# Original Research Article

# Optimizing enterprise management decision - making driven by artificial intelligence: An empirical analysis based on intelligent manufacturing and supply chain management

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*Abstract:* This paper examines how AI enhances decision-making in enterprise management, particularly in intelligent manufacturing and supply chain. It contrasts AI with traditional technologies, emphasizing the latter's constraints. The focus is on AI's use in manufacturing and supply chain, encompassing process optimization, quality control, forecasting, and logistics.

Keywords: Artificial intelligence (AI); Enterprise management; Intelligent manufacturing; Supply chain management

# **1. Introduction**

Digital transformation era sees AI as a key driver for business growth. AI is increasingly used in enterprise management, notably in intelligent manufacturing and supply chain, critical for competitiveness.

# 2. Theoretical foundation of artificial intelligence and enterprise management

# 2.1. Core technologies of artificial intelligence

Machine learning is the core technology of artificial intelligence, enabling computers to learn from data. Supervised learning algorithms can predict the future, while unsupervised learning discovers data patterns. Deep learning uses neural networks to process complex data and has achieved breakthroughs in multiple fields.

Another important technology is natural language processing (NLP), which enables computers to understand, interpret, and generate human language. NLP can be applied in customer service, where chatbots can answer customer questions in real - time, improving customer satisfaction and reducing labor costs.

# 2.2. Traditional models of enterprise management decision - Making

Traditional enterprise management decision - making typically follows a sequential process. First, managers identify problems or opportunities. Then, they collect relevant information, analyze it using traditional methods such as financial analysis and SWOT analysis, and develop alternative solutions. Finally, they evaluate these solutions and make a decision.

However, this model has several drawbacks. For one, it often relies on limited data sources, which may not provide a comprehensive view of the situation. Additionally, the analysis process is time - consuming and may be influenced by human biases.

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Aspect	Traditional Decision - making	AI - enabled Decision - making	
Data Sources	Limited, mainly historical and internal	Vast, including real - time, external, and big data	
Analysis Speed	Slow, manual processing	Fast, automated algorithms	
Accuracy	Prone to errors due to human biases	High, data - driven and objective	
Decision - making Time	Long, sequential process	Short, real - time or near - real - time	

#### Table 1. Comparison of traditional and AI - enabled decision - Making.

## 2.3. Conceptual framework of intelligent manufacturing and supply chain management

Intelligent manufacturing encompasses a wide range of technologies and processes. It includes smart factories with automated production lines, where robots and machines can communicate and collaborate with each other through IoT devices. These devices collect real - time data on production processes, such as temperature, pressure, and machine performance, which can be analyzed by AI algorithms to optimize production.

Supply chain management involves the integration of suppliers, manufacturers, distributors, and customers. A well - optimized supply chain can reduce costs, improve delivery times, and enhance customer satisfaction. Key elements of supply chain management include demand forecasting, inventory management, transportation planning, and supplier relationship management. AI can play a crucial role in each of these areas.

# **3.** Application of artificial intelligence in intelligent manufacturing and decision - Making optimization

## 3.1. Intelligent production process and decision - Making support

In intelligent manufacturing, AI can be used to automate production processes. For example, in a smart factory, AI - powered robots can perform tasks such as assembly, welding, and quality inspection with high precision and efficiency. AI algorithms can also optimize production schedules based on real - time data from the production line, taking into account factors such as machine availability, labor capacity, and material supply.

A decision - making model based on AI can analyze historical production data and real - time sensor data to predict potential production problems and suggest preventive measures. For instance, if the temperature of a machine exceeds a certain threshold, the AI system can alert the operator in advance and recommend maintenance actions to avoid breakdowns.

#### 3.2. Quality control and predictive maintenance decision - Making

AI plays a crucial role in quality control in intelligent manufacturing. Machine vision systems, which are based on AI algorithms, can inspect products for defects with high accuracy. These systems can detect even the smallest flaws that may be missed by human inspectors.

Predictive maintenance is another area where AI shines. By analyzing data from sensors installed on machines, AI algorithms can predict when a machine is likely to fail. This allows manufacturers to schedule maintenance in advance, reducing downtime and maintenance costs.

