Workforce Automation: Navigating the Future of the Supply Chain

BlueYonder

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Few disruptions can create a domino effect of exponential issues quite like a disruption in the workforce. Labor shortages can negatively impact the customer experience, which makes it difficult to maintain customer trust. Workforce inefficiency can cut margins that companies work for years to recover from. Struggling to recruit younger workers puts a strain on company resources and the existing workforce.

In other words, every part of the supply chain feels the pain when a workforce isn't operating to its fullest potential.

Today's world requires a transformation from the supply chain. Workforce automation is not a question of if, but rather, how. How will companies use the latest technology to run more efficiently while keeping their workforce engaged and growing? How can automation enhance the jobs necessary throughout the supply chain, and how can companies connect with those new workers?

These are not straightforward questions to answer. And in fact, the answer will come in waves, as both supply chains and the solutions that run them evolve. But hard questions do not get easier when they are ignored. So, we're going to dive into all these questions and help you understand how to take the right steps in workforce automation to create maximum certainty for your business and your labor force.

AI
Is Not the Enemy

A significant slice of today's business leaders (about 85% of them) say they've suffered from decision distress. There are too many choices, with too many consequences for any leader to contend with. In fact, the feeling is so overwhelming that 70% of leaders said they'd prefer to have a robot make their decisions.

The tight deadlines imposed on executives do not work well with the amount of data they have to consider before charting a course or building a plan. As AI-powered solutions improve, it makes sense that these same exhausted executives feel excited about adopting more automation and AI features in the future.

On the other end of the spectrum, 28% of workers fear AI. They worry that automation, robotics and other AI applications will diminish or completely replace them in the workforce. Their worry creates turmoil throughout the supply chain as it often leads to conversations about (and threats of) labor strikes.

The differences in opinion aren't connected to the value AI and automation bring to an organization, however. Often, it comes down to a misunderstanding of how each can be used throughout the supply chain. And the limitations they have that leave room for employees to flourish. To alleviate the mistrust and avoid misuse, all supply chain workers should understand each tool thoroughly.
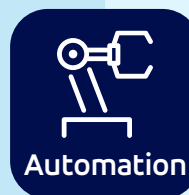
To be sure, both AI and automation are built to improve productivity and efficiency. But only in partnership with people. No tool can work to its highest potential without rules, creativity and goals of the current workforce.
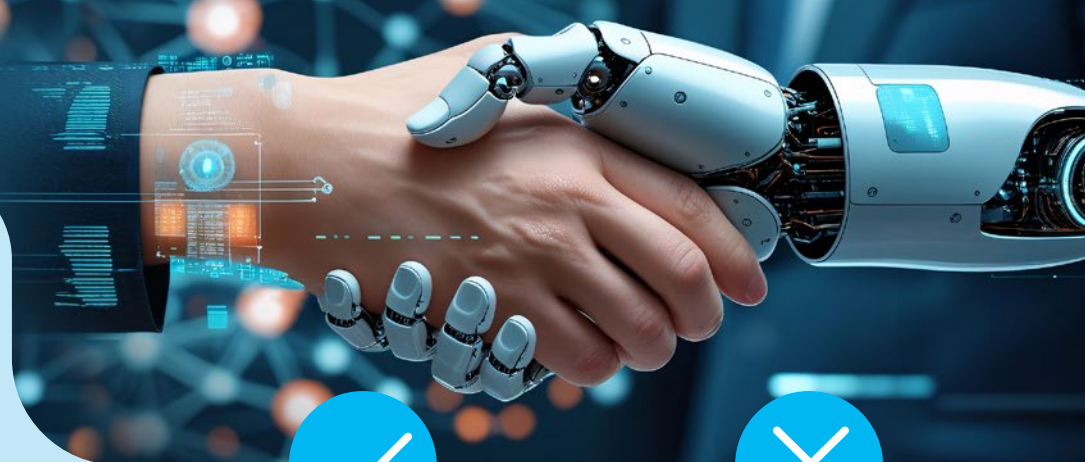
is

isn't

Automation

is:
- Technology that can perform repetitive tasks without human intervention
- A tool to use for work that is too dangerous, time-intensive or otherwise undesirable for people
- An aid for efficiency and productivity, particularly helpful for cost-savings

isn't:
- A replacement for human creativity, problem-solving, or innovation
- A tool to replace all human work across warehouse and supply chain jobs
- The answer to all warehousing tasks

AI

is:
- Technology that enables computers and machines to simulate human learning, comprehension, problem solving, decision-making, creativity and autonomy
- A time-saving tool to condense indefinite volumes of data into actionable insights for leadership
- An aid for decision-making quickly and with as much context and relevant data as possible

isn't:
- A source for brand-new ideas, unchecked processes or definitive decision-making
- A black box of information, closed to audits and reform
- An added technology to complicate processes and deliver marginal value

People Give Your Company the Competitive Advantage

The possibilities new technology brings cannot outshine the truth: people are what drive a company's success. Even today's most innovative companies rely on the creativity and experience of their workers to push them into new frontiers.

Supply chain workers with deep historical knowledge facilitate quick decision-making, better training programs for new employees. The relationships they've fostered over the years with suppliers, customers and distributors help companies move through disruptions more smoothly. There is inherent value in the people who drive the supply chain that cannot be replicated by automation or artificial intelligence.

Instead, automation and AI will evolve the responsibilities of workers. Here are a few examples of how Blue Yonder sees the roles of AI, automation and human labor integrating in the future.

The impact of automation and AI on the supply chain is just starting to be felt. In the next five years, a warehouse career, for example, could look very different. Instead of data management and reactionary planning, it likely will involve more proactive strategizing, what-if modeling and future-proofing the business. When properly applied, these technologies improve performance, develop transferrable skills and enhance job satisfaction.

Today		Tomorrow
Automation sequences are confined to the individuals who build them.	→	Automation sequences can be shared throughout the supply chain and updated in real time.
Individuals create process workarounds to meet goals that won't scale.	→	Standardized procedures that increase efficiency, reduce overspending on labor and provide better working conditions.
Manual planning, reporting and scheduling based on outdated data, which becomes rote and uninteresting to younger generations of workers.	→	Automatically updated data, with AI-powered planning, reporting and scheduling, allowing for more creative and interesting work for human labor.
Reacting to disruptions with disjointed plans and manual updates.	→	Proactive and standardized strategizing with automatic updates throughout the supply chain.
Difficult working environments that discourage potential employees.	→	State-of-the-art working conditions, technology, and opportunities to encourage innovation and growth.

Resilient Supply Chains Are the Only Way Forward

The difficult truth is supply chains are struggling to overcome the onslaught of disruptions and changes they face. In 2023, 62% of organizations reported missing their goals. Confronted with those performance metrics, it's easy to understand why executives are struggling to decide what to invest in.

Rather than considering specific tools or workforce investments, executives must ask themselves which resources will make their supply chain more resilient. The obstacles of the last five years are a undeniable indicator of the potential disruptions to global supply chains, and the underlying fragility assures that disruptions will continue over the next five years and beyond. The difference today is the infinite data available for companies to harness for improved preparation, disruption mitigation and ongoing navigation of a dynamic operation environment.

Adopting automation and AI tools isn't a now or never decision. Every company should implement something now and continue to integrate solutions at their own pace, in the stages of the supply chain that need the most support. By reinforcing the most vulnerable stages with automation and AI, companies ensure that they meet tomorrow's challenges with maximum certainty.

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