

Supply Chain Leader of the Future 2020 Survey Summary

Background

The healthcare supply chain is a noble profession, where we are privileged to enable extraordinary care during a patient's most vulnerable moments in life. Supply chain connects the suppliers to the providers, the bedside to the boardroom, and the supplies to the caregivers. High quality care is dependent on a capable and resilient supply chain. Our people are the most important resource in any supply chain function, as we continue to experience throughout this unprecedented pandemic.

THE TIPPING POINT

Our industry is very aware of the growing talent crisis throughout the provider supply chain profession. Several events and trends highlighted the opportunities (and vulnerabilities) in our recruiting efforts, compensation, succession planning, technical skills development, and leadership development:

- 2008 Financial Crisis
- Wave of Chief Supply Chain Officer Retirements
- Commercialization and/or Regional Aggregation
- Merger Mania
- Disruptors
- Care Transformation & Value Based Care



COVID-19 is a fundamentally different event, which *has forever changed* the healthcare supply chain. Operationally, COVID-19 helped reveal strengths and vulnerabilities in our infrastructure. Strategically, we now have the undivided attention of the boardroom. With near-unrealistic expectations upon us, supply chain must somehow immediately pivot and deliver increasing financial results with improved reliability and more resilience.

Consequently, we have reached the **critical tipping point** where focused investments in talent are no longer optional.

WHAT GOT US HERE, WON'T GET US THERE

COVID-19 transparently revealed the depth of our leadership preparedness, especially when navigating unprecedented crisis, uncertainty and ambiguity. We are now hearing the many stories of true heroics and honest struggle. Accurate demand planning is now an essential supply chain activity, and we now immediately recognize this skill development area. Relationship building with clinicians and internal stakeholder has always been important, and now we recognize the need to also collaborate with our suppliers.

Our collective success now depends on our ability to recruit, develop, engage and retain the very best supply chain talent and senior leaders, not just within healthcare, but also across all industries. Many leaders already embrace the concept of deepening their leadership competencies and are lifelong learners by choice. These future-oriented leaders often ask, "Which development areas should I prioritize for myself and for my team?" With COVID-19 as our change catalyst, this annual "Supply Chain Leader of the Future" survey was designed to help provide some insight to this very question.

This survey was conducted in collaboration between Supply Chain Sherpas and SMI

Joe Walsh
joe@supplychainsherpas.com

Nancy Anderson
nanderson@smisupplychain.com



Supply Chain Leader of the Future

2020 Survey Summary

Survey Approach

This is the third year of this survey administration, to help identify the skills necessary for the **Supply Chain Leader of the Future**. Specifically, the objective is to help the industry **prioritize the training and development opportunities**. Our healthcare supply chain future depends on the collective preparedness of our incumbent leaders, emerging leaders and next generation leaders.

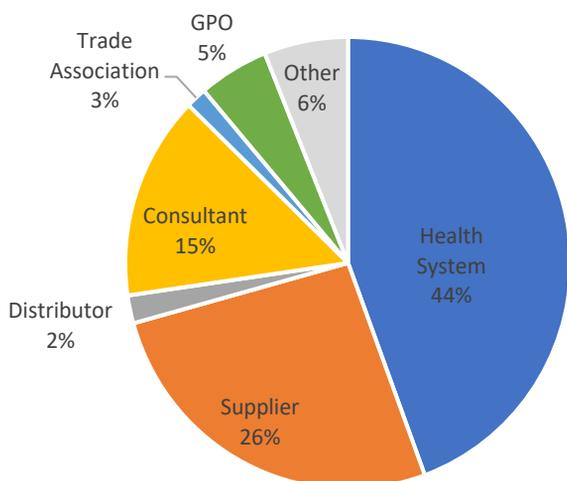
Respondents were asked to rate the importance of leadership competencies and attributes AND then evaluate the demonstrated behaviors of supply chain leaders from the typical (or average) healthcare system. New for 2020, we included an assessment of technical skills. We also asked specific questions about how the development priorities were influenced by COVID-19.

Competencies are specific skills, which can be learned and mastered over time. **Attributes** (or traits) are specific patterns of behavior we develop based on our personal and professional experiences.

