



INSPIRED-SEARCH

logistics and supply chain executives

Executive Search | Interim Management

- ▶ Top 28 Supply Chain Executives
- ▶ Executive Interviews with:
Marloes Blaauw, Safescan
Isabelle Conrot, Roche Pharma
Wybe Jan Bleeker, Picnic
Elle Dings, Lumileds
- ▶ “Believe it or not...”
- ▶ ‘Avoid ‘Tokenism’, Inclusion is leadership’
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CONCEPT AND DESIGN

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Diversity pays off for bold forward-thinkers

Diversity in executive teams is easy to aspire to but difficult to realise. For some companies diversity has been a gamechanger while others still struggle to get a good diversity balance.

It is a complex and sensitive concept that encompasses far more than gender, age, race, culture and functional skills. Experience and a range of personalities in a team are just as important. But achieving the right mix is not something that happens overnight.

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For anyone doubting the benefits of diversity, McKinsey & Company has produced some hard facts. The global consultancy firm has been following companies since 2014 to assess the relationship between diversity in executive teams and the likelihood of financial outperformance. It's latest report, "Diversity wins: How inclusion matters", involves more than 1000 large companies in 15 countries. Published in 2020, it confirms how companies with a high degree of diversity in their executive teams outperform non-diverse teams.

"Our 2019 analysis finds that companies in the top quartile for gender diversity on executive teams were 25 percent more likely to have above-average profitability than companies in the fourth quartile—up from 21 percent in 2017 and 15 percent in 2014.

"In the case of ethnic and cultural diversity, our business-case findings are equally compelling: in 2019, top-quartile companies outperformed those in the fourth quartile by 36

percent in profitability, slightly up from 33 percent in 2017 and 35 percent in 2014."

Besides performance, diversity in a team makes the job more fun and dynamic, says Oskar Verkamman, of specialist executive search firm, Inspired-Search.

"Someone with a completely different perspective will look at things from a different angle and make you think about something in another way. You get better discussions, fresh insights and appreciate new technical skills. And for members of the boardroom it helps ensure that every possible angle is covered."

Risk of forcing a balance

The main focus over the last few years has been on gender and getting more females into executive teams, says business partner, Edwin Tuyn. While the evidence shows that this can

improve company performance he warns about becoming fixated with the gender balance. "Some companies, that have a gender imbalance, force a balance by bringing in more of the opposite sex.

"There is a danger, that with this bias, you don't always select the best candidate for the job. A male and female can have similar characteristics and think the same way. Therefore, if you introduce a female with the same business mindset and personality as her future male colleagues it is unlikely to bring any additional value to the team; they will only reinforce each other. Diversity has many facets, much more than just the male-female ratio, so consider the personalities too."

"I see it as a pack of cards – for example, the king and queen of spades are very similar and communicate well with each other. Even though there is gender diversity this doesn't bring





any extra dimension to the executive team. Instead, you need to include additional colours and suits," says Edwin.

Select on personality

Much better is to look at the current mix in your team, determine where the group wants to move it and what sort of personality will enhance the group. This could be based on gender, or in a very fast-moving ambitious team it could be someone who will provide stability, for example. "Or take the case of an international business in which all the employees are of a single nationality. This is not in alignment with promoting an international environment. You need to redress the national dominance."

Edwin also highlights the risk of selecting the best candidate for the position based only on his or her demographic

credentials. He illustrates the pitfall with an anecdote: Prince Charles, the Prince of Wales and Ozzy Osbourne ('Prince of Darkness') are two successful, wealthy British white males, both born in 1948, twice married, have children and like dogs, expensive cars and international travel. On paper they appear very similar yet they are very diverse in their values, opinions and character. Conversely, candidates may appear diverse on paper but they behave very similarly. "It's very important not just to look at the data, but also to assess their personal qualities," says Edwin.

This exposes the need for transformation of the traditional recruiting process. "We want a candidate to know how supply chain works and to have a good perception of company culture and job responsibilities but, when it comes to detail, personality is more important than the job profile.

"It is often better to hire a candidate who could be a great (diverse) asset for the company, rather than have a 100 per cent match, based on specifications. The right person can learn on the job."

Accommodate young talent

Therefore, companies need to be prepared to look further afield and widen their search for talent and then fully support and include them after the appointment. Not only that they need to better accommodate young executives already in the team. Going back to gender, much emphasis is placed on recruiting females at executive level. But the reality is that many females appear to leave the supply chain sector between the starting and executive level. Much could be gained in terms of diversity by retaining this talent within the workforce.

"In our latest list of Top 28 European Executives just six are female: 21%. At supply chain executive level in general just 15% is female. However, at the starting level 40% of the supply chain workforce is female," says Verkamman.

This is a huge gap, from 40% to 15%. "Companies are losing females along the journey so they should be asking why they leave mid-career and males go on for promotion. The challenge is to make the top-level positions more attractive to females," he says.

It is well-known that everyone at executive level works more than full-time which is a big investment in personal life. Females in particular need different levels of flexibility in their mid-career because of their natural tendency to look after the children more than men. Not only that, more and more males in this mid-career age group are looking for a better balance in their work and private life.

"Companies need to be aware of these trends and should take measures to build-in flexibility within the organization and accommodate the future needs of young talents in leadership development programs. In this way, over the years, it should be possible to retain diversity even at executive level and have a younger generation in the boardroom," says Oskar.

After all the diversity winners, as outlined in the McKinsey report, are those that adopt systematic, business-led approaches to inclusion and diversity.

