

Find yourself in the middle
of the action with a career
in procurement and supply
chain management.

A REWARDING Career Awaits

By Willy Shih



For a number of years, I taught our first-year MBA course in operations management at the Harvard Business School. For many of our students, this course comes as a revelation. They may have come from the world of finance or consulting fully expecting to return, but find to their surprise that fields like operations and supply chain management are far more interesting than they ever imagined.

Because most of my students know of my background in industry before coming to Harvard Business School, they invariably find their way to my office to talk about career possibilities. “Operations is much more interesting than I imagined,” is usually how they start the conversation, and that warms my heart.

I relish talking to students about careers in operations and supply chain management, because I think they offer such rewarding possibilities — they are jobs where the results are tangible, and where good strategy and execution can make a significant difference.

In today’s world, almost every product and service is dependent on the construction and efficient operation of supply chains. These networks often span the globe, are complex and time-critical. Working in supply chain means you will be confronted with enormous challenges. Imagine securing 5 million iPhones into the retail distribution channel for the first weekend of sales, or procuring fresh-cut flowers out of East Africa through the Aalsmeer Flower Auction in Holland into stores around the world, or setting up a reliable cold chain for the delivery of vaccines in emerging markets. For all of these examples, supply chain management practitioners play essential roles.

A career in supply chain management means that you will touch one of the most exciting and essential parts of the entire product delivery network. Supply chain today encompasses everything from strategic sourcing of raw materials and partially or fully finished goods, to storing and moving them from the different points of origin to the point where they are consumed. Your success in that process will have a huge impact on the success of your company’s products and services. Without you, there are no product launches, no channel provisioning, no reverse logistics and no processing of returns.

It also means that you will have a significant impact on the profitability of your firm. When demand is for perishables or products that go “stale” quickly (fashion goods or consumer elec-

tronics, to cite two examples), having the right amount of product in the right place at the right time helps you grab sales from the competition. Marketing people can spend all they want on brand building and advertising, but without supply chain professionals, there can be no sales. Firms like Inditex, owner of the Zara brand, powers its fast-fashion offerings with a sophisticated ordering and logistics system that has made it one of the most profitable retailers in the world. And Wal-Mart got to where it is on the back of a masterful supply and logistics system.

Having the right inventory in the right place is everything these days. More and more products and services compete on the basis of their supply chains. To make the point, I often ask students if they believe Wal-Mart is more of a supply chain and logistics company, or is it just a retailer? I could argue that the former is what drives its profitability.

Thus, supply chain today is much more than purchasing. It combines strategy, operations and a large dose of general management skills. It means you will have to be good with information technology, and you will have to be good at tracking details. A successful supply chain manager has strong operations skills, but he or she also knows how to balance an attention to detail with the ability to step back and see the big picture.

It means, on the one hand, you can understand the needs of marketing, and, on the other hand, mediate these with the practical realities of getting things made and delivered across borders. You will have to work across organizations, and across cultures. You will have to be a good arbiter, as well as a good negotiator. In fact, the very skills that make you a successful supply chain manager make you extraordinarily valuable, because you will understand how all the pieces fit together.

That, in the end, is what makes this type of role a great career choice. People who understand how all the pieces fit together — the costs and the trade-offs — really understand what makes a company tick. And for a successful career, that’s hard to beat. **ISM**

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