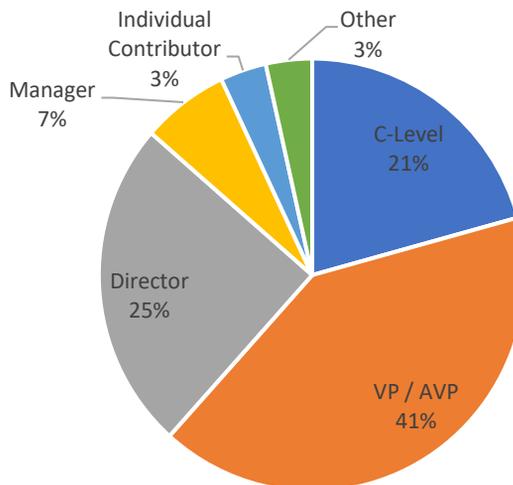
Respondent Demographics

198 responses

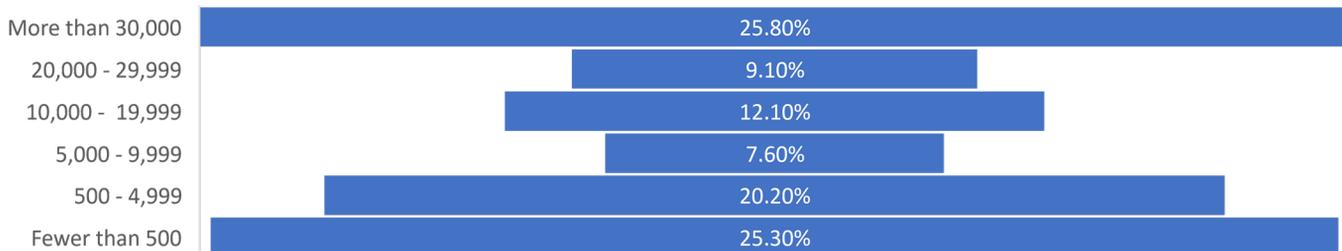
Organization Type



Position Level



Organization Size (in employees)

