SUPPLY CHAIN LEADERSHIP REPORT: MANY STYLES GENERATE SUCCESS

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ABOUT THIS REPORT

Successful supply chains rely on strong leaders who can spur top performance from those around them. Leaders contribute their own talents, interests, styles and goals to help their companies reach their full potential. Today's leaders know they cannot be mere managers; they must widen the scope to develop a vision for the future while meeting the day-to-day challenges of operating a business. APICS Supply Chain Council is pleased to bring you thought-provoking analysis of this important topic. The APICS SCC research team compiled this report from multiple sources, including surveys of APICS members, articles and external research.

This report was developed by APICS SCC, a nonprofit organization that advances supply chains through unbiased research, benchmarking and publications. APICS SCC maintains the Supply Chain Operations Reference (SCOR) model, the supply chain management community's most widely accepted framework for evaluating and comparing supply chain activities and performance. APICS SCC enables corporations, academic institutions and public sector organizations to address the ever-changing challenges of managing a global supply chain to elevate supply chain performance. APICS SCC is part of APICS, the premier professional association for supply chain and operations management.

For more information, visit apicsscc.org.

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EXECUTIVE SUMMARY

The vast network of the supply chain of products, services, information and finance responds well when it is managed in the short term. However, successful leadership is required to garner the best performance in the long run. This report illustrates the role of the individual supply chain leader, including his or her attributes, leadership style and goals. Its purpose is to help develop greater awareness of and interest in the skills of supply chain leaders. The content is based on targeted APICS research of supply chain and operations management professionals across many industries and management levels.

Supply Chain Leadership Report: Many Styles Generate Success

The future of every supply chain organization depends on developing and retaining good leaders. However, no standard supply chain leadership model exists. Research shows that supply chain leadership encompasses more than supply chain management and operation; it includes satisfying personal, professional, and organizational strategic goals and requirements.

Every supply chain professional is a potential supply chain leader, whether formally—where leader is part of a position title—or informally, as it pertains to his or her job responsibilities. Among supply chain professionals surveyed by APICS, most responded that developing supply chain resources, potential and trust requires both effective management and leadership. A supply chain is a vast network of products, services, information and finance; however, while these networks respond to management in the short term, they perform best in the long term through successful leadership.

Best practices of a supply chain leader

All supply chain leaders have a vision, a commitment to that vision, a team of followers and leadership skills. One cannot exist without the others. The supply chain leader understands the following three elements sufficiently well in order to execute a supply chain vision. The vision ultimately serves the organization's mission statement.

Vision. Create and articulate a visualization of an improved supply chain—a better way, a new opportunity. The supply chain leader, whether a senior executive or an entry-level manager, becomes responsible for that vision—and he or she must connect with people and opportunities in order to execute it. Leaders compare company or departmental history with the current state of the company. With that, they develop an understanding of the most probable future. They are self-aware. They see themselves and their organizations in terms of accomplishments, trends, strengths and weaknesses. They see themselves leading their followers to their desired future. They do this by anticipating and creating opportunity, ensuring followers are ready, and using good timing to bring about successful change with the people, resources and information at hand.

Effective leaders develop a leadership vision because they can identify both internal and external root causes, risks and challenges within their organizations. This provides insight and helps in decision making. The leader makes decisions to:

- Ensure this vision expressly serves the organization's business vision and mission.

- Seamlessly align supply chain strategy to tactics around this vision.

- See the vision in supply chain strengths, weaknesses, opportunities and threats calling for specific, realistic action.

- Integrate the vision in root cause analysis of pressing supply chain problems and solutions.

People. Attract followers who are inspired by the leader and his or her vision. Followers may begin to ask: *What will we be able to do when we achieve a key goal? How should we act then? What will be our next set of goals?* As the leader communicates to his or her followers, they develop an improved long-term perspective toward realizing the vision—which includes strategy, tactics, people, resources and time. Both the followers and the leader share this vision. A supply chain leader uses existing supply chain resources to create the team of followers and resources necessary to realize his or her supply chain vision.

Along the way, the team of followers adopts that vision and assists the leader in his or her execution.

Even an informal leader, one who does not have a formal job title of "leader," can still be valuable to a team of followers. An entry-level manager may have limited authority and scope compared to a chief executive officer, but both can use their authority and scope to lead. A good leader develops a loyal team of followers. Followers see in the leader someone who will advance their values and goals, someone who is willing to serve these values and goals for the benefit of everyone.

A leader inspires his or her followers to share the leader's vision. The followers identify the goals they possess that align with the leader's vision. The team of followers becomes loyal to the supply chain leader himself or herself as champion of the vision. A supply chain leader must establish and maintain the inspiration of his or her team of followers. The leader does this by investing in the followers, often by developing the skill, responsibility and capability to realize one element of the vision. This requires a leader to:

- Act within the bounds of organizational position authority, culture and risk tolerance to build trust.

- Build confidence by demonstrating effectiveness and having a proven track record of accomplishments toward the vision.

- Attract a team of followers to his or her vision.

Realization. Seize and create opportunity to advance realization of this vision. Realizing a difficult or complex supply chain vision is a journey where one improvement leads to another. Those who report to a supply chain leader, whether directly or indirectly, come to see this for themselves—particularly with ongoing commitment from the leader, who will:

- Gather information and technology and use it in well-timed, well-anticipated ways to open doors.

