

# Creating an Optimized, Resilient Supply Chain

August 24, 2023



# The Speakers

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# Supply Chain Optimization – Building Resilient Supply Chains

- Current state of supply chains
- Ways to create more resilient supply chains
- The role of labor and talent development
- Starting the journey
- Q&A

# Project Announcements

<b>ANNUAL GOAL</b>	<b>6,400</b> JOBS COMMITTED	<b>\$1.5B</b> CAPITAL INVESTMENT	<b>\$350M</b> NEW PAYROLL CREATED
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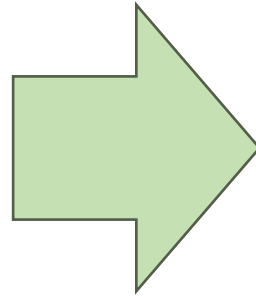
<b>2022</b>	<b>53</b> EXPANSIONS AND NEW LOCATIONS	<b>8,385</b> NEW JOBS COMMITTED	<b>\$21.2B</b> CAPITAL INVESTMENT	<b>\$807M</b> NEW PAYROLL CREATED	<b>\$96,325</b> AVERAGE SALARY PER JOB
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<b>2023</b>	<b>5</b> EXPANSIONS AND NEW LOCATIONS	<b>1,031</b> NEW JOBS COMMITTED	<b>\$128M</b> CAPITAL INVESTMENT	<b>\$62M</b> NEW PAYROLL CREATED	<b>\$59,969</b> AVERAGE SALARY PER JOB
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\*YTD March 2023

There are currently 123 projects open with 58% of those considered manufacturing

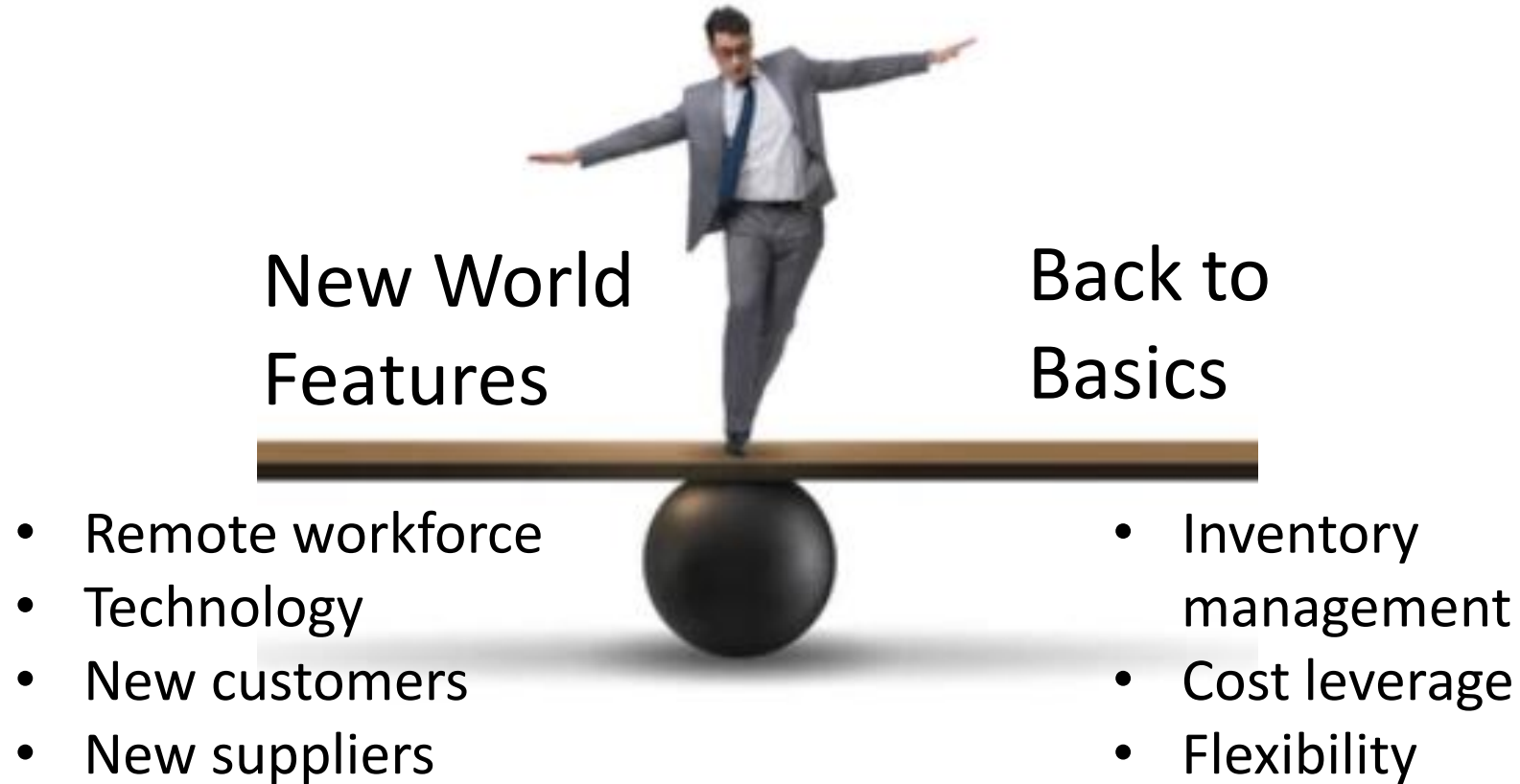
# Significant changes in post-pandemic supply chains



