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Supply Chain Resilience

The future state of supply chain management for tomorrow's logistics leaders

Board-level logistics strategy has shifted dramatically in recent times, from an emphasis on 'lean' principles and 'low-cost country sourcing', to 'resilience' and 'risk management'.

Companies are demanding greater visibility to take strong ownership of their supply chains. The demand is high for adaptable logistics leaders, who can build strong cross-sector stakeholder relationships and accelerate the adoption of digital and data-driven technologies.

This learning tool from Cranfield Executive Development maps some of the toughest challenges facing logistics leaders today and some of the latest solutions available.

1 New Demography

Ageing population: People aged 60+ within world's population from 12% to 22% by 2050.

Urbanisation: More than 65% of population living in cities by 2050.

2 Economy and Business Uncertainty

High inflation: Inflation and associated interest rate rises limiting growth.

Operational costs: Rising energy and business costs. Labour shortages.

3 Catalytic Role of Technologies

Digitisation and automation: Challenges in integrating technologies. Consumers empowered by smart technology.

4 Environment and Sustainability

Commitment to ESG principles: Positive environmental and sustainability measures accelerating. Monitoring through the supply chain.

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Trend Map

Mapping today's toughest logistics challenges alongside the best available solutions to better imagine the future state of supply chains.

Urbanisation

- E-commerce dominates purchasing,
- Urban supply chain structures.

Economy

- Re-evaluation of supply chains,
- Logistics investments and collaboration,
- New emphasis: 'value for money'.

Technologies

- Innovation both incremental and radical,
- AI enabled future supply chains which will be very different,
- Transparency and consumer involvement.

Environment and sustainability

- Circularity / circular economy,
- Net zero supply chains,
- Alternative transport modes.

Business uncertainty

- Review of current supply chain structures,
- Resilience, agility and strategic reimagining,
- Risk management and protecting business continuity.

New demography (ageing population)

- Smaller product sizes, longer expiry dates,
- Easier access to products,
- Emphasis on wellbeing.

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The Data Revolution

Smart technologies that allow for the collection and use of precise real-time data are revolutionising supply chains – from raw materials, through upstream logistics, to production, internal logistics, distribution and delivery retail outlets.

Supply chain data can provide information that is:

Data is also supporting the automation of supply chain operations – smart factories, robotics, automated warehouses, trucks with real-time load and location monitoring, and drone deliveries. Finally, data is crucial in enabling accurate forecasting.

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