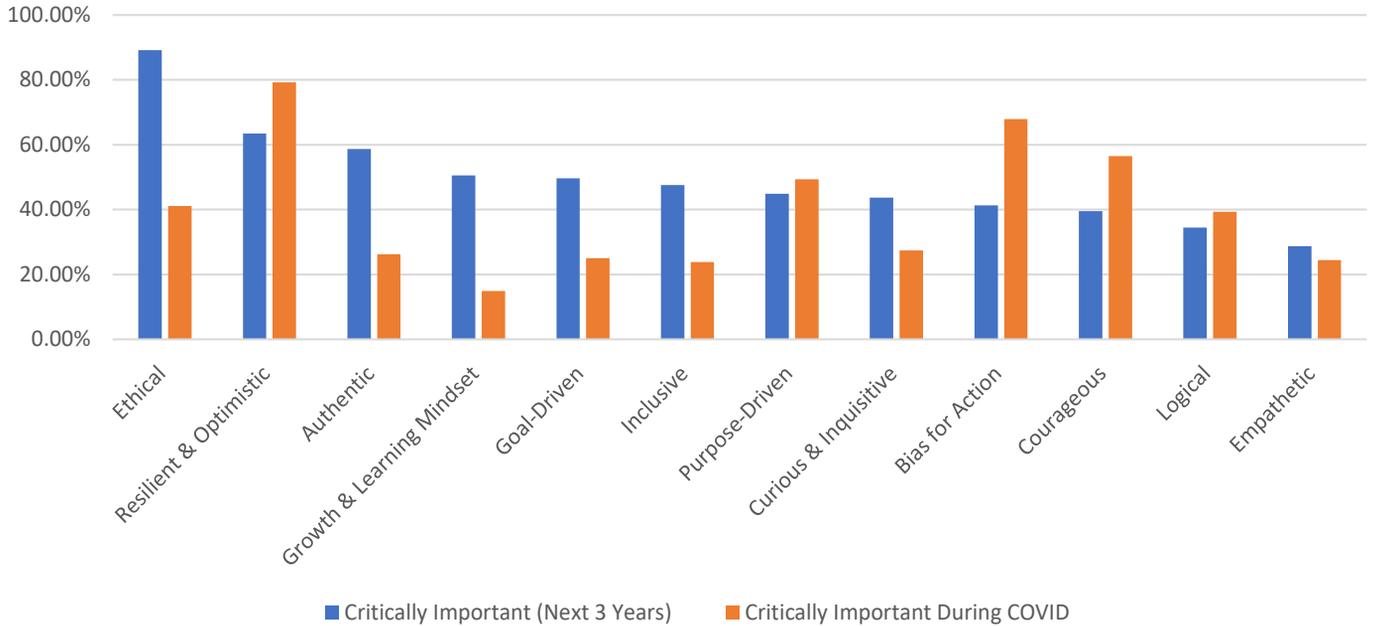


Supply Chain Leader of the Future

2020 Survey Summary

Leadership Attributes

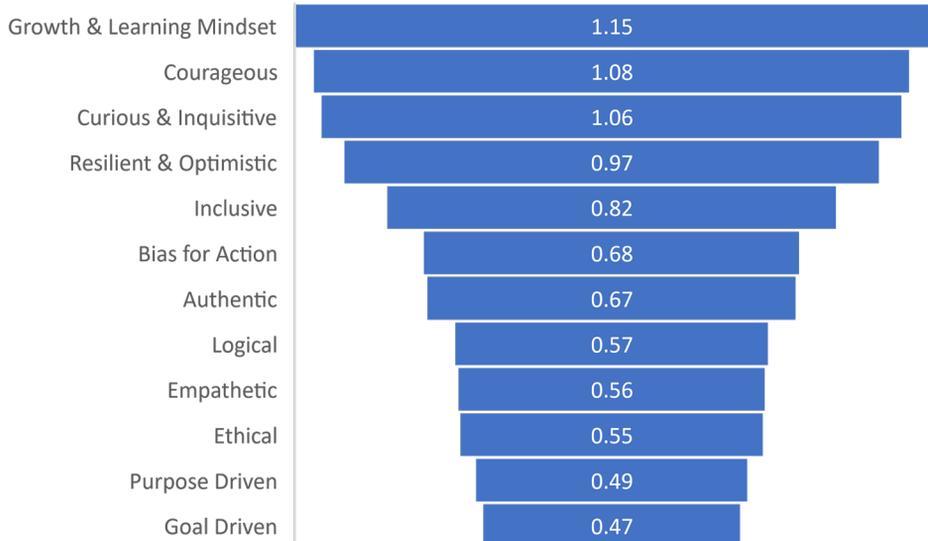
Highest priorities leadership attributes changed quite dramatically when considering 3-year horizon vs. COVID response. Surprisingly-low importance on empathic attribute, which is consistently cited as critical to success in broader leadership development surveys.



Relative Gap Between Importance and Preparedness

Importance and perceived preparedness were each assessed on a 1-5 scale by survey respondents.

The difference between the importance and current level of perceived preparedness is the gap reflected here.