## Major impacts

- Disruptions in manufacturing, sourcing & global transportation
- Inventory shortages drove hoarding
- Labor shortages and unexpected workforce demands

# Balancing the new world with the fundamentals



New World  
Features

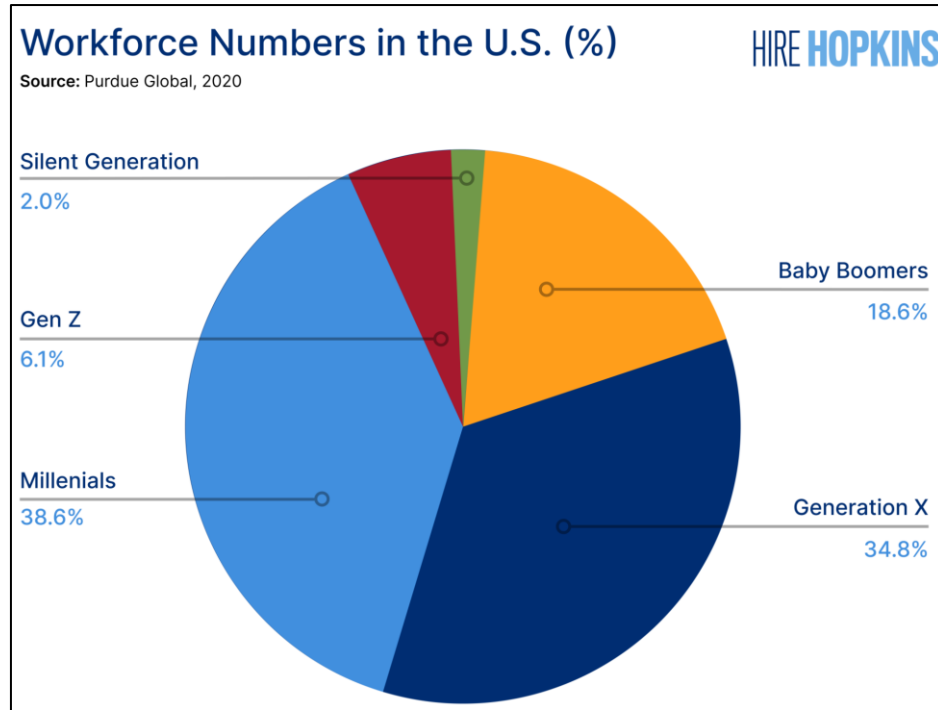
- Remote workforce
- Technology
- New customers
- New suppliers

Back to  
Basics

- Inventory management
- Cost leverage
- Flexibility

# The dynamics and complexion of the labor force are rapidly changing

## Boomers Out, Millennials & Gen Z In



## Quiet Quitting

ECONOMY | CAPITAL ACCOUNT

### Workers to Employers: We're Just Not That Into You

In the postpandemic economy, we're living more and working less

THE WALL STREET JOURNAL.

