Art Koch's Profit Chain® Tips

Leading Supply Chain Teams: 4 Strategies for High Performance

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As we close out the year, I want to share with you my article that appeared in *Supply & Demand Chain Executive*: **'Leading Supply Chain Teams: 4 Strategies for High Performance'**.

You can read the article online here - I've also reproduced it in full below.

In today's tight labor market, leaders need avenues to nurture all their associates to excel beyond what they ever thought they could achieve.

Get ready for the new year: take these 4 critical steps to significantly boost your team's engagement, development, and performance.

See you in the New Year!



Leading Supply Chain Teams: 4 Strategies for High Performance by Art Koch

In today's tight labor market, leaders need avenues to nurture all their associates to excel beyond what they ever thought they could achieve.

The absolute most significant issue facing SCM is a talent gap. SCM is plagued by unfilled positions as well as unengaged team members. More vexing are team members without training or education in the fundamentals, including inventory control, demand and replenishment planning, and purchasing. Understaffed, undermotivated and undertrained, SCM teams are disillusioned and burned out.

Certainly, they're not alone: recent Pew Research on workplace satisfaction found that overall, only 51% of employees are happy with the day-to-day tasks their jobs entail. The remainder — 49% — range from somewhat satisfied to not satisfied. While many

factors influence satisfaction, including age, income, specific aspects of their job and work-life balance, overall, the results speak volumes.

Translate that into another sphere, such as sports, and consider the team spirit and harmony it takes to win championships. Seen through that lens, 49% is a troubling percentage. We need to remember that. SCM isn't F1 racing or NFL football — and I'm an avowed fan — but if you want your team to perform, it's not going to happen when virtually half of them are unhappy in their roles.

Avoiding Engagement Pitfalls in SCM

So how can leaders engage SCM team members in a meaningful way — so they don't feel like it's just another exercise, or an empty flavor-of-the-month initiative? How do we get them to punch above their weight?

What I've seen in my years in SCM are employee training and development programs that fall short of their goals. They're either too generalized — without addressing the real challenges facing SCM teams — or they're too cookie-cutter and don't resonate with individual needs and requirements.

But there's another shortfall in leadership.

We in supply chain leadership are not applying all the leadership skills we know. Due to the demanding and nonstop nature of SCM, too often we only know our team members through a thin veneer. We can hold ourselves to higher standards and do better. If we do, we'll achieve the true potential supply chain organizations can deliver.

Take these four critical steps to significantly boost your team's engagement, development, and performance:

1. Reset your leadership mindset.

We need to retrain our mindsets and behaviors and see leadership as a contact sport. We need to slow down — and see what we're missing in the organization. We need to stop flying at 40,000 feet — get out of our offices and meetings, get up from behind our computer screens, and go to where the work is done. Learn what is and isn't working. Don't just hear about it from a distance. Look for it in action. Try doing the faulty process yourself. A good rule of thumb is that senior leadership should spend up to 30 percent of their time on the frontlines; managers should spend up to 60 percent.

Avoid the "rubber band effect."

Don't lead as if you're attached to a rubber band — having one foot pointed toward your office, rocking back and forth, getting ready to bolt back to the safety of your office and computer. Your team members will see through your lack of commitment. Instead, be all there. Put your heart and soul on the line with your team. Block out times on your calendar. Make plans. How would you like your manager to just show up to your office and want to see what you're doing? When you show up, don't start looking over people's shoulders, which will make team members uncomfortable and nervous. Establish Gemba walks with the team and educate everyone on the process. Make time to square up to the discussion and learn the issues.

3. Get to the we in team.

Eliminate the dirty words: me, my, and I. I cringe whenever I hear someone in a leadership position refer only to themselves. We all have heard that phrase, "There is no I in team." But how often during discussions do you say me, my and I? Across your organization, does the leadership team refer to their teams as if they own them — my

employee, my team? The best leaders understand they are granted the opportunity to lead teams, but it's a group effort. Best-in-class organizations have leaders who let go of ownership and lead the team. Practice with me: Our team. It's a subtle yet substantial distinction between a leadership and a managerial mindset. Create a culture that puts you all in the same group: We. Our team.

4. Discover the hidden talent pool.

Finding talent takes multiple avenues — but there's a talent pool locked away within your own organization that's likely untapped and needs to be discovered and nurtured. To uncover this resource, establish informal events in which you and other leaders can get to know all team members. What I've seen work well are birthday breakfasts, lunches, or dinners, depending on the work shift. Keep the discussions wholly informal, without a business agenda. The premise is to recognize associate's birthdays, but a secondary benefit is getting to know team members in a relaxed setting. Learn their life story and what they do for fun. How many children do they have? What's their spouse or partner's name, and what do they do?

It may sound indirect, but this is how I've been able to find the geniuses and castaways — the associates who are often overlooked but have tremendous potential. These individuals matured later in life, may not have had the same opportunities as others, or never thought a trade school or college education was achievable. They are often pigeonholed because some unknown personal factor distracted their focus from work. Look for that associate who earned a B.A. and M.B.A. at night and on weekends while working on the production line; the buyer planner who has been given so many false promises by management that they no longer believe anyone will help. Then one day you see them peering from behind a support column spying on a Kaizen event for implementing line improvements. It doesn't happen overnight, but with time you can build their trust and unlock their potential.

In today's tight labor market, leaders need avenues to nurture all their associates to excel beyond what they ever thought they could achieve. It's up to us to lead by example and become the best leaders possible. Don't leave employee development and education in the classroom and human resources. It's our directive to create the environment for each person to reach their maximum potential.

A sustainable, high-performance team is achievable. The bottom line is that everyone wants to be on it.

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If you want to discuss this topic further and how it might impact your business, schedule a 30-minute call with Art here.

Carpe Diem!

- Art Koch



Find out more about "The Supply Chain Revolution" here.



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If you have any questions or concerns about your operations and supply chain business strategy, please contact me by <u>e-mail</u> or at +1 (336) 260-9441.

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Self-Ranking - Pick one of the four questions below and fill in your comments relating to the current month's newsletter in the space provided.

- 1. Don't think this applies to your business or enterprise? (Write three to four reasons why it might not.)
- A new idea and strategy; we need to work toward it. (Brainstorm the first steps.)
- 3. We can do better. We just need to modify our strategy, and now we are moving in the right direction. (What are the next steps to ensure success?)
- 4. Our team gets the time to keep their minds fresh, and we plan to live our dreams. (Comment on how you're ready.)



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Thanks in advance for your time and for being a loyal client. Looking forward to helping you and your team again soon.

Carpe diem,

Art Koch Arthur Koch Management Consulting, LLC

info@arthurkochmgt.com

+1 (336) 260-9441



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