



The Future of Big Data and Artificial Intelligence is Now: How FTA Innovates to Boost Sustainable Supply Chain

Overview

The rise of big data technology and artificial intelligence has changed the way we see the world. The capability of machines to think and act like human goes beyond our imagination; creating new opportunities and also posing some challenges. One of our aims at FTA is to boost sustainable supply chain practices and support our members in achieving the highest standard of sustainability. During this session, we will introduce new research findings on key factors that impact producers' performance.

We invite you to join us to discover these new artificial intelligent tools which can assess the risk of new producers and provide recommendations even before a field audit is conducted.



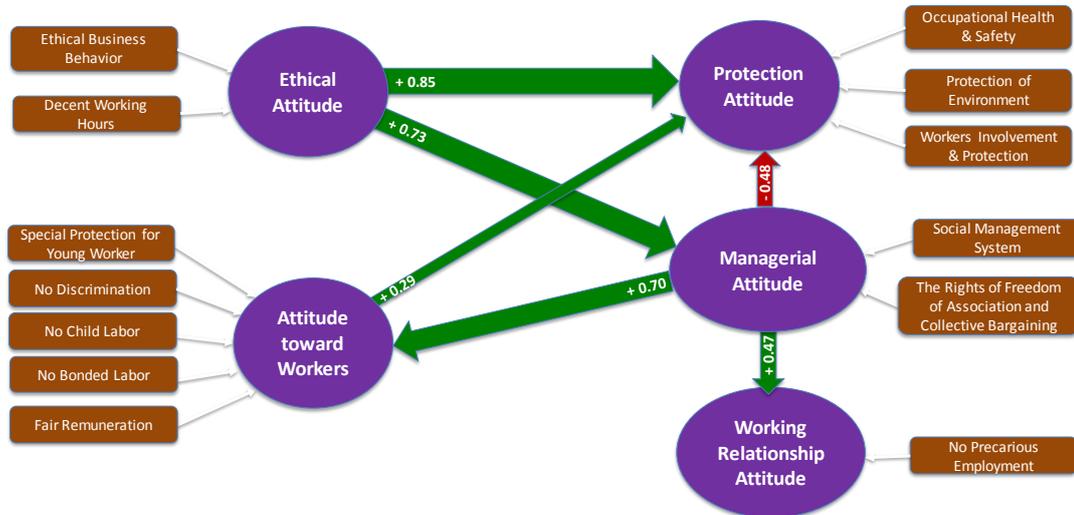
Speakers

- **Anis Radianis**, Business Intelligence Manager - FTA
- **Darrel Doren**, Senior Director Sustainability - FTA

Session Highlights

- What and how the big data and artificial intelligence affect our live in positive way.
- FTA effort to innovate by leveraging big data and artificial intelligence technology to boost the sustainability of global supply chain for their members.
- The showcase of research study to understand the driving forces of social sustainability and how the social sustainability is understood.
- The research on the driving forces highlight 5 dominant forces affecting the social sustianbility such as Workers Legal Minimum Wage to Average Living Cost Rate, Women in Workers Proportion, Number of Workers, Average Annual Turnover of Buyers, and Annual Turnover of Producers.
- The research benefit is on provide focus for our members to improve sustainability with greater effectivity and efficiency.

- The research on the social sustainability dynamics highlight the importance of ethic to the whole dynamics of other social sustainability. The social sustainability model describe in the relationship of the element and component based on BSCI 2.0 methodology.



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- The magnitude of each relationship is explained to understand the dynamics of each element.
- Focusing the effort more into ethical attitude and to lesser degree the managerial attitude, sustainability practitioners could effectively tackle protection attitude, attitude workers and working relationship attitude
- Thanks to the research based on FTA data and machine learning, we are now able to have a prototype application that can predict the sustainability rating of producers
- A showcase of predictive sustainability prototype application using machine learning to expand and speed-up sustainability objective in the area of pre-qualification assesment and follow-up audit.



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Quotes

- “We hope to transform the work of CSR managers, not to eliminate it. “ Anis Radianis
- “From our research, we can see that the Ethical attitude is the most important factors for boosting sustainability along the supply chain”. Anis Radianis
- “We would love to be able to show the correlation between quality and sustainability”. Darrel Doren

One of the most important questions is if they subcontract: how to measure the impact?

The app may predict the behaviour of subcontractor, if they are disclosed.

Are we looking at ways to identify non-declared subcontractors?	We cannot predict non-declared subcontractors with the app, we are looking at ways to go past tier 1.
It depends on the type of supply chain: in textile is relatively easy. What about using capacity to measure the impact of subcontractor?	We now must use the data we have on tier 1 to the maximum and we will then be able to go past tier 1.
Did we use the wrong factors in the past to measure the drivers of csr?	The tool focuses on the BSCI definition of social performance; use can use it if we compare data with ILO conventions.
	<p>These indicators help us to predict a generally better score, but not a specific one. We do not predict good performance, we predict absolute performance.</p> <p>We hope to transform the work of CSR managers, not to eliminate it. Increases the value of your work, but also probably your working hours. Helps reaching bigger engagement of producers.</p>

Helpful? Is this a direction you want to follow? (FTA)	Yes, it is great. Also, not all of us can hire an analyst to measure this kind of data.
	You can see the relative economic health of the retail sector, we discovered that when a customer goes bankrupt, the suppliers have a high chance of going bankrupt too. This means having to deal with a high amount of job losses.

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Correlation sustainability and quality to convince buyers and producers not convince yet?	That is external data we would love to combine.
Info on ethics in non-emerging markets?	Correlation is not that big; but audits are increasing in Europe and we are going to see interesting data. Tremendous adbatages in targeting specific needs of producers at same costs.
Could we bring in a policy elements?	Maybe not in the app but that is data you could combine with the app to understand the trends. Also, it is a long-term goal since policy impact is not measure on the short term.
Where can we find more info? I would like to understand why you do not speak of causation where influence only goes one way.	Not real causation as it we believe that there are other factors.