- Make decisions that deliver on short- and long-term needs, solve conflicts and advance the vision.

- Create greater leadership skill and capability.

Realizing improvement

Each of the following areas—**relationships, data, decision making**—are part of practicing supply chain leadership. Performance analysis of each one helps reveal where genuine improvement is needed, and where combined improvement is essential to realize the leader's vision.

Relationships. A supply chain leader works directly with the partners and stakeholders of the supply chain operation. Knowing partners' and stakeholders' core values, interests, strengths and potential enables the leader to integrate these areas into his or her leadership practice. Likewise, the supply chain leader must also be aware of his or her own core values, interests, strengths and potential within the context of the organization. What does the culture and practice reward most? What does it resist most?

Data. A supply chain leader uses supply chain data to spot opportunity, measure progress, report accomplishments, prioritize next steps, and develop tactics and strategy. A leader looks for trends that help or hinder progress toward those goals and seeks correlating data. For example, if reduced inventory expense were part of a leader's vision, the leader may seek current and historic inventory turns, service levels, safety stock, inventory locations, distribution patterns and customer demand. He or she may discover a relationship between data points that suggests a way to advance the vision, such as improving inventory turns at specific inventory locations. Finding a relationship between data points enables the leader to identify specific people and processes for follow-up.

Decisions. Effective leadership means making a series of decisions toward a greater goal even in the midst of setbacks and obstacles. Discipline and dedication are necessary to evaluate all possibilities and to ensure the leader seeks the most favorable outcomes, without bias. When the opportunity to make certain decisions presents itself, the leader must be prepared. Decision making requires anticipation, forecasting and planning. For example, when faced with an economic challenge, the leader should know by the time the crisis occurs what to prioritize, what plans to execute in order to offset risk and how to implement strategies. He or she can achieve this by pre-positioning resources and plans and taking suggestions from the team. This will put the leader in a position to make the best and most informed decision. Discipline and dedication are necessary to evaluate all possibilities, and to ensure the leader seeks the most favorable outcomes rather than what he or she may personally want.

Leadership methods

Over time, a leader improves the supply chain's ratio of risk and reward. Ideally an organization or supply chain will work to minimize the risks it faces, yet still achieve the rewards it seeks in order to gain economic success. Every risk therefore must bring a useful reward. A leader sees the need for change and adds value through change—negating risk and increasing reward. This justifies the risk and increases trust and confidence in the leader.

The leader must act as an effective change agent, yet be aware of the amount of change followers are willing to take on at any given time. A leader works to develop trust, even while driving change. This calls for a specific set of characteristics.

A supply chain leader:

- Drives change and improvement.

- Increases performance and productivity through change in all areas of the supply chain, from design to processes.

- Helps the supply chain adopt new patterns of operation by improving relationships and trust between people, and innovation in processes.

- Overcomes the doubt of others through good performance, insight, careful planning, good timing and growing team loyalty.

- Prioritizes the mission of the organization.

- Uses available resources, talent and opportunity to execute the organization's mission.

- Is accountable for the vision and its execution.

APICS provides a range of career packs that complement common operations management and supply chain roles. Each of these roles includes workplace and leadership competencies and personal effectiveness competencies, which are attributes of effective leaders.

Workplace and leadership competencies involve:

- Problem solving and decision making

- Accountability and responsibility

- Teamwork and collaboration

- Planning and organizing

- Conflict management

Personal effectiveness competencies involve:

- Awareness of the needs of others
- Integrity
- Continuous learning
- Interpersonal skills
- Effective communication
- Creativity

Seven core competencies

Leadership-focused research and literature describe an effective leader as someone who:

1. Creates and communicates a vision
2. Promotes and brings about change
3. Builds partnerships
4. Captures and acts on insightful information
5. Seizes and creates opportunity at the right place and time
6. Consistently models honorable behavior and best practices
7. Serves the best interests of the organization and is not self-serving

all in order to:

- Create and realize a supply chain vision that drives the organization's mission and strategy
- Continuously improve as a leader
- Develop talent and future supply chain leaders

These capabilities and goals provide the career path of a supply chain leader. No matter the organizational culture, all organizations recognize the need for good business leaders and leadership. A supply chain leader tailors his or her approach to the organization being served.

Supply chain leaders versus supply chain managers

Many supply chain professionals say that both supply chain leadership skills and supply chain management skills are necessary to advance a supply chain career. Nonetheless, important differences exist between each position. This chart contrasts common differences between traditional supply chain leaders and supply chain managers.

Supply chain leader	Supply chain manager
A leader has followers or teams of followers.	A manager has reports.
A leader may or may not have a formal leadership title or position indicating a level of leadership. An informal leader is a leader without a formal title or position.	A manager tends to have a formal management title or position indicating a level of management.
A leader holds himself or herself accountable for achieving positive change at both a personal and an organization level.	A manager is accountable to the employer for maintaining or bringing about change, but this does not necessarily foster change. An employer holds a manager professionally accountable, but not necessarily personally accountable, for bringing about change.
Leaders strategically first lead people, rather than resources, to achieve objectives—which may include both well-defined quantitative objectives and soft or qualitative objectives.	A manager tactically administers well-defined human and material resources in order to achieve well-defined objectives.
A leader inspires.	A manager communicates.
Leaders maintain a big-picture or strategic vision first and ensure tactical alignment to that strategic vision.	Managers tend to maintain a tactical view first and a strategic vision second. Depending on management level, ensuring tactical alignment with strategy may not fall within a manager's formal responsibility.
A leader may or may not be a good manager.	A manager may or may not be a good leader.

