

# UK Manufacturers Aren't Feeling Very Agile Right Now



A new study reveals a 27% drop in the number of UK manufacturers that sees themselves as being either “extremely” or “highly” agile.

In business, agility helps companies quickly respond to market changes, customer shifts and emerging opportunities. This capability is especially important for manufacturers, many of which are just now beginning to recover from the unexpected demand of necessities placed on them during the global pandemic. The material and component shortages added new stressors for many producers, not all of which have fully recovered from the unprecedented event.

In fact, the *2022 Manufacturing Agility Assessment* from The Manufacturer reveals that many UK manufacturers are feeling anything but agile right now as they manage current complexities and begin planning for the future. The report examines how manufacturers have progressed now that the dust from the pandemic has settled.

“As we know, 2021 was a time for recovery,” states James Devonshire, the report’s author. “But other factors, such as the ongoing conflict in Ukraine; a global microprocessor shortage; significant supply chain disruption; and an increasingly challenging recruitment landscape, have hindered many companies’ progress.”

## Surviving and Thriving

To survive and thrive, manufacturing organizations have to be both agile and adaptable. They also have to be able to react quickly to changing situations, Devonshire writes. And while 90% of UK manufacturing organizations continued to operate through the pandemic, emerging from the other side to “produce product another day,” he adds, just 47% of them are feeling either “extremely” or “highly” agile right now.

That number is 27% lower than it was in 2021, when nearly three-quarters of manufacturers surveyed said they were either extremely or highly agile. One reason could be that the manufacturers surveyed in 2021 simply “overstated their own agility,” The Manufacturer points out in the report on its latest findings.

“Having implemented a number of changes to rapidly respond to the unfolding situation, many organizations were left with an artificially inflated perception of their agility,” Devonshire writes. “Once the dust had begun to settle and there was scope to take stock – particularly by looking at other manufacturers around them – the true level of their agility became apparent.”

“If I’m honest, the reason why so many organizations said they were ‘highly’ or ‘extremely’ agile last year is because they genuinely believed they were,” one senior executive told The Manufacturer. “Many implemented programs to counteract the COVID-related chaos and they survived. But in reality, most, including us, thought they were better than they were and, as it happens, we were no more agile than anybody else.”

There are other factors at work here. The consequential world events that have taken place over the last 18 months, for example, could have whittled away at UK manufacturers’ confidence levels in their own agility.

“Coming out of COVID, most businesses assumed they would bounce back or remain highly agile,” another senior manufacturing decision maker told The Manufacturer. “However, due to the war in Ukraine, the UK’s political status, the energy

crisis and the ongoing Brexit-related supply chain issues, it's understandable that the perception of agility has dropped."

### **Small Steps to Success**

As they continue to retrench and rebuild for the future, global manufacturers can take small steps that may significantly improve their agility. For companies still using traditional business processes, the journey can start with something as simple as replacing a spreadsheet with a digital solution that automates processes, reduces manual work and eliminates data entry errors.

"This kind of digital transformation is quick and cost effective to implement and will bring immediate benefits," Devonshire writes. Companies can also make better use of their data by making the information meaningful and accessible to employees who will reap the biggest rewards from it, including shop floor personnel.

"Start by asking these individuals and teams what kinds of data they could benefit from and understand how they could potentially use it," he adds. "By automating manual processes and properly leveraging the data you have, [manufacturers] can start realizing agility gains right away, and with very little in the way of capital investment."