

Bill's Building Blocks

Neglect Brings Unintended Consequences

The driveway ran from the curb between the two houses marking the property line. The houses were old yet spaced close together separated by only about eighteen feet. The trunk of the elm tree sat just across the property line while its branches shaded the back of both houses. Over the years, mostly through neglect, the tree had grown to be half again as tall as the houses. As a younger tree its branches would scrap against the roofline of one house making weird noises as the wind pushed it along the aluminum gutters. The tree was never pruned. And now this tree was so tall that its lowest branches soared above the house. One day the house with the tree was sold to a real estate developer who wanted to flip the property for a quick gain. While preparing the property for sale, the elm tree was cut down. That morning the owner of the house without the tree had stepped out to attend to some business. When he returned in the afternoon, the elm tree was unexpectedly gone with only the ringed stump to show where it had once majestically stood between the two houses. The owner of the house without the tree had not seen this coming. When he counted the rings on the stump, he learned that the tree was over 70 years old. Two days later it snowed, and then even the stump was gone.

Sometimes supply chain resources that we go past every day lapse into neglect resulting in unintended consequences. For example, the data that never really gets backed-up offsite, or the chronic expediting of garden variety materials, or the customers who are always late with their payments, or the no-turn inventory that is off in a corner all go unchecked. Over time these "little things" gum up the works, slow the process, cause variability, prevent flexibility, erode profits, and stall productivity. However, your most important resource, the skills and experience of your employees, can also be neglected in ways that result in unintended consequences both for the person and for the business. People lose faith in the company, and they quit out of frustration or get fired for non-performance. In turn, the company loses years of irreplaceable market and product knowledge.

In the daily crush of business how can your supply chain avoid the mistake of neglect? Regular audits can be a powerful deterrent and the means to identify the "little things" related to physical resources. Such audits are often initiated outside of supply chain management, but they permeate into every operation and process. Following the standards of ISO 9000 Quality Management audits, Sarbanes-Oxley financial audits, C-TPAT secured logistics audits, Disaster Recovery for information technology, ISO14000 Environmental Management audits, etc. leads to developing in-house auditors and relationships with external consulting/inspection experts. Training to become an in-house auditor is one way to give new opportunities to your employees. To be an auditor employees have to develop new skills, and they get to see how other functional areas operate in depth. Their negotiating skills, problem solving skills, math skills, and report writing skills are honed through such a learning process.

Employees, temps, and part-time workers - the human resource in a supply chain – require focus, motivation, respect, and a sense of belonging to not feel neglected. People are under incredible pressures today to balance work and family responsibilities against long hours and increasingly difficult commutes. Maybe they work multiple jobs to make ends meet, or are trying to get a degree, or earn a certification. Do you even know? Make the time to ensure that no one in your supply chain feels neglected, or like the elm tree you won't see the next act coming.

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