



Achieve Supply Chain Wealth In 2023

Complete Guide for Improving Cash Flow with AI & Analytics



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Take Control of Your Supply Chain

It's no secret that manufacturers, distributors and retailers are struggling to navigate the choppy waters of today's supply chain seas. With long-tail pandemic challenges reverberating around the world, there are minimal signs that these challenges will ease soon. Operational techniques and strategies to mitigate risk and improve agility in your business are critical to not only thrive, but simply survive in years to come.

This checklist illustrates the steps supply chain leaders should consider in making better business decisions through humanizing their relationship with data.

Read on to discover how your business can get started on identifying what is going wrong, how it can be fixed, and the first steps to confidently owning inventory and regaining control of the ship.





Themes for Thriving in 2023

Since the onset of the COVID-19 pandemic, businesses in all areas of the supply chain have been dealt a unique and ever-developing set of challenges that threaten performance, operations and cash flow like the industry has never seen.

Faced with the reality that traditional methods of operation can no longer withstand the blows of current customer demands and economic challenges, leaders must consider adopting processes and solutions that will weather the storm while ensuring resilience for the future.

The following themes are fundamental to a digital transformation journey and will position supply chain businesses at the head of the pack for years to come.

1) Augmented Artificial Intelligence: Predictive, Prescriptive and Descriptive

According to [Gartner](#), in comparison to IT, a higher proportion of businesses have increased spending on data and analytics due to COVID-19. Historically, businesses rely on business intelligence analysts and softwares to control mass amounts of data. Business leaders typically task an analyst, who then gathers that data for them. Alternatively, a leader may have tedious self-service business intelligence software, whereby they can gain insights from their data. Both of these methods typically require a few things:

- **Funds** to hire an analyst or purchase a business intelligence software.
- **Time to train** that analyst or gather self-service analytics by a non-business intelligence professional.
- **Resources** throughout the entire organization, such as other team members and external resources like consultants.

Augmented AI is ushering in a new era of “self-service” analytics, unlocking the gates to information like never before. In fact, according to [Gartner](#), **by 2025, 75% of data stories will be generated using augmented analytics and creative AI techniques**. With this added capability, individuals of varying roles and departments can ask questions that matter most to them and receive critical insights into their data, all through the help of artificial intelligence. Layered within augmented artificial intelligence are three fundamental types of analytics that are beneficial to the supply chain ecosystem. These pillars are:

- **Descriptive analytics:** Digs into the “what” and “why” of raw data to draw valuable parallels and illustrate what is happening across a company's supply chain—including information about suppliers, shipping, and sales.
- **Predictive analytics:** Delivers real-time monitoring on cycle time and age of inventory, all while using historical data to predict future trends and events—saving several steps and taking the guesswork out of ordering.
- **Prescriptive analytics:** Focuses on what can be done to make better decisions in the future based on what is being learned in the present and past. From these learnings, it recommends the optimal course of action or strategy moving forward.

2) Democratize Data with Information Sharing

Is your business data rich but information poor? When large amounts of data are collected every day, every minute and every second with no clear way to sort or analyze it, organizations are considered data rich but information poor. Today's complex supply chain has shown that **simply having a lot of data is not enough to make a business successful**, calling leaders to re-evaluate their organization's relationship with data in order to make it actionable and drive revenue.

Information sharing across departments and stakeholders is critical for the complex climate of the global supply chain and demands in order to make valuable decisions from mass amounts of data. **Tearing down silos in an organization changes the conversation, enables collaboration and knowledge sharing and improves decision making like never before.** This is achieved by providing an avenue for all users to access information, rather than creating insights meant only for and by business executives and the C-Suite. When data access is spread across an organization, everyone is empowered to make better decisions. This triggers a cultural shift within organizations to stay informed and make accurate decisions — from all areas of the operation.



3) Data Storytelling with the Power of AI

52% of data professionals say dashboards are disregarded because they don't get the message across. While traditional reporting and static dashboards have been widely adopted for decades as the status quo for business analytics, the current supply chain has greatly challenged those systems, revealing costly shortcomings and crushing inadequacies. While dashboards and data visualizations have been used to understand advanced business data, now, with the combination of storytelling and insights from business intelligence, data stories add context and drive organizations toward decisions and results.

Gartner reports that telling stories with data will be the most widespread means of consuming analytics by 2025. **As a result, roughly 75% of data stories will be automatically generated using augmented AI and machine learning as opposed to data from analysts.**

ChatGPT, which stands for “generative pre-trained transformer,” is taking the artificial intelligence technology world by storm. With its ability to seamlessly generate replies to any question in a mere matter of seconds, it garnered over 1 million users within the first five days of being released to the public. With the buzz around ChatGPT centered around changing the way humans generate content, consume information, and find answers, ChatGPT is braced to disrupt businesses, occupations, and regular users' daily lives.




■ Checklist for Maximizing Cash Flow & Supply Chain Optimization


This checklist contains 6 key steps to guide your business in its digital transformation to better decision making with augmented data.

Centralize Data

The first step towards freeing up cash flow is dually an essential component of any business's digital transformation journey: integrating or co-locating mass amounts of disparate systems (ERP, WMS, MRP, CRM and more) into a singular place.