Long-term investment

In a tight market for executive positions the days of being able to choose from a list of candidates who all tick all the right boxes are over. Companies need to look further afield and adapt.

"If you want to end up in top quartile in ten years' time you need to think about it now. Building a diverse, all-inclusive organisation takes time, investment and willingness from both parties to create these possibilities," says Edwin.

"It is a long journey but it is worthwhile. We know that a diverse executive team makes a more balanced decision; Quite simply it's better business practice," agrees Oskar.

MARLOES BLAAUW, SUPPLY CHAIN DIRECTOR, SAFESCAN

'Effective S&OP is helping us through this challenging time'

The growth phase from scale-up to maturity is not without its supply chain challenges. Marloes Blaauw from Safescan, a supplier of cash handling and workforce management tools, was just about to get her teeth into some of those challenges when the coronavirus pandemic sabotaged the long-term perspective and sparked widespread supply chain disruption. How is she combining the everyday supply chain stress with a future vision, and how does the future look for Safescan?

Interview by Martijn Lofvers and Edwin Tuyn (Inspired-Search), edited by Mirjam Hulsebos

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Marloes Blaauw studied engineering management at the University of Twente. She didn't have a definite plan for her future, but she knew she wanted to do "something related to logistics". As a result, she ended up choosing a planning role at Nutricia in the Netherlands followed by a similar role at the parent company Numico on a European level. "In my first position, it was my job to ensure that Dutch customers received their orders on time. The role of supply chain planner is a perfect place to start. You're in the thick of it all and are exposed to every aspect of the discipline, from sales and marketing to purchasing and warehousing. Back in those days, there were many more grocery chains than there are now, each with their own promotional campaigns. That caused lots of fluctuations in sales. Demand planning was a weekly cycle. We had our own factories in Europe and at that time we were in the middle of setting up S&OP with each of them."

After six years of working on the business side, she moved into consultancy. "I wanted to learn more on a tactical and strategic level, and doing projects is the best way to do that.

At Numico, the day-to-day operation took up all of my time. I chose to join S&V Management Consultants, a relatively small Belgian consultancy firm with a huge amount of supply chain expertise. I gained lots of knowledge and experience there, and I still make use of the concepts I learned to this day."

S&V was acquired by PwC, which had a very different culture and dynamic. "S&V was very strong on the details, while PwC was more focused on broader business transformations. I had the privilege of leading many of those projects and that involved close collaboration with colleagues from Technology, Finance, Tax & Customs and Change Management, which enabled me to learn many new and different things."

In both roles, she realized how beneficial it is for consultants to have also seen things from the other side. "It helps if you have first-hand experience of what does and doesn't work. That enables you to make more of a difference, and customers can tell whether you've got that experience. I'd advise all career starters to work on the business side for a few years first before moving into consultancy."

Why did you decide to move back into a business role rather than staying in consultancy?

"Although I love consultancy, I ultimately want to be the one making the decisions. That's why I went in search of a medium-sized company where I could really take charge of the supply chain. I didn't want to end up in a corporate structure where you're ultimately still dependent on other people."

What makes Safescan such an interesting company from a supply chain perspective?

"Safescan was founded in 2004 as a specialist in secure cash counting and handling. We supply banknote and coin sorters, counterfeit detectors and so on. In 2009 Safescan also started selling time and attendance hardware systems. Then a few years later we launched our first cloud solution under the new brand called TimeMoto. Since then, we've become a specialist in this category. Safescan is an internationally active company with its head office in the Netherlands and sales organizations in Europe, Asia and America. As Supply Chain Director, I have a lot of freedom. Together with the other board members, I can help to shape the next growth phase. We've progressed from the start-up phase to the scale-up phase and now need to evolve into a mature organization with a mature supply chain. There are plenty of things we can do to help us achieve that. That's a fantastic challenge for me and my team, which comprises planning, purchasing, quality, the order desk and logistics."

The cash handling machines market sounds like a mature market. How did Safescan manage to gain a foothold?

"Although cash transactions are declining in some countries, the total amount of cash in circulation is actually increasing. That means there's a continued need for these kinds of products and the market still holds lots of potential. Our USPs are our product design, innovations and the currency expertise

ABOUT MARLOES BLAAUW

Education and qualifications

1995-2002: Engineering Management, University of Twente

2010: Six Sigma Black Belt, University of Amsterdam

Career

2002-2004: Procurement Planner at Nutricia

2004-2008: Supply Chain and Innovations Manager at Numico/Danone

2009-2011: Senior Consultant at S&V Management Consultants

2011-2018: Senior Advisor and Senior Manager at PwC Advisory

2019-present: Supply Chain Director at Safescan



that we've gained over the years. Besides those products, we also have our TimeMoto cloud solution. This market is still growing and changing, especially due to the rise of flexible working, which is increasing the need for collaboration and transparency between employers and employees. The labour cost percentage is typically 40 to 60% of a company's revenue and a lot of time is spent on planning, monitoring and reporting on employees' working hours. TimeMoto provides more clarity and also helps companies to comply with different countries' labour laws."

How does your supply chain look?

"We do the design and product development at our head office in Zoetermeer, and the actual manufacturing is outsourced to suppliers. They are based around the world – in Europe, Asia and America – and produce according to our specifications. However, due to the high-tech nature of our products, our suppliers need a high level of specialized knowledge and expertise. The majority of our production is focused on make to stock. We have different suppliers for different product lines and the products are also very different from one another, so we don't have a customer

order decoupling point. That influences our lead times. We have local distribution centres on all continents, close to our sales offices, plus a large central DC here in Zoetermeer."

