

**Executive Transformation
Building the Ideal Supply Chain Management Career**

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94th Annual International Supply Management Conference, May 2009

Abstract. The extent of supply chain management executive talent, like most things, is a function of supply and demand. Companies across the globe are trying to extract more from their organizational performance. Supply chain has transformed from a tactical function to a strategic function and consequently, supply chain executives have earned a seat at the leadership table. The reasons for this are obvious, considering the supply chain function is involved across a company's entire value chain from suppliers to internal processes to the end customer. The next phase of evolution is already underway, which is the harnessing of disparate elements of the supply chain and transforming them into an integrated supply chain with clear links and interdependencies. The shaping and tooling of the next generation of supply chain executive is at the heart of business growth and prosperity. Given this challenging environment, ensuring that you are adequately prepared to lead is imperative. What are the hot skills and key trends in the marketplace today? What makes one executive candidate more appealing than another? How should you navigate effectively through your supply chain management career? These are the key concepts covered in this paper.

Hot Skills & Trends – Today and Tomorrow. Historically, most companies treated supply chain management and procurement as synonymous terms/functions – these terms were commonly interchanged with other elements of supply chain management, including logistics, inventory, etc. The degree of supply chain management sophistication has increased tremendously over the past 15 years as this business-critical function has evolved from tactical to strategic.

Today, what most sophisticated corporations are seeking is executives who have the knowledge, experience and leadership to lead the integrated supply chain. This includes the end-to-end procurement function (i.e., spend analysis, opportunity assessment, total cost of ownership and financial modeling, negotiations strategy, commercial negotiations, contract execution and management, supplier relationship management and supplier performance management), inventory, warehousing and logistics. The challenge has been to find talented executives who understand not only the breadth of supply chain, but who can effectively create the integrated supply chain. The integrated supply chain effectively and efficiently capitalizes on the interdependencies of each element within the supply chain to achieve better results in terms of cost, quality and timeliness while also mitigating business risks.

There are three primary competencies that companies should look for when hiring an executive to turn around, transform and improve a company's business operations. The first is finding an executive who has experience, knowledge and demonstrated results in each of the functional areas of the supply chain mentioned previously (e.g., procurement, inventory, warehousing, and logistics). Those are the core functional skills required. The level of depth and mastery is also important given the criticality of having the right goods or services

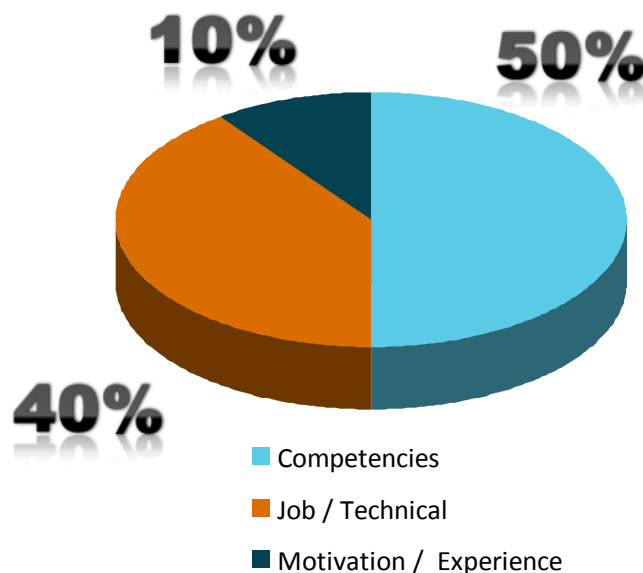
delivered on time to support business operations. There is certainly an increasing trend – which we believe will be sustainable over time – for companies to embrace and employ a disciplined methodology or hybrid of methodologies. These methodologies, such as Lean, Six Sigma, Kaizen, Toyota Production System, are the drivers of modern manufacturing; they are no longer only used in manufacturing organizations, however, but are also employed in service industries. It is imperative that the seasoned executive recognizes the value and benefit of these tools. High performers recognize the strengths and weaknesses of these tools, and know how to use each one at the right time for the right situation. This ability to discern best of breed is a core differentiator for top supply chain management executives.

