

CEO EXECUTIVE NEWS

Insights. Informative. Thought Leadership

August 2015 | Author: Darryl Judd - Chief Operating Officer

The Importance of People - How to Define, Sell and Manage Change in Your Organisation's Supply Chain

Defining, selling and managing supply chain and business transformation projects internally has always been the key stumbling block for all businesses. This month Darryl Judd, Chief Operating Officer of Logistics Executive Group explores this topic and why people are so important in the success or failure of projects.

Collaboration has become the driving force behind supply chain management excellence. In this article, we will look at how to define, sell, and manage change in supply chain.

Back in 1964, Bob Dylan's song "The Times They Are A-Changin'" captured the feeling that the world was entering a period of rapid transformation. The industries of Logistics, Supply Chain and Manufacturing have all felt this in a major way. Through massive advances in technology, expansion growth in the global development of economies and the reach of multinationals to new markets, the advancement of third world countries. All these factors and more have created an enormous pressure and appetite for change to the point where it is now accepted that a company's ability to change goes hand in hand with their success.

Fifty years on from Dylan's famous song; things are changing faster and more profoundly than ever before. Our thirst for innovation, knowledge and things bold and new seem to have no bounds. And nowhere has that occurred more dramatically than in the world of business, much of it propelled by the marvels of modern technology, the 'cloud' and devices we never dreamed about in 1964.



Events

GLCS LogiSYM Malaysia 2015 7-8th October 2015

LogiSYM Malaysia 2015 is quickly approaching, with LIMITED slots left. In conjunction with LogiSYM, Logistics Executive Group is pleased to offer subscribers 25% on delegate registration. With more than 50 international speakers and a full 2-day program covering leading edge supply chain topics and looking at the future of ASEAN Logistics, GLCS LogiSYM promises to be a highly unique event. With more than 200 regional supply chain professionals attending its offers excellent networking opportunities. To take advantage of this excellent offer, Simply register online at: <http://www.logisticsexecutive.com/product/glcs-logisym-malaysia-2015-conference-registration/> (Discount Code: LESPEC25AUG) www.glcs-2015.logisym.com

Ti Conferences: The Future of Logistics

The 3rd annual Singapore Ti Conference is being held on the 13th and 14th October 2015.

And this change has certainly had a significant impact on the role of supply chain management.

Since the 1960s, it has evolved from physical distribution to logistics to supply chain management. Supply Chain Management has progressed from a remote corporate necessity to a critical strategic component of commerce that has achieved global prominence in boardrooms and on Wall Street. Supply chain management has shed its dowdy image as a “cost center” in favor of the more glamorous one of “revenue generator.”

The key reason Supply Chain has become such an asset is because it can supply a very fast response to an organisations ability to react in the market place.

Almost universally, without regard to channel position, managers acknowledged that people are the key to successful supply chain integration. As one prominent Director of Supply Chain told me recently “People are the bridge or the barrier.”

Unfortunately, actual practice in the areas of hiring, training, motivating, empowering, measuring, and rewarding people does not support the rhetoric. From managers we talk to daily leveraging the human resource is often not a priority at companies pursuing supply chain strategies.

A recent research paper from University of Illinois found the amount of time and money spent by organizations to develop its people for supply chain collaboration pails in comparison to other budget expenditures—namely technology and alliance formation.

There are certain issues that must be dealt adversarial contract relationships, the fragmentation of the supply chain and resulting dispersal of information are all barriers to achieving an integrated supply chain.