"Besides our sales through B2B channels and our own web shop, we also work on ad-hoc projects, in which case we usually manufacture on a make-to-order basis. In the past, those orders used to come as a surprise and had a significant impact on the supply chain. One thing I've done is introduce much more intensive collaboration with Sales, which means I now discuss the forecast and developments together with the Commercial Director. So if Sales know that a project is in the pipeline, they inform us and check the availability. All in all, this has made the planning more predictable, which has a positive effect on our company. As Supply Chain, we now have a much better idea of which products are expected to sell well in the coming period so that we can ensure they are in stock."

Your company is now in the transition phase from a scale-up to a mature organization. Which challenges does that bring?

"Much of our existing set-up in terms of systems, collaborative

partnerships and logistics network is a good fit with the current size of our organization, but we foresee strong growth so I'm now thinking about how the supply chain can facilitate that. Are our local distribution centres in the right place? In which regions of the world do we want to expand our production capacity? How can we better tailor our supply chain approach to different product groups or different markets? What kind of software support do we need? The planning tool we currently work with provides good support in our day-to-day planning challenges but it has its limitations. I can't use it for scenario planning, for example. That's why we're now looking for new, more advanced tooling for supply chain planning.

How would you describe your leadership style?

"I believe it's important to allow people to grow. When I joined this company, the focus in the supply chain department was very ad hoc and operational. I coach people to become more autonomous and take ownership. I give my team a lot of trust. They have a huge amount of knowledge and experience, so we should make that visible in the organization.

EVELINE VAN DEN BOSCH INTERVIEWED 24 FEMALE DIRECTORS

Don't fix the women, fix the team's behaviour!

The glass ceiling and quota for female executives in top management teams have long been a topic of discussion, yet little seems to change in practice; executive teams continue to be male-dominated environments. As part of her MSc in Business Administration, Eveline van den Bosch conducted research into diversity and behaviour within executive boards. Her conclusion: male behaviour at senior level remains very challenging for female executives, but they influence it through their own conscious responsive actions.

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By Mirjam Hulsebos

Additionally, Van den Bosch concludes that the limited focus on diversity can be harmful: "Companies have to innovate faster than ever nowadays, but without jeopardising their continuity. That means that you need to have one eye on your daily operations and the other on innovation. Companies with a diverse leadership team have a broader perspective, so they find it easier to strike this balance and therefore perform better."

Van den Bosch has extensive experience in the logistics and supply chain industry. She gained a bachelor's in logistics and transport management 20 years ago before embarking on a career in the industry, where she was in the minority as a woman in a male-dominated world. Although she could often turn that to her advantage, she also regularly had what she describes as "challenging" experiences. While travelling extensively during a

sabbatical in 2019, she decided to do a part-time MSc on her return, specialized in strategic management and leadership, management and governance. "Diversity is a recurring theme in both of those areas," she says. "It's a very trending topic, yet at the same time all that attention isn't resulting in more women at the top. It's a slow process." She decided to study this in more depth for her thesis at Erasmus University, for which she ended up winning second prize for the best thesis of her year (2019-2021).

Behavioural research

She started by conducting desk research. "It struck me that although so much research had been conducted into diversity, it was nearly all quantitative. There was hardly any qualitative approach. Many studies are based on typical 'male' and 'female' behaviour, yet in reality men can also display 'female' behaviour and women 'male' behaviour, so it goes beyond gender.



Eveline van den Bosch: 'Diversity helps to improve long-term business performance and gives companies a competitive edge and better chances of survival – but only if the management team behaves collectively.'

Moreover, no published research had looked at how women feel when they are part of a male-dominated team."

Van den Bosch was most interested in the competencies and skills that women contribute, and how that impacts the team dynamics. "Behaviour is affected by the context. Which context makes you feel different in a management team, and how do you deal with that? And is there a business case for having more women in a top management team?" To find out, she interviewed 24 female executives of logistics companies. "It's a sector in which I have a large network, where innovation is key and which is representative of the state of diversity at executive level within Dutch businesses. Women currently account for 15% at the top of logistics companies, and that is in line with the percentage of publicly listed companies according to the Dutch Female Board Index 2020."

Paradox

In her thesis, Van den Bosch pays particular attention to the combination of current operations and innovation. "Innovation calls for different competencies than the ones needed to run your day-to-day business efficiently. That creates a paradox. Companies must be able to do both simultaneously. If you focus too much on innovation, there's a big chance that you won't succeed in converting innovative ideas into a successful business model. But if you focus too much on the efficiency of the current operation, then you'll be too slow to spot changes in the market and won't be able to react in time. All previous studies of this phenomenon clearly reveal that companies that manage to combine both types of skills in the right way are more successful at changing without affecting their continuity. Executive teams play a key role in managing this. Companies with more diversity at the top find it easier to strike the right balance between both approaches thanks to having access to more varied knowledge and a broader spectrum of perspectives, ways of problem-solving and alternatives. In other words, diversity contributes to long-term business performance and provides companies a competitive edge and better chances of survival – but only if the management team behaves collectively!"

