



## Proper Care and Nurturing of a Supply Chain

**S**upply chain can be complicated, but managing it effectively doesn't have to be. Creating a superior supply chain is like parenting a baby through adulthood. It requires continual focus, monitoring, and care. Taking your eyes off your baby can be costly! But with proper care and nurturing, you can grow something that performs beautifully—even in the midst of today's ever-changing business environment.

Here are three critical steps to growing a superior supply chain:

### **STEP 1. From Crawling to Walking: Commitment to Growth**

No one was born walking. So when it's time to transition from crawling to walking, a little extra help may be necessary. It's the same concept when moving from traditional freight management models to dynamic supply chain capabilities.

There are a couple of options to consider once you commit to maturing your supply chain beyond traditional freight management: You can build a supply chain strategy team internally or you can choose to outsource to a third party logistics company (3PL). Building an internal team requires a high level of hands-on supervision, internal systems development, and capital commitment. If building an internal supply chain organization is not for you, perhaps you are better suited for working with a 3PL. A 3PL relationship can be more cost and time effective to implement, plus many 3PLs offer already standardized best practices and technology tools which means you don't have to invest to create these internally.

No matter what decision you make, growth of business in today's economic environment requires a commitment to dynamic supply chain optimization. Dynamic optimization eliminates the "set it and forget it" mentality of static order thresholds and load plans that age quickly, becoming less aligned with business needs over time. Be prepared to implement new technology tools, develop and enforce rigorous standard operating procedures, set and monitor measurable objectives, and expect continuous improvement day in and day out. What was optimal last week is likely not optimal this week. It may sound like a lot to take on, but really, the hardest part is often taking that first step in the right direction.

### **STEP 2. Keep Your Eyes on Baby | Stellar Monitoring Means Stellar Performance**

No one would leave a baby in a high chair with a full bowl of chocolate pudding unless you want a mess on your hands (and the floor, the walls, the ceiling)! In the same way, you can't take your eyes off your supply chain and expect good results. But let's be honest: you can't see all things all the time. You need tools and methodologies to help continually analyze ways to optimize your supply chain. You must have the ability to correlate order lead times, transit times, load utilization, delivery time and costs as business needs change from day to day. You must be able to translate data into intelligence that drives a daily supply chain plan. To do this manually could take weeks or longer! For example, consider that LynnCo's Optimizer tool makes over 2 million calculations in minutes. These calculations are then reviewed by a LynnCo Solutions Strategist who is trained to match the engineered supply chain plan against business requirements and can then adjust the plan to the reality of the business.

### **STEP 3. One Big Happy Family | Knowledgeable Resource Partners**

For a family to function well and be happy, each member needs to know his role and do her part. In the same way, a well-established relationship between your company and dynamic supply chain optimization goes a long way to helping operations run smoothly, giving you better overall performance and continued improvement. To establish this relationship, make sure to communicate goals and expectations required of your team. One critical, often overlooked component is to ensure you have the right members on your team. You may not be able to choose your family members (don't we wish!) but you can assemble the highest caliber logistics partners that bring the greatest levels of expertise and resources. Starting off with the best partners and team members will save yourself tons of headaches and lost opportunities in the future.

One last caution: Working with your supply chain is like buying shoes for a teenager: You can't expect that what fit yesterday will still fit tomorrow. With time comes change, so be ready to adapt! Be prepared to optimize continual change with patience and persistence. It doesn't happen overnight, but in the long run, your results will be astounding.