

1.0 Block Chain in SCM Executive Summary

In a progressively digitized world, emerging solutions, like blockchain, afford businesses the chance to push business value throughout their supply networks. Building supply chain features with electronic technologies can lead to increased levels of performance. Blockchain is an enabling technology, that is best when that comes with various other new generation technologies like Internet of Things (IoT), robotic cognitive automation or smart devices.

This report details how Blockchain-enabled technology can mitigate four cross-industry supply chain issues — traceability, compliance, flexibility and stakeholder management. The paper draws on use cases from the pharmaceutical industry (product tracking) and automotive industry (purchasing platform) to discuss today's supply chain challenges and how blockchain can help supply chains encompass the end-to-end flow of information, products and services, and money. The way these components are managed affects an organization's competitive positioning in areas such as product cost, working capital requirements, speed-to-market, and service perception.

This report details how Blockchain enabled technology is able to mitigate four cross industry supply chain problems - traceability, stakeholder management, flexibility and compliance. The paper pulls on use cases from the pharmaceutical industry (product tracking) and automotive industry (purchasing platform) to explore today's supply chain challenges as well as the way blockchain is able to assist provide chains encompass the end-to-end flow of info, services and products, and money. The way in which these elements are managed influences an organization's competitive positioning in places including merchandise cost, working capital needs, speed-to-market, and service quality.

According to a Deloitte 2016 article titled 'Aligning the organization for its digital future,' 90 percent of organizations feel they are not adequately prepared for the industry disruptions from these digital trends. Furthermore, many believe that 40 percent of Fortune 500 companies will not exist in a decade because of these disruptions. These findings suggest that business leaders are under growing pressure to innovate and reconfigure their supply networks, maximizing value and efficiencies while reducing costs in an increasingly competitive world.

Despite pervasive digitalization, paper based procedures continue to be frequent, causing decreased collaboration and transparency across networks. Decision making amongst source chain actors is even more involved by disparate systems which offer reduced presence of many other features. Ways to improve transparency and information sharing across the networks of theirs are being explored by businesses. These initiatives have focused primarily on intra organizational effort to acquire substantial efficiency. Looking forwards, businesses really should be concentrating on achieving higher agility, transparency and flexibility, leading to quicker response times on the quickly changing social, political, and technological environment. The adoption of emerging solutions will permit brand new and higher collaboration designs with all the potential to considerably enhance the supply chain functionality of every node and also the complete community. These problems are today getting experienced across industries and also should be resolved before companies are able to improve worth in the supply chains of theirs. Blockchain may be the enabler to enable organizations to better handle these issues.