

RETOOL FOR THE FUTURE

The Supply Chain Professional in the New Normal

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SUPPLY CHAIN AS A PROFESSION DID NOT EXIST PRIOR TO 1970

Typical jobs were...

- Expediter
- Planner
- Expediter
- Scheduler
- Expediter

Much of the work of planners and schedulers was expediting

THE EVOLUTION OF PROFESSIONALISM

1970s

APICS MRP crusade
computers took over manufacturing

- company wide integration of data
- data accuracy
- speed
- no longer dependent upon memory of old-timers

Companies could grow without a corresponding increase in staffing and overhead

THE EVOLUTION OF PROFESSIONALISM

Computers required a level of detail previously unknown

- bills of material
 - routings
 - costs
- quantity of transactions
- accuracy of transactions
- timing of transactions

THE EVOLUTION OF PROFESSIONALISM

Knowledge in the computer became more important than knowledge in your head

Process knowledge became more important than product knowledge

THE EVOLUTION OF PROFESSIONALISM

- Old-timers unable to work in a data driven environment were forced out of manufacturing by the tens of thousands
- Years of experience and knowledge were lost, accelerating dependency on computer data and systems
- Younger, less experienced people were thrown into management positions and totally embraced the new technology

THE EVOLUTION OF PROFESSIONALISM

Because of computers and software...

- factories managed with data instead of force of personality
- Production and Inventory Control Managers likely to have a college degree
- Production and Inventory Control became a recognized profession
- **standard** processes, data and metrics became the norm
- experience at other companies recognized as valuable

THE EVOLUTION OF PROFESSIONALISM

Women promoted in greater numbers; they were perceived to be better at detailed planning and scheduling

- sexual harassment not tolerated
- coarse language/crude jokes became unacceptable

That was a good thing

THE EVOLUTION OF PROFESSIONALISM

Planning/scheduling/expediting - pre-1970s

Enormous change



Prod/Inv Control - 1970s

Materials/Resource Management - 1980s

Supply Chain Management - 1995/present...

Significant change underway



New Normal

SUPPLY CHAIN NEW NORMAL

Manufacturers will...

rethink the business strategy

- reevaluate and invest in core competencies
- disinvest in non-core competencies
- reevaluate the basis of competition
- assess communication and technology conventions
- develop broader based metrics

SUPPLY CHAIN NEW NORMAL

broader based metrics

planning

sourcing

delivering

financial

customer satisfaction

learning

innovation

SUPPLY CHAIN NEW NORMAL

Employees will be expected to...

- master multiple disciplines around a core job / cross train, cross train, cross train
- maintain a high level of political correctness
- communicate from and to anywhere in the supply chain 24/7
- avoid reacting to “sound bite” messages without determining the underlying cause
- measure and be measured differently
- create a Professional Strategic Plan

PROFESSIONAL STRATEGIC PLAN

First, thoroughly understand your company's
strategy

core competencies

basis of competition

metrics

communication and technology conventions

and determine how you can provide maximum value in
support of each one

PROFESSIONAL STRATEGIC PLAN – FOCUS

SUPPORTING THE CORE COMPETENCIES

If plastic plating is a core competency...

Become the expert for the plastic plating/supply chain interface (scheduling, rework, customer returns)...

Define the educational requirements...

Capacity management, inventory management, environmental compliance...

Define the experiential requirements...

Rework options, customer returns process...

PROFESSIONAL STRATEGIC PLAN – FOCUS

SUPPORTING THE BASIS OF COMPETITION

If First-to-Market is the new basis of competition...

Become expert in procuring new components on shortest leadtime...

Define the educational requirements...

Qualitative forecasting, contract law, global transportation capabilities, blueprint reading and tolerances...

Define the experiential requirements...

New supplier evaluation, contact development, customer requirements...

PROFESSIONAL STRATEGIC PLAN – FOCUS

SUPPORTING THE METRICS

If transitioning from horizontal to vertical integration...

Volunteer to chair the committee developing new metrics...

Define the educational requirements...

Seminars, books, articles abound on developing metrics tied to company goals...

Define the experiential requirements...

Volunteer to gather data, publish results and analyze metrics that relate to your current job...

PROFESSIONAL STRATEGIC PLAN – FOCUS

SUPPORTING THE COMMUNICATION AND TECHNOLOGY CONVENTIONS

- Embrace the technology instead of just using it...
- Define the educational requirements...
- Define the experiential requirements...

MANDATORY

Embrace lean and Embrace green

Every supply chain can benefit from the application of lean and green principles

Be a leader, if not the leader, for lean and green thinking

MANDATORY

Embrace a customer first focus

Customer service is more important than either
lean or green

Define educational and experiential requirements

PROFESSIONAL STRATEGIC PLAN – FILTER

Which requirements, if satisfied, will have the greatest impact on your career?

Which ones are reasonable to attempt?

How many of them are reasonable to attempt?

Evaluate the tradeoffs and create an action portfolio

PROFESSIONAL STRATEGIC PLAN -- HOW

Create an Action Portfolio

For each educational and experiential requirement you lack, determine how to overcome it

Education -- certifications, APICS classes, college degrees, community college classes, on-line classes, seminars/webinars, employer's associations, consultants

Experience -- volunteer for projects, cross train, mentors, intern, job rotation, change companies

ONE PAGE OF YOUR ACTION PORTFOLIO

BASIS OF COMPETITION – FIRST TO MARKET

Educational	Experiential
Contract administration ISM Seminar May	Supplier development Shadow purchasing Feb.
Qualitative forecasting Seminar Nov.	Product life cycle inventory planning Model a past product Dec.
New product launch APICS PDM Apr.	FG storage requirements Lunch/walk-through Nov.

PROFESSIONAL STRATEGIC PLAN – HOW

CREATE THE PROFESSIONAL STRATEGIC PLAN

Merge each requirement in your action portfolio
into a single timeline

The action portfolio (what must be done)

+

the timeline (when it will be done)

=

Your Professional Strategic Plan

PROFESSIONAL STRATEGIC PLAN

<u>month</u>	<u>activity</u>	<u>purpose</u>	<u>strategy</u>
Jan	proj mgmt workshop	education	first to market
Feb	shadow purch on supplier devel	experience	first to market
Mar	seminar on work cell design	education	core comp
Apr	APICS PDM on product launch	education	first to market
Apr	initial meeting on new metrics	experience	metrics
May	ASQ seminar on QA statistics	education	metrics
Jun	advanced lean training - consultant	education	lean
Jul	create 24/7 contact list for suppliers	education	communication
Aug	cross train to learn 1 st piece inspection	education	first to market
Aug	final recommendation of new metrics	experience	metrics
etc			

PROFESSIONAL STRATEGIC PLAN – GOAL ALIGNMENT

- Review appropriate sections of your Professional Strategic Plan with your boss and HR professional
- Evaluate their willingness to support your plan
- Incorporate their input into your plan
- Follow the timeline – review/revise as required
(at least quarterly)

CHANGE RADICALUS

invisibility technology

nanotechnology

organic molecule transistors

broadcast energy

warp speed

PROFESSIONAL STRATEGIC PLAN -- FLEXIBILITY

- Markets change; a company's strategy can be made obsolete
- Anticipate what the new strategy would likely to be
- Create an alternative Professional Strategic Plan based on the "what if"

You will have an advantage if the strategy changes

RETOOL FOR THE FUTURE

Manufacturing is changing

Supply Chain Professionalism is evolving

To thrive in the New Normal you must have a
Professional Strategic Plan

Today is the best day to start

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