

Improving Collaboration and Communication Strategies to Optimise Supply Chain in South Eastern Nigeria in Response to Currency Devaluation: A Holistic Approach

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ABSTRACT

The depreciation of currency presented substantial obstacles for firms operating in South Eastern Nigeria, affecting the price of acquiring goods and services, the dynamics of the supply chain, and the overall ability to compete. To overcome these issues, it was essential to improve the coordination and communication methods among all parties involved, since this was key to maximising the efficiency of supply chains. This study employed a holistic strategy to reduce risks, enhance resilience, and take advantage of opportunities in the face of currency changes. Recent research highlights the crucial importance of cooperation and communication in optimising supply chains, especially in locations that are susceptible to currency depreciation. Efficient cooperation among stakeholders was crucial for actively tackling difficulties that arose from currency depreciation. Clear and open communication promotes confidence, simplifies the exchange of information, and allows stakeholders to synchronise their expectations and priorities. Collaboration and communication played a particularly important role in South Eastern Nigeria, which was known for its varied socioeconomic and political factors. This article examined the difficulties and advantages linked to the depreciation of currency in South Eastern Nigeria. It suggests a complete method to improve cooperation and communication techniques for optimising the supply chain. This article offered practical advice for firms in the area to successfully and sustainably overcome problems posed by currency depreciation. These recommendations were based on insights from current research and real-world experiences.

Keywords: Currency depreciation, Teamwork, communication, Supply chain optimisation, South Eastern Nigeria.

INTRODUCTION

The depreciation of currency poses considerable obstacles for firms operating in South Eastern Nigeria, affecting the prices of acquiring goods and services, the dynamics of the supply chain, and the overall ability to compete. To address these difficulties, there is an increasing acknowledgement of the significance of improving cooperation and communication techniques among stakeholders to optimise supply chains efficiently. This comprehensive strategy attempts to reduce risks, enhance resilience, and take advantage of opportunities in the face of currency changes. Recent research emphasises the crucial need for cooperation and communication in optimising supply chains, especially in locations that are susceptible to currency depreciation. Smith and Johnson. [1], conducted research that highlights the need for efficient coordination among suppliers, logistics partners, and other stakeholders to effectively tackle issues resulting from currency depreciation. By cultivating stronger relationships with important stakeholders, firms may reduce risks, improve adaptability, and sustain competitiveness in unpredictable market conditions. In addition, a study conducted by Brown et al. [2], highlights the significance of clear and open communication in the field of supply chain management, particularly in times when the value of currency decreases. Clear and open communication promotes confidence, simplifies the exchange of information, and allows stakeholders

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to synchronise their expectations and priorities. Businesses may enhance their ability to handle uncertainty by effectively informing stakeholders about the possible implications of currency depreciation and working on solutions to mitigate risks. Within the specific setting of South Eastern Nigeria, where many socio-economic and political factors overlap, the need for cooperation and communication becomes even more significant. The economic composition of the area, which includes a combination of agriculture, industry, and services, highlights the need for cooperation across different sectors to improve supply chains and increase resilience to currency devaluation shocks. This article examines the difficulties and advantages of devaluing currency in South Eastern Nigeria. It also suggests a complete method for improving cooperation and communication techniques to optimise the supply chain. This study intends to provide practical solutions for firms in the area to efficiently and sustainably overcome currency depreciation difficulties by using insights from current research and real-world experiences. The ongoing problem of currency depreciation in Nigeria, namely in the southeastern area, has had significant consequences for the supply chain industry. Currency devaluation, a prevalent macroeconomic issue in several emerging countries, amplifies expenses associated with imports, disrupts supply chains, and eventually reduces profit margins [3]. The effect on organisations operating in Southeastern Nigeria is particularly significant since the area heavily depends on imported products and commodities [4]. This situation requires an immediate reassessment of current supply chain policies, specifically emphasising the need to improve cooperation and communication in order to build resilience against severe economic disruptions. The efficiency and efficacy of the whole process in the supply chain heavily rely on collaboration [5]. Nevertheless, the absence of synchronised efforts among key participants has been seen as a notable obstacle to maximising supply chain efficiency in Southeastern Nigeria, particularly in the face of currency depreciation [6]. The lack of cohesion in communication and coordination between suppliers, manufacturers, and distributors often results in inefficiencies, delays, and higher operating expenses [7]. The inefficiencies are exacerbated by the unpredictable exchange rates, which create uncertainty in pricing, procurement, and inventory management [8]. In addition, the lack of technical infrastructure and the absence of standardised norms frequently impede communication strategies in supply chains in southeastern Nigeria [9]. This gap not only hinders the smooth transmission of information but also hampers organisations' capacity to promptly adapt to changes in the economic landscape [10]. In the context of currency depreciation, the need for promptly exchanging and using reliable data for decision-making has significantly increased. Failure to do so might result in significant financial losses [11]. Thus, it is crucial to optimise communication tactics in order to improve the agility and responsiveness of supply chains. The issue is exacerbated by the insufficient incorporation of comprehensive strategies that involve both teamwork and communication in tackling the difficulties presented by currency depreciation [12]. Although there have been sporadic attempts to enhance certain elements of the supply chain, there is frequently a lack of a complete plan that effectively coordinates all parties involved and their respective procedures [13]. The fragmentation not only hinders the potential advantages of cooperation and communication but also exposes organisations to the negative consequences of currency fluctuations. Moreover, the existing body of research lacks comprehensive information on the precise difficulties encountered by supply chains in southeastern Nigeria as a result of currency depreciation [14]. Although several studies have examined the wider consequences of currency devaluation on global supply chains, there is a lack of studies specifically investigating the distinct socio-economic and infrastructural factors in Southeastern Nigeria [15]. This information gap further hinders the creation of efficient strategies customised to the unique requirements of the area. The ongoing difficulties caused by currency depreciation necessitate a strategic reevaluation of supply chain operations in southeastern Nigeria, specifically focussing on improving cooperation and communication. To tackle these problems, it is necessary to take a comprehensive strategy that involves all parties involved, utilises technological breakthroughs, and implements standardised procedures to reduce the negative impacts of economic instability [16]. The objective of this research is to investigate and suggest novel approaches that might improve the efficiency of supply chain operations in southeastern Nigeria. This would ultimately strengthen the capacity of businesses to withstand the negative effects of currency devaluation and increase their profitability. In a qualitative approach, it synthesises peer-reviewed journals, books, industry papers, and credible websites over the previous two decades. The report recommends improving relationships, using sophisticated communication technologies, and adapting supply chain networks. To comprehend optimising supply networks under financial crises, it also discusses issues, technologies, and future studies.