Improving Supply Chain Transparency

The innovative use of IT can help overcome these barriers and improve supply chain transparency. ERP systems give us real time messages about business activity. This has been an immense advantage to implementing change as it offers instantaneous information on a range of business activity by offering improved:

- **Data Quality and Reporting**, a better CRM and therefore customer relations, better business analytics, which allow businesses to arrive at better business decisions.
- **Improved reporting**: eliminating inefficiencies as reporting follows an automated template system, allowing various departments to access information seamlessly.
- **Data quality**: As compared with manual recordkeeping or other traditional approaches, an ERP system improves data quality by improving the underlying processes. As a result, better business decisions can be reached.
- **Improved Data Access**: with the use of advanced user management and access control.
- **Regulatory Compliance**: Having the system in control means organizations can better com-

Themed The Future of Logistics the topics and international speakers explore the next generation of supply chain innovation. With each session including a Ti expert analyst along with, where relevant, economists, manufacturers, retailers, consultants, NGOs or investors, the extensive program covers all the challenges facing companies today and into 2020. ticonferences.com/

2015 Global Supply Chain ‘thought leadership’ Summit

September 29-30th, 2015

The 2015 Global Supply Chain ‘thought leadership’ Summit will take 29-30 September, 2015 at the Megaron Athens International Conference Centre, Athens. With the five previous events being in held in Asia Pacific locations, this year Europe takes centre stage. The theme chosen for the 2015 Athens Summit is: Building dynamic institutions in the new networked world. This theme fully acknowledges that the design and operation of contemporary supply chains plays a major role in the performance of the enterprise. Athens 2015 will be co-hosted by Dr John Gattorna and Evangelos Angeletopoulos. www.2015gscs.com

Global News

Australian Logistics Academy Logistics Management Diploma - Special Offer 25% off

Celebrating the launch of Logistics Academy, we are offering a 25% discount to new students enrolling in Australian Logistics Academy’s Logistics Management Diploma or either the ALA Advanced Diploma in Logistics & Operations Management. The internationally recognised ALA Diploma in Logistics Management is offered as an online six-module diploma incorporating various areas of the logistics functions including electives in Purchasing, Warehousing & Distribution, Transportation, Supply Chain Management and Logistics Technology. The ALA Advanced Diploma in Logistics & Operations Management continues as a ten-module advanced diploma, incorporating further electives from the various logistics functions and a business research project to illustrate competency in understanding how all the various components of logistics fit

ply with regulations.

All the above points lead to a better supply chain with improved procurement, inventory, demand forecasting, etc., essentially improving the entire supply chain and making it more responsive.

Why buy-in is critical

However we can have the best ERP system in the world but as mentioned above, it is only as good as the staff that will use it.

If the leaders of an organization foster a company culture in which change is embraced and accepted, then it is a lot easier to mobilise a workforce to respond and adapt. This is very easy in theory but in practice, leading people through a change process unscathed is one of the greatest of challenges and the hallmark of only the very best people managers.

The key to achieving this is by understanding company culture. Needless to say every organization is different. Some of the characterizing and influencing factors that define the unique culture of a company include nationality, type of industry, the task the organization performs, the people working in the organization, and information technology. It is through first by having

a thorough understanding of what the strengths and weaknesses of each one of these rivets are that a leader can formulate and tweak a strategy design for a culture that will accept change as a healthy part of corporate life.

The bedrock tools are embodied in training people through change whilst keeping communication channels open at all times.

The role of training

Traditionally training congers up expensive university courses and formal accreditation processes that are far removed from the workplace. The new wave of training however has evolved. The world, technology and business are changing at too fast a pace for formalized classroom teaching to adapt. Instead training is now skill-based and on the job. As mentioned above, proactive leadership is about understanding what is required. Training can be about communicating, informing and by doing so eliminating fear of the unknown and empowering people. Education can create the roadmap and vision for Supply Chain and engage a workplace at all levels in a common course. The way this training is manifest in a company will largely depend on the requirements of individuals and their unique company culture.

together. To enroll before the end of September and receive a 25% discount, simply go to: <http://www.logisticsexecutive.com/academy/ala-diploma-advanced-diploma-courses/> (Discount Code: ALA25%OFF)

