



WORLD MANUFACTURING FORUM

WMF

14 - 15 October 2024

Big Theatre
MIND Milano Innovation District
Milan (Italy)

Future-Proofing Manufacturing and its Supply Chains

**NEW PERSPECTIVES
FOR THE FUTURE
OF MANUFACTURING:
Outlook 2030**

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**NEW PERSPECTIVES
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The need to reconfigure value chains is forcing us to examine a new set of questions:

What **actions** are **industry leaders** taking to **redesign** and prepare global value chains for the **future**?



How can **countries** be best positioned to attract manufacturing **investment** and seize **opportunities** amidst the rewiring?





With the frequency and intensification of global disruptions, future safeguarding of global value chains is top-of-mind from factory floors to executive boardrooms

Non-Exhaustive

Trend	Emerging technologies	Climate change			Geopolitics			
Global development	Technology step-changes	Extreme Weather Events	Sustainability commitments	Regulatory changes	Shifting Demographics	Economic Uncertainty	Changes in Governance	Geopolitical Shifts
	Rapid advancements in AI, IoT, Blockchain, and Biotechnology reshaping industries and business models.	Increasing frequency and severity of extreme weather events disrupting global supply chains.	Transition to renewable energy sources and sustainable practices accelerating across all sectors.	Evolving regulations are reshaping operations. Sustainability is increasingly seen as an opportunity rather than a compliance requirement.	Aging populations, migration patterns, changing societal values are changing the supply of labour and demand for goods.	Trade wars, protectionist policies, and sanctions creating uncertainty for businesses and markets worldwide.	Political instability, regime changes, and shifts in governance structures impacting regulatory environments and market conditions.	Shifting power dynamics and geopolitical tensions influencing trade relationships and investment decisions globally.



As global disruptions grow in intensity and frequency, global value chains are undergoing a rewiring across five trends; manufacturers have started to move...





The Forum and Kearney surveyed 340 manufacturing leaders globally to identify strategies to future proof global value chains – findings highlighted a considerable gap between strategic intent and operational delivery



Rhetoric

VERSUS



Reality

From global to globally connected multi-local value chains	From "doing" digital to " being " digital across end-to-end operations	From economies of scale to economies of skill	From regulatory compliance to innovative sustainability	From cost-driven to customer-value driven operations
92% are regionalizing their manufacturing footprint	64% perceive AI solutions as the key to driving value chain improvements	60% of the workforce needs training to bridge today's skills gaps	45% highlight sustainability as one of the two most important drivers for supply chain reconfiguration	60% rate customer value as one of the priorities in driving supply chain reconfiguration
28% aim to have nearly all in-region-for-region operations by 2030	1% have been able to eliminate manual spreadsheets	23% estimate majority of workforce is equipped with value chain & operations skills they need by 2030	14% are re-designing their manufacturing network to reduce Scope 3 emissions	15% cite tangible actions taken to simultaneously strengthen performance, resilience and sustainability



