



Material Handling & Logistics  
CONFERENCE  
SPONSORED BY DEMATIC

THE  
**BIG**  
**CONNECT**  
UNITING PEOPLE, PROCESS & PURPOSE

**Not Sure if You Have a Talent  
Management Strategy? You Don't.**

Track 2 Session 1



# Michael Burnette

University of Tennessee

Director, Global Supply Chain Institute

- Email: [mburne18@utk.edu](mailto:mburne18@utk.edu)
- Phone: 865-376-3637
- Website: [scforum.bus.utk.edu/about-us/faculty.asp](http://scforum.bus.utk.edu/about-us/faculty.asp)
- LinkedIn: <https://www.linkedin.com/in/michael-burnette-0907976a>



# Abstract

**In today's employment market, great organizations don't happen by chance. The profound work in this class is derived from a powerful study conducted by the University of Tennessee and business partners. Presented within will be the key aspects of developing a talent strategy, recommendations from the study, eight talent management best practices, sample issues from two key hourly supply chain employee categories, and a supply chain skill matrix and development plan tool to get you rollin'.**

# GLOBAL NETWORK OF SUPPLY CHAIN LEADERS



# SUPPLY CHAIN TALENT OUR MOST IMPORTANT RESOURCE

A REPORT BY THE SUPPLY CHAIN MANAGEMENT FACULTY  
AT THE UNIVERSITY OF TENNESSEE

APRIL 2015



**T** HASLAM  
COLLEGE OF BUSINESS  
THE UNIVERSITY OF TENNESSEE, KNOXVILLE  
GLOBAL SUPPLY CHAIN INSTITUTE

Sponsored by



NUMBER SIX IN THE SERIES | GAME-CHANGING TRENDS IN SUPPLY CHAIN



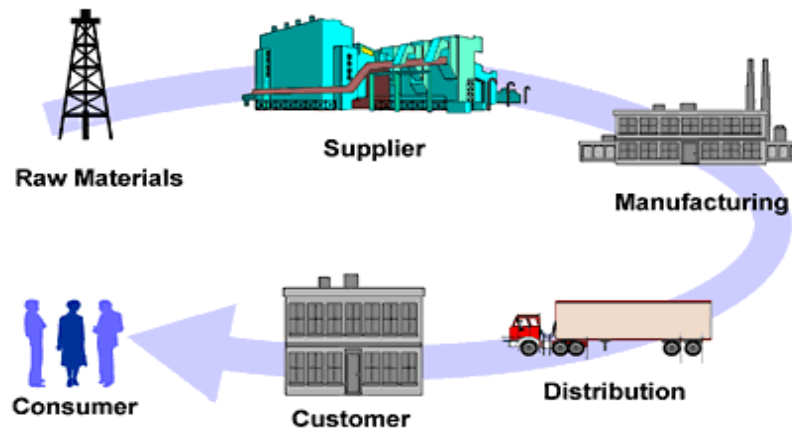
# Agenda

- **Are You Ready?**
- **Research**
  - **10 Myths**
  - **Strategy**
- **Best Practices**
- **Talent Strategy**
- **Key Takeaways**
- **Conference Cloud**
- **Questions**

# Supply Chain

## Definition

- **End to end, integrated supply system from supplier's supplier to the consumer's shelf. It includes (but not limited to): procurement, materials management, manufacturing, engineering, process control, quality, HSE, warehousing, transportation, distribution, production/category/customer planning, and new product launch/supply.**



# Global Supply Chain Institute (GSCI) 5 Step Talent Management Process

Step	Elements
Analyze	The work to clearly define the skills, experiences, and capabilities required in the supply chain today and for next decade
Find	The effort to locate a critical mass of people with the skills, experiences, and capabilities needed to deliver the supply chain goals.
Recruit	The process to attract, select, and land the resources needed.
Develop	The systems required for building skills, experiences, and capabilities in your talent to fill all the roles (at all levels) in the supply chain organization. The process to enable all people to be their best.
Retain	The systems to re-enforce, support, recognize, and reward supply chain resources. The process to keep your important resources and best talent.