Toxic masculinity

From her 24 interviews, Van den Bosch distilled three experiences of diversity, which can make women feel uncomfortable in a male-dominated executive team. The first is what she refers to in her thesis as 'toxic masculinity'. "It sounds dramatic, but so too is its effect. This refers to dominant masculine behaviour, manifested by assertiveness, showdown and alpha male conduct. A couple of the women I interviewed said that they were dominant too and were able to just go with the flow, but most women really struggle with this." One example of this macho behaviour is that men find it more

difficult than women to admit when they're wrong. Teams with toxic masculinity are primarily focused on the outcome rather than the team process, but that has significant consequences according to Van den Bosch: "Because no matter how strong your strategy is, it's worthless if you don't succeed in implementing it – and that means that you have to consider the team process too. You need to create shared values and commitment within the team, identify where resistance can arise and eliminate it. The group dynamics is important in all these aspects, but they fail to receive sufficient attention in teams with lots of toxic masculinity. Women are successful at overcoming this and thus at influencing the dynamics – and hence the behaviour of the team."

Van den Bosch also discovered that toxic masculinity is a lot less prevalent in family businesses than in corporates. "Even though there tend to be more men than women in the senior management of family businesses too, different values are at stake which result in different behaviour. There's a natural tendency to listen to one another, to communicate openly and there's more mutual respect."

Conflict of interests

The second behavioural characteristic that was mentioned repeatedly during the interviews was self-interests. The women perceive men to be more concerned about their own interests and reputation than the collective interest. Women very consciously deploy certain skills in certain situations in order to make the rest of the management team aware of the common interests. "For example, they will try to open up the discussion by challenging the others with critical questions. They often also adopt a kind of mediator role and try to find the common grounds between various disciplines. They choose to lead by example by being very transparent about their own intentions and communication. What also struck me is that the women

said they are hesitant to take the credits for success, even if it's entirely down to their own efforts. Instead, they tend to share the glory. Last but not least, I discovered that women are not withheld to put the cat among the pigeons as they're less concerned about their own reputation. So they help to shake things up."

Van den Bosch describes it as a constant balancing act for women at the top in considering the most appropriate behavioural response. On some occasions they will fight fiercely for something, whereas at other times they will respond to other people's feelings and underlying conflicts to ensure that nothing continues to bubble under the surface. The interviews revealed that they do this both consciously and subconsciously. One of the women in the study stated that she regards the female ability to switch between those different types of behaviour as a gift from Mother Nature. "You can also see it as a strength," says Van den Bosch.

Gender discrimination

Another reason that the women revert to the mechanism of conscious behaviour is because they experience that male counter partners treat them differently simply because they are female. In her study, Van den Bosch identified that as the third experience. "Men interpret the same kind of behaviour differently in men than in women. If a woman laughs, they will describe it as giggling, whereas if a man laughs they'll say: 'He's in a good mood'. As one of the women I interviewed put it: 'When a guy gets angry, he's a tough guy and when a woman gets angry, she's hysterical.' And all the women I interviewed have been excluded from important decision-making at least once. One of them said: 'To put it very bluntly, a lot is arranged while they're taking a leak, and we're not there.' And there are many other examples of unconscious behaviour, biases and stereotyping that women have to battle against."

This is not limited to the private sector; it happens everywhere. In the Netherlands, for example, it emerged last summer that female MPs felt that they were interrupted mid-speech much more often than their male counterparts. Van den Bosch's research revealed examples of similar experiences: "If men go into a topic in depth, they are commended for their expertise and attention to detail. If women do the same, they are more likely to be called long-winded." Unfortunately, she says, the only option for women working in such an environment is to fight back – and the way to do that within executive teams is by consciously addressing gender inequality. "This behaviour is a fact. But if we continue to accept it, nothing will change, so I see it as a positive development that female MPs opened up about this."

CEOs should take the lead

However, Van den Bosch believes it would be even better if the leader – whether the prime minister in the case of MPs or the CEO in a business context – takes the lead in investigating whether there are subtle behaviours that make women feel less heard than men. "My research showed that this is the primary reason why women sometimes wonder if it's all worth it. If you want to prevent women from giving up before they reach the top, you should start by tackling that masculine behaviour."

One quote in particular by one of her interviewees made her smile. "The woman in question said: 'If you say you want more women joining, but women should behave exactly the same way as men, why would you want a woman?'. In my opinion, that hits the nail on the head." Some companies are actively tackling this, explains Van den Bosch: "One of the respondents told me that the CEO at her previous employer invited her and a number of other female colleagues from various departments of the company to a meeting every month to discuss their experiences within the company as women. The CEO took their feedback

very seriously; patterns of behaviour were broken and more gender equal behaviour was achieved. This not only improved the atmosphere at work, but also resulted in more women progressing to senior positions."

Awareness

Van den Bosch is pleased that diversity is receiving more attention, but she also wants companies to turn that attention into action. "That's why I hope that my research will create awareness of what happens in male-dominated executive teams. The Dutch financial newspaper Financieel Dagblad recently published an article exploring why it's taking so long for Dutch companies to become more diverse. The conclusion: diversity is on the HR department's agenda rather than the CEO's – and that's the core of the problem. My study shows that it has to be tackled from the inside out. It takes the team's leader to achieve behavioural change. CEOs who consciously tackle implicit biases against women will discover that the atmosphere in the team

changes and that women can then make a greater contribution. But as long as diversity remains a topic for HR, the behaviour won't change a lot and you'll make little progress."

Above all, Van den Bosch's research shows that diversity is largely a behavioural issue. No matter how much you focus on the recruitment and development of more women, if they don't feel welcome in a male-oriented team they will give up along the way. And those who do make it all the way to the top do so thanks to continually consciously reacting with the appropriate type of behaviour at the appropriate time.