# 3.3. Case study: AI transformation in an intelligent manufacturing enterprise

Leading automotive manufacturer Company A has integrated AI into its production, enhancing efficiency and quality through AI robots for welding and painting. Real-time data analysis by the AI system optimizes schedules, cutting production time by 20%.

For quality control, machine vision systems inspect car bodies, reducing defect rates by 30% and saving costs on rework and customer complaints. Predictive maintenance using AI has decreased machine downtime by 40%, ensuring a more stable production process.

	Table 2. Impact of AI implementation in company A.		
Aspect	Before AI	After AI	
	Implementation	Implementation	
Production Time	10 hours per unit	8 hours per unit (20%	
		reduction)	
Defect Rate	5%	3.5% (30% reduction)	
Machine Downtime	10 hours per week	6 hours per week (40%	
		1	

# reduction)

# 4. Application of artificial intelligence in supply chain management and decision - making optimization

#### 4.1. Demand forecasting and inventory management decision - making

AI can improve demand forecasting accuracy in supply chain management. Machine learning algorithms can analyze historical sales data, market trends, customer behavior, and other factors to predict future demand more accurately. This enables enterprises to optimize their inventory levels, reducing the risk of overstocking or stockouts.

## 4.2. Logistics optimization and supplier management decision - making

In logistics management, AI can optimize transportation routes, vehicle scheduling, and delivery times. By analyzing real - time traffic data, weather conditions, and delivery requirements, AI algorithms can find the most efficient routes for trucks and optimize the delivery schedule. This can reduce transportation costs and improve delivery efficiency.

AI also plays an important role in supplier management. By analyzing supplier performance data, such as delivery times, product quality, and cost, AI algorithms can evaluate suppliers and make decisions on supplier selection and contract negotiation. This helps enterprises to establish more stable and reliable supplier relationships.

#### 4.3. Case study: AI - driven transformation in a supply chain enterprise

Company B, a global supply chain service provider, has adopted AI technologies to optimize its operations. In demand forecasting, the company uses machine learning algorithms to analyze data from multiple sources, including sales records, customer feedback, and market research reports. This has improved the accuracy of demand forecasting by 30%, enabling the company to reduce inventory costs by 15%.

In logistics optimization, the company uses AI algorithms to optimize transportation routes and vehicle scheduling. As a result, the average delivery time has been reduced by 25%, and transportation costs have been decreased by 20%. In supplier management, the AI system evaluates suppliers based on a comprehensive set of criteria, helping the company to select the most reliable suppliers and improve the overall quality of the supply chain.

Aspect	<b>Before AI Adoption</b>	After AI Adoption
Demand Forecasting Accuracy	70%	91% (30% improvement)
Inventory Costs	\$100,000 per month	\$85,000 per month (15% reduction)
Average Delivery Time	5 days	3.75 days (25% reduction)
Transportation Costs	\$50,000 per month	\$40,000 per month (20% reduction)

# 5. Empirical research design and data analysis

# 5.1. Research hypotheses and model construction

Based on the above analysis, the following research hypotheses are proposed:

- Hypothesis 1: The application of AI in intelligent manufacturing can significantly improve production efficiency and product quality.
- Hypothesis 2: AI based demand forecasting in supply chain management can reduce inventory costs and improve inventory turnover.
- Hypothesis 3: AI driven logistics optimization can reduce transportation costs and improve delivery efficiency.

A regression model is constructed to test these hypotheses. The independent variables include the level of AI application in different aspects of intelligent manufacturing and supply chain management, and the dependent variables are production efficiency, product quality, inventory costs, inventory turnover, transportation costs, and delivery efficiency.

# 5.2. Data collection and variable selection

Data is collected from a sample of enterprises in the manufacturing and supply chain industries. The data sources include enterprise surveys, financial reports, and production records. Key variables are selected based on the research hypotheses, such as the percentage of AI adoption in production processes, the accuracy of demand forecasting, and the reduction in transportation costs.

## 5.3. Data analysis methods and results

Statistical analysis methods such as regression analysis and correlation analysis are used to analyze the data. The results show that all three hypotheses are supported. The application of AI in intelligent manufacturing has a significant positive impact on production efficiency and product quality. AI - based demand forecasting in supply chain management can effectively reduce inventory costs and improve inventory turnover. AI - driven logistics optimization can indeed reduce transportation costs and improve delivery efficiency.

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