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Building the Intelligent and Resilient Supply Chain

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NOW NEXT

The COVID-19 crisis has created an imperative to accelerate corporations’ adoption of agile ways of working, and value chain transformation.

These new ways of working and transformations offer a chance to fundamentally reimagine the nature of work, workforce and workplace.

The Intelligent and Resilient Supply Chain has never been more critical and meaningful than it is today.

What are the attributes of an Intelligent and Resilient Supply Chain?

01 **Data-driven** in a differentiated way, Intelligent and Resilient Supply Chains adjust network strategy, product planning, and ecosystem partnerships based on leading indicators.

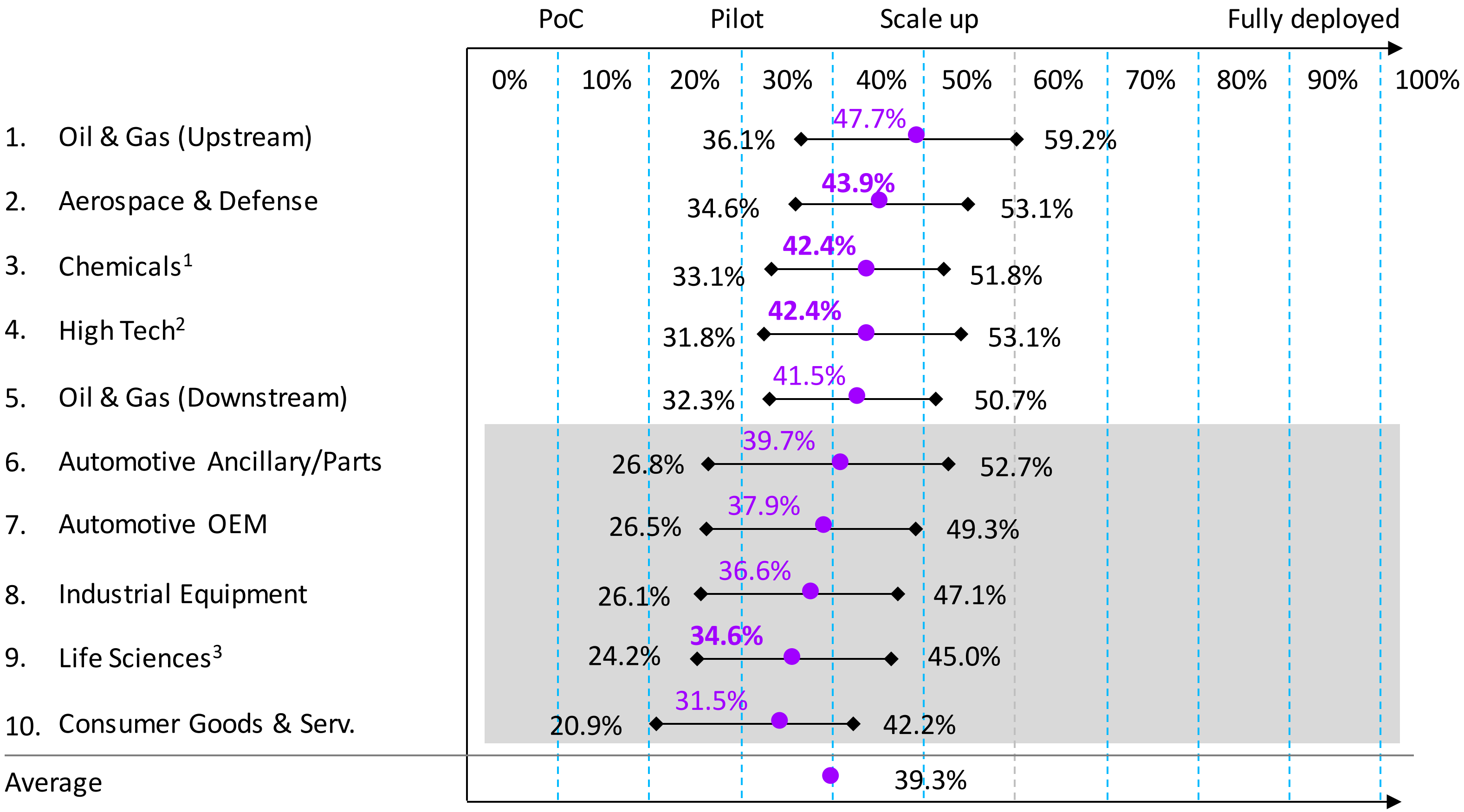
02 **They are integrated,** where beneficial, to optimize for scale and efficiency. They are modular, where necessary, to simplify decision rights, increase speed to market, and adapt to customer and market demands. They are powered by cloud technologies to enable agility and faster speed to market.

