

Manufacturers Must Optimize Data as Economies Weaken

Johan Carstens, Head of Smart Manufacturing, Fujitsu North America

Data Adaptability will be key as economies slow

Global insecurity and rising inflation make the coming months extraordinarily unpredictable for manufacturers. This is on top of factors such as supply chain bottlenecks and labor shortages that meant — even before the tragic events in Ukraine — manufacturing confidence was already at an 18-month low¹.

One key focus area for manufacturers in their preparations for economic weakening is data adaptability, according to a report from Fujitsu: [*The great data acceleration – Today's data opportunities, tomorrow's business success*](#).

The report is based on a poll of more than 500 C-suite executives across nine regions and five sectors² – finding increasing confidence among manufacturers that they have implemented data strategies to maximize opportunities. Sector executives are considerably more confident they are using data effectively than in other areas of the economy. When it comes to leveraging data to respond to issues and making precise interventions, 65% of manufacturing leaders believe they are more effective now than pre-pandemic. This compares with just 29% in the public sector and 41% in financial services. The manufacturing sector also leads the pack in effectively using data for making improved decisions, scoring 69%.

Manufacturing IT leaders are also more bullish about employees' ability to access data. Confidence is up 14% from pre-pandemic levels, compared with a zero increase in the public sector and just 2% in financial services.

Manufacturing still has some way to go to create genuinely 'Adaptive Organizations'

However, despite these positive readings from manufacturing leaders, Fujitsu's manufacturing experts believe many companies still have some way to go to create truly Adaptive Organizations with the data transformation capabilities to enable them to adapt quickly in any circumstances.

Fujitsu highlights in the report that, although the manufacturing sector outperforms the global average across eight of 11 attributes investigated in the research, it compares poorly in analyzing granular outputs to improve future outcomes. Here, it registers just 50%, well below the all-sector average of 61%. Other elements where manufacturing comes in with below-average responses are using data for alignment with colleagues, monitoring regulation, compliance and security, and tailoring, personalizing, and/or improving customer experience.

With complex global supply chains contributing to the current downturn in global manufacturing confidence, the sector needs to find ways to become more agile during this extraordinary time of change. Fujitsu has seen how most of its global manufacturing customers leverage cloud-based and hybrid cloud platforms to create more agile and reactive organizations. But we are not there yet. As the report shows, there are key areas where manufacturers still have work to do, especially using data to personalize and improve the customer experience, including establishing an end-to-end digital thread.

We predict that customer-centricity will be the next level of importance for global manufacturers seeking to reduce cost, generate higher margins and deliver on sustainability goals.

If you're interested in knowing more about how can Fujitsu help you become a Sustainable Manufacturer, please click [here](#).

Notes

¹ Although global manufacturing expanded for a 19th straight month in January 2022, according to the [JPMorgan Global PMI™](#) (compiled by IHS Markit), the expansion rate slowed to an 18-month low amid rising COVID-19 infections.

² Research was carried out for Fujitsu by Longitude, a Financial Times company. The sample was 571 C-suite executives, comprising 194 IT leaders and 377 line-of-business leaders. The nine regions included in the research were: Australia, Benelux, Canada, Finland, Germany, Philippines, Singapore, UK & Ireland, and the USA. Five sectors further segmented the research: Banking, financial services and insurance; Central government and defense; Manufacturing; Mobility (transport and automotive); and Retail.

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Johan is a manufacturing thought leader with a focus on sustainable digital solutions, including technology to transform traditional OT environments. He works with industry leaders to prepare their businesses for new challenges and to set new standards.

