

NUMBER 4:

Industrial flexibility versus systemic inertia



We must move towards more flexible models in production, and to a greater emphasis on the systematic search for emerging opportunities, and on the rapid response to these opportunities (matching new needs with new answers).

Current super-efficient supply chains, mainly focused on cost, are based on stable demand and supply, which the pandemic has shown to be unsecured conditions.

- The problems experienced by some companies, especially in industry, with the slowdown or breakdown of international supply chains, has generated a new concern about the need to rethink them, and perhaps to move to more local chains (at European level). It remains to be seen, however, whether the crisis has generated sufficient sense of urgency regarding the need for change.
- One solution is the so-called **digital supply chains** (DSC), in which a company has mapped its entire supply network, so that it can switch from one alternative to another very quickly at the time a chain breaks.
- Supply difficulties also generate a growing interest in **digital manufacturing**, and in **flexible manufacturing** or the rapid adaptation of production chains to new one-off needs (i.e. changing the production chain of car wipers to respirator production). We do not know whether this interest will thrive enough to initiate a more serious transformation of manufacturing models.
- However, for some companies the reality is that in five months they have been able to introduce changes that under normal conditions would have taken more than a year to activate. **Day-to-day management has accelerated**, with the need to rethink more quickly.
- What has been learned is that progress will need to be made towards greater flexibility, in general, and towards decision-making models based on **"liquid scenarios"**. And that to cope with the probable greater uncertainty of the future, it will be necessary to focus on efficiency and the systematic search for opportunities

Link:

Digital Supply Chains

Industry 4.0 after Covid-19 / What is the Future for Industry 4.0 in the Post Covid-19 Paradigm