# What makes SC Talent the most challenging?

- 1. E2E SC is broad, complex, and diverse. It is logistically and technically challenging.**
- 2. E2E SC are Globally complex**
- 3. SC typically has most of the company's employees and teams**
- 4. Requires managing Internal and External resources**
- 5. Has become “Corporate Valuable” – managing multi-functional processes (S&OP, new product launch, etc.)**



# Do You Have the Right Supply Chain Talent for Your Business Needs in 2025 ?

## Challenges

1. Business need is unknown
2. SC will become more complex
3. **Talent Myths ‘do not help’**

# 10 SCM Talent Development Myths

UT SCM Research

1. Talent management is HR's responsibility.
2. Talent management cannot be measured nor managed.
3. We cannot afford to spend significantly to support.
4. Talent development is primarily about teaching SC content.
5. A one-size-fits-all solution will work for talent development.
6. Internal (or External) resources are always better.
7. Development happens primarily in a classroom.
8. Talent development will happen naturally and informally.
9. Talent development is less important than the issue-du-jour.
10. We are so far behind that we should give up now in this area.

# 1

## Talent management is HR's responsibility.

- **77% of organizations have no set budget or roadmap for SC talent development\***
- **Typically owned by HR. HR often does not clearly understand SCM. Metrics are misaligned.**
- **SC strategies and talent development strategies should be integrated, but are non-existent or unclear. In fact, few talent strategies exist.**
- **The competition for talent is real.**

Talent management is not just a SC leader's responsibility. It is a PRIMARY responsibility!

# 2

## Talent management cannot be measured nor managed.

- Emergence of competency-based education
- Tie competencies to your SC KPIs
- Focus on results-oriented programming



Executive MBA  
for Global  
Supply Chain

Organizational Action Project  
returns on average **\$6.5M per  
student** back to company

Assignments develop  
organizational benchmarks and  
offer inexpensive consulting

# 3 We cannot afford to spend significantly to support talent development.

- Often viewed as an optional expense to be minimized
- **More appropriate to view as a critical investment and component of a risk management strategy**
- Current funding is disproportionately spent on new hires when needs are in middle management\*
- **Talent replacement costs 2-4x annual salary**

Talent management investment should be made, similarly to any other business decision complete with cost-benefit analyses.

# 4

## Talent development is primarily about teaching SC content.

- **Context often outweighs content as seniority of position increases**
- **Understanding the context of SCM in business is critical and offers maximum benefit at the intersection of supply chain and other business functions/processes**
- **Example Leadership SC Competencies**
  - Global Business Leadership & Acumen
  - Transformational Capabilities
  - Integrated Business Planning and Risk Management
  - Mastery of the Integrated Value Chain
  - Linking Supply Chain Performance to Organizational Success

# 5

## **A one-size-fits-all solution will work for talent development.**

- **Generalized programs typically do not give coverage of how SCM drives value creation in businesses**
- **Low availability of SCM talent development options in international markets has created an imbalance of supply and demand**
- **Job responsibilities should drive development choices. One-size-fits-all general programs rarely maximize SCM talent development**



# 6

## Internal (or External) resources are always better.

- For basic content, internal teaching and learning builds mastery and esprit de corps
- **Learning by doing is always preferred**
- For key talent or organizational-level development, an external perspective often becomes critical
  - Knowledge contribution
  - Validity and basis for change

# 7 Development happens primarily in a classroom.

- Flipping the classroom
- Learning happens continually. The key is to fit this knowledge into frameworks which allow for daily use and drive measurable business impact
- Needs dedicated time

