

What the manufacturing environment might look like as a result of COVID-19 in the medium term

With the manufacturing industry contributing up to **£139bn a year to UK GDP**, and 87% of those firms employing less than 20 people, the drive to keep on going isn't just an economic one, but a human one.

The environment has had to - and is still - adapting, not just for the safety of employees, but to ensure future resilience and maintain growth.

We've had no choice but to be reactive and implement short-term changes that have made the continuation of our work feasible and safe. Localising supply chains, implementing physical distancing and using technology where human contact isn't possible are just some of the ways the industry has been proactive during this 'survival' period.

But some of the new operations put in place as a result of COVID-19 could be paving the way for a new future.

In this post, we'll discuss how the manufacturing environment might look post-COVID, in the medium term.

Supply chains

To ensure that future resilience we spoke about earlier, the argument for major reshoring strategies is a strong one. However, localising capabilities and re-strategising must all take place while meeting existing demands, so reshoring presents challenges of its own.

There's also the issue of cost, since it was low cost that drove manufacturers overseas in the first place. But that might not be a reason enough to shy away if we are to think long term. The medium term could see many manufacturers rethinking their supply chain, and assessing which products and suppliers fell short during the heat of the pandemic. Many manufacturers are already assessing their existing

supply chains; what has been in short supply in recent months? And could this be a case for seeking a domestic alternative?

Localising supply chains will enable manufacturers to withstand other external threats in the future. With a recession looming, localisation could be the answer to stronger and more resilient and reliable supply chains.

Supply chains will likely be in a state of flux for the medium term, until new relationships and capabilities are established. As history would tell it, the behaviours established during a crisis can change the course of a whole generation. Change will no doubt become a very familiar face as we battle back to 'business as usual'.

The factory floor

Employees who can work from home are still advised to do so, and this could be the case for some time after the pandemic begins to cool down.

It's likely that administrative and office staff won't make a return to the factory for some time, but this isn't possible for front-line factory staff. So how can managers minimise risk while ensuring employees feel comfortable and safe in a post-COVID environment?

Mickinsey writes that three areas of focus will help leaders facilitate a successful return to the 'new normal':

1. Protect the workforce
2. Manage risks to ensure business continuity
3. Drive productivity at a distance

Enhanced sanitisation, physical distancing protocols and even staggered start times will help keep factory floors running efficiently while maintaining hygiene and safety. Meanwhile, leadership teams will become hyper-aware of proposed risks and commit to more frequent risk assessment programmes. The pressure could be on to take initiative and identify opportunities to strengthen the business moving forward.

The workforce

As we've established, protecting the workforce is one of our most important responsibilities. In order to create an environment where employees feel assured that themselves and their families will be protected physically, mentally and financially, communication will be key.

Regular company updates and an honest dialogue about the situation will be essential. Leadership teams and managers will need to ensure they are responding in real time to government updates and support, but this communication needs to be a two-way open dialogue.

Each individual circumstance is different, and for some, a seamless return to regular working life might not be possible. It could be that many workplaces begin to experiment with new possibilities within the workforce, to help staff feel safe, secure and supported. What this looks like right now we can't be sure, but innovation and inventive thinking will likely pave the way as we test new tools and ways of working. The safeguarding of our workforces will become a top priority for most.

Technology

The use of technology will be twofold:

1. Helping us effectively manage our teams; their health, safety and wellbeing, communications, and their performance.
2. Helping to maintain productivity and operations in production lines and supply chains.

As the ultimate enabler, technology has lived up to its name so far during the crisis. But far from enabling us to communicate effectively and stay connected, technology will empower us further, presenting opportunities to streamline operations across the industry.

Artificial intelligence and **Industry 4.0** have always interested manufacturers. The post-COVID world could present even more reason to turn to them. Artificial intelligence will be used to identify and mitigate risks, robotic process automation will likely appear in more production lines, and technology could enhance the overall management function.

The manufacturing industry has had to maintain operations throughout the COVID-19 crisis, with some manufacturers struggling to meet demands. But post-COVID will present many opportunities for manufacturers and could see us adapt new ways of thinking, innovating and communicating.