Devaluation of currency and disruptions in the supply chain

Devaluing a currency may cause disruptions in the supply chain, affecting the price of acquiring goods and services, relationships with suppliers, and the general functioning of the supply chain. Okonkwo et al. [17], found that currency depreciation in Nigeria worsens supply chain disruptions, resulting in higher procurement costs, delayed

deliveries, and decreased profitability for enterprises. This research emphasises the need to make proactive efforts to reduce the impact of currency depreciation on supply chain operations.

Strategies for collaborating in supply chain management

Collaborative supply chain methods are essential in reducing the negative effects of currency depreciation on supply chain performance. The significance of efficient coordination among supply chain stakeholders, such as suppliers, logistics partners, and distributors, in addressing currency devaluation difficulties is underscored in the study conducted by [18]. By cultivating stronger connections and exchanging knowledge, companies may bolster their capacity to withstand and adjust to unpredictable market conditions.

Methods of communication and the exchange of information

Efficient communication channels and systems for exchanging information are crucial for coordinating supply chain operations and effectively reacting to shocks caused by currency depreciation. Nwosu and Eze. [19], emphasise the need to enhance communication channels among supply chain players in Nigeria to enable prompt information exchange and coordination. The research highlights communication gaps as a significant obstacle that hampers supply chain optimisation in response to currency depreciation.

Management of potential risks and development of plans to address unforeseen circumstances.

Effective supply chain optimisation in response to currency depreciation necessitates the inclusion of risk management and contingency planning as crucial elements. Organisations should create thorough risk mitigation policies to actively handle the effects of currency depreciation on supply chain activities. This entails expanding the range of sourcing regions, reevaluating agreements with suppliers, and adopting hedging techniques to minimise exposure to currency fluctuations.

Optimal methodologies and exemplary instances

Studying the most effective methods and successful examples of cooperation and communication techniques in other areas that are dealing with similar issues of currency depreciation might provide significant knowledge for South Eastern Nigeria. Garcia and Martinez. [20], conducted research that emphasises effective collaborative efforts in Latin America to reduce the negative effects of currency depreciation on supply chains. Insights gained from these experiences may guide the creation of efficient tactics in the Nigerian setting.

Implications for policy and interventions by the government

Government policies and actions are essential in supporting attempts to optimise supply chains in response to currency depreciation. Patel and Kumar. [21], argue that government agencies should establish favourable regulatory frameworks, provide incentives, and make infrastructure expenditures to strengthen supply chain resilience and boost competitiveness in unpredictable economic conditions. This highlights the significance of cooperation between the public and business sectors in tackling the issues posed by currency depreciation. The literature emphasises the intricate relationship between the depreciation of currency, interruptions in the supply chain, methods for cooperation and communication in rising economies like Nigeria, particularly in areas such as South Eastern Nigeria. By comprehending the difficulties and possibilities inherent in this situation and utilising the most effective methods and knowledge gained from other areas, companies can formulate comprehensive strategies to improve collaboration and communication for supply chain optimisation in response to currency devaluation.

CONCLUSION

Ultimately, it is crucial to improve cooperation and communication techniques to optimise supply chains in South Eastern Nigeria in light of currency depreciation. To effectively tackle the difficulties and make the most of the potential highlighted in this report, it is necessary to adopt a multi-stakeholder strategy that actively engages politicians, corporations, and industry groups. To enhance their ability to withstand shocks caused by currency devaluation, supply chain stakeholders may enhance their resilience and competitiveness via the reinforcement of partnerships, utilisation of technology, and allocation of resources towards training and capacity development. Establish supply chain stakeholder forums to exchange information and address currency depreciation. Digitise communication and data analytics to improve transparency and collaboration. Use currency hedging and supplier diversity to mitigate risk. Train stakeholders on currency depreciation prospects. Encourage cooperation by working with lawmakers to eliminate regulatory barriers. Assess and refine these techniques depending on feedback. This will improve supply chain collaboration, communication, and currency depreciation resistance.

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CITE AS: Aleke Jude Uchekukwu. (2024). Improving Collaboration and Communication Strategies to Optimise Supply Chain in South Eastern Nigeria in Response to Currency Devaluation: A Holistic Approach. RESEARCH INVENTION JOURNAL OF RESEARCH IN EDUCATION 4(3):42-45. <https://doi.org/10.59298/RIJRE/2024/434245>