03 **Intelligent and Resilient Supply Chains collaborate** with a broad range of ecosystem partners, including academic institutions, start-ups, alliances, and even competitors to meet talent needs and acquire new capabilities. They share assets and analytics to define new supply chain best practices that cross industries.

The Intelligent and Resilient Supply Chain
is human-centered, liquid in the way the company gains access to capabilities and assets, enhanced by human + machine collaborative intelligence, living in terms of how capabilities flow to work, and modular to allow for the different needs of business units, employees, clients, customers, and suppliers.

However, Manufacturing industry is lagging behind in the race for digital operations

Maturity Index by Industry sector (with Q1 and Q4 quartile boundaries)



Source: Accenture Industry X Mastery Global Report Result. Base: All Respondents (n=600).

[1]: including Petrochemicals; [2]: Consumer/Enterprise Technology including components ; [3]: Pharma., Medical/Bio Tech.

Covers 50% of enterprises – boundaries represent 1st and 4th quartile limits

Key drivers explaining maturity pace

Drivers favoring acceleration

- Criticality of digital or data-driven solutions in industry performance (e.g. Oil-Gas (Upstream), A&D, Chemicals)
- Level of productivity potential (Industrial Equipments, Chemicals, A&D)

Drivers slowing digitization

- Marginal additional productivity gains, due to already lean performance in place (e.g. Automotive)
- Lower priority given to I4.0 (ex: Auto OEMs focusing more on Connected Car/Electric cars than Manufacturing)
- Lower overall impact (e.g. weight of product cost in total revenues), like in Consumer Goods, Life Science

Accelerating the rotation to an Intelligent and Resilient Supply Chain

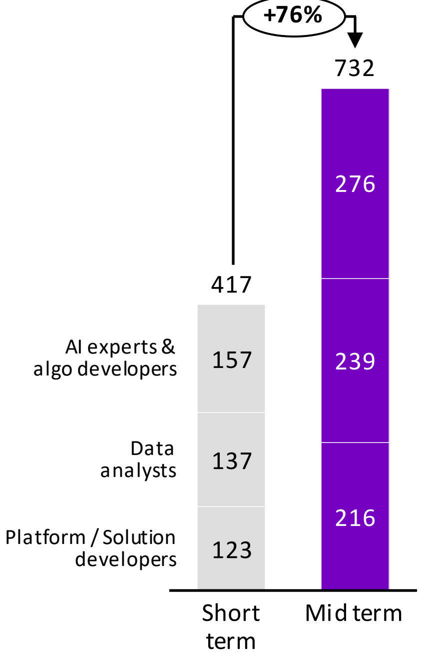
Digital transformation of operations

Enabling factors to Digital Operations Transformation			Key Drivers
Key digital transformation enablers	Right level of resources & skills	Rightsized digital resources	Digital capabilities (Experts, developers, project managers)
		Digital academy	Corporate digital acculturation programs
		Digital reskilling	% of employees going through structured digital skills programs
	Strong governance	Leadership acculturation	% Leadership with adequate digital understanding and skills
		Digital governance	Level of steering of the Digital transformation / level of decision
		Data governance	Level of quality and consolidation of data

Transformation readiness enablers

Digital Teams

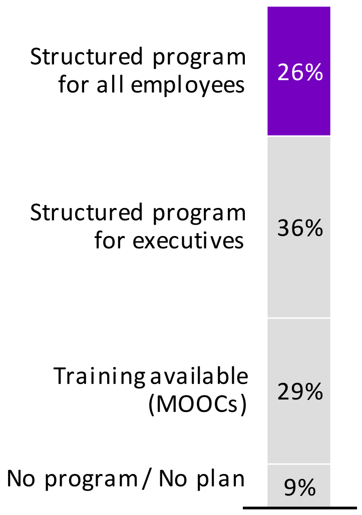
Teams size [FTE] by capability [Average 40 000 Employee]



- Overall digital resources represent ~1% staff and will increase to 1.8%
- Strong expectation to increase the level of resources as roll-out increases

Digital academy

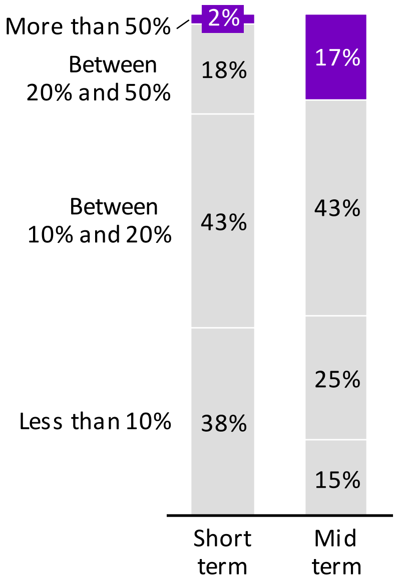
Types of digital acculturation programs



- Only 9% of companies do not run digital academy programs and have no plans to do so in future. Only 26% of them have a structured program for all employees.

