

# How GenAI Transforms Supply Chain Strategic Planning



## Today's supply chain

A chief supply chain officer's (CSCO's) primary responsibility is to develop and execute the function's long-term strategic plan — ensuring it is appropriately future-focused, it's successfully executed on, and that the metrics and processes used to measure and run the function are well-aligned. The CSCO's approach to strategic planning must evolve to address generative AI as well as a number of other emerging realities, including the changing demands of risk management and the rise of digital partner ecosystems.

## GenAI challenges and solutions

While GenAI affords many benefits to CSCOs (less time agonizing over custom-made presentation and document development) and their teams (greater potential for productivity and available human capital to aim at strategic initiatives), it also introduces new risks, namely:



**Loss of influence.** From a strategic planning perspective, the technology could represent a loss of messaging control and leader voice.



**Inappropriate strategy access.** GenAI tools can sometimes be tricked into giving information that they — theoretically — aren't supposed to provide. In this way, employees could gain access to information about strategic elements that leadership did not intend to be disclosed.



**GenAI hallucinations.** As teams and leaders use the technology to ask more and more strategic questions, it exposes the organization to inaccurate or "hallucinated" information, which may be improperly informing strategy.

Thoughtful planning mitigates these GenAI-driven risks:



**Establish** GenAI as a technology that augments human decision making — not one that replaces it.



**Identify** the specific use cases for GenAI. It may be better suited for drafting support or initial background research.



**Devise** pilots before rolling out broadly, so you can see how teams use the tool and the responses the tool is giving.

## Seize the GenAI opportunity

GenAI raises the expectation for strategic planning. Good strategic planning will mean more than aggregating and documenting trends, working cross-functionally, and addressing key supply chain and enterprise priorities. With the ability to quickly interpret information externally (i.e., customer trends impacting your markets), internal to the supply chain function (i.e., summarize all supplier reports from the past year), and internal to the company (i.e., where there are areas of overlap between functional strategic plans), the CSCO becomes an information steward who must bring integrity to the supply chain strategy.

Gartner is here to help supply chain leaders understand and implement GenAI and stay ahead of emerging trends. [Visit our Generative AI Topic Center on gartner.com](#) to learn about GenAI applications, deployment models, major tech providers and more.



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