Special offer - Become a Chartered Logistics Professional (CLP) Now

For the month of September, Logistics & Supply Chain Management Society and Logistics Executive Group is offering its subscribers hey special 25% discount off CLP Accreditations. A Global Chartered Logistics Professional (CLP) Professional Accreditation is the benchmark of excellence for measuring capability and proficiency in Logistics and Supply Chain Management. And now it is easier than ever before to obtain – if you've worked in the industry for more than 5 years, have relevant working experience, hold some qualifications and have an active participation in the Logistics Profession, then chances are you already qualify. To apply simply go to: <http://www.logisticsexecutive.com/product/clp-certification-application/> (Discount Code: CLP25%OFF)

Contact Us

www.LogisticsExecutive.com

Sydney - (+61) 2 8262 9800
Melbourne - (+61) 3 9607 8263
Singapore - (+65) 6692 9202
Hong Kong - (+852) 3958 2313
Shanghai - (+86) 21 6103 7078
Dubai - (+971) 4 361 6275
Mumbai - (+91) 22 6608 9532
New Delhi - (+91) 124 469 6680
Chennai - (+91) 44 4202 4819
London - (+44) 20 3239 7624

LOGISTICS ACADEMY TRAINING

World-Class Training & Educational Degrees That Fit Your Life.

Logistics Academy is a comprehensive suite of Educational and Training Programs that caters for all levels of professionals and logicians looking to further enhance their supplychain and logistics skills and careers. With range of online quick courses, specialised short courses, certificate based and diploma e-learning products through to MBA's with a focus on Supply Chain Management, Logistics Academy and our partners bring together the most relevant and cutting-edge Supply Chain and Logistics training, to development your employees, upgrade their future skills and helping to contribute to better staff retention. www.logisticsexecutive.com/academy/



The Chartered
Institute of Logistics
and Transport



It can include university tutorial or the classroom of the factory floor. Going back to the example of the ERP implementation, if there is targeted communication to staff explaining the need for the new system, addressing concerns, offering training tailored to meet specific requirements, then it is a lot more likely that the new system will be successfully adapted.

Changing the focus from the inside to the outside world

It is worth mentioning that it is not just corporations that are adapting this approach to training, shifting the importance from institutions to the workplace. Countries like Singapore have recently (June 2015) initiated a framework called SkillsFuture, a national initiative to encourage Singaporeans to develop industry-relevant skills by recognizing career progression based on skills and training, and promoting lifelong learning at the workplace. Australia has held a longstanding, skills based initiative called TAFE, which is focused on offering Australians the opportunity for ongoing vocational education in trades and skills based learning.

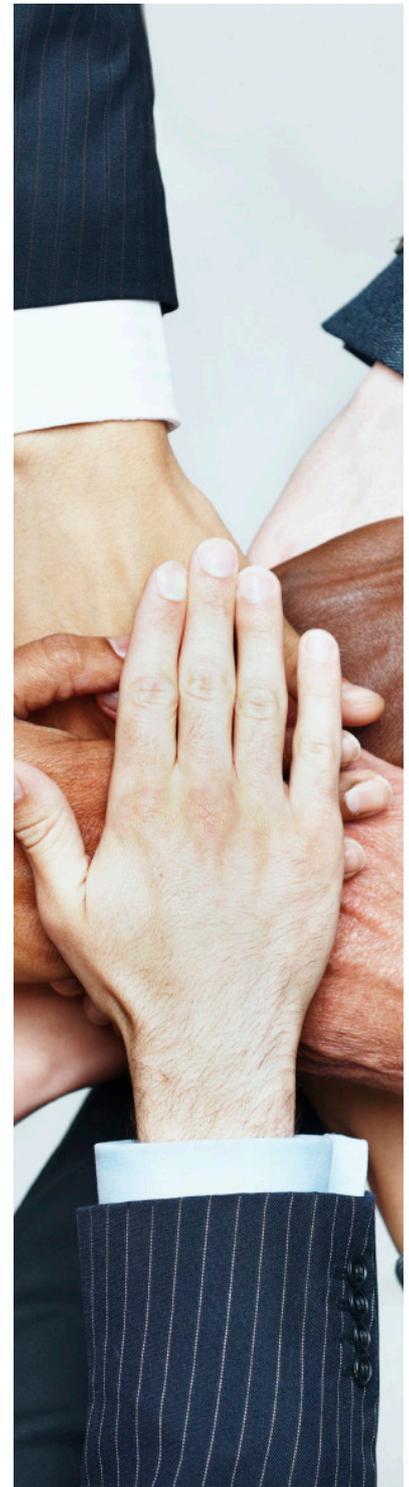
The constant stimulation proved by learning and improving reframes the narrative. Employees are no longer battling to maintain their

