

SAPICS conference highlights a need for supply chain change

Disruption is nothing new to supply chain professionals, but a lot of changes still need to be made to ensure the continued survival of their employers. The main messages from speakers at the recent [SAPICS regional conference for supply chain professionals](#) highlight that changes are needed throughout the supply chain management process.



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Plan: involve everyone

Douglas Kent, managing director at PwC in the USA, said that a change in the overall mindset of the organisation is necessary to make planning cross-functional. “People need to be able to understand the breadth of the impact their actions have on the business,” warned Kent. “Transformation means making some tough choices, and being able to recognise when a job outgrows a person.”

Misalignment of planning and decision-making are a root cause of strategy-to-execution disconnects, according to Kent. It is for this reason that companies also have to become much better at root cause analysis. “Reporting isn’t enough. When you fail or succeed you need to know why,” said Kent. “You have to be maniacal about understanding the reason behind missed metrics. Both under and over achievements are mistakes in terms of the expectations of metrics. Root cause analysis will help you replicate over achievements, and avoid under achievements.”

Source and make: make waste part of profit

Lorraine Jenks, founder of the online sustainable product directories Hotelstuff and Greenstuff, said that supply chain professionals have a critically important role to play as they hold much of the power to protect the future of natural resources. Every product has an impact on the environment every step of the way through its entire lifespan. Supply chain professionals can lessen any destructive impact by sourcing raw materials and suppliers, and implementing processes that are more environmentally friendly.

Jenks said that only when people understand the “why” will they bother about the “what” and finally care about the “how” to make better choices.

Similarly, Marilize Worst, managing director of SmartMatta, challenged delegates to start rethinking their supply chains towards a point of zero waste to landfill. The sourcing and making phases of any supply chain hold opportunities that could increase profits while also being environmentally responsible. Supply chain professionals have much work to do to reshape their respective industries towards becoming less consumptive, and more responsible towards preserving the finite resources available to future generations.

Deliver and return: put all your eggs in one basket

Bronwyn Engelbrecht, strategic sourcing manager at House of Busby, and Gerrit Fourie, divisional executive for supply chain solutions at Santova Limited, challenged delegates to find ways to create mutually beneficial success through a deep trust relationship between a client and service provider.

Engelbrecht shared how trusting her gut in selecting a logistics provider led to phenomenal improvements during the delivery and return stages of the complex supply chain under her management. Once there is an acceptance that change and challenge are easier to adapt to once a logistics partner is trusted unconditionally, the benefits for all parties involved can increase exponentially.

Enable: employ people able to lead smart growth

Abrie de Swardt, managing director of Abrie de Swardt & Associates, reminded delegates that the next 10 years will be challenging for growth. According to De Swardt, the mitigating factor isn't more effort, but developing smart growth leadership that triggers profit. De Swardt explained smart growth as the ability to grow the top and bottom line of a business in an extremely challenging business environment where demand conditions are weak and disruptive change is high.

The biggest restricting factor in growth is a lack of sufficient talent. De Swardt noted that vacancies in the logistics and supply chain management sectors remain open for longer because finding the right talent has become more important than just getting the job done.

Easy growth talent – hard working, suitably qualified, and technically skilled – is freely available to the logistics and supply chain management sector. De Swardt highlighted that the skills for smart growth that are in short supply are maturity – the ability to operate effectively at the appropriate level of complexity, ambiguity, and scale – combined with agility – the ability to operate at appropriate level of disruption, speed, and volatility.

Lungelo Khumalo, supply chain planner at SABMiller, added that meaningful work, growth, and a supportive environment are the three key factors that attract the top talent in the so-called millennial generation. Both millennial and older generations, however, have the same main goal as a driver: a need to make a meaningful impact through their work.