Life cycles of leadership positions

Leading a supply chain usually has a life cycle. Similar to a product life cycle, a leader's life cycle may start small, grow as the leader becomes more aligned with the organization's mission, and then go into decline as organizational needs change. As leadership positions grow, leaders need to remain relevant to their organizations. A leader is required to change, minimize his or her weaknesses, and create or accept new leadership assignments with the goal of continuous improvement.

Following are five steps that both new and long-serving leaders must take:

Know yourself. What motivates you on the job? What are your professional interests? What topics do you want to learn more about? Where does your enthusiasm take you in performing assignments? On the day you retire, what noble attributes do you most want colleagues to remember about you? Develop a vision of your organization's supply chain. Your experience so far may not reveal all that a good leader should know. Therefore, build your experience with leadership training, mentoring and self-evaluation in order to become more effective and versatile in continuously changing circumstances.

Practice. Seek and volunteer for opportunities to lead, whether large or small, formal or informal. All such experiences will deliver leadership practice. A good leader builds a broad foundation of skill from a range of experiences. In a new position, leadership opportunities may exist only for minor projects or for completing training, which includes practical leadership study. These experiences are valuable, but are limited in scope. Beyond the workplace, APICS offers volunteer leadership opportunities through its chapter and committee structures. There may also be leadership opportunities within community organizations. Ideally, they will provide opportunities for leadership practices that use your best skills.

Develop formal and informal leadership authority. A leader's formal authority is usually commensurate with the formal responsibilities entrusted to him or her by the organization. In contrast, informal authority is granted to the leader at a personal level, with personal loyalty and trust extended to the leader on a person-by-person basis. While informal authority develops outside an organization's formal structure, informal authority generally remains visible to the organization's management. Growing informal authority can help develop opportunity for additional formal authority. Employees with informal leadership have high potential. A growing track record of success, experience and training becomes the basis for the leader's expected performance.

Build, maintain and enrich a team of followers and future leaders. Followers provide performance-based feedback. They are a resource for gathering information and spotting needs for the team and its leader. A leader relies on others. Other people, both your followers and other leaders, have many talents and perspectives to draw from. They have examples to emulate and personal knowledge bases. They are sources of inspiration. Add value to their roles and gain value from them in return. As the leader becomes more valuable to his or her followers, the followers become more valuable to the leader. Together they accomplish objectives.

Recognize leadership opportunity life cycles. A good supply chain leader becomes skilled at sensing which opportunities to take and which to pass on. No leader is indispensable, and leadership opportunities can change with shifting organization management and goals. For example, opportunity stemming from a new market may not be realized if the new market is not profitable. A leader must recognize this and find new needs and opportunity. This process ensures a leader does not stagnate or impede another leader who might be a better fit for a particular organizational challenge. No one leader has all the experience and all the capability. As a leader, ask yourself: *Where can I help to develop new leaders? Where are they most needed?*

Self-perception and self-development

Effective supply chain leaders have the unusual ability to clearly envision future strategy despite challenging, complex, chaotic or conflicting supply chain environments. This comes from ongoing performance of the following tasks:

- Pay attention to important supply chain data and integrate that data in leadership decision making and direction. Supply chain data helps ensure accurate situational awareness of the supply chain, and progress toward realizing the leader's vision.

- Have experienced-based insight that anticipates the future. Be able to foresee trends and changes in demand and competitor activity.

- Be aware of needs, priorities, preferences and opportunities from other perspectives, such as those of your followers and supply chain stakeholders.

- Constantly analyze potential next steps and their implications for future possibilities, like a chess player imagining the game one or two moves ahead of his or her current move.

Taking and sharing responsibility

Sharing credit and not blaming others keeps the supply chain leader's self-perception and big-picture perspective in clear focus. The focus should always be to realize the vision, grow as a leader and build future leaders. Where failure or poor outcomes occur, the leader carefully and deliberately seeks to learn which of his or her contributing decisions and what root causes and real or perceived risks led to the outcome. This process is incompatible with blaming others for the failure.

- The supply chain leader proceeds on the assumption that virtually no individual follower or team deliberately wants failure, but rather success.

- No individual follower or team works in isolation. They are surrounded by processes, procedures, resources, forecasts, management and reporting functions that may also be implicated in the failure or poor outcome.

The leader takes responsibility for failure. The leader does this by investigating failures without blame and gathering information to accurately retrace the actions and decisions that led to the failure. The leader then helps develop and deploy protections that would have prevented the failure or triggered early awareness before the failure could develop. These become part of the leader's tactical and strategic processes. Moving from failure to deployment of failure protection becomes a normalized process as the leader investigates both large and small shortcomings. Even the most minor of errors interests the supply chain leader because they reveal, at a low cost, the perceptions, risks and causes that could lead to future failure. This is high-value information that enables the leader to optimize the execution of his or her vision. Learning from failure now makes a leader more resistant to future error. This reinforces trust and faith in the leader.