There is a world to win and a prominent role for the leadership team in eliminating unequal behaviour. This not only opens the door for more women to progress to executive level, but also provides the opportunity to reap the benefits of diversity in the team, leading to a competitive advantage and better long-term results.



“Believe it or not...”

Diversity and inclusion are two buzzwords that we've heard very frequently over the last few years in organisations. Very briefly, one could say that diversity is the current composition of the workforce, in other words the make-up of the teams. Inclusion concerns the culture and behaviour of an organisation and ensures that everyone is participating and thriving.

Is it important to understand the difference? Not really. I believe the latter (inclusion) will lead in itself to more diversity. But, if diversity is just an item on the dashboard with an associated target, it is unlikely to achieve the desired results. If the top management does not have the deep-down belief that diversity is valuable and is the right way to go, it will just remain a feature on the dashboard. Even the recognition that more diversity leads to better business results will not replace an intrinsic belief. At best it will just be an attempt to optimise business performance.

Having said that, targeted recruitment could be a first step on the long journey to diversity. But if this is the only action taken nothing will change within the organisation. There

is even a chance that people become frustrated by the element of positive discrimination. Also, within Supply Chain, the prevalence of women (as one aspect of diversity) is not the issue: A 2021 Gartner survey shows that women already comprise 41% of the Supply Chain workforce. However, when you break down this number into the various management levels the percentage in first line management is already down to 33%, at VP/Senior Director level it is 23% and at CSCO level it is only 15%. This highlights the importance of not only attracting women into Supply Chain but more significantly the ability to retain females during their mid-career phase. Having tailor-made leadership/career development programs, flexible working policies and mentoring programs could be hugely beneficial. Similar parallels can be made for other aspects of diversity, beyond just gender.

Top management needs to be convinced that inclusion and diversity are fundamentally important for the future success of its organisation. If not, and it sticks to its current methods of recruitment, it will be left empty-handed at the higher management levels in future. Also, simply switching

the (buzz)word from diversity to inclusion will not do the trick. Inclusion is about creating a culture in which everyone in the workforce feels secure, has an impact on decision making and has access to information, etc. These are behavioural actions which lead to everyone being included.

It is predicted that the workforce of the 21st century will include more ethnic backgrounds, minority groups, women, inter-generational workers and different lifestyles. Companies must recognise and accommodate this fact. If I look at Western Europe I primarily see senior management teams made up of predominantly white, 50+ males of the same nationality and background. The diversity journey will take time, which is fine so long as we're committed and convinced that we're on the right route.

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About Oskar Verkamman

Oskar Verkamman is Managing Director of Inspired-Search and co-Founder of the Inspired-Group. He has excelled in placing the right people in the right positions; always with the cultural fit in mind. Oskar is an active outdoors sports man and adventurer. He is author of the book “De man aan de overkant”.

DR. ISABELLE CONROT, HEAD OF GLOBAL LOGISTICS & SUPPLY CHAIN OPERATIONS, ROCHE PHARMA

“I strive to create an environment where every employee feels safe and valued.”

“The right doors opened for me at the right time,” says Isabelle Conrot who has spent her entire career – 27 years – working for the Swiss healthcare company, Roche. Always curious to see where they led, she’s enjoyed a varied and buoyant career, the last 4 ½ years as Head of Global Logistics & Supply Chain Operations for the Pharma division. Her latest challenge was to lead and shape a lean and sustainable logistics and supply chain operations organisation while adapting to the current and future needs of patients and making an impact for Roche. That was only possible with a change in mindset in her whole organisation, a change that also helped them through the Covid pandemic. “I want my legacy to be a lean and agile supply chain organisation that adds value and where people can perform at their best,” she says.



Roche is a world leader in biopharmaceuticals and cancer treatments and renowned for breaking boundaries in healthcare. Today, with more than 100,000 employees in over 100 countries, the 125- year old company continues to prevent, diagnose and treat diseases and make a sustainable contribution to society. The supply chain is having to balance efficiency and sustainability with the aim to be more patient centric. “I see the supply chain as the backbone of the business,” says Dr. Isabelle Conrot. “We know that one size does not fit all and we are working on how to set up more segmented channels allowing us to be efficient while meeting all our patients’ needs.”

For the head of global logistics and supply chain operations, the individual approach to patients also extends to her team of employees. The mix of people reflects the diversity of the business and she takes pride in stimulating an all-inclusive

environment. “Diversity is one thing but inclusion is even more important,” says Conrot.

What are you responsible for today?

“I’ve led global logistics and supply chain operations for the Pharma division for the last 4 ½ years. With my team of nearly 100 people we set the strategy for the logistics framework in Roche Pharma; we configure how to ship product, including the mode of transportation, and ensure export compliance and logistics. A very important part of the job is to run the daily operations and to ensure a seamless order and distribution management throughout our internal and external manufacturing network to our world-wide customers, providing uninterrupted supply to patients.

We are running several initiatives that lead to cost-to-serve and efficiency gains, using digital technology like process mining,

automation and robotics.

Our North Star is the Roche Ambition and we add value by focusing on efficient and sustainable supply chain and logistics operations, robust processes and by driving continuous improvement activities in our E2E network and transportation framework.”

What did the first wave of the Covid pandemic mean for Roche?

“We had always talked about a VUCA world. March 2020 was really that moment. It was unexpected, so it was bumpy and hectic, yet it was the moment to excel and show that we can make it happen: Logistics and operations had to ensure the supply of medicines to destinations wherever they were needed. And we made it.