By *Greg Ip* [Follow](#)  
Aug. 2, 2023 9:00 pm ET

***“Working for you isn’t working for me”***

# Leveraging automation for advantage

The key is to reduce the human labor content of a warehouse's operation



**People are intelligent, but they are also expensive and in short supply**

People best for:

- Each picking product
- Checking orders
- Packing orders

**Robots are flexible, scalable and exceptional at traveling**

Robotics best for:

- Moving product
- Case/pallet picking product
- Sorting product



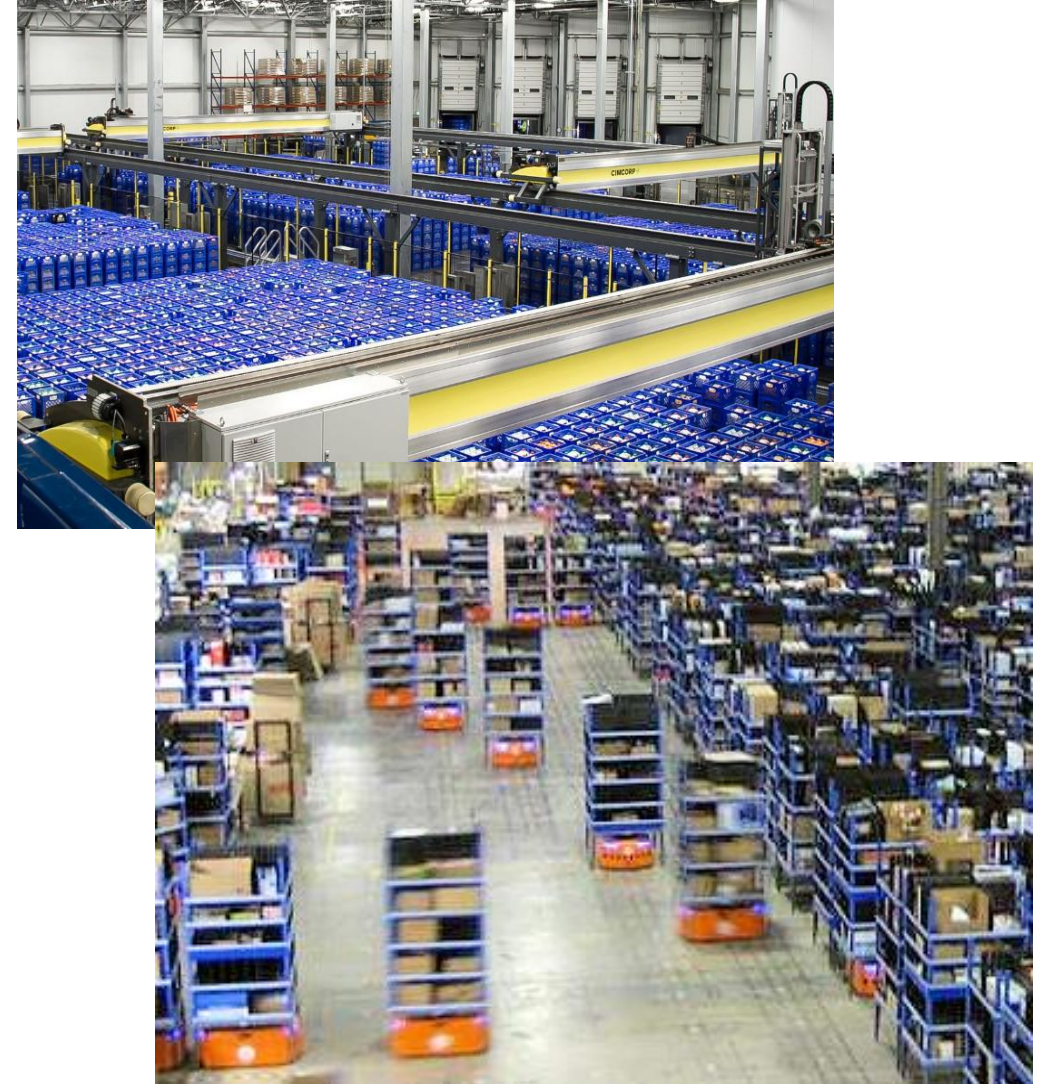


# Amazon: automation on steroids

## How it started...



## How it's going...



# The resilient supply chain: things to consider



## Unbundle long supply chains

Source from North America or Europe versus Asia

Postponement – product configuration

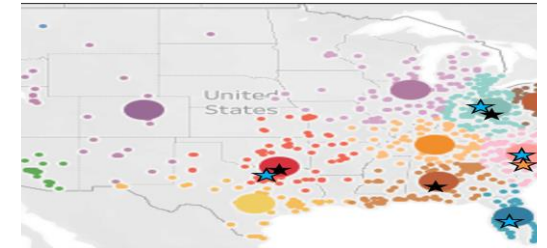
Use of domestic distributors vs. foreign manufacturers



## Planning & managing inventory & logistics

Having the right inventory deployment to support sales

Landscape of new final-mile options, exiting of large players



## Investing in the supply chain

SCM software investment expected to grow from \$21.3B in 2022 to \$72.1B by 2032 (Fortune Business Insights, 2023)

AI, Supply chain control towers

