How to Efficiently Digitise Your Supply Chain.
By David Rogers

We are living in a Digital Age and if your company has not adopted digitalisation into its day-to-day operations, you're putting it at risk of falling behind the curve. In 2017, the Harvard Business Review published a prediction that more and more companies would follow in the footsteps of global corporations like GE and Amazon by adopting digital supply chains as a way to make their business run more efficiently, increase profitability, and establish transparency from end to end.

That prediction seems to ring true in 2020 as Supply Chain Brain wrote in April that supply chain digitisation is no longer optional. As digitised supply chains help to establish greater transparency, the increased visibility helps companies to target and solve problems as they arise. In fact, an IBM study that was published last year proved this to be true – 84% of chief supply chain officers said that a lack of transparency in their supply chain was their biggest hurdle. Because digital supply chains improve service, cut costs, and establish transparency, they're the obvious choice for the future of business.

If you're wondering if a digital transformation is right for your supply chain, take a look at the steps it takes to do so. Knowing the process will help guide your business in the right direction.

Here are 5 steps to digitising your supply chain:
1. Consider the risks involved with a digital transformation
2. Determine your strategies
3. Make your approach long-term and sustainable
4. Do your due diligence
5. Invest in the appropriate tools

1. Consider the risks involved with a digital transformation
The easiest way to assess the risks that your company may face is to partner up with a management consultant with a proven track record of successful transformations. The right consultant will be able to sit down with you and go through some strategic planning sessions to determine exactly what will and won't work out for your company. This can be done by developing a risk register or road map to detail what your digitised future would look like.

In a planning session, you will take a good look at your current supply chain and its strengths and weaknesses. Those strengths/weaknesses will be weighed against the risk that a new supply system will bring to determine whether or not this is a realistic transformation for your company. Once you know the risks that your specific company faces, it will be easier to move forward with the digital transformation process.

2. Determine your strategies

Once you know the way that a digital transformation will affect your supply chain, you can begin to talk to the other businesses that you work closely with. In making your supply chain more transparent, you must also be transparent with the entities that are involved. It's important to reach out to them and inform them that you are looking for a new way to improve business for all parties.

Having an open line of communication between your business and the ones that you work with will only deepen your connections and further your trust between one another. You may also take this opportunity to discuss different tactics with your business partners in order to figure out what exactly will work the best for everyone that is involved in the digital transformation. When all is said and done, you will able to have a plan that works out well for the needs of your business and the others that are involved.

3. **Make your approach long-term and sustainable**

The digital transformation process will be futile if you do not build sustainability into the system. A well thought out digital supply chain will be able to whether the storm throughout any and all conditions. This means that your digital supply system must have built in methods of proactivity to discover problems when they arise and solve them effectively.

An overhaul that promises an improved financial situation may prompt businesses to act quickly without really thinking out the plan for their digital transformation. It's crucial to ensure that all of the bases are covered and there are plans set in place the sustainability of all businesses involved. Preserving their respective values must be of priority for the entire operation.

4. **Do your due diligence**

It's important to do all of the research and analyses that are necessary to determine if your supply chain is resilient and can deliver what is expected of it. Again, a partnership with a supply chain management consultancy company will be able to produce all that you need to know about your supply chain needs to run effectively. Conducting risk analysis is typically the responsibility of each individual business that you work with. Not only will this clear up any questions and determine responsibility, but it will deepen the trust between your business and the others that you work with.

5. **Invest in the appropriate tools**

Once you've got everything in place logistically, it's time to invest in the employees and proper digital tools that are going to make your supply chain work – and work well. What you and your business chooses to invest in may depend on your overarching goals, but the most common areas that are invested in first are the skills and expertise that it takes to build knowledge in proactive maintenance, automation capabilities, and the Internet of Things.

The Internet of Things is essentially everything that is connected to the internet and, more specifically, products that can communicate with one another. Furthermore, the Internet of

Things refers to things that employ AI (artificial intelligence) to analyse information, learn, and make user's lives easier.

It's crucial for businesses to invest in both "smart" technologies and the proper employees so that all processes run as smoothly as possible. Once supply chains have been digitised, the proper employees will ensure that all that is connected to the Internet of Things – from replenishment to maintenance; production to transportation and delivery – is operating efficiently. At the same time, employers must provide their employees with the appropriate training so that they understand their roles, how to handle new technologies, and what to do if issues arise.