One of our products Actemra can be used to treat severe cases

ABOUT ISABELLE CONROT

Isabelle Conrot (53) was born in Luxemburg to a Swiss mother and Luxemburgish father. Aged 20 she moved to and studied in Strasburg, France before joining Roche in Basel, Switzerland where she lives today with her new partner. Her twin daughters (23), study International Affairs and Hospitality respectively at HSG St Gallen and Lausanne.

EDUCATION

2021: Ensa Mental Health First Aid, Basel, Switzerland

2009: IMD Business School: Global Supply Chain course, Lausanne, Switzerland

2007: IMD Business School: Leadership/Management course, Lausanne, Switzerland

2006: Certificate for Purchasing Manager-EIPM, Archamps, France

2000: CPIM (Certified in Production and Inventory Management), Basel, Switzerland

1994-1997: PhD Pharmacy, University of Basel

1987-1993: Doctor of Pharmacy, Louis Pasteur University, Strasbourg

CAREER AT ROCHE

2017- present: Head of Global Logistics & Supply Chain Operations, Basel, Switzerland

2016-2017: Head of Artworks Management, Basel, Switzerland

2013-2016: Head of Business Operations, Grenzach, Germany

2011 -2013: Head Regional Sales and Operational Planning WE/CEMAI, Basel, Switzerland

2010-2011: Group Head Product Supply Chain Management, Basel, Switzerland

2005- 2010: Head of Global CMO Management, Basel, Switzerland

2001-2005: Head of Text Management, Basel, Switzerland

1998-2001: Sales Operations Manager, Basel, Switzerland

1997-1998: Head of Rocephin Filling, Basel, Switzerland

of Covid. Production at a new site was ramped up and we had to set up supply chain processes accordingly. At the same moment, the whole freight network was disrupted: planes were grounded and borders closed.

My logistics team together with our logistics service provider proactively worked out a business continuity plan to assess our needs with the current market situation. There are lots of examples of great creativity and thinking out of the box: For example, we couldn't get our products into Costa Rica and India because there were no flights. The collaboration between Roche, the Swiss authorities and SWISS airline led to us using the repatriation planes (flying empty out of Switzerland) to collect stranded passengers) to bring our products to Costa Rica and India.

We have always been good at firefighting. Now we are looking at how can we sustain the ability to accelerate activities and establish this is a new norm. We continue to use the business continuity plan, especially for unforeseen events such as the disruption at Shanghai airport recently."

Has the profile required in Logistics and Operations changed since the start of the pandemic, bearing in mind that the pharmaceutical sector is very structured and suddenly everyone has to be more agile?

"We did not wait for the pandemic to start our transformation journey. When I took over the organization 4 ½ years ago, I inherited teams from logistics and supply chain with very different mindsets. We realized that we needed to work in one direction with a common vision. Our purpose at that time was "Driving operations now while transforming for the future". We were on our journey to become more lean and agile, by continuous improvement, introducing standardization and creating end-to-end roles. Our focus was added-value activities, eliminating waste and challenging what

we had been doing previously. So far we have reached 25% efficiency gains, a reduction in headcount and an increase in our employee engagement..

We talk about giving people empowerment but you do need to set boundaries and give guidelines. How do you train people to explore the space yet stay within the limits?

"I really like the VACC-leader model. A leader should be a Visionary, Architect, Catalyst and Coach.

The leadership framework should embed all of these aspects, depending on the situation. It really helps me to co-create the boundaries with my teams – sometimes broad, sometimes narrower. But these should be clear and easy to understand for everybody.

I see my role as a leader is to co-create a vision with a clear purpose. In this way I contribute to the broader Roche Ambition, help the teams to resolve and remove the hurdles, give guidance to accelerate and coach and develop my people."

How easy is it to get new talent and the right influx of cultural diversity into the organization?

"We try to give our people room to develop and to broaden their knowledge. We also support our teams to develop new skills, especially skills we will need in future, such as digitalization, automation, understanding data and then taking action.

We also offer internal rotation programs and we have students who join us to do specific projects for their thesis. Collaboration with universities, such as MIT-Zaragoza, brings in fresh ideas. At Roche there is a big focus on diversity and inclusion. I ensure diversity in my team set-up. I look at people's backgrounds, nationalities, their experiences and mindset as well.

7TH EDITION OF TOP 28 SUPPLY CHAIN EXECUTIVES IN EUROPE

Chief supply chain officers must pull the right strategic levers

The 2021 edition saw Tariq Farooq, Senior Vice President Global Supply Chain at Sanofi – Aventis in Genève, Switzerland, at a number 1 position. Coming from a fourth-place last year Tariq made the jump to pole position in 2021.

By Edwin Tuyn, Oskar Verkamman, Martijn Lofvers, Onno Beijers, Johan Smits, and Christian Plesca

For this year's edition, Inspired-Search, KPMG Supply Chain Advisory and Supply Chain Media scanned the top European executives and compiled a longlist of 65 supply chain executives residing and leading in Europe. All these executives have either global responsibility or responsibility within the European or EMEA regions.

The methodology for the Top 28 is based on analysis of published company data and financial reports, in combination with peer voting and an executive survey for determining their responsibility, span of control and impact within their organizations. The ranking is based on four quadrants: 1) Financial Results, 2) Personal Responsibility, 3) Personal Visibility, and 4) Peer Voting. The first and second quadrant each have a weighting of 30%, and the third and fourth quadrants count for 20% each. The scores per quadrant are

indexed according to the weighting factor to arrive at a total final score.