Rethinking logistics networks

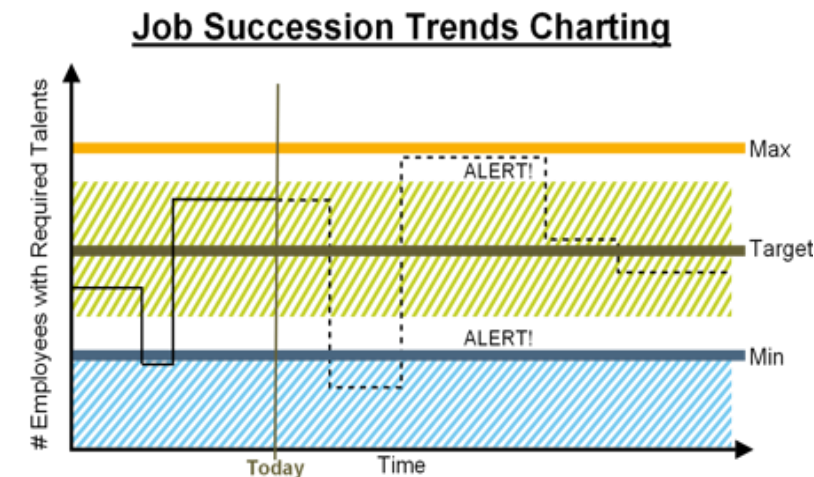
# What direction will you go?

- Stay the same
- Invest in labor
- Invest in technology
- A combination of both

# Ask yourself some questions

- Talent Management: What talents do you need? What talents do your employees have? Who is growing, who is not? Do you have different categories of talents: knowledge, skills, capabilities/competencies (e.g., Tool usage proficiency), education, work styles/traits, certifications, licenses, and experiences/achievements that you measure?
- ***How do you align current workforce with the talents you need now and in future?***
- Performance: Where do you get performance data; outcomes and behaviors to achieve outcomes? Performance behaviors sampling? 📊 Do you have automated sources of metrics that tell you how work units and individuals performed?
- Company & Job Attraction and Turnover/Retention: jobs, ages, locations, children, tenure, mgt., hours, wages...Data that list employees by these different factors are available in your company. You should organize the numbers of employees by these factors to get to the "whys." Applicants and those exiting need to be surveyed.

Whys, whats, please explain, who, when, sources...???

