## **SUPPLY CHAIN 2021/22** THOUGHT LEADERSHIP GLOBAL RETREAT SERIES

### LIVE in SYDNEY – SINGAPORE – HAMBURG – AMSTERDAM **CAPE TOWN - SAN FRANCISCO**

[Dates and venues to be announced subject to Covid-19]



### THEME: Recovery, resilience, and powering top and bottom-line growth; managing in a parallel universe

For many businesses, across all global geographies, 2020 has been a write-off. The Covid-19 pandemic has disrupted and forever changed the way we work; indeed, it has touched the lives of everyone on the planet. It is therefore imperative that we learn from this 1 in 100 years disruption event, and use this extreme event to prepare for the next disruptions, whatever their source, because they will surely come- the only thing we don't know is exactly when.

Companies, and indeed governments, can learn much from the supply chain failures experienced during Covid-19, which started on the supply-side, and then moved to the demand-side.

The first task is to re-set and recover from any short-term issues encountered. Coincidentally, we need to commence work on the longer-term task of embedding greater resilience in our enterprise supply chains, mostly via E2E digitalization - which will power the much soughtafter real-time visibility and increased agility we need. Further agility can also be achieved by making changes inside the organization to increase the overall clock-speed of the enterprise, thereby shortening the decision-making cycle.



# SUPPLY CHAIN 2021/22 THOUGHT LEADERSHIP GLOBAL RETREAT SERIES

Finally, now more than ever before, we must prepare for two (2) very different levels of volatility, ie., Business-as-Usual (BAU) type volatility manifesting in up to +/- 50% demand/supply variability; this is a product of the inexorable, relentless, increase in complexity in the contemporary operating environment. But on top of that we also must prepare for the extreme disruption caused by future 'black swan' events where the volatility will be of the order of +/- 100% variability. This type of disruption can only be managed with matching extreme 'flex' embedded in our enterprise supply chains.

What you shouldn't do is think that the entire business must adopt this higher, more extreme level of hyper agility alone- that is unsustainable.

In effect, major enterprises are now faced with designing and managing in a 'parallel universe' of supply chains. Business-as-Usual (BAU) can be handled by a portfolio of four (4) discrete supply chain configurations, ie., Collaborative SC<sup>TM</sup>; Lean SC; Campaign SC<sup>TM</sup>; and Agile SC. All four (4) configurations are an integral part of the GA Dynamic Alignment<sup>TM</sup> business model developed and field-tested over the last three decades.

The fifth supply chain configuration is what we call the Fully Flexible SC™, which is specifically designed to bring to bear the creative solutions and extreme agility required in times of severe, unexpected, and unplannable disruption. This configuration involves significant pre-planning and allocation of resources well ahead of the event itself, and if necessary, the formation of key asset-sharing alliances.

To develop the 'parallel universe' design architecture referred to above requires an in-depth understanding of customer and supplier behaviors. Modelling and analytics are critical, and E2E digitalization provides the real-time visibility that facilitates rapid decision-making. All this adds up to increased levels of embedded resilience. Control Towers are an integral component of this new digital capability, and are the source of performance data which can be analyzed in search of additional insights, over different time horizons.

Once we have the appropriate network architecture and E2E digital technology in place, we can than overlay this with 'flywheel' effect thinking to relentlessly drive enterprise supply chains towards the triple objectives of <u>cost-effectiveness</u>, <u>customer satisfaction</u>, and corresponding <u>revenue improvement</u>. These objectives can all be achieved coincidentally with the right design and an open mindset.

What we have described is just some of the powerful content planned for our by-invitationonly 2021/22 Global SC Retreat Series. These events are limited to a small number of senior executive attendees. If interested in receiving an invitation, please email an expression of interest to: john@gattornaalignment.com or debellis@gattornaalignment.com

John Gattorna & Deb Ellis Gattorna Alignment, Sydney, Feb'2021