In successful moments, the leader readily shares credit with everyone. The leader motivates his or her followers and team through sharing credit. Yet there is a greater reason for sharing credit. The leader knows that success is not fully within the control of the leader himself or herself. The leader recognizes that individual followers and teams act on trust, loyalty and faith in a leader. They share their time, skill and focus not just with the leader, but also with supply chain stakeholders, even when success is not certain.

Leadership in action

A leader might look at the state of the supply chain and declare an old aphorism: "We are not doing it right, and there is no right way to do the wrong thing. So we need to do better." A supply chain leader is rarely satisfied with the status quo and acts as a change agent. Leaders need a strategy or method to bring about change. Performing a "strengths, weaknesses, opportunities and threats" (SWOT) analysis of the organization or supply chain is an example of developing a change strategy.

Developing a SWOT analysis provides the leader with a picture of his or her environment in terms of followers and the organization's competitors, market demand, technological change and organizational capability. With a SWOT analysis, a supply chain leader can make changes that rely on the strengths of the organization. For example, an organization strong in entrepreneurial culture but weak in capital will seek change through new business development practices rather than expensive new equipment. A supply chain leader will look at opportunities to align change with organizational opportunities. He or she will also align change to counter risks (or weaknesses) the organization faces. In this way, a supply chain leader integrates SWOT analysis to bring change and progress toward his or her vision.

Turning weakness into strength is a common leadership change goal. Leaders should ask themselves the following questions when attempting to make a strength out of a weakness.

- Is a weakness we suffer now actually a strength that we used to have but failed to maintain? We return to our roots and our history, recover what we lost, and restore what we did well.

- Is a current weakness something we've never done well? We will find out which of our competitors is doing well, and emulate them with the goal of surpassing them.

- What problems or threats are in the way of carrying out this strategy? Any problems or threats become our opportunities. Which problems or threats are the most important? Which have the most impact on our strategic priority? How have we created opportunity from threats in the past?

- How will our weaknesses help us change opportunity into strength? Effective leadership and deployment of our strengths, such as through careful balancing of confidence and humility, listening and persuasion, and analysis and decisiveness make it happen.

Conflict resolution

Resolving conflict is part of every supply chain leadership position. A supply chain leader usually cannot solve all issues, but will choose to address conflicts that are resolvable and demand resolution in order to achieve his or her vision. Many conflicts fall into two broad categories:

Win-lose conflicts. These are conflicts in which one side gains at the expense of the other (for example, a contract awarded to only one of two bidders). Competitive needs, agendas and expectations often form the basis of win-lose conflicts. The leader puts aside bias and instead leads by compromise, collaboration and addressing the conflict head-on. The leader facilitates conflict resolution by applying influence, soliciting trust from followers and asking for feedback (for example, having those on each side of the issue share the elements of the conflict most and least important to them).

Win-win conflicts. These types of conflicts gradually surpass win-lose scenarios as the leader satisfies both sides of the conflict. These often become the source of competitive advantage to the organization. To the leader, they often advance realization of the supply chain vision. To resolve win-win conflicts, the leader usually seeks to build on previous innovations, find and develop personal motivation among followers, optimize rewards, and seek and celebrate even small advances.

Good judgment

When supply chain leaders fail, the cause may be lack of good judgment rather than lack of technical or professional skill. Good judgment is the capacity to correctly assess situations or circumstances and draw sound conclusions from those assessments. A leader's judgment directly affects the direction of his or her team members and organization. Good judgment demands that the leader understand both the broad strategic direction of the organization and the tactical aspects. A leader surrounds himself or herself with skilled and experienced people who possess excellent discernment. Beyond this, good judgment comes from practice, which involves gathering both personal and objective third-party appraisals of past judgments and their resulting outcomes. For example, a supply chain leader should ask the following questions:

- If I execute my best judgment and achieve what I want, then what will the future look like? What good and what bad outcomes will result? How will these results affect my team of followers and me?

- If I execute my next best judgment, what will the future look like? How will the future differ?

- On what factors do the positive outcomes I seek depend? Can these outcomes be achieved solely through my leadership? What prerequisites are needed?

- Does my judgment truly optimize risk and reward? Am I getting the right outcome with the least risk? Are the risks likely to change? What will increase or decrease the level of risk?

Leadership preferences

This table lists three leadership styles and the differences in their preferences. Use the right column to record your score from 1 to 10. Tally your scores and compare your total to the leadership styles listed below. There is no correct or incorrect number. No single supply chain leadership style is optimal in every situation.

