Pandemic-induced volatility requires resiliency to address internal and external vulnerabilities and create a more innovative, composable enterprise. Manufacturing CIOs must ensure that their organizations create scenarios for initiatives that foster competitive differentiation and market agility.

Table 1: Toolkit: Reset Scenarios in Manufacturing for Innovation and Growth

<table>
<thead>
<tr>
<th>Tool</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufacturing Reset Scenarios (PPT)</td>
<td>This document contains an industry-specific slide deck that describes four plausible, near-term scenarios CIOs can use as a core framework to evaluate your technology and capabilities’ preparedness.</td>
</tr>
<tr>
<td>Scenario-Based Initiatives Stress Test (Excel)</td>
<td>This document contains a preformatted Excel spreadsheet. CIOs can use it to objectively evaluate the most important business and technology initiatives through the lens of four scenarios, using data from your own enterprise.</td>
</tr>
</tbody>
</table>
When to Use

The recent V-shaped worldwide economic recovery is the result of the many changes introduced and lessons acquired by manufacturers worldwide. While many organizations were fast to adapt to a new “anywhere operations” reality, others had a longer path to follow. Nonetheless, the majority of them realized the importance of digital technologies and the role of the CIO for their business’s successes.

According to Gartner’s Innovation in Crisis Survey, 53% of industrial manufacturers have increased their investments in digital initiatives as a result of the pandemic (see Figure 1).

**Figure 1: Digital Business Acceleration**

Going forward, manufacturing companies want to continue to grow. In the fight for market share, they will need to prioritize initiatives that focus on innovation to manage the increasing thrust for resilience, agility and sustainability. CIOs will be expected to support these initiatives, partially acting as a change agent to champion digital, while continuing to implement tools to support remote and hybrid operating environments.
To help CIOs succeed, Gartner has created an industry-specific slide deck that describes four plausible, near-term scenarios and a spreadsheet that can be used to compare how well initiatives may fare under each scenario. CIOs can use the deck as a core framework to evaluate their technology and capabilities’ preparedness, particularly in the area of digital transformation. Focusing on near-term decisions, Gartner analyzed market forces and client interactions and identified the two most critical uncertainties facing enterprises as a result of COVID-19:

- **Duration of disruption.** How long will the combined public health/economic crises be the primary strategic consideration?
- **Behavioral change.** To what extent will the imposed and learned behaviors from the pandemic fundamentally change our markets, enterprises and institutions?

Using the interplay between those uncertainties, Gartner created four plausible scenarios representing how the future may unfold and influence decision making:

- Cleaning Up After the Storm
- Norming and Conforming
- Managing Through the Chaos
- Discovering New Paradigms

Gartner believes scenario planning can be an incredibly useful tool for navigating through uncertain times. Scenarios enable leaders to consider a range of possible future realities — breaking away from what can be predicted from linear extrapolation. They enable management to move away from “most probable” thinking to consider several futures and their associated impacts.

The attached downloadable PowerPoint describes each scenario in detail, including risks and opportunities, and explains how each scenario could be applied to the automotive industry. Each slide includes a talk track on the notes section to facilitate understanding.

CIOs should use the downloadable PowerPoint to:

- Work with executive leaders to understand the impact of four plausible future scenarios on the automotive manufacturing industry
This research will save CIOs time and give them unbiased insight into decision making.

This research lays out four scenarios to help CIOs understand how they can apply innovation to develop long-lasting strategies with all opportunities and risks. The aim is to assess and reshape the company’s critical initiatives toward a renewal strategy. It leverages several tools and techniques to exemplify a framework with which you can aim to create a more agile, resilient company and find answers to important business questions such as:

- “Looking into the future, how can we transform our organization to become more proactive?”
- “How can we deal with a crisis that is still not over in order to grow, now and later?”
- “What strategies could be successful in a variety of different futures?”
- “Do we know which business and technology initiatives contribute the most to the acquisition of critical capabilities?”
- “Which vulnerabilities do we still have in case of more rebounds or a new crisis?”

Use both scenario tools as a structured means to explore alternative paths and evaluate which set of initiatives best suits your organization’s objectives.

**Evidence**

A cross-industry team was assembled to study how companies were successfully dealing with the impact of COVID-19 on their business. Their findings were published as Toolkit: Gartner Global Scenarios 2020: How to Accelerate Business Success in a Time of Worldwide Disruption and used as a basis for this research and PowerPoint deck.
Disclaimer: Unless otherwise marked for external use, the items in this Gartner Tool are for internal noncommercial use by the licensed Gartner client. The materials contained in this Tool may not be repackaged or resold. Gartner makes no representations or warranties as to the suitability of this Tool for any particular purpose, and disclaims all liabilities for any damages, whether direct, consequential, incidental or special, arising out of the use of or inability to use this material or the information provided herein.

Recommended by the Authors

Use Gartner Reset Scenarios to Move From Survival to Renewal for Automotive Companies

Toolkit: Scenario Planning for Success Post-COVID-19

Assessing the Impact of the COVID-19 Pandemic on CEO and Senior Business Leader Confidence

Executive Summary Video: How to Succeed in a World Disrupted by COVID-19
**Table 1: Toolkit: Reset Scenarios in Manufacturing for Innovation and Growth**

<table>
<thead>
<tr>
<th>Tool</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufacturing Reset Scenarios (PPT)</td>
<td>This document contains an industry-specific slide deck that describes four plausible, near-term scenarios CIOs can use as a core framework to evaluate your technology and capabilities’ preparedness.</td>
</tr>
<tr>
<td>Scenario-Based Initiatives Stress Test (Excel)</td>
<td>This document contains a preformatted Excel spreadsheet. CIOs can use it to objectively evaluate the most important business and technology initiatives through the lens of four scenarios, using data from your own enterprise.</td>
</tr>
</tbody>
</table>

Source: Gartner (June 2021)