This survey was conducted in collaboration between Supply Chain Sherpas and SMI

Joe Walsh
joe@supplychainsherpas.com

Nancy Anderson
nanderson@smisupplychain.com

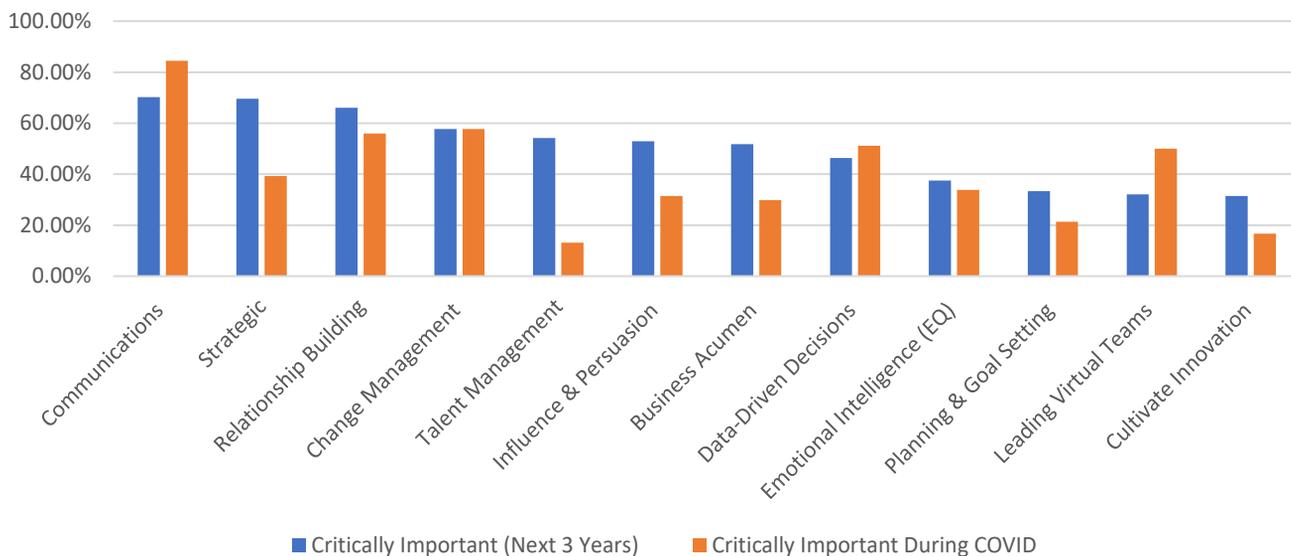


Supply Chain Leader of the Future

2020 Survey Summary

Leadership Competencies

Interestingly, key competencies such as Strategic and Talent Management were prioritized much lower during COVID response. Communications and Leading Virtual Teams elevated in importance during COVID response.