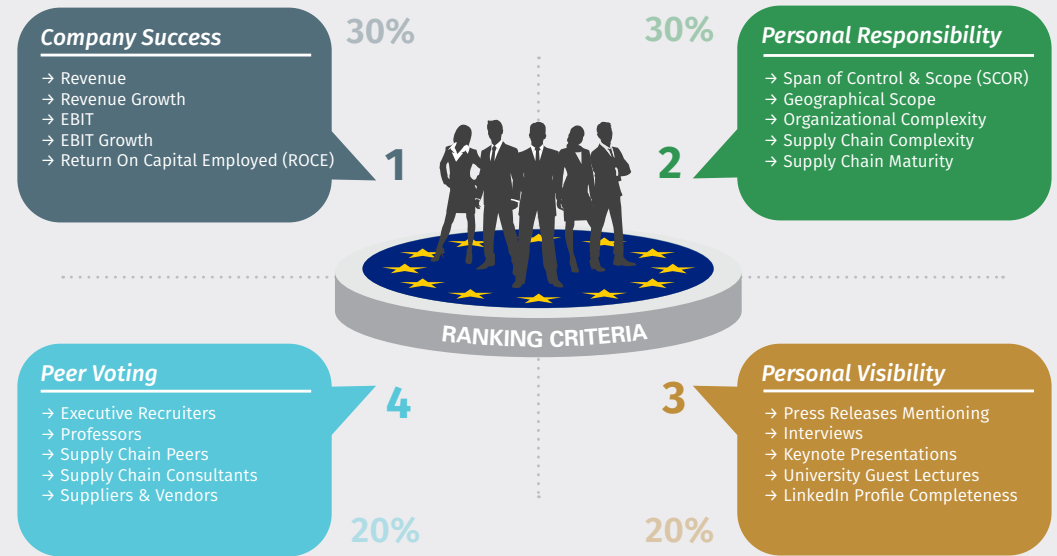
The first quadrant is the Financial Results of each supply chain executive's employer. This is assessed by comparing the company's financial results in the 2020 fiscal year against 2019 in terms of the revenue growth, earnings before interest and tax (EBIT) and the Return On Capital Employed (ROCE) on a year-on-year (YoY) basis.

The second quadrant is Personal Responsibility which measures each executive's span of control based on the SCOR model (plan-source-make-deliver), the geographical area they manage (e.g. global or regional area of responsibility), overall supply chain complexity and their supply chain maturity level (from stage 1 to stage 5, based on the Gartner model).

The third quadrant is Personal Visibility. The public profile of each executive is evaluated YoY (2021 against 2020) in order to identify and quantify four sub-criteria: 1) Number of press releases issued in their name, 2) Total number of interviews given, 3) Total keynotes held at conferences, and 4) Total university lectures given.

The fourth quadrant is Peer Voting by independent experts, such as executive recruiters, professors and analysts. Each peer is asked to award points, ranging from 28 points to their first preference to one point to their 28th candidate. The peers award their points based on each executive's industry experience, knowledge and their own experience of collaborating with them. This results in a personal Top 28 from the longlist of 65 candidates.

Top 28 SCM Executives Europe 2021



Scoring input for the ranking of the Top 28 SCM Executives by:





TARIQ FAROOQ
SVP Global Supply Chain
Sanofi

Tariq has been Senior Vice President Global Supply Chain at Sanofi, based in Geneva, Switzerland, since April 2017. He joined the company from Danone as VP Global Manufacturing and EMEA Operations, where he worked for seven years. His impressive progress from the 26th position in 2019 to 4th place in 2020 and the top spot this year is the result of a combination of peer votes, responsibility, scope and company success.

Tariq has described himself in Supply Chain Movement as naturally curious and driven to learn, collaborate and make a difference. He is currently responsible for the global supply chain across a diverse US\$35 billion Pharma & Biotech business. Over the past four years, the company has transformed the supply chain, and the organization has delivered in terms of performance, pace of product launches,

customer connection and satisfaction and, ultimately, what it can deliver to the top and bottom line, Tariq noted. “During the last year we have demonstrated our resilience as we’ve continued to serve patients and customers, despite all the challenges, which has elevated the appreciation of supply chain within the company even further.”

When asked about how the COVID-19 pandemic has changed the pace of product innovation, he stated: “Things are changing fast; we’ve just seen the development of vaccines move from ten years to ten months. The way that pharma and healthcare companies have responded to the pandemic has been phenomenal. The genie is out of the lamp. The question ahead is, how can we live up to this new expectation of speed to market?”

“Also, the amount of collaboration across the industry has been phenomenal. For example, Sanofi is collaborating with GSK and Translate Bio to develop two different COVID-19 vaccines. Plus, as recently announced, we are working with Pfizer BioNTech to produce a hundred million doses of its COVID-19 vaccine in our facilities in Frankfurt. It’s great to see this level of collaboration amongst compe-

titors, as we all work together in the service of patients and humanity.”

Tariq and his team are serving the growing worldwide healthcare needs by setting themselves four supply chain priorities: “1) Re-invent ourselves to become even more patient-centric and customer-centric, 2) Deliver tailored solutions to efficiently serve the differing and evolving needs of our patients and customers, 3) Drive a digital transformation to give us real-time, end-to-end visibility and integration, all the way from patients through customers and back through our supply chains all the way back to our suppliers, and 4) Create a culture in which everyone feels engaged with the company purpose.”



