Supply Chain Strategy: Quick Guide

Gain consensus and alignment for your supply chain strategy
Defining supply chain strategic plans by starting from detailed, function-specific, bottom-up analysis of future expectations and current constraints not only is too complex and time-consuming but also carries the risk of losing sight of the overall supply chain strategic ambition.

As a result, senior supply chain leaders often struggle to translate visions, goals and objectives into understandable, easily communicated integrated priority actions.

Gartner suggests using a disciplined framework to collaborate with key supply chain stakeholders on supply chain strategy, priorities and interdependencies. Called the “Matrix,” this framework aids in end-to-end supply chain strategy development.

Key elements of supply chain strategy

- Supply chain current state
- Future-state capabilities
- Gaps between current and future state
- Priority activities and initiatives
The why and how of mapping support for supply chain strategy (continued)

01 Scoping

The initial scoping phase of strategy planning requires a top-down approach to understand the internal and external context of the supply chain now and in the future. A key focus area is gaining an overarching view of the end-to-end supply chain's capabilities, as opposed to drilling down on details.

The Matrix is a blank canvas tool that individual organizations can use to map their current supply chain capabilities and plan for their future, desired-state supply chain.

02 Planning

Supply chain strategic planning must incorporate the contemplation and development of a number of capabilities and resources, including organization, process, skills, data and technology.

The Matrix is a simple, yet powerful, one-page view of end-to-end supply chain capabilities, combined with the critical aspects of agility.

03 Execution

Realizing the strategy requires finding consensus across multiple functional supply chain heads and securing the buy-in of key stakeholders, including CxOs.

The Matrix helps determine how all the interconnected parts of an end-to-end supply chain interact with one another.

Overall approach

The Matrix is a journey that starts by forming a team from across different areas of supply chain and operations. This cross-functional team maps the Matrix.

Gartner helps senior supply chain leaders align supply chains to business and customer needs, and ensures the capabilities, competencies, organizational design, cost optimization and innovation choices deliver sustainable competitive advantage over the long term, no matter the changes to expectations or disruptions.

Learn more at gartner.com/en/supply-chain
## Supply Chain Strategy

Document the key elements of your strategy on one page. Examples are illustrative.

<table>
<thead>
<tr>
<th>Suppliers</th>
<th>Manufacturing</th>
<th>Finished products</th>
<th>Distribution and logistics</th>
<th>Inventory and fulfillment</th>
<th>Customers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supplier relationship management</td>
<td></td>
<td>Sales and operations planning</td>
<td>Demand planning and forecasting</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Spend analytics</td>
<td></td>
<td></td>
<td></td>
<td>Gather data and transactions</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Plan and forecast</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Measure, decide and collaborate</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Design and simulate product and processes</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Execute operations</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Perform physical actions</td>
<td></td>
</tr>
</tbody>
</table>

### Sense
- Supplier relationship management
- Spend analytics

### Supply
- Manufacturing operations management
- Collaborative robotics

### Demand
- Demand planning and forecasting
- Sales and operations planning
- Supply chain network design
- Logistics management
- E-commerce
- Warehouse robotics
<table>
<thead>
<tr>
<th>Suppliers</th>
<th>Manufacturing</th>
<th>Finished products</th>
<th>Distribution and logistics</th>
<th>Inventory and fulfillment</th>
<th>Customers</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Gather data and transactions</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Plan and forecast</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Measure, decide and collaborate</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Design and simulate product and processes</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Execute operations</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Perform physical actions</td>
</tr>
</tbody>
</table>

**Sense**

**Respond**

**Supply**

**Demand**

- **Process**
- **Capability**
- **Priority**

Reset Your Business Strategy
Resources for every supply chain leader to build resilience and set the stage for growth

gartner.com/en/thereiset

Contact Us
U.S.: 1 800 213 4848
International: +44 (0) 3331 306 809