Leadership Style Preferences	Directing/Executing Leader 1 point	Conducting Leader 5 points	Counseling Leader 10 points	Your Preference (1, 5 or 10, or estimate a value in between)
Approach	Direct; hands-on approach to the individual and team	Direct; hands-on to the team, but indirect to the individual	Indirect; hands-off approach to team and individual	
Authority	Formal leader with leadership-oriented job title; uses top-down leadership	May or may not have formal leadership job title; uses top-down and bottom-up leadership	Informal leader with no leadership-oriented job title; uses bottom-up leadership	
Communication of vision	Sells, pitches, advertises leader vision	Promotes, encourages, advocates leader vision	Counsels and suggests; brings together those who support vision	
Determination of progress	Concrete details, tangible measurements	Amount of improvement over time; remaining distance between actual and ideal results	Amount of action or progress based on ideas, values, concepts	
Preference: Speed or consensus	Speed over consensus	Balance of speed and consensus	Consensus over speed	
				Total:

Leadership style preferences

Directing/executing leadership (5–15). A police officer of supply chain professionals; prefers task-based leadership, formal recognition as a leader, and to have obedient followers rather than followers who seek consensus first; is willing to use position, power and influence; uses conducting leadership when necessary; often, but not always, found in smaller teams where specific, objective accomplishments are expected of the leader.

Strengths: Performs well in competitive situations; delivers rapid responses or provides decisive leadership as needed

Weaknesses: Risks limiting innovation and reducing satisfaction of team members who seek flexibility

Conducting leadership (16–34). A conductor of a supply chain symphony; prefers transaction-based leadership; prefers having authority to develop and enhance team or followers; generally prefers having followers who respond to delegation yet share some personal influence with the leader; uses directing or counseling leadership when necessary.

Strengths: Transforms complex situations over time; achieves improvement despite numerous variables; adaptable and successful in maintaining alignment of supply chain strategy to tactics and tasks

Weaknesses: Risks missing fine details in tasks or in strategy that are necessary for success

Counseling leadership (35–50). A supply chain mentor; prefers idea-based leadership; prefers to develop follower action through trust and confidence rather than formal leadership position power; prefers skilled, experienced, empowered teams and followers who respond to inspiration and ideas; uses conducting leadership when necessary; often, but not always, found in larger teams where broad strategic vision is expected of the leader.

Strengths: Delivers innovation to the supply chain; helps realize new opportunity; maximizes potential in high-level direction

Weaknesses: Risks missing deadlines and under-performance in highly competitive situations; risks dissatisfying those seeking more direct leadership

A leader's preferences interact with the organizational culture, business opportunities and capabilities of team followers. A supply chain leader must remain aware of such complexities to optimize leadership trust, resources, authority, and the expectations of his or her team and organization. The leader becomes predictable, and therefore loyal followers can act in anticipation of the leader's needs and goals. The team followers become more effective to the leader, and in turn the leader becomes more effective in realizing his or her supply chain vision.

Foundation of a career

Leadership is a practice and requires continuous self-evaluation, discovery and risk taking. Leadership capability comes over time. It demands continuous improvement by comparing previous leadership ability to current ability and accomplishment. There are few reliable metrics or tasks that deliver immediate results every time. However, there are long-term practices for developing commitment, perspectives and leadership attributes.

Supply chain leaders can transform the supply chain. But this does not happen automatically. Periodic leadership self-assessment and continuing education help assure the leader of objective appraisal and ongoing leadership improvement. There are a number of leadership self-assessment instruments available online—from free, informal evaluations to formal commercial options—including:

- Self-Evaluation of the Basic Elements of Leadership (customerthink.com/self_evaluation_of_the_basic_elements_of_leadership/)

- Leadership Self-Assessment (pib.net/assessment.php)

- The Trusted Leader interactive self-assessment test (thetrustedleader.com/test.html)

- Leadership Effectiveness (zengerfolkman.com/leadership-matters).

Continuing education is beneficial to supply chain leaders. A variety of APICS education, certification and partner volunteer options exist, as do formal academic, commercial and event-based continuing education in the field of business leadership.

Expect and enable others to reach their maximum management potential so the organization develops management talent. Expect and enable others to reach their maximum leadership potential so the organization develops leadership talent. Supply chains need both good leaders and good managers. Leaders and managers both seek to build on best practices, shared values, effective behaviors and responsive cultures for their supply chains.

- Know yourself and your leadership style preferences. Know your vision and how it serves the mission and vision of your organization. Know the combined strengths and weaknesses you face in bringing your vision to completion.

- Lead a model professional life. Be highly engaged, productive, and customer- and team-focused.

- Develop trust and confidence in your leadership potential by setting an ongoing professional and personal example.

- Build a strategic capability and perspective. Gain experience in working with strategic planning, vision and execution. For example, find a mentor or successful historic example in your organization and emulate his or her success.

- Serve as an informal leader where you see opportunity, whether or not you are recognized as a formal leader or have "leader" in your job title.

- Never cease to improve the qualities of your leadership ability, such as recognizing patterns, developing soft skills and building passion for change.

- Ensure you remain committed to sustaining your drive and realizing your vision. Leadership will test and challenge your resiliency. Seek to overcome both small and big challenges to improve your leadership ability.

- Help create new leaders and top leadership talent in your company and supply chain.

There is no clear career return on investment. There may be no immediate result. But over time, through the combination of your growing ability to spot and create leadership opportunity, the need for your leadership will become clear.