A second requirement is an executive who has mastery over establishing the enabling infrastructure of the supply chain function in the organization. This includes instituting the governance, policies and procedures, processes and the right technology for the company. Each of these elements is a critical enabler of success in the supply chain that sets the standards, timeliness and risk profile for the supply chain function.

Finally, a third essential characteristic for today's supply chain executive is someone who has the organizational leadership skills to affect change in the organization and inspire not only the supply chain professionals but also key stakeholders in the supply chain, including the executive committee, senior management, business units, suppliers and customers – in other words, the end-to-end integrated supply chain network. This may seem overwhelming, but there are ways to ensure the talented executive develops these core skill requirements.

Navigating Your Supply Chain Management Career. Effectively growing, evolving and nurturing a career should be a primary concern and goal for every supply chain executive. An important first step is to set a stretch goal for your career. The key is to start with the end in sight and work backwards. This does not mean you cannot change their mind – in fact, the whole point is to evolve and grow.

Korn/Ferry has spent decades studying best-in-class executives and identifying what differentiates them from the rest of the pack. Through empirical evidence and studies, Korn/Ferry has determined that approximately 50 percent of their success is attributable to leadership characteristics, 40 percent to job and technical skills and just 10 percent is due to motivation and experience.



The largest driver of success, leadership characteristics, can be broken out into six large buckets that we call Leadership Factors. The six Leadership Factors are as follows:

1. Strategic Skills
2. Operating Skills
3. Courage
4. Focusing on Actions and Outcomes
5. Organizational Positioning Skills
6. Personal and Interpersonal Skills

In evaluating your fit for a potential position, it is imperative to be cognizant of the leadership characteristics that are required and note where weaknesses are in order to address them accordingly. Each executive search begins by working with executive leaders involved in the hiring decision to rank and prioritize the most critically important leadership characteristics for a given position. The job of the executive recruiter and the executive team is to test and evaluate the candidate's leadership characteristics.

Additionally, each executive position has multiple, specific job requirements that must be met in order for the incumbent to be successful. For example, a CFO clearly must have deep financial skills and experiences. Similarly, an executive vice president or, in the industrial sector, a COO must have deep supply chain management experience and credentials. An executive recruiter will be seeking candidates who can demonstrate substantial experience in the nuts and bolts of the functional, operational, industry and geography of the role to ensure they are a match.

Finally, energy, drive and motivation are essential for long-term success. Executive recruiters have a keen eye and ear to determine the authenticity of a candidate's passion for a particular career opportunity.

Being Resourceful and Leveraging Relationships. A seasoned executive knows how to take inventory, communicate their knowledge and experience, and effectively convey leadership characteristics and motivation/drive. You should always maintain a resume updated with a succinct, demonstrable profile of your career. Always include titles, roles, responsibilities, activities and accomplishments (results). This chronology of your career evolution is critical so that potential employers can appreciate what you have accomplished and what you can bring to the table. This is also a healthy exercise to identify where your strengths, weaknesses and potential gaps reside.

Nurturing and developing relationships is imperative in business. One relationship to cultivate is with an executive recruiter who specializes in your particular area of interest – in this case, supply chain management. The key here is to stay connected with an executive recruiter and develop a career-long, reciprocal relationship. It is important to stay in touch often and keep the recruiter apprised of your career status (e.g., advancements, challenges, opportunities, etc.). Seeking a new career opportunity is a job in and of itself, given the time-consuming interviews and travel involved. It is imperative when contacted about an opportunity to thoughtfully consider the opportunity presented and deliberately decide whether to pursue it. Always ask for a position specification ("the spec") and honestly evaluate your fit for the role,

keeping in mind leadership characteristics, skills, experience, company culture, etc. It is to nobody's long-term benefit if a candidate is only testing the waters. This can alienate the client company, as well as the executive recruiter whom you are building a trusting relationship with. At the end of the day, the executive recruiter can be an excellent source of new opportunities for you that will enrich your career. Be helpful, seek honest feedback, remain diligent without pestering and reciprocate and you are off to a great start to leverage your resources and manage your executive career.

Summary. The opportunity is out there. Your job is to identify it, recognize it and capitalize on the opportunities to grow and build. It is important to take stock, keep inventory, source the opportunities, leverage relationships appropriately and seize the opportunity. Navigating your career is a combination of developing the right skills and experiences, honing essential leadership characteristics and leveraging your resources to attain both.

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