

Creating Organizational and Personal Advantage Through Job Diversity

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Variety is an advantage. Broad sets of responsibilities and competencies are better than narrow ranges. You can do more with less. Supply management is responsible for everything. Challenge yourself by doing something now. Do these statements sound familiar? If you work for a smaller company, or for a small business unit in a decentralized corporation, your job will have the above characteristics and dimensions. This multi-task, variable environment provides many challenges and opportunities for supply management. In fact, being able to provide the required services to the organization will provide a competitive advantage to your business.

Broad vs. Narrow

Having broad responsibilities allows for quicker decision-making, action, and follow-up because fewer staff is involved. The supply manager can work across functions to develop the best alternative for the situation. For example, if the supply manager notices that inventory is increasing in certain categories, then he/she can take immediate action in working with the appropriate suppliers on rescheduling activities without having to meet directly with materials planning, a common function in larger organizations. Broad responsibilities for supply managers in small organizations would generally be responsible for the following activities:

Strategic:

- Supply Management Strategy
- Commodity Planning
- Supplier Strategy
- Measures



Tactical:

- Planning
- Buying
- Expediting
- Problem Resolution
- Inventory Management

Supplier Development:

- Supplier Evaluation
- Continuous Improvement
- Supplier Audit and Assessment

This seems like a difficult assignment, if you include all the planning, tracking, and reporting required. But an organization that has such capability is provided a competitive advantage because:

1. Decisions can be made more quickly
2. Staff can adjust its capacity to meet a market challenge
3. Being quick and responsive can result in early and continued market share gains
4. Core competencies can be broadly described, and individual receiving job requests are able to provide immediate services, without waiting for decisions from different functions to take place
5. Direct and indirect labor costs can be reduced. Otherwise, a small organization would have to create job descriptions and focused efforts for:
 - Senior Buyers
 - Supplier Quality Engineers
 - Materials Analyst
 - Junior Buyer and Buyer positions
6. Organizations can better implement agile manufacturing and service initiatives.

Limits to the Approach

There are limits to this approach. Some of the obvious areas include under-capacity, timing of requests versus workload, and the inability of supply management staff to keep pace in a growing economy or market. Less obvious issues include the competency of the individuals(s) themselves...being knowledgeable in many functional areas versus specializing in a given area. Another issue is perhaps growing frustration of staff because they are being asked to do more tasks with fewer resources.

The Benefits to Supply Management Staff

For those within supply management there are potential rewards, such as increased salaries and promotion to other functional areas, perhaps at the operations or general

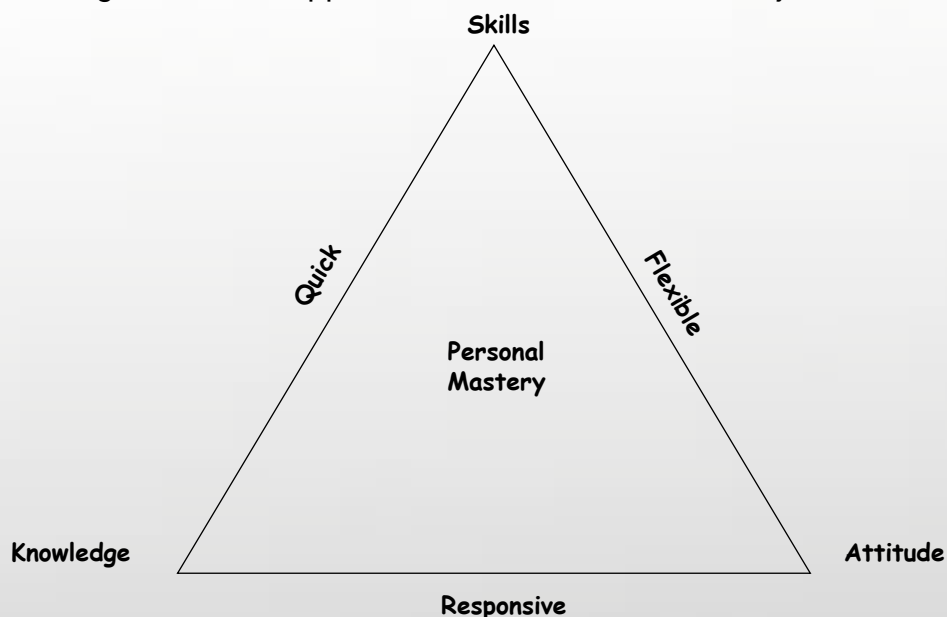


manager job. Fortunately for this staff, there are a number of human resource management programs that fit nicely within the context of a multi-varied job description. These programs are described below:

1. Pay for Skills
 - The basic premise is the more skills you can exhibit competence, your compensation will be adjusted
2. Downsizing
 - As staff is downsized or rightsized, fewer staff remain thus allowing a higher salary to those supply management staff remaining
3. Core Competencies
 - If your organization values quick response and reduced cycle time, you'll probably have some negotiation room for more equity
4. Gain sharing
 - Under this program, employees receive bonuses or rewards based on how the entire organization performs

The supply management staff member that has multiple skills and knowledge will also be more marketable in the outside world. He/she can provide a range of services to an organization and be more flexible when times get tough. The “Flexibility” triangle would look like this:

Note that the person performing various job functions must have a “positive” attitude, by definition meaning that he/she appreciates the value of a diverse job.



Full Circle

This article began by making some initial assertions about the environment faced by supply managers in smaller organizational environments. After considering a number of potential benefits of providing a multitude of capabilities within your organization, these overarching questions can be asked:

1. Does your organization want to be more responsive?
2. Are there limited resources capable of being allocated to supply management?
3. Are skills and knowledge valued by your organization?
4. Has a downsizing occurred?
5. Do you want to be capable of providing a wide range of capabilities to your organization?
6. Do you only need a slightly better than general knowledge of a subject before attempting the work required?

If you can answer yes to any one of questions 1-6 and want to make your organization more effective, then this notion of multi-varied, multi-tasking, multi-skilled environment is appropriate. If you can't, you may want to assess your future desires and current status within the organization, and then begin professional development activities. You can truly get to speed through independent reading, personal mastery, and taking advantage of the training and professional skills development opportunities through NAPM.

Go ahead, take your organization to a higher level, become a more complete supply management professional, and enjoy yourself!

