

by Scott R. Sykes

The announcement that CLM members recently received from CLM's Executive Committee about the organization's new name—Council of Supply Chain Management Professionals (CSCMP)—gave me pause to reflect upon my own work over the past ten years.

I retraced my path from doing logistics productivity projects “within the four walls” to working on multi-company, global systems projects that extend in scope to include suppliers and customers on both inbound and outbound processes. Indeed, our profession's expansion into a broader set of business process and strategy topics has brought our professional organization to its (perhaps) overdue name change.

In addition to the expansion of business process responsibilities that we've all experienced, however, came an unanticipated affiliation—*our increasingly central relationship with information technology.*

While entire books have been written about the implications that technology has on supply chain management, I'll briefly discuss why we've struggled to connect with our IT counterparts. Perhaps I'll even give you a new perspective on how to approach your next interaction with the IT team.

Let's begin with a parallel from logistics folklore. Do you remember the story about a young guy from Shelby County who explained that the most efficient path from Point A to Point B was through Memphis? Fred Smith's initial ideas (Smith is the chairman, president, and CEO of FedEx Corporation) were met with raised eyebrows, to say the least. Such is the current state of affairs for IT personnel in many of our respective businesses.

Consider this scenario: A department head needs help from IT to get more specific reports about her customer service group's operations. She explains what she needs from the IT department as clearly and concisely as possible. When finished, she asks if they have any questions.

Abracadabra! Like magic, the phrase, “Do you have any questions?” immediately elicits in-depth explanations from the IT team. They discuss in great detail the company's strategic IT architecture, complete with artistic renderings of fancy diagrams on a whiteboard.

I Have an Afternoon Meeting with IT... Can a United Nations Translator Who Speaks “Technologuese” be Present?

The customer service manager begins to grimace. All she wanted to do was to be able to go from Point A to Point B, and the IT team just told that she had to go through Memphis.

At issue is the contest between narrowly-defined transaction-based problems (like getting more precise departmental reports), and more broadly considered process-based opportunities (like integrated supply chain management). The crux of the discussion centers on the strategic value of IT.

So, what was the IT team's first misstep in their meeting with the customer service department head? They omitted the most important part of the discussion...why this manager should care about the company's strategic IT architecture.

Somewhere in that morass of ink on her whiteboard lies the fact that her simple requirements are actually part of a more comprehensive and valuable solution—a solution in which not only she, but her fellow department head peers as well, will benefit.

For the IT team, “going through Memphis” appears self-evident. But the customer service manager doesn't understand why it needs to be so complicated. She makes another attempt with the IT folks. “If the solution to my needs is in that drawing on the whiteboard, then explain it to me again, only this time, don't draw any pictures or use any acronyms.”

Now, it's the IT team members' turn to collectively frown their brows. Then, it dawns on them...she doesn't speak their language, Technologuese!

To illustrate this point, let's explore a business process that exists in virtually all industries today, across all geographies: Order to Cash. In many organizations, the order-to-cash process can involve ten (or more) disparate software systems of varying ages and capabilities that were built to address narrow elements of the process.

Typical systems involved in order to cash include:

- order management
- inventory management
- product/service pricing
- warehouse management
- transportation management
- financial accounting/billing

With so many disparate systems to deal with, it's no wonder the department head in the scenario above wanted a better report to help her more accurately plan her staffing needs. She has a minor dilemma and seeks a simple resolution.

The thought of stepping outside of her “customer service box” and working on a more holistic set of interrelated supply chain problems is overwhelming. But, since this is part of her newly emerging job responsibilities, she acknowledges that she needs to learn to speak the language of information technology.

The challenge that we, as supply chain and IT professionals must tackle together is paving the path toward establishing an integrated set of supply chain solutions. We need to acknowledge that the horizontal business processes we're now accountable for (order to cash, forecast to build, procurement to payment) require comprehensive software tools to drive, measure, and execute them.

As supply chain management professionals, we can't achieve all that is possible with outdated systems and tools. **To succeed, we need to adapt our existing IT environments to the new challenges before us.** We may not have to become fluent in “Technologuese,” but we will have to work more collaboratively with our IT counterparts.

As we continue to master our ever-changing responsibilities, it's helpful to reflect upon CLM's evolution throughout the past 40 years. Our profession's metamorphosis from “physical distribution” to “logistics management” to “supply chain management” is instructive.

Perhaps we should schedule an off-site meeting with our fellow department heads and the entire IT team to lay out our blueprint for supply chain innovation. I hear that Memphis is lovely this time of year. ■



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