

DIGITAL PREPAREDNESS FOR MANUFACTURERS AND DISTRIBUTORS: PLAN NOW FOR YOUR NEXT MAJOR CHALLENGE

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In 2020, we had to collectively leverage technology in new ways when faced with adversity. However, we also learned that even the most reliable and time-tested processes can suddenly challenge us in many ways and place additional strain on resources.

Social distancing, for example, added an extra layer of complexity to deliveries, forced us to add space between assembly lines and affected other logistical aspects of manufacturing. Meanwhile, inventory management evolved beyond many businesses' abilities as they struggled to keep pace with an altered supply chain. And routine in-person interactions turned into web conferencing using services like Zoom, which was a new tool for many.

As time progressed and manufacturers and distributors

had to pivot to meet new demands — both increasing and decreasing depending on the industry — it became clear that technology was playing a critical role in their success. For instance, manufacturers that produced vital healthcare needs like personal protective equipment (PPE) made rapid adjustments to meet unprecedented demand — changes that were only possible with technology such as predictive analytics to manage the supply chain.

One of the most critical lessons we learned from the Covid-19 pandemic is that trusted processes, such as on-premise operations, can be disrupted at any time and require the adoption of new capabilities like remote work. Companies that leveraged their technology investments during the pandemic are emerging stronger, underscoring the

importance of digital preparedness as a strategy for navigating future challenges.

What we learned from the pandemic's biggest challenges and restrictions

As the full weight of the pandemic unfolded, non-essential manufacturers faced shutdowns and layoffs while essential manufacturers dealt with labor shortages. Physical distancing policies that prohibited maximum occupancy of warehouses contributed to manufacturing reductions and shortages, all while consumer demand continued to grow. In response, manufacturers and distributors made a variety of adjustments internally and along their supply chains.

Deploying and enhancing warehouse management system (WMS) capabilities, adding mobile and e-commerce applications and



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securing remote communication tools are some of the ways businesses used technology to weather the pandemic. Leveraging these technologies also positioned businesses for success moving forward. With these strategies in mind, here are a few ways to leverage technology to quickly address future challenges:

- **Align business goals with technology.**

The technology a business needs will vary depending on the type of goods it manufactures, distributes or retails. For example, when the pandemic threw order volumes and logistics into disarray, food companies deployed enterprise WMS to control and expedite shipments that helped maintain food freshness and modify delivery capabilities. Companies that recognize their most significant areas of need can then identify the technology that will help achieve their goals. Investing in the right technology is fundamental for achieving warehouse efficiency and preparing for the future.

- **Be scalable and adaptable.**

The pandemic reminds us that we do not know what the future will

be and we need to remain flexible. For example, during the early days of the pandemic, various companies switched from distilling liquor and brewing beer to making hand sanitizer and other cleaning products. A modern business software solution can improve a company's ability to scale because it can streamline workflow functions as needed. While it is important for a company's technology to be scalable, its employees also need to remain adaptable and agile. Cross-training teams and encouraging a culture of innovation can help create an adaptable workplace.

- **Improve processes before you face challenges.**

The businesses that are emerging stronger from the pandemic are the ones that were prepared, from having the right technology in place to optimizing operations. But throughout the pandemic, both mobilization and automation played a key role in improving the supply chain efficiencies that are now helping many companies succeed. Warehouse automation systems, for example, optimize labor and improve resource utilization – and both functions

can help prepare for the unknown. Mobile applications also play a role by enabling real-time connectivity to information, whether the application is used to access a touchless proof-of-delivery system, a food safety compliance checklist or other resource. Although the technologies may vary based on a company's needs, the key is to stay ahead of the curve by tapping into the latest innovations in supply chain technology.

- **Prepare now for future disruption.**

Like every other industry, manufacturing, distribution and retail should be prepared for a potential future disruption, whether local, national or global. The pandemic created a real-world laboratory for leading-edge technology, and the companies that invested and deployed the right innovations early are finding they are much better positioned for the future. The takeaway? To prepare for whatever the future holds, the time for businesses to level up their technology and processes is right now.

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