status quo against the face of the unknown. Instead they are embracing a system that will improve their skills and situation with the support and information they need to make necessary decisions.

What then happens when a company tries to partner with another business, for example a logistics provider?

Often when this happens the two enterprises need to somehow marry different systems and processes in order to share information and achieved shared objectives. This can be disastrous from the outset if there is a misalignment between the two company cultures. However, success can be achieved if both institutions are committed to providing a continuous information flow between all stakeholders and if both companies agree to commit to providing timely and reliable data, in order to manage the supply chain. Of course technology plays a key role in this as they provide support in sharing information and implementing new processes and integrity, as previously mentioned.

In summary, a company can succeed in implementing drastic change in their supply chain function if there is a commitment to provide proactive leadership and the resources in training, underpinned by the in-



MARKET INTELLIGENCE, REPORTS & SURVEYS

Unrivalled Access to World-Class Market Intelligence

Drive the performance of your business with global and regional reports, surveys and market intelligence. Logistics Executive Group along with our partners Ti brings you unrivalled access to worldclass Market Intelligence, Industry Reports and and the last Business Surveys. Keeping you informed of the latest information and data in the industry to drive the performance of your business with global and regional Transport & Logistics reports, specialist Logistics Sector reports including FMCG, Retail, Automotive, Healthcare, Chemical, Express, Contract Logistics and Road Transport complete with financial data and market analysis. All reports can be purchased online and accessed immediately, ensuring you have unrivalled access to the latest business data, updated regularly and available to download with just a fewclicks. www.logisticsexecutive.com



Research – Analysis – Consulting



tegrity of good systems. However collaboration is the driving force behind supply chain management excellence. In these fast-changing times, the only way to tear down the walls that block collaboration is by recognizing the role that of people by energizing and winning over a workforce to embrace and prosper through the various hurdles and rewards that a change environment offers.

Author Profile



Darryl Judd
Group Chief Executive Officer
Logistics Executive Group

Named by SCM World in 2015 as one the "Top 50 influential individuals in Asia's Supply Chain, Manufacturing & Logistics industry", Darryl is recognised as expert in the linkage of business strategy and supply chain best practices to human capital management. He brings 28 years of executive leadership and consulting experience and is regular contributor on thought leadership across numerous industry publications and is a frequent speaker at international conferences and events on business leadership, strategy & people alignment and talent management. He was instrumental in the creation of Logistics Academy and presently holds an advisory board appointment with industry group LSCMS. In 2014, he was appointed as one of five global experts to IATA's Global Innovation Award selection board and has held senior executive positions within the airline, air cargo and aircraft leasing industry.



LogiSYM

The Magazine for Supply Chain Executives

SUBSCRIBE NOW

DOWNLOAD ISSUE

Global Supply Chain Ecosystems

Strategies for competitive advantage in a complex, connected world

By Mark Millar

Exploring the latest market trends across developed, developing and emerging markets, *Global Supply Chain Ecosystems* will help you capitalise on market opportunities, overcome supply chain challenges and make better informed business decisions. The book highlights key supply chain shifts and features real-life case-studies.

www.koganpage.com/globalsupplychain