

TOP TIPS

for Achieving an Autonomous Supply Chain

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Top Tips for Achieving an Autonomous Supply Chain

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In light of the supply chain crisis since last year, it has become more evident that organizations should adopt a supply chain planning approach that is strategic, and data-driven. It also needs to be governed and measured so that organizations gain visibility into their cost-to-serve metric, and understand how planning is enabling supply chains to be resilient. Digital twins accelerate the adoption of this approach. In this context, a new term has emerged: the autonomous supply chain.

A good description of an autonomous supply chain is that it is highly responsive, proactive, constantly measured via key performance indicators, predictive and hyper-connected. The autonomous part comes when the supply chain is constantly learning and self-correcting. For autonomous supply chains to be effective, strong integrated data management with good quality of data is critical.

1 Adopt Closed-Loop Planning.

Supply chain planning can no longer be a siloed activity. Not only does this process need to understand the demands and requirements of the business, it also needs to connect and learn from the supply chain execution processes. Looping back that learning into planning is critical for the planning to be more relevant to the business needs.

2 Rethink Cost to Serve.

Cost to serve should not be a periodic activity that is triggered to address just financial reviews. Having a finger on the pulse of cost to serve is critical in the age of autonomous supply chains. To gain an in-depth understanding of network efficiency, sourcing patterns and carrier performance, having a granular level of cost visibility is critical. At the root of it all is an equation that governs the ability to run a profitable business.
Current trends in shopping of Gen Z buyers, demand volatility, omnichannels, product availability and variability are all factors that drive supply chains to be more dynamic, innovative and continuously measured. This also requires enhanced visibility and accurate reporting, so that you can constantly assess whether you're remaining in the realm of profit with no loss of revenue. An autonomous supply chain allows you to dial up or down different aspects of your supply chain to stay ahead of market changes, volatile costs and other challenges.

3 Get Your Business Rules Clear.

Business rules help drive process workflows, events, automation and drive data-quality improvements, while freeing up the experts to focus on more strategic things that they do best. It's one of the key foundational elements of an autonomous supply chain. Business rules help in decision making with appropriate actions. They also help in standardizing and governing data and process.

4 Get Your Supply Chain Data Accurate.

The strategic benefits of digital transformation can only be realized when you have high-quality data flowing seamlessly between all stakeholders and systems. Supply chains contain data both internal and external to an organization. Integrating, cleansing and harmonizing this data is what enables organizations to get an accurate view of their supply chains.

With improved quality of data and data governance, business decisions become more accurate. Having foundational data visibility enables organizations to break functional siloes and aid in the progress of supply chain maturity levels. Without good quality of data, one small error can produce wildly implausible conclusions. It's essential to harmonize, enhance and clean the data before you start feeding it into the supply chain management system.

5 Build a Digital Twin.

When contemplating a technology-driven transformation in your supply chain and logistics operations, it's easy to get intimidated by the scale of the task. But transformation doesn't have to mean you discard all existing assets and create from scratch. This is where digital twins play an important role. They can quickly help organizations create a twin of an existing process that is either internal or external. This allows for rapid understanding and testing of transformation concepts. Because it's only a "twin," you're not putting actual operations at risk. This allows you to leverage your investments in existing technology while maximizing the benefits of new technologies.

aThingz Can Help Make Your Supply Chain Autonomous

aThingz understands the importance of digital transformation and the need for having the right level of KPIs, especially in times of supply chain crisis. The company offers its customers faster and more timely integrated business insights across the supply chain, while transforming, innovating and providing sustainable cost savings, using proprietary algorithms, artificial intelligence, machine learning and optimization models.

"aThingz augments human intelligence with artificial intelligence – we call this augmented intelligence," explains aThingz' Chief AI and Commercial Officer Kannan Ramachandran. "Think how our cars apply autonomous and early warning capabilities to signal lane departures and nudge you back where you need to be. Similarly, autonomous supply chains can send alerts, signals and recommendations to supply chain and logistics personnel."

"Planning is critical for driving operational excellence, profitability and visibility," says aThingz' President and CEO Vijaya Neela. "It's imperative to learn what's happening in execution, and applying without lag to the next immediate opportunity of planning."

As Neela further explains, "For customers to address supply chain challenges, it's critical to have digital transformation with an actionable business and financial decision matrix at an enterprise level. We use our AI digital supply chain platform to achieve this."

As one major manufacturing customer puts it, "When you're handling billions of dollars' worth of goods in a supply chain, you need to make the ecosystem work from design, plan, execution and freight pay very efficiently and effectively. It needs to be one ecosystem, governed by clearly agreed policies and rules. Then you can act and make wiser decisions."