

The Importance of Agility in Supply Chain Design

In an increasingly connected global world, agility in your supply chain is paramount to success. The ability to operate a dynamic organisation that can adjust to fluctuations of any type, all stems from a carefully crafted, well designed agile supply chain

To ensure your organisation has the tools at its disposal to grow in the future, it is crucial to take a look at your supply chain, and its level of agility. Although the term agility seems to be a vague term, it can be broken down into two components, structural and operational agility that reveal if your supply chain needs a little or a lot of retooling to stay competitive for the future.

Structural Agility

The structural ability of your supply chain is crucial to meet the demand of today's consumers successfully. This particular aspect of a supply chain's agility refers to the ability to adapt supply based on network designs.

If your supply chain exhibits a sound sense of structural agility, your business can scale at will, creating flexibility to handle uncertainty. The structural agility of your supply chain is an integral component, especially when implementing product changes or launching new products while leveraging existing assets.

Operational Agility

Complementary to structural agility is operational agility. This attribute of agile supply chains refers to the ability to adjust supply chain resources based on operational decisions and objectives.

The ability to rapidly make decisions about utilisation within your network design will create the shorter fulfillment cycle that today's consumers demand. Having a keen sense of operational agility will also enable an organisation to manage unexpected volatility within their network.

How Supply Chain Agility Satisfies Ever-increasing Consumer Demands

These two components of supply chain agility deliver crucial insights when assessing how dynamic your organisation's network design is. That being said, the entire reason behind working to build an agile supply chain is to meet consumers' demands as they continue to grow. There are a few fundamental elements of an agile supply chain that enable it to do just that.

Managing Complexity

As organisation's grow and their product lines begin to expand to meet the customers' needs, they also begin to get more complex. Failing to prioritise agility within your supply chain as complexity grows will eventually hemorrhage through your network in various ways.

For example, without the ability to be dynamic within your supply chain, you'll need to have inventories on hand to meet any unexpected demands. Intricate product lines may have so many components that this is unfeasible and ultimately renders you incapable of meeting consumer needs.

With an agile supply chain, you do not need to keep large inventories on hand to deal with volatility. You can simply manage it by pivoting and leaning on your supply chain's flexibility to meet demands.

An Agile Supply Chain Facilitates a Customer-Centered Business

Another massive benefit of having an agile network design at your disposal is your ability to become a customer-centered business. This is because you are able to service the customer with reliability, even in highly variable conditions.

The ability to consistently deliver products to consumers exactly when and how they want them will go a long way in building trust in your organisation. Additionally, you won't have to sacrifice quality to get alternative parts for your products. The maneuverability and responsiveness of an agile supply chain will allow you to become proactive instead of reactive to your customers' needs.

Take Advantage of Opportunities

You never know when opportunities show up at any given moment, your organisation may be presented with an opportunity to fill a gap within an existing market, or experience a spike in demand. If you do not have an agile supply chain that can absorb these fluctuations and deliver quick results, it could be catastrophic to your organisation.

A nimble and responsive supply chain allows you to seize these opportunities and grow as a business. Possessing the means to make fast decisions with the confidence to know you have crafted a network that can support your decisions provides unparalleled power.

Your organisation will be more than adequately equipped to meet the unpredictable demands and needs that are present with today's consumers.

Agile Supply Chains Prepare Your Business for Unpredictable Behavior

The enhanced connectivity and ease of distribution of information in today's world through the internet consumer demands are more unpredictable than ever. To stay competitive and meet these changing demands, organisation's need digital capable systems at their disposal, this is where an agile supply chain plays a critical role.

The pace at which organisations are evolving their operations is a testament to the speed at which innovation is taking place. The [advanced technology](#) that we know as artificial intelligence (AI) and autonomous machines are being implemented by organisations every day, creating end-to-end solutions to optimise their supply chain.

The way that consumers share information about products / services with the world is unlike it has ever been before. Because of this, organisations can see demand for their products skyrocket overnight and can adjust accordingly.

Supply Chain Agility is the Future

Until recently a key metric to measure your supply chain's success was to assess how lean it was. Now, as the global economy grows more complex, it is becoming increasingly important to take a more comprehensive approach with a focus on being agile. To achieve any form of long-term success and continue meeting the ever-changing demands of modern consumers, an agile supply chain will become a fundamental element.

If companies take time to assess their supply chain and determine its level of structural and operational agility, they will be well equipped to meet today's customers' demands with proficiency. The need for competitive advantages in areas such as flexibility, predictability, speed, and efficiency within the supply chain will only grow in the future. The only way to capture these attributes and free your business from supply chain constraints is to develop agility within your supply chain, capable of meeting the demands of modern consumers.