

Ideas for Leadership in Logistics

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Making the Grade: The Top 20 3PLs

A SPECIAL
REPORT



Tailor Made Solutions: How Do You Find a Fit That's Comfortable?

The ultimate exercise in selecting a supply chain management consultant can mean using a "one size fits all" solution, turning to a consulting practice that offers the complete gamut of services. This perceived panacea for outsourcing, however, can stifle innovation and yield disappointing results if it's the wrong fit for the client.

By Jim Davidson
President, iWheels Logistics

I HAD A BUDDY in high school that played in the middle of the defensive line on our football team. His dad took him to the family physician following a particularly tough game when our cross-town rivals left him with a painful and badly swollen knee. After diagnosing the injury and suggesting how he should treat the knee, the doctor offered an additional observation to my pal's father. He said, "You better think about getting this boy a good education, because I think he's too light for heavy work and too heavy for light work."

When my wife and I began shopping for the holidays this year, the same idea arose. We were looking at clothes in a department store, and noticed a tag on one of the clothing items. Even though it read "one size fits all" we knew this apparel would fit each person differently. Clearly, in this case, comfort was more important than fashion.

I think a similar dilemma faces the owners and managers of small-and medium-size businesses when they are looking at their supply chain. They understand there are gains to be made in implementing better controls and management practices.



But what should they do if this expertise falls outside the bailiwick of in-house resources? Generally, the answer is to outsource the expertise. This can be the ultimate exercise in making a selection in the "one size fits all" department. It can be a process similar to the one you use to select your accounting firm.

The large, national accounting firms often offers a wide range of knowledge in virtually all categories of expertise and deep insights into specifics, drawing on their talent

pool across the country for a price that that's commensurate with their services.

On the other hand, choosing a smaller firm, or even an individual consultant, can offer some economies. It can also limit the scope of expertise afforded to you. So what are the keys critical to determining the right fit?

Like the Cheshire cat told Alice, if you don't know where you're going any road will get you there as long as you walk far enough. So perhaps the first step is to look into your crystal ball and define where you want to be when you're done. That's a pretty good opener for your discussions with prospective consultants as well. Combine your experience in your business with their experience in supply chain management.

In general terms, large consultants offer capability and capacity. They have made and continue to make investments in people and systems. Good people like big challenges and large consulting firms attract some very bright professionals. However, the brightest often can be easily bored. Perhaps not surprisingly, many individual consultants are people who have cut their teeth with the "big



guys” before venturing out on their own.

Large firms also learn from their wide roster of customers and suppliers, and can lend that knowledge and experience to solve your challenges. Top-level relationships in the supply chain industry can be a valuable and offer tight bonds from CEO-to-CEO. It may also open doors to opportunities within those relationships that your company may not have discovered on its own.

In making this choice it is also important to be mindful of the fact that analyzing your company’s challenges and opportunities is one thing, and plotting a course of action is another. Large firms generally can often implement the solutions they recommend, with a premium fee structure.

Small- to medium-size consulting firms offer many of the same characteristics to some variable degree. Reviewing the background of the smaller firm and its staff can tell you whether their experience is relevant. As noted earlier, many of the professionals who own, or work with, smaller firms have come from larger ones. Larger firms can be bogged down in their own bureaucracy or that of their larger clients, and this can drive a consultant crazy. Working with a leaner infrastructure can afford the flexibility and freedom that many of the truly bright individuals crave.

I believe that smaller- and medium-sized consulting firms offer solutions driven by the needs of their customers instead of offering large solutions often driven by the demands and dynamics of the larger client/consultant relationships. For example, large customers and the large consulting firms are often publically traded companies. Expectations

of both the client and consulting firm are often driven by a scope and magnitude that exceeds the capabilities of small- to medium-sized consultants. Projects can be immense and these ongoing relationships can demand deep resource commitments by both parties. Most of the large firms are also pragmatic about their role as well. They have minimum requirement criteria for new business that respects the integrity of both client and consultant. By a similar token, the opposite also can be true as well. Small- to medium-sized clients may not offer the critical mass that the larger firms require to make a relationship viable for both parties, but they offer innovation and customized solutions, mixed with personal relationships, that can be rewarding to clients and the consultants as well.

Some of my clients like to wear tailor made suits. Some of my clients are quite happy with a navy blazer off the rack. Realistically, most of my clients throw their jackets over the back of a chair, if they still wear one to work. But no one buys a jacket expecting “one size fits all”. The industry knowledge you gain from sources like LQ magazine is invaluable in making informed decisions. Knowing your own business and where you want to take it is critical.

When you look for a partner to help you control and manage your supply chain, remember, size counts. The size of your expectations, your budget, your company and even down to the size of the egos that face each other across the board table - they all need to be measured.

So how does the new jacket feel? How does new it look? Choose wisely. Once you walk out the front door of the store nobody laughs at the salesman if your new suit doesn’t fit.

17 of 20 top scorers last season had something in common

They never scored a touchdown.

During the 16 game pro-football season, it's the towering pass, the end-to-end rush and the crushing tackle that brings fans to their feet. But when the game's over, all that really counts is how many points are on the scoreboard. Again this year it wasn't the "glory players" that racked up the big points – it was the place kickers. Those guys on the special teams who know how to get the job done.

When it comes to supply chain management, we are the "Special Teams" solution ... the Wheels Group of Companies. We work with some of North America's finest businesses offering them a wide slate of supply chain solutions. We provide comprehensive dedicated logistics programs for companies in the auto industry ... and manage country-wide distribution networks for building products manufacturers. We find retail distribution solutions for greeting card companies ... and keep a constant supply of groceries on store shelves across Canada.

We have some of the brightest minds, most powerful data systems and broadest experience in supply chain management in North America. Call us and find out how the Wheels Group "Special Teams" can add power to your game plan. A whole new season starts with that call.