8

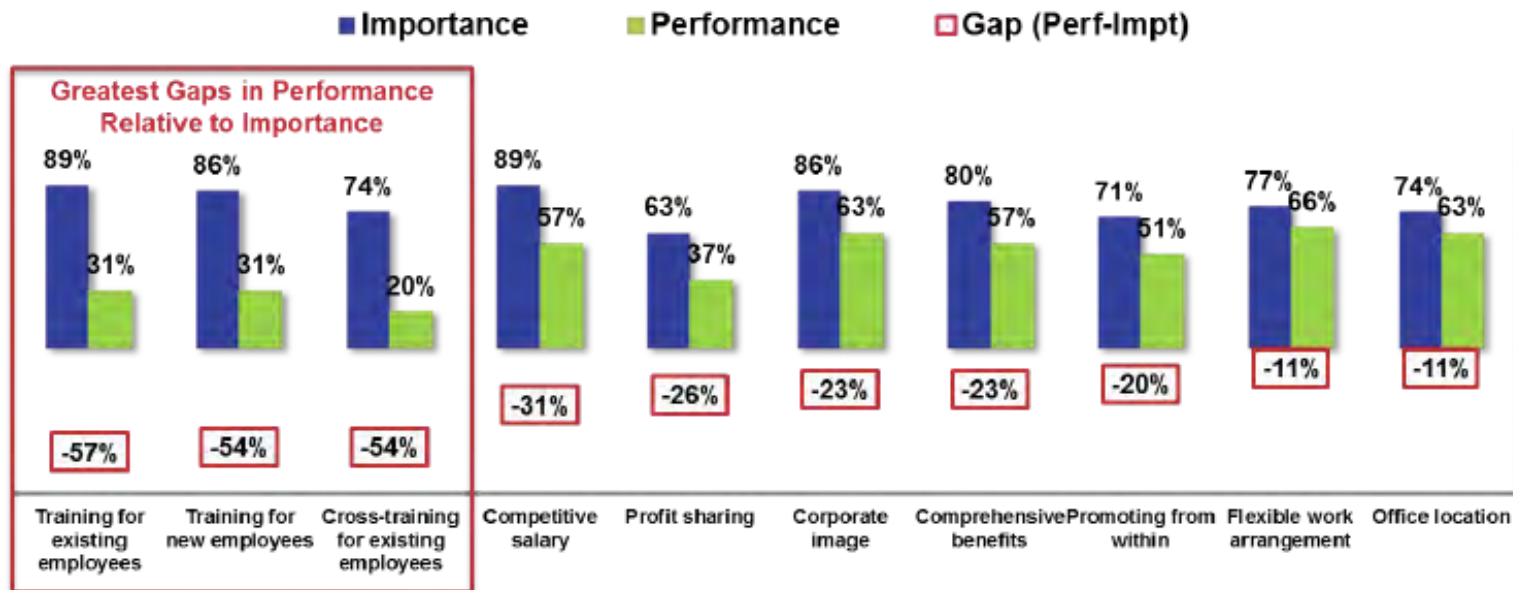
# Talent development will happen naturally and informally.

- People are too busy
- They need structure and accountability
- Certifications and degrees provide the excuse to be about the time-consuming task of learning
- Assignments, 1x1 time with experts, and peer learning drive the changes in behavior and value

# 9

# Talent development is less important than the issue-du-jour.

Supply Chain Talent Solutions: Importance vs. Performance  
(Rated 5-7 on 7-Point Scale)



Source: Supply Chain Insights LLC, Talent (Feb - July 2013)

Base: Supply Chain Leaders (Manufacturers only) (n=35)

Q7. How important is each of the following solutions when it comes to attracting and retaining supply chain management employees? SCALE: 1=Not at all important, 7=Extremely important; Q8. How would you rate your company's performance when it comes to providing each of these same things to supply chain management employees? SCALE: 1=Poor, 7=Excellent

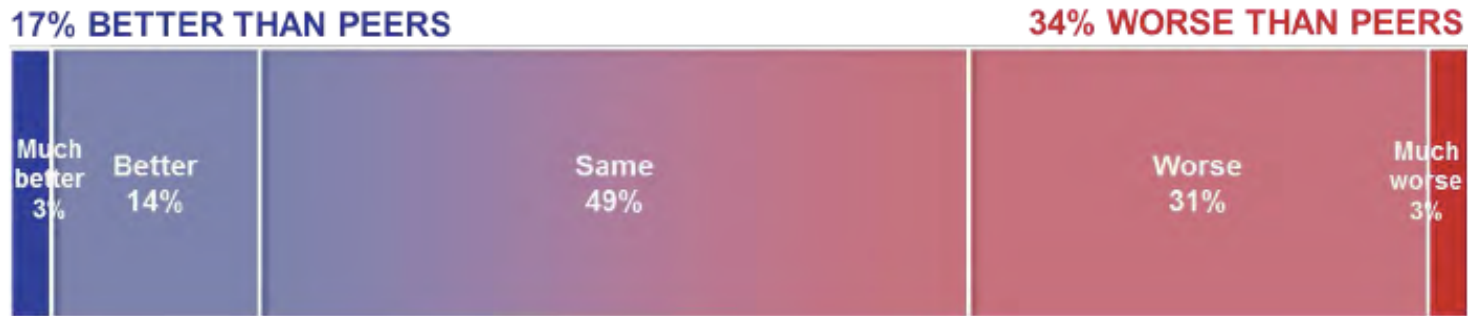
Is your current team capable of building the supply chain of tomorrow?  
In international markets? Against tougher competition?