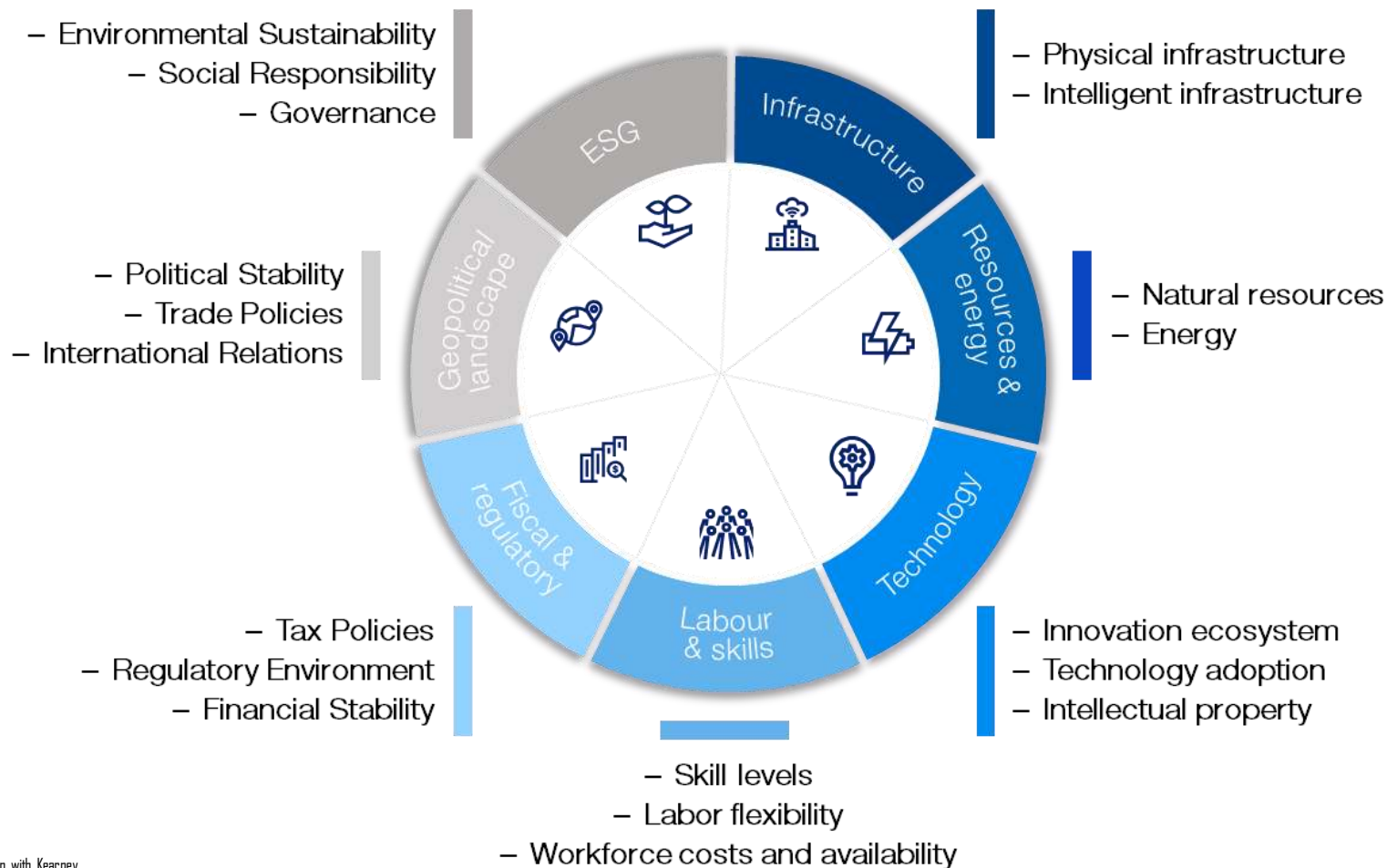
Despite this gap, manufacturing “leaders” are paving the way with a set of actions to redesign their value chains and seize opportunities

Non-Exhaustive 

From “global” to “globally connected”	From “doing” digital to “being” digital	From economies of scale to economies of skill	From regulatory compliance to innovative sustainability	From cost-driven to customer-value driven operations
<ul style="list-style-type: none"> ▪ Expanding supplier management to include tier 2 and beyond. ▪ Enabling data sharing between suppliers and customers. 	<ul style="list-style-type: none"> ▪ Using AI and advanced analytics to optimizing value chains. ▪ Integrating AI decision-making with supply chain digital twin. 	<ul style="list-style-type: none"> ▪ Prioritizing continuous upskilling. ▪ Promoting organizational flexibility and agility with fluid employee movement. 	<ul style="list-style-type: none"> ▪ Optimizing supplier selection to reduce Scope 3 carbon emissions. ▪ Implementing circular business models. 	<ul style="list-style-type: none"> ▪ Aligning product portfolio with customer value drivers. ▪ Enhancing demand planning with end-to-end collaboration.



Beyond cost, seven country-level readiness factors are critical considerations for manufacturers rethinking their geographical footprint and can enhance nations' attractiveness





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