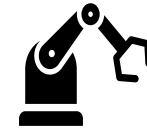


# Investing in your labor

- Internal – Where do you stand?



- ✓ Corporate strategies, including tool technologies (e.g., AI, co-bots, robotics warehouse control systems)



- ✓ Talent inventory: what do they actually have

- ✓ Gap analysis – where do I want to get to?



- ✓ Upskilling & reskilling

- Align with strategies, including tool technologies (e.g., AI)



# Investing in future labor

- External

- ✓ Sources

- “History” Trends
    - High schools (CTE)
    - 2-year degrees
    - Overlooked groups
      - Veterans
      - Physically-mentally challenged
      - Former incarcerated

Good → Better → Best Jobs Matrix

	Pay & Benefits	Community, Location, Hours...	Corporate Mission, Purpose	Corporate Causes - Community	Products & Services and Customers	Tools Used: Hand to High Tech	Creativity & Problem Solving Opp's
High							
Med.							
Low							
N/A							

Talent & Interests Matches w/Job	Learning Growth Opp's	Career Growth Opp's	Employment Stability Trends	Employee Align & Engage Practices	Leadership, Fellowship & Culture	Trends in Corporate Change

- ✓ Attracting and Retaining

- Creating an environment that facilitates an inclusive environment
    - Website, social media, BAC's...
    - Reaching through work-based learning

# Selecting the Right People for Future Needs

- What are the best talents to handle a highly technical environment?

- Learning capabilities, add align → self managed + measures



- Curiosity

- Critical thinking

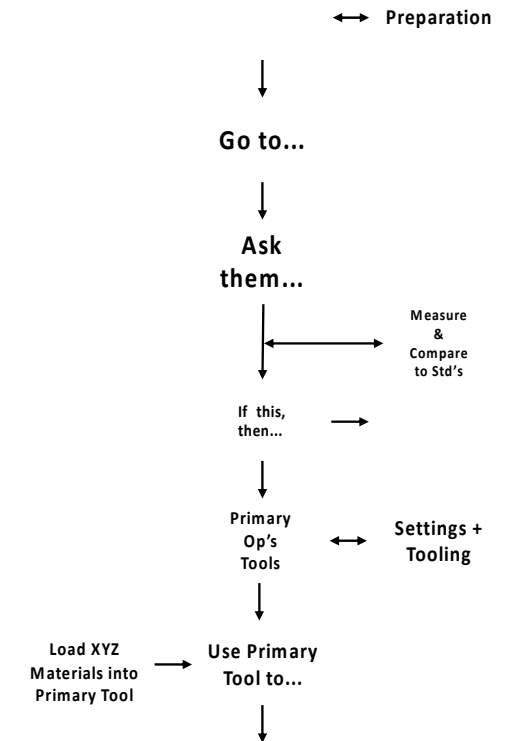
- Job process illustrating and value-added process steps

- Constructive communications

- Adaptability, flexibility and agility...*it's coming*



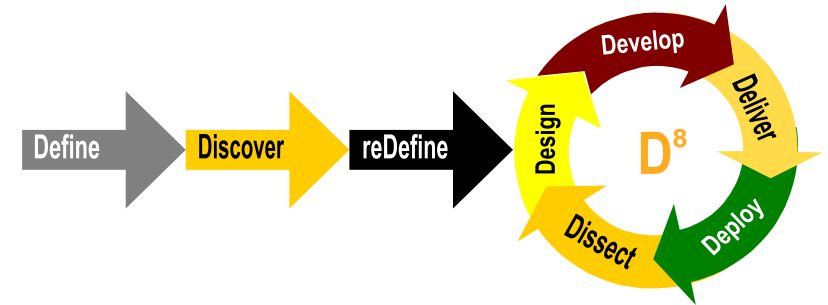
- People leadership “academy” + stackable certifications



# Talent retention

## ❖ Internal – Incumbents

- ✓ Align & engage
- ✓ Expanded career pathing
- ✓ “No challenge left behind” culture

