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Four supply chain trends to watch in 2016

According to Grant Marshbank, COO of VSc Solutions, supply chains will face a number of challenges, he said: “Supply chain managers are already under huge pressure to adapt to turbulent economies, labour issues, and expansion into global markets.”

“The bad news is that the rate of change isn’t going to slow down. The good news is that emerging trends hold opportunities to reduce both costs and carbon footprints, and enable exceptional customer service at the same time.”

1) Technology as core strategic driver

Aging systems that were implemented years ago to enable smoother operations are quickly being replaced by smarter technologies that easily incorporate trends like big data, the Internet of Things, and the coordination of multiple sources of data. The demand is growing for technology that can successfully translate any electronic message into any format required by existing systems, allowing for full electronic data communication between client and supplier bases.

“Technology will only deliver the intended positive results if it is implemented with strategy and operations that adhere to best practice in supply chain management. Get basics right first. Not even the smartest technology can compensate for less-than-best practices,” he added.



2) Flexible, transparent, responsible supply chains

While agile and sustainable supply chains have been a buzzword for a number of years, 2016 will start to see the dominance of supply chains that have figured out how to balance being flexible with reducing environmental impact and stakeholder demands for complete transparency.

Marshbank said: “Real time system integration, secure data exchange, visibility and traceability between disparate systems across multiple supply chains and industry verticals are just some of the options already available through technology,”

“The greatest barrier to the adoption of these technologies is a lack of understanding of the benefits combined with an expectation of high implementation costs.”

3) Small improvements will lead to big success

Optimisation of every component of the supply chain is already an imperative to growth and success. A new microscopic level of optimisation will further differentiate between competitors.

Predictive route planning and management solutions, intelligent storage and distribution space allocation software, as well as real-time integrated delivery tracking will become main stream for both the biggest and the smallest of supply chains.

4) Think and do faster

Advances in technologies available to optimise supply chains have made faster implementation times a reality. “It is easier and more affordable for both big and small businesses to go live with a new system within two weeks of finalising paperwork,” explained Marshbank.



Further developments in consumer technology are also making it easier for multiple-use communication devices to be linked to existing company systems, reducing the need for additional expense and decreasing waiting times for custom mobile devices.

“Turbulent economic times don’t allow for big expenditure on trial-and-error technology. Service providers need to keep the bigger picture of sustained success in mind and be able to provide trusted advice on a plan that won’t cost and arm and a leg, and will deliver quick return on investment,” advised Marshbank.

“Most supply chain professionals already have a sound strategic plan in place. Instead of being sold a new system, they might just need some guidance on how to solve their pain points by repurposing their existing technologies.”

“Being able to blend systems and implement tools on a scalable basis is what sets the technology of the future apart from the unwieldy enterprise-wide software packages that were popular in the previous era,” said Marshbank.

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