Survival Skills for Buyers

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Abstract. The popularity of the television show “Survivor” demonstrates the innate human desire to compete and win. The contestants have to develop a strategy which best utilizes their individual skills and capabilities to work in a team environment, and individually, to overcome obstacles and defeat their opponents. A case can be made that supply chain professionals face this survival situation every day as they seek to provide their organizations with the proper resources to compete effectively.

Key Pressures

Pressure from Suppliers

Forecast
Capacity Constraint

Price Increase

Pressure from Customers

Cost Improvement
Continuous Improvement
Reliability
SC Integration
Measurement

This session will present the critical skills and capabilities that are necessary for supply chain professionals to add significant value to their organizations, maximizing the possibility for competitive advantage. In addition, a framework for acquiring and developing these skills will be presented as part of an individual development plan. The goal is to move past a mentality of merely surviving in the marketplace to thriving in the ever-evolving competitive environment.

Survive or Thrive. Is it enough to merely survive in today’s competitive environment, or has the degree of competitive pressure dictated that you must thrive or perish? Borrowing from
Charles Darwin, the term “Industrial Darwinism” has been coined to capture the pressures corporations feel in today’s competitive environment, which is marked by an accelerated rate of change. In order to capitalize on this environmental characteristic, firms seek the ability to respond quickly to customer demands a strategy referred to as rapid-response. Charles Darwin may have described this phenomenon as the speed of evolutionary change.

The ability for an organism to evolve rapidly and utilize its inherent skills and capabilities was commonly referred to as “survival of the fittest.” The environment served to dictate which organism would survive and thrive by the degree of “fit” between the organism and the environment. Viewing corporations as organism, the degree of “fit” is referred to as the degree of alignment between the organization and its competitive environment. Michael Porter (1980) utilizes environmental scanning and knowledge as paramount to strategic planning and achieving competitive advantage.

Charles Fine (1998), author of the book *Clockspeed*, focuses on the role of the supply chain in achieving competitive advantage. He views all competitive advantage as temporary, as the environment is constantly changing. In order to constantly provide a source of competitive advantage, the supply chain must evolve and develop skills and capabilities that take advantage of the dynamic environment.

This process involves the ability of the supply chain to transform itself to the ever-changing environmental conditions. Hughes, Ralf and Michels (1998) see the transformation as necessary to providing value. The transformation involves the development of the necessary skills and capabilities to foster a resilient supply chain capable of handling variations in the market demands.

**What Does it Take?** A resilient supply chain, one capable of thriving under dynamic business conditions, is a source of a sustainable competitive advantage. It is a supply chain that can adapt to changes in the environment quickly, maintaining the competitive advantage, therefore sustaining it. This viewpoint differs from the perspective that all competitive advantage is temporary. Those supply chains that are the “fittest” will thrive. The following skills and capabilities have been identified as necessary components of a resilient supply chain: purchasing, business, financial, strategic, leadership, project management, process and relationship. Mastery of these skill sets moves the members of a supply chain to a level of excellence capable of handling adversity. Mastery involves a commitment to excellence as it is only achieved through experience and a willingness to grow. The supply chain professional’s motto can be summed up in two words, “be prepared.” Through preparation comes excellence, and through excellence comes the achievement of competitive advantage.
**Core Survival Skills**

Transformation Process. Acquiring a mastery of these skills involves a transformation process of an individual, organization and the entire supply chain. The steps of the transformation process involve an assessment of the current skill level and a strategic plan to raise the skill level to mastery proficiency. Now more than ever, organizations realize the importance of highly competent people with a core skill set that will drive competitive advantage, year on year continuous improvement, and customer/supplier integration. With a transformation of the supply chain, technology advances are just a part of the solution, skill development represents the rest of the equation.

If you are content in a maintenance mode and stability, it is likely you will not survive the future. If you are up for the challenge, it is essential that you review the skills needed for the future and transform yourself for the challenge. Hopefully, you will be the winner of the supply management survivor game.

**REFERENCES**