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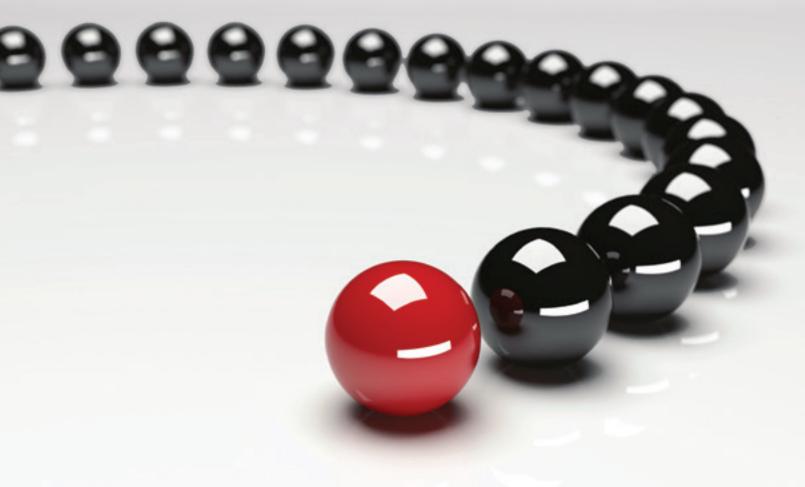# PERSPECTIVES FROM *APICS* MAGAZINE

APICS magazine is an award-winning publication featuring innovative ideas and real-world strategies for inventory, materials, production and supply chain management; planning and scheduling; purchasing; logistics; warehousing; transportation and logistics; and more. Visit apics.org/magazine to view current and archived issues and to learn more about the magazine.

LIFELONG LEADING AND LEARNING

An excerpt from the *APICS* magazine article by Charles P. Allis, CPIM, CSCP

The best leaders are able to practice the behaviors of both transactional and transformative leadership depending on current business demands. Transactional leaders are task-driven and more oriented toward bureaucratic and mechanistic workplaces. They encourage refinement and improvement of current learning in the organization. In contrast, transformational leaders are more relationship-focused. They are ideal for times of uncertainty and tend to encourage new ideas and individual education for the benefit of the entire organization.

Most professionals are familiar with workplace learning and leadership development. They can take the form of classes, some role-playing, and group exercises, among others. But how much of this training is retained and successfully applied by leaders and other employees? When decisions have to be made quickly, does anybody reference the relevant class handouts? While many professional training courses and workshops do offer valuable insights, there are some alternatives to consider—options that may get you thinking differently about yourself as a leader and a follower, as well as employee development as a whole.

The leading

Every business has unique challenges that demand specific leadership styles. For example, a mature, sustainable company with the primary objective of achieving consistent results would not necessarily want a leader who takes many risks. Conversely, a company that just completed a large merger likely requires a true visionary to facilitate the change effort.

Transactional leaders are task-driven and more oriented toward bureaucratic and mechanistic workplaces. They encourage refinement and improvement of current learning in the organization. In the aerospace industry, for example, transactional leaders are essential. Having well-documented processes and good standard work are vital to all stakeholders. These types of leaders use routine learning systems, through which development efforts enhance or enable skills needed to perform tasks.

In contrast, **transformational leaders** are more relationship-focused. They are ideal for times of uncertainty and tend to encourage new ideas and individual education for the benefit of the entire organization. Transformational leaders are charismatic and encourage collaboration and innovation. They challenge norms and actively experiment with new concepts and solutions.

Of course, the best leaders are able to practice the behaviors of both transactional and transformative leadership depending on current business demands.

Regardless of leadership style, the importance of aligning values with decisions and interactions among team members is essential for gaining trust in the workplace—this is called authentic dialog. Authentic leaders are self-aware, self-regulated, and balanced. They align actions with values and are transparent about their motives and goals. Authentic dialog is about having congruent, honest, and transparent discussions among organization members. Unfortunately, these ideals are not always practiced. Information can be

hidden or bad news spun to look good. In addition, routines and mechanistic processes often prevent dialog, which is critical for idea generation and exchange. Leaders must be mindful of this and make efforts to promote transparency.

The learning

Developed at the University of Connecticut's Neag School of Education, the trio model of professional development asserts that, in order to be effective, professional development must intersect three areas, which are

- the work environment
- individual attributes
- key experiences in the workplace.

If just one of these factors is missing, it hinders effective learning.

Experiential learning suggests that adults learn through practice. Much of the tacit knowledge used to perform everyday tasks cannot be acquired through formal training methods but is acquired through experience. So, instead of pushing training upon employees, it is better to have it readily available so people can seek it out when necessary.

Keep in mind that adults require time to reflect on events and situations to make the most of an experience. This critical reflection enables us to make sense of an experience and truly learn from it. We all have predispositions and assumptions on how things should work; reflection makes it possible to transform our existing mental model with new knowledge.

Significant events in the workplace—a difficult discussion with a colleague, an unexpected transfer, or a heated discussion with a customer—will have an effect on this mental model. It's critical to allow the time to reflect alone or with peers and make meaning of such an experience. This can be difficult for busy professionals.

In addition to outside experience, individual factors also have considerable influence on professional development. Individuals bring motivation, confidence, and self-efficacy to the equation. Self-directed individuals are motivated, make and manage their own goals, and monitor their own education while attempting to reach those goals. Taking responsibility for one's own professional development is important in today's business environment. It's advantageous to set your own goals, know where to get the resources to

achieve them, and monitor your own progress on that journey.