Digital reskilling

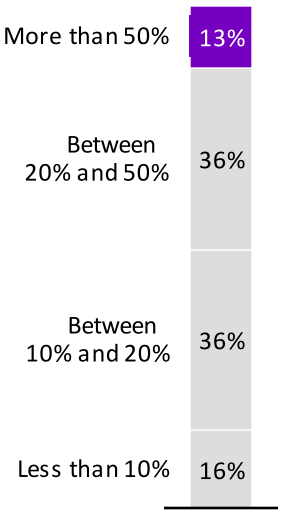
% of reskilling resources



- Estimated 16% of employees are going through digital reskilling programs in short term and 30% in the mid term

Digital leadership

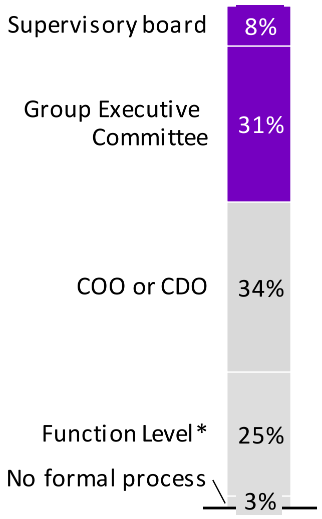
% of digitally skilled company leadership



- **Most of the companies have less than half of their leaders trained to use analytics in their decision-making process**

Digital governance

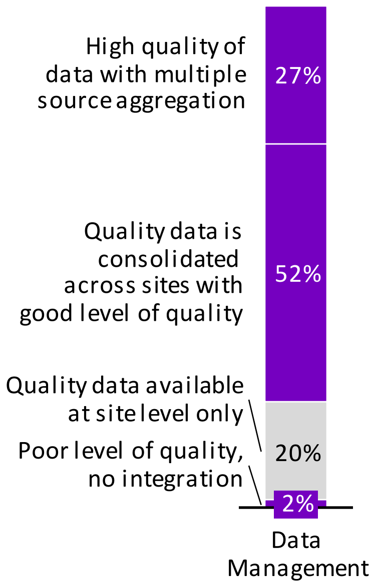
Level of digital transformation drive



- Almost 40% of companies have their digital transformation driven at exco or Board level

Data Management

Level of digital transformation drive



- Generally, the quality of data is perceived as good by 77% of surveyed companies

**e.g.: Manufacturing, Sales, Supply Chain*

Source: Accenture Industry X Mastery Global Research Report Result. Base: All Respondents (n=600).

The right actions NOW can position companies to succeed NEXT and adapt in the NEVER NORMAL

How can I make my supply chain agile and resilient?	How can I rethink my end-to-end value chains?	How can I reimagine the way we work and partner?
NOW	**NEXT**	**NEVER NORMAL**
• Equip and enable safe and secure workers using cloud-based technologies • Operationalize crisis command center to monitor business operations • Mobilize agile teams to address critical issues	• Evolve command center to a productivity center to monitor ongoing performance • Scale multi-disciplinary, agile teams	• Sustain **flexible working** to become a more human, liquid enterprise • Develop **dynamic sensing capabilities**, combining forecasting, decision support, and analytics
• Establish new partnerships required to meet customer needs and create new growth opportunities	• Refresh ecosystem partnerships and alliance strategy to diversify, simplify, localize, and de-risk • Increase systems resilience	• Build new **partnerships to drive innovation** • Leverage **Applied Intelligence** to manage demand, supply and overall productivity in integration
• Deploy virtual work solutions and collaborative, cloud-based tools • Implement automation and AI solutions • Focus on mission-critical work and eliminate the rest	• Leverage learnings from stress of pandemic to reimagine work • Scale automation and AI	• **Challenge myths and ways of working** that inhibited speed (including governance, controls, ecosystems, time to market)

Is your Supply Chain Intelligent and Resilient? …

… the Time for experimenting is OVER!