

Digital supply chain visibility needed to rebuild after COVID-19

March 4 2021, by Alice Scott



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Manufacturers must unlock supply chain visibility to rebuild after the COVID-19 pandemic, WMG and Blue Yonder are warning.

The pandemic has disrupted supply and demand in many ways, from factory and border closures to swings in consumer needs, and those

without supply chain visibility have been struggling to adapt and keep up. Digital supply chain technologies perform a vital role across all stages of manufacturing, from sourcing materials and quality control to warehouses and shipping. Now the industry is being warned any talk of 'building back stronger' won't come to fruition if manufacturers don't have the visibility over demand and supply that digital supply chains can bring.

The warning comes as a result of WMG research conducted in with almost 250 [manufacturing companies](#) revealing that lack of visibility and workforce issues are creating the biggest supply chain bottlenecks:

- 47% cited lack of visibility of capacity at suppliers and 37% cited lack of visibility of demand from customers as major supply chain constraints.
- More than half (55%) used inventory as the major buffer against disruption. This ties up cash and can leave organizations exposed if demand falls.
- Less than a third (32%) used visibility in their supply network to react to disruption. This is potentially a more [effective strategy](#) in the longer term.

To help manufacturers assess their supply chain needs, WMG at the University of Warwick and Blue Yonder worked together to design a [freely accessible digital readiness tool](#). The digital readiness tool gives manufacturers the ability to assess their current supply chain to see where they are now and where they need to be. Manufacturers can also enquire about a further consultation to understand what they need to do to get to their goal and survive in the post COVID-19 world.

Professor Jan Godsell, from WMG, University of Warwick, comments: "As we continue to deal with the disruptions of COVID-19, demand and supply visibility has never been more critical. It enables manufacturers to

better plan their manufacturing operations, to minimize costly inventory buffers. We hope that the supply chain digital readiness tool can assist manufacturers with identifying opportunities to use digitisation to help their businesses to survive and thrive amidst the challenges of COVID-19. We are also offering manufacturers further advice."

Alan Duncan, senior director of manufacturing strategy at Blue Yonder, adds: "They say 'the wise man built his house on the rock,' and when they're rebuilding after COVID-19, manufacturers must put resilient digital supply chains at the center of operations. Manufacturers have been investing more in the move to digital supply chains in recent years, but it's crucial that their plans are pushed through to fruition. A digital supply chain will give them the end-to-end visibility, resilience and agility required to emerge from pandemic disruption in the strongest manner possible."

Provided by University of Warwick

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