By creating a single, centralized source of truth, leaders instantly achieve a control tower view of their business. By successfully connecting siloed data sets, decision makers receive context and are spurred to action with real-time data and insights into every corner of the organization.


 Transforms disparate data into alerts & recommendations to the workforce based on real-time, accurate information.


 Build and facilitate a collaborative environment where information is shared consistently and effectively with internal and external business partners and stakeholders.

Prioritize Information Wealth

With an improved level of connectivity, collaboration follows. This creates an environment where information is shared consistently and effectively with internal and external business partners and stakeholders. Enhanced collaboration among groups increases user autonomy, community collaboration and business resilience. In fact, research shows companies that encourage analytical collaboration experience an average of 18% in revenue growth and 5% higher operating profits.

AI-facilitated data sharing is an important step in effectively communicating with third party stakeholders. With augmented AI, your business can make faster data-driven decisions with context-driven narratives to support those decisions. Effective information sharing beyond the walls of your business adds incredible value to your data and completes the story your data is telling.

 Communicate between your supply chain and sales team on the phase in phase out (PIPO) of NPI, EOL, Stockout, and all related metrics.

 Easily and efficiently share with key stakeholders and team members to cut down on wait time and encourage faster response time.

Inventory Optimization & Monitoring

Monitoring inventory is one of the top cash flow management strategies that can lead to a reduction in supply chain overspending. A primary disruptor in cash flow is unchecked inventory resulting in warehouses overflowing with expiring inventory, or unnecessary SKUs taking up valuable shelf space with depleting margins.

Businesses can easily get a handle on their cash flow by checking up on their inventory. Optimization is effortless with automation and AI, reducing expired inventory, alerting on shortages/overages, and reducing overall shipping, storing, and other costs.



Proactive Insights

Every business aims to improve productivity by minimizing disruptions and gaining insights. According to MHI-Deloitte research that surveyed 1,000 organizations, 74% of the leaders have expressed shortages and supply chain disruption as an extreme to very extreme risk.

As supply and demand variations continue to impact manufacturing abilities, businesses are striving to gain clearer visibility on inventory and distribution to gain transparency on operations. Insights around changes in demand for parts and shipment delays proactively identify shortages and analyze on-hand, allocated, and on-order inventory along with demand forecasts. Imagine the impact that this level of advanced analytics delivered as news can do in streamlining operations, mitigating risks and avoiding disruptions?



Proactively flags anomalies and risks before turning into costly errors.



Delivers insights to complex business questions in the preferred format (text, chart/graph, spreadsheet, and more)



Recommendations & Predictions

Planning for future demand is critical for developing the resilience needed to survive today's supply chain. Demand planning is a supply chain management process of predicting or estimating how much inventory your customers will buy while taking into account aspects like distribution, seasonality, where the inventory will be housed, where it will be sold, and external factors like a global pandemic, economic challenges and supplier risks. In return, this helps businesses meet customer demand for products while minimizing excess inventory.


Demand planning is based on statistical forecasts that consider many factors that influence demand like inventory levels, marketing strategies, buying trends, etc. – including details on where to distribute the products in order to meet the anticipated demand.


According to research from the Aberdeen Group, companies that are able to produce accurate demand plans are **7.3% more likely to hit their quotas and are 10% more likely to make improvements to their bottom line.**

- ✓ Receive smart suggestions and recommendations on purchase orders, inventory levels and analysis of COVID-19 impact to your business.
- ✓ Track sell-in and sell-through forecasting to balance channel inventory.
- ✓ Accurately plan replenishments & ordering with key distributors and suppliers.

Automated Actions

Today's traditional reporting software is unable to keep up with the demands of ever-changing operations. Automating time consuming and repetitive tasks frees up valuable time and resources allowing your workforce to use their time performing higher value tasks that contribute to the company's bottom line.

 Auto create and publish reports on sales and operations performances such as in-stock, on-time-in-full(OTIF), order cycle time, order linearity, excess inventory in DC, channel inventory, and more.

 Analyze the reliability of the supplier to meet the expected lead time for the part to coordinate its arrival and inform the decision to stock the item as part of the inventory.

Conclusion

While businesses are braced for the long-term impact of record breaking disruption, these best practices will equip business leaders with the tools they need to navigate disruption and plan for the future, all with the power of confident decision making.

It's important to acknowledge that these changes cannot occur overnight, but are a call for long overdue, foundational shifts that are required of the modern day supply chain. With the right leadership, mindset and understanding of how technology can work *with* and *for* you, it's all a matter of asking the right questions.

For information on where to begin checking off the boxes to a more optimized supply chain through humanizing the interaction with data,

visit <https://conversight.ai> or request a demo today.





About ConverSight

AI and data-driven supply chain managers use ConverSight to centralize their data in a single platform. With proactive insights, ConverSight enables supply chain leaders to control their supply chain with real-time visibility and accurate forecasting. Voice and natural language-based conversational AI allows users to access real-time data, proactive insights, and recommendations, as well as perform actions through simple conversation. ConverSight empowers decision makers in the supply chain with accurate and user-friendly insights into all areas and roles of the operation.

Learn more at conversight.ai