Companies are comprised of intricate social systems that shape the workplace. Often, social groups will have a profound influence on employee development, engagement, and management behavior. Social learning systems cultivate informal work groups that share knowledge, collaborate, and use various resources to solve complex problems of practice. These may transcend organizational boundaries (department, business unit, or division) to support the transfer of knowledge among members.

Examples of groups solving complex problems of practice can be found everywhere. They may be members of a local APICS chapter, a small team sharing an office cubicle, or colleagues attending the same workplace learning event. With the use of social media and discussion forums, groups are even becoming virtual. Because of their informal nature, organizations are rarely able to purposely organize, manage, or leverage these teams. That said, it is in these social systems that much of our standard work is first developed and revised, ideas are shared, and work problems are resolved.

Putting it together

Leadership and learning have a profound relationship with one another. It should be no surprise that successful leaders value learning and leverage the ideas and knowledge of their teams in order to achieve organizational goals. If you are reading this article, then I know lifelong education is something for which you strive, and I hope you have gained some useful insights about your approach to work and professional development.

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INDUSTRY-LEADING WOMEN
Profiles of Notable Supply Chain Executives

An excerpt from the *APICS* magazine article by Ingrid Ostby

Across the board, women in the supply chain profession are not getting equal roles or salary. Yet, things are looking up. Profiled here are three supply chain executives who have created long-term and successful careers for themselves. They have served in operations, in managerial roles and as directors. Each has worked her way up in various corporations to achieve the role of vice president.

Each year, the Supply Chain Management Research Group publishes a survey called "Career Patterns in Logistics." According to the results in 2006, only 11 percent of the logistics industry was comprised of women. Similarly, a 2012 report by Deloitte and the Manufacturing Institute called "Untapped resource: How manufacturers can attract, retain, and advance talented women" surveyed 600 women across all levels of manufacturing. The document states that women "only comprise a quarter (24.8 percent) of the durable goods manufacturing workforce."

The deficit of women in supply chain roles across all sectors is indisputable—and it is particularly true of women in executive positions. Historically, gender bias has excluded women from core managerial roles such as production supervisors and operations managers. And it is these positions that are key to preparing employees for top leadership roles within the industry. Clearly, if there is a rung missing from the ladder, that ladder is much harder to climb.

In 2012, APICS published its annual "APICS Operations Management Employment Outlook," which included an in-depth analysis of salary across gender and job category. The report states, "Gender bias may exist for supply chain and operations management professionals. This is most striking in the Southeast, Midwest, and Southwest, where females earn 28 percent, 23 percent, and 20 percent less than their male counterparts on average." The study continues: "For all job areas, compensation for males is approximately 22 percent higher than that of females in equivalent job categories."

Across the board, women in the supply chain profession are not getting equal roles or salary. Yet, things are looking up. Profiled here are three supply chain executives who have created long-term and successful careers for themselves. They have served in operations, in managerial roles, as directors, and more. Each has worked her way up in various corporations to achieve the role of vice president.

Ann Ackerson, CPIM
Vice President Supply Chain Management Worldwide, Dresser-Rand

Ann Ackerson, CPIM, is responsible for Dresser-Rand's global supply chain function. Supply chain within Dresser-Rand predominantly deals with procurement, and Ackerson's position involves strategic sourcing, purchasing, and—most recently—transportation and logistics.

 Ackerson has spent her entire career in supply chain management. Her first managerial role was at Amana Refrigeration in 1994, where she was responsible

for managing product and supplies, finished goods inventory planning, distribution, and forecasting functions. While there, she also assisted the company with creating its first sales and operations plan.

Ackerson took a more operations-based position at Amana, where she was able to fill in gaps in her on-the-job skills. "I had read an article [in the 1990s] about how one of the challenges for women—especially women at the executive rank—was not getting enough operational experience," she says."I thought [Amana] would be good experience for me; I would be working as part of an operation."

In the ensuing years, Ackerson took positions at Case Corporation, Hughes Space and Communications, and Boeing Satellite Systems before arriving at Dresser-Rand. Notably, every role she's transitioned into during her career was attained through networking with former colleagues and friends.

When Ackerson was in college, very few women were in her transportation and logistics major. "However, my sister was a transportation and logistics major. That was what intrigued me initially," she says. "I remember hearing how there were so many jobs. It was such a great feeling that the placement level was very high. That was very motivating to me."

Ackerson remembers being at a training session while working at Hughes, and of the 100-or-so people in the room, she was only one of two women. "It was not at all uncommon," she says. "There were not a lot of women in leadership roles then, but I have always chosen not to dwell on the gender aspect of it. In fact, I try in the workplace to deemphasize it."

While Ackerson acknowledges the lack of women in the supply chain field, she does feel hopeful. "There are very few women in leadership roles, period, [but the climate] is definitely changing. You see more and more women in supply chain."

Cindi Hane
Vice President of Product Management, Elemica

At Elemica, a technology company, Hane is responsible for understanding market requirements and communicating to the development organizations what products should do and by when they should do it. In her position, Hane gathers, prioritizes, and explains requirements to an audience of technologically advanced people who otherwise might not have a business understanding of what a solution needs to achieve and how the end user is going to apply the technology to solve problems. "I work with a variety of

different customers, a variety of different needs," Hane says. "It's very dynamic, and I like that."