Relative Gap Between Importance and Preparedness

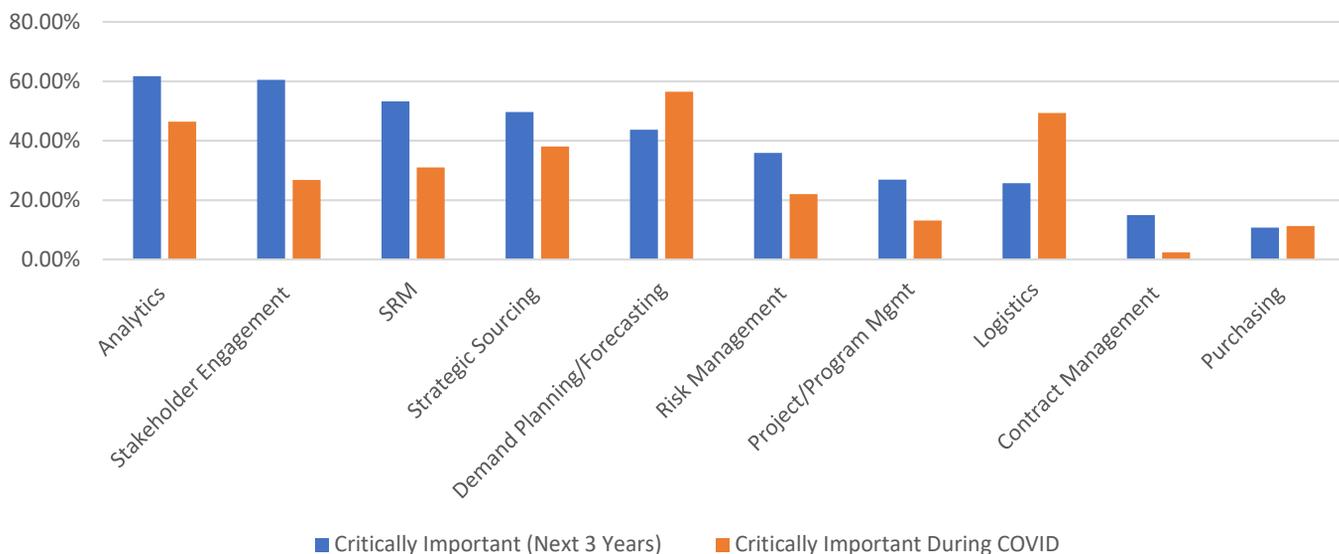


Supply Chain Leader of the Future

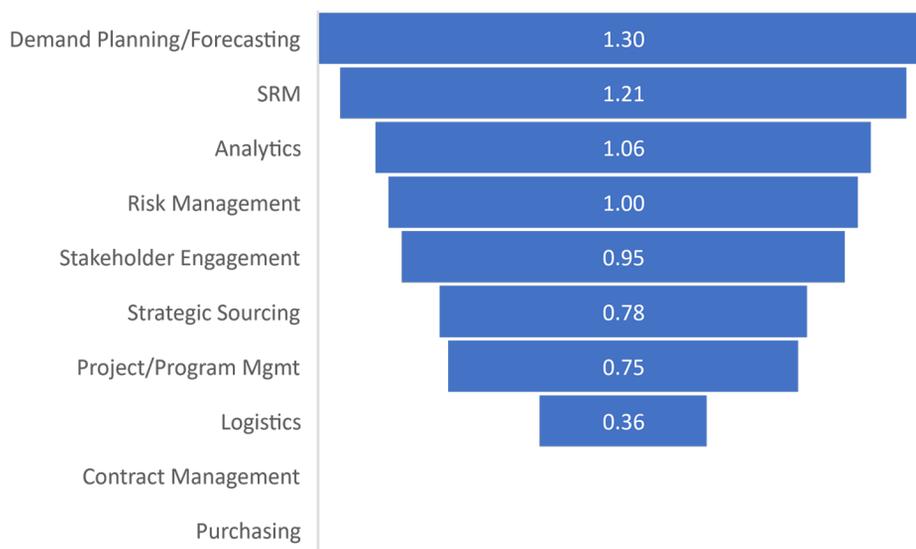
2020 Survey Summary

Technical Skills

Analytics and demand planning consistently important. Important distinctions with stakeholder engagement and logistics. Significantly low importance given to purchasing skills.



Relative Gap Between Importance and Preparedness



This survey was conducted in collaboration between Supply Chain Sherpas and SMI

Joe Walsh
joe@supplychainsherpas.com

Nancy Anderson
nanderson@smisupplychain.com



Supply Chain Leader of the Future

2020 Survey Summary

Comments and Suggestions from Respondents

1. "Supply Chain is not something you can fake your way through."
2. "Ask the same questions for supply chain "customers" to get a 360 view of supply chain."
3. "Curious how our C-Suite would might answer these same questions (about Supply Chain)."
4. "Innovation in deploying conservation and preservation tactics for PPE product amongst health systems was a high water-mark for our industry. How can we harness innovation more globally across health system, so we maximize our capabilities and output in lieu of multiple IDNs doing the same thing?"
5. "More data being used to forecast demand on par to other industries."
6. "Analytics are key to forecasting and contract negotiation. However, the smaller health systems typically do not have the financial, staff, or technological resources to make this a higher priority."
7. "We need as the industry leaders from providers and suppliers truly work on supply chain strategic leadership and stop being so transactional."
8. "Collaborative relationships will be key for successful organizations going forward."
9. "Ethics is mentioned in survey, but that's a broad term covering all sorts of values. I wonder how values play a leadership role."
10. "You can't save your way to the future; pick a partner and invest in finding the real opportunity together."
11. "The ecosystem of healthcare suppliers will be greatly disrupted in the next 12-24 months and it will take strong leadership to survive and thrive."
12. "Sad that this World had to experience COVID, but it really brought out all the issues/flaws within the Supply Chain."
13. "Required acumen for the future is AI, RPA, application of technology toward solving problems and increasing efficiency."
14. "It is imperative that supply chain leaders adopt and live the mantra that they are responsible for **all** non-labor spend."
15. "Important not to ignore poor performers in a company. We turn a blind eye to employees who are "C-" players who destroy relationships."
16. "The approach (HOW) leaders have with teams is just as important as the WHAT the do."
17. "Talent development is an area we all need to spend more time investing our time and energy around."
18. "Suppliers will struggle to articulate meaningful value if a Buyer's (Providers) needs aren't articulated. Lack of transparency on criteria for Supplier selection is a significant driver in this dynamic."
19. "The importance of TCO is talked about with great frequency and support by supply chain leaders on the 'lecture circuit.' However, that concept doesn't seem to translate well down through their organizations because most often price is still what most providers focus on."
20. "Don't overwhelm supply chain system with sole-source contracts that limit flexibility in a time of need."

This survey was conducted in collaboration between Supply Chain Sherpas and SMI

Joe Walsh
joe@supplychainsherpas.com

Nancy Anderson
nanderson@smisupplychain.com