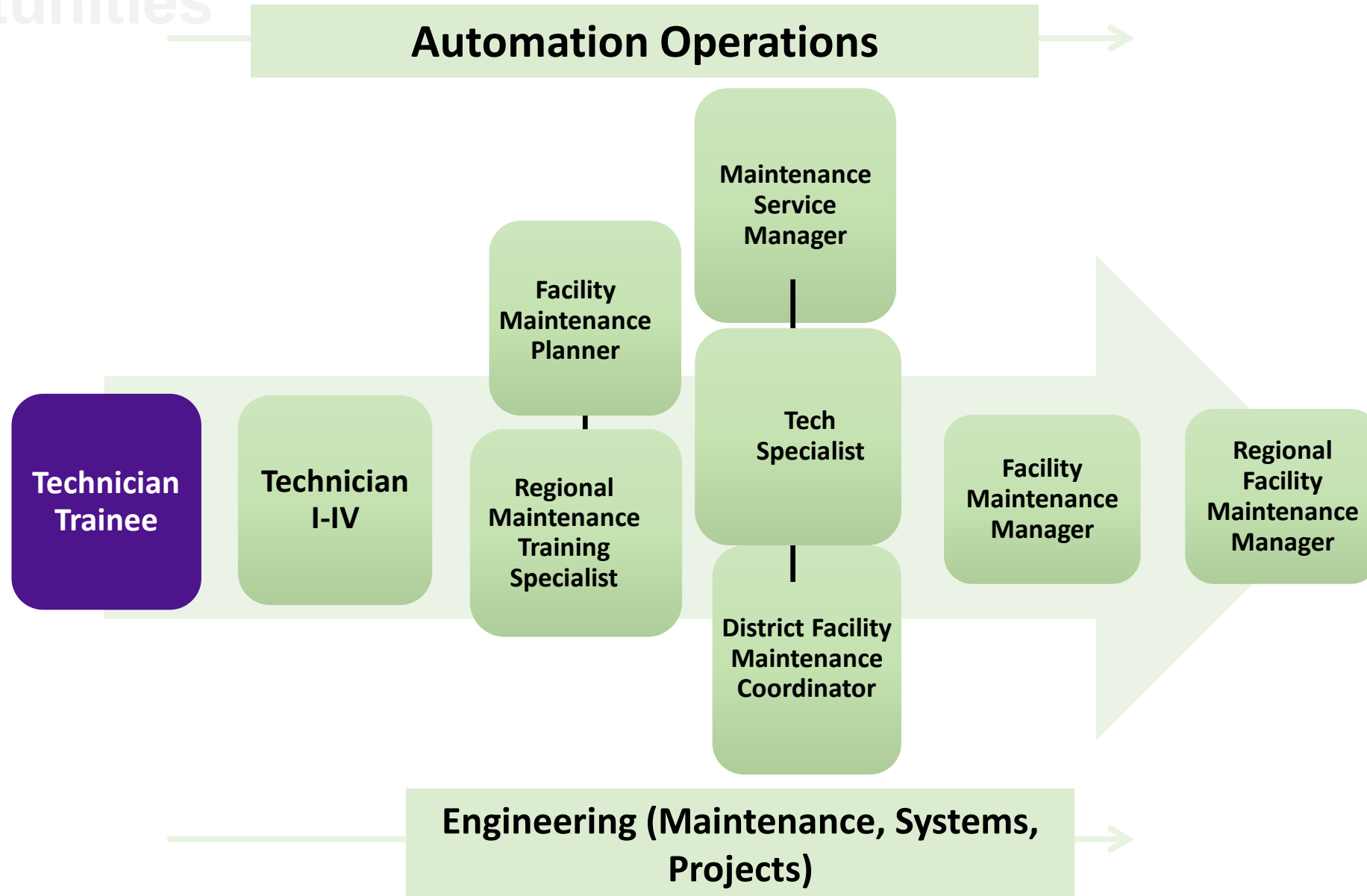


### As SME's, Mentors & Coaches, and Other Certifications

- Job Process Illustration Experts
- Job Description Maintenance
- JPA's (Job Tools) – Maintenance, Operation, Consulting, Analytics, Selection...
- Recommend Job Candidate Assessment Tools
- Part of Talent Selection Team
- Lessons Learned Process
- Instructor, Mentor & Coach
- Job Shadowing, Internships, and Structured OJT Delivery, including W-BL
- "What If Mind Drills" Development & Maintenance
- Facilitate On-Boarding and Ongoing Learning of Others
- Integral to Process and Tools (eg, AI) Change Teams