10

# We are so far behind that we should give up now in this area.

- Focus should be on formalizing, communicating, and improving
- Find early wins—often finding and developing key talent can seed an entire organization

Company Performance at Managing Supply Chain Talent Compared to Peers



Source: Supply Chain Insights LLC, Talent (Feb - July 2013)

Base: Supply Chain Leaders (Manufacturers only) (n=35)

Q4. Overall, how well do you think your company performs at managing supply chain talent compared to its peers? Please think about all aspects of talent management – recruiting/hiring, training, retaining, etc.



# Research – Bottom Line

***Supply Chains with a Talent Management Strategy have the highest probability of **current talent = business need AND a pipeline of talent = future need*****

# Benchmark Supply Chain Interviews Best Practices

**“What are the best doing today?”**

- **11 Benchmark companies**
- **CPG, Food, Transportation, warehouse/distribution, services, retail, science/technology**
- **Overall Talent, Drivers, Technicians (plants, warehouse)**

# 8 Best Practices

1. Clear definition of the WHO
2. Use of Mentors, Sponsors, and First Coaches
3. Individual Skill and Development Plans
4. Internships/Co-Ops
5. Top University Partnerships
6. Top Talent Systems
7. Hire for Supply Chain (not a role)
8. Active Diversity program





# Drivers and Technicians BP

- **Drivers** – Treat with Respect
- **Technicians** – Technical Training (external, internal, partnerships)

# GSCI Recommendations

## Talent Competitive Advantage

- 1. Create a high quality, documented, Talent Management Strategy**
- 2. Employ 'Best in Class' Talent Development Programs**
- 3. View talent development as an important business measure (scorecard, ROI)**

# Developing SC Talent Strategy

- **Assess Business Needs (now and in 10 Years)**
  - Consumer based
- **Assess Current SC capabilities, results, strengths and gaps**
- **External Talent benchmarks**
  - Internal
  - Industry
  - Best in Class
- **Competitive assessment**
- **Outside Requirements (Community, Government, etc.)**
- **Corporate and Shareholder needs assessment**

# Attributes of a Great SC Strategy

- Consistent with **SC Vision**
- Consistent with **Corporate Principles, Values, and Purpose**
- Delivers **Business Goals**
- **Focused** (Pick critical few)
- **Synergistic** (1+1=3)
- **Simple** (easy for top leadership and employees to remember and “act upon”)
- **Energizing** (everyone can see how they contribute and “if we succeed”)
- Creates **New SC Capability**
- **Measureable**

# People Are Our Most Important Resource!



# Conference Cloud

## Additional Resources

- **GSCI White Papers**
  - 2nd White Paper Series
    - Platform Management – Mondelez
    - Best Practices for Selecting and Managing a 3PL – Kenco
  - Upcoming White Papers:
    - Sustainability – Transparency Best Practices
      - SC Johnson (November 2016)
    - Transportation 2025 Mega Trends & Best Practices
      - P&G (JFM quarter 2017)
    - SC Collaboration (“Bend Chain #2”)
      - Caterpillar (AMJ quarter 2017)



Material Handling & Logistics  
CONFERENCE  
SPONSORED BY DEMATIC

THE  
**BIG**  
**CONNECT**

UNITING PEOPLE, PROCESS & PURPOSE

**Questions?**

*We're on the rise.*

Our undergraduate and graduate supply chain programs and our Department of Marketing and Supply Chain are **RANKED THIRD** in the country by industry-giant **GARTNER** and by **U.S. NEWS AND WORLD REPORT**.



# Back Up Slides

## Innovation series WP

## GSCI Supply Chain Framework



# GSCI Supply Chain Framework

