

MIT Industrial Liaison Program Faculty Knowledgebase Report

Supply Chain Resiliency and the Need for Stress-Tests

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David Simchi-Levi is a Professor of Engineering Systems at MIT and serves as the head of the MIT Data Science Lab. He is considered one of the premier thought leaders in supply chain management and business analytics.

His Ph.D. students have accepted faculty positions in leading academic institutes including U. of California Berkeley, Carnegie Mellon U., Columbia U., Duke U., Georgia Tech, Harvard U., U. of Illinois Urbana-Champaign, U. of Michigan, Purdue U. and Virginia Tech.

Professor Simchi-Levi is the current Editor-in-Chief of *Management Science*, one of the two flagship journals of INFORMS. He served as the Editor-in-Chief for *Operations Research* (2006-2012), the other flagship journal of INFORMS and for *Naval Research Logistics* (2003-2005).

In 2020, he was awarded the prestigious INFORMS Impact Prize for playing a leading role in developing and disseminating a new highly impactful paradigm for the identification and mitigation of risks in global supply chains.

He is an INFORMS Fellow and MSOM Distinguished Fellow and the recipient of the 2020 INFORMS Koopman Award given to an outstanding publication in military operations research; Ford Motor Company 2015 Engineering Excellence Award; 2014 INFORMS Daniel H. Wagner Prize for Excellence in Operations Research Practice; 2014 INFORMS Revenue Management and Pricing Section Practice Award; and 2009 INFORMS Revenue Management and Pricing Section Prize.

He was the founder of LogicTools which provided software solutions and professional services for supply chain optimization. LogicTools became part of IBM in 2009. In 2012 he co-founded OPS Rules, an operations analytics consulting company. The company became part of Accenture in 2016. In 2014, he co-founded Opalytics, a cloud analytics platform company focusing on operations and supply chain decisions. The company became part of the Accenture Applied Intelligence in 2018.

The global pandemic has exposed serious flaws in supply chains, including critical ones for industries such as pharma and medical supplies. [Shortages of personal protective equipment](#) for health workers and ventilators in hospitals are the most prominent ones. To prevent this problem from occurring again when the next disaster strikes, governments should consider establishing a stress test for companies that provide critical goods and services that's akin to the stress tests for banks that the [U.S. government](#) and [European Union](#) instituted after the 2008 financial crisis. This test should focus on the resilience of companies' supply chains.