- Project Team Roles such as Project Team Leaders, Project Managers and Statistical Analysts

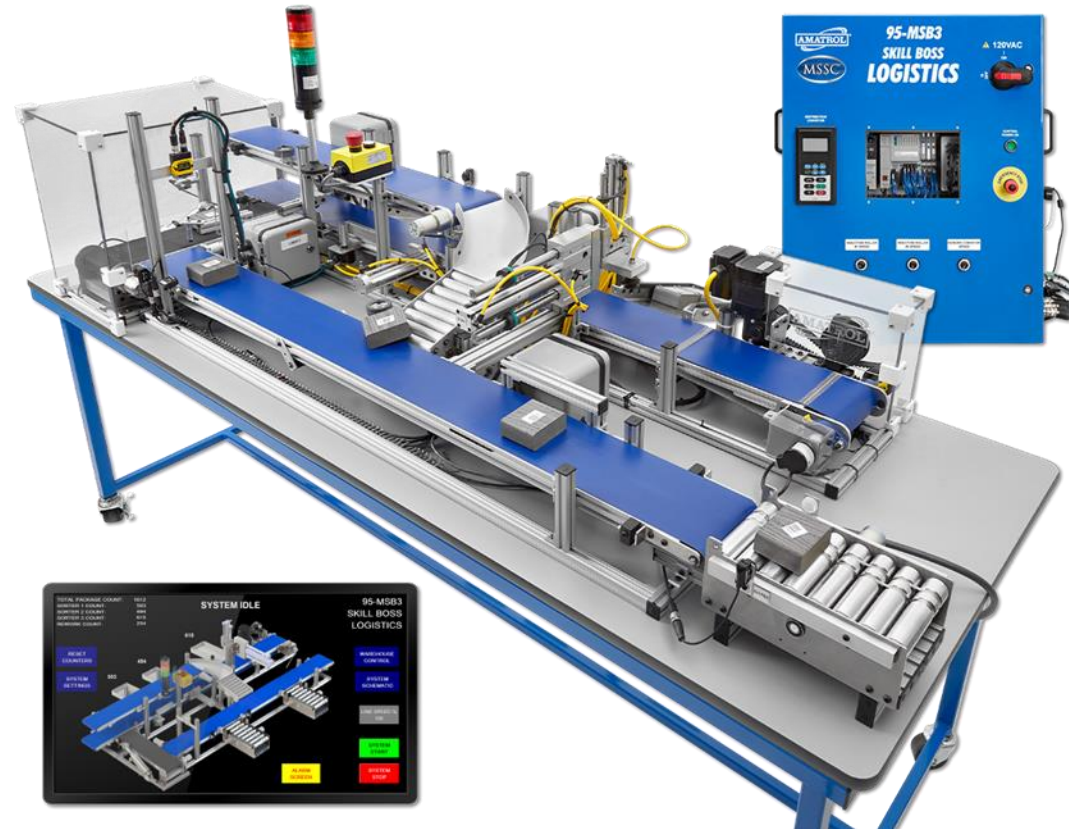


# Labor & talent development: organic career growth opportunities



# Labor & talent development: new skills, new certifications

## MSSC – CT-SCA Certification



## Skill Boss - Logistics

# What to do now: The Checklist



1. Evaluate your operations  
(\*candid conversations with leaders)
2. Assess your talent and labor situation
3. Determine your next best move (2-3 things right now)
4. Get stuff done!

# Supply Chain Optimization

