2008 by the Society of Actuaries.

All rights reserved by the Society of Actuaries. Permission is granted to make brief excerpts for a published review. Permission is also granted to make limited numbers of copies of items in this monograph for personal, internal, classroom or other instructional use, on condition that the foregoing copyright notice is used so as to give reasonable notice of the Society's copyright. This consent for free limited copying without prior consent of the Society does not extend to making copies for general distribution, for advertising or promotional purposes, for inclusion in new collective works or for resale.

¹ Risk manager, "INTERPIPE." E-mail: Yuriy.Shcherbakov@interpipe.biz.

Abstract

The article is devoted to risk management in the business process of materials supply for industrial enterprises.

The goals of the business process are considered, and the risks of the failure to achieve goals are identified. Probabilities and influence of negative events are estimated. The risk treatment is considered on critical risks, including forming of insurance supplies of materials. The calculations of insurance supplies of materials, taking into account risks, are conducted on the basis of statistical information.