Like Ackerson, the vast majority of Hane's career has had a supply chain component. Hane has a master's degree in industrial engineering and first started in a manufacturing plant working for Hallmark Cards as an industrial engineer. She worked at a logistics and supply chain technology company for eight years, holding a variety of roles including consulting and implementing the company's supply chain solutions. From there, Hane spent six years in third-party logistics in numerous roles before taking on her current position at Elemica.

Hane says she hasn't felt that being a woman has hindered her career at all. She explains that the specialized skill set needed for certain positions in the supply chain has been the biggest roadblock. At the technology company Hane worked for, the majority of people in the leadership positions were women. "It was certainly not uncommon [to see women in these roles], and it gave me a sense of security that this is really a nonissue. I didn't see any roadblocks there at all, nor do I now."

However, she also hasn't seen many women consistently filling leadership positions. "I didn't see much change in the five or six years I was in third-party logistics. It was a low percentage to begin with; it was a low percentage when I left."

Hane believes getting more talent and more women involved in the supply chain might be most helpful at entry level. "If we're really serious about creating a stronger pipeline of female candidates for some supply chain roles, then we need to evaluate and maybe address getting women and younger women fresh from school into operations positions," she says. "We could help our younger colleagues create more opportunities by guiding them into these kinds of operations roles."

Janet Poeschl, CPIM, CIRM, CSCP
Vice President Supply Chain, Pacific Natural Foods

Janet Poeschl, CPIM, CIRM, CSCP, manages a team responsible for planning, purchasing, warehousing, inbound-and outbound logistics activities, out sourcing, product management, and demand management. She has been working at Pacific Natural Foods for three-and-a-half years, and it is her first vice president role.

When Poeschl started at Pacific Natural Foods, she was the first person to serve

as director of supply chain. The individuals on the supply chain team previously reported to the vice president of operations. "At no point in the company's history has anyone on the operations side had any supply chain-specific experience," Poeschl says. They tended to come out of operations or out of engineering. "They had a really good idea of our plants and equipment, but they were not subject matter experts on planning or purchasing," she says. When Poeschl started, it was the first time Pacific Foods had created a separate department specifically to manage supply chain activity.

The majority of Poeschl's career in supply chain was spent at Honeywell, going back to 1996, when she graduated from business school. She spent about a decade at Honeywell in various supply chain roles. After Honeywell, Poeschl relocated to Oregon and soon began her position at Pacific Natural Foods.

While completing her undergraduate degree at Northwestern University, Poeschl recalls that close to half the students in the industrial engineering program were female. "I was in school with a pretty large female contingency, and then it declined," she says. "When I actually went into the workforce and was working as an engineer, there were fewer women, [but] the women who were there were the best of the best."

Poeschl also remembers the small number of women in her operations program during her time at Carnegie Mellon's business school. "There was not a large percentage of women, and it was much smaller particularly in my concentration of operations," she says. "It was probably more male-dominated, but again, the women in the program were brilliant."

During her time at Honeywell, she says her hiring manager in the management development program made a concerted effort to hire women. "There was a good percentage of women [employees]," Poeschl says. "We had the same opportunities as the men, and women performed very well."

However, Poeschl says that females were very competitive with each other at Honeywell, in part because there were fewer women at the manager and executive levels. "As you looked up in the organization, [women] may have made up 30, 40 percent at the planner-buyer level. But when you looked at the management level, it was maybe 20 percent," she says. "When you got to the vice president level, there were no women."

Poeschl is intent on success—gender disparity aside. "When I come to work, I want to be known as the person who does the best job," she says. "What has developed me into the person I am … is learning from the best.

"If there is a rung missing from the ladder, that ladder is much harder to climb."

If the best leaders were women, I learned from them. If the best leaders were men, I learned from them."

She feels strongly that qualifications matter most—regardless of gender. "We're going to hire the best."

Looking Up

According to the "APICS Operations Management Employment Outlook," the supply chain industry is working to reduce gender bias in salary compensation. The survey has found that, in doing so, pay scales for younger employees have been more consistent and equal.

Likewise, a Daily Beast article from January entitled "Investing in Women Emerges as a Business Strategy" notes that there have been drastic measures taken by companies to introduce more women into the corporate structure of their supply chains. The article cites Coca-Cola, whose executives recently developed a program to incorporate 5 million more women across every sector of its business operations by the year 2020.

There also have been other initiatives, conferences, and panels to foster growth and gender equality in supply chain industries. The Manufacturing Institute, Deloitte, the University of Phoenix, and the Society of Manufacturing Engineers recently began an initiative called the STEP Ahead program, which targets women in science, technology, engineering, and production (STEP) careers. The curriculum aims to analyze and promote roles for women in manufacturing using recognition, research, education, and leadership.

"When I come to work, I want to be known as the person who does the best job."

This past January, the Van Horne Institute in Calgary, Alberta, Canada, held its first-annual Engage! Women in Supply Chain Conference. Both men and women were encouraged to attend to hear presentations from supply chain professionals about trends and to discuss the advancement of women in all areas of supply chain. And, in recent years, Logistics Quarterly has published the "Women in Supply Chain Management Panel," with executive interviews and networking resources.

The number of growing resources shows an optimistic view of the future of supply chain and operations management. As industry leaders continue to employ and create opportunities for qualified candidates, gender aside, these success stories will multiply.

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