SAMI NAFFAKH
Chief Supply Officer,
Reckitt

Sami was appointed as Chief Supply Officer and member of the

Reckitt Benckiser Group’s Executive Committee in June 2020. He has more than 25 years of broad international leadership experience in fast-moving consumer goods (FCMG) companies such as Unilever, Danone and Estee Lauder, as well as within Reckitt, where he held several leadership positions from 2003 to 2009. Sami’s most recent position was at Arla Foods, where he was Executive Vice President and headed up supply chain operations globally.

Commenting on Sami’s appointment in 2020, Laxman Narasimhan, Chief Executive Officer of Reckitt, said: “Sami’s broad experience includes managing Arla’s manufacturing and logistics operations worldwide, global procurement of goods and services, as well as support functions such as quality and food safety, health and safety, and sustainability. In addition, he led a major transformation of its supply chain from farm to retailer, with the goal of increasing competitiveness, agility and sustainability to quickly adapt to evolving consumer trends and customer requirements.”

“As we continue to ‘navigate our new normal’, we must also start to focus on our medium-to-longer-term supply needs across

the entire, diverse portfolio. We will build on our momentum and invest to create a highly capable, global supply function to meet our strategic ambition of transforming the business and positioning Reckitt Benckiser for sustainable growth,” continued Laxman.

In the 2020 annual report, Reckitt listed an 8.9% increase in net revenue to GBP14 billion, and stated: “We have taken advantage of some positive market developments across the breadth of the portfolio. For example, COVID-19 has presented significant opportunities for our disinfectant brands, resulting in strong growth; over this period, we have worked to take Dettol and Lysol into 70 new markets, and new category adjacencies over 2020 and 2021, including to service business customers, in particular the providers of accommodation, travel services, public spaces and events, workspaces and shared facilities.”



GUSTAVO BURGER

SVP Operations, EMEA, APAC & LATAM, Kraft Heinz

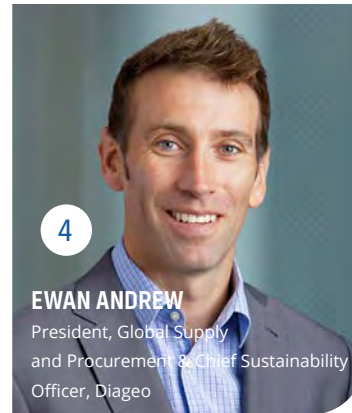
Gustavo has responsibility for end-to-end supply chain operations for the International Zone at Kraft Heinz, including Europe, Middle East and Africa, Asia-Pacific and Latin America. This results in a total headcount of 11,000 across 40 factories, 220 co-packers and 70 distribution centres, with responsibility for a spend of US\$3.6 billion and annual production of more than 2.6 million tonnes of food.

When asked about the main supply chain challenges he is facing, Gustavo told Supply Chain Movement: "From a supply chain standpoint, the FMCG industry is way behind other industries such as the automotive industry. The biggest challenge is how we migrate this volumetric, middle-mile business into a flexible last-mile solution (direct to consumer). We are very good at filling trucks,

but we need to develop more effective and efficient capabilities on delivering a single case of product or one bottle of ketchup. We are asking ourselves, how can we make the transition and, more importantly, where do we want to be? We need to bring flexibility into our complex network to create solutions for the future. But we also need to sustain the core, because that is what sustains this business – we can't lose our strength. It will be a staggered approach and it will never be a 100% transition to one single business model. The challenge is how to develop a platform for them to co-exist while being so different from each other."

"The result is that we believe we are the first food company which has outsourced its planning activity. This is the engine that connects the entire supply chain. It was a risk, but it is running very well in Europe. All 13 factories – including our Kitt Green factory in Wigan, UK, which is the largest food factory in Europe – are planned out of India. We are now implementing S&OP and network planning, and implementing scheduling right down the line. Now that we have the people and processes in place, we are starting to incorporate

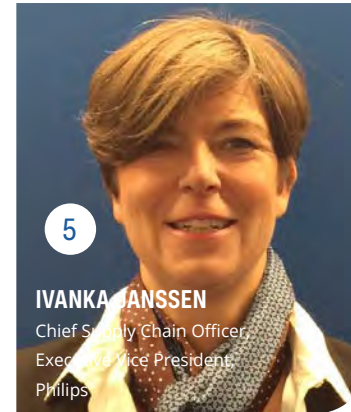
technology – robotics, artificial intelligence, machine learning – into the back of Planning in a controlled way. Eventually, from the moment that we have an input, everything will flow automatically in a touchless, self-learning organization. Then we'll move downstream onto automation and flexibility within manufacturing and coordinate this with Planning."



EWAN ANDREW

President, Global Supply and Procurement & Chief Sustainability Officer, Diageo

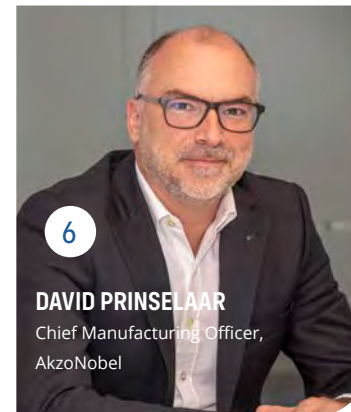
Ewan was appointed as President, Global Supply and Procurement & Chief Sustainability Officer in September 2019. Accountable for delivering supply excellence in Diageo North America (USA and Canada), he is responsible for the safe and efficient operations of the entire distillation, maturing product, bottling and packaging footprint.



IVANKA JANSSEN

Chief Supply Chain Officer, Executive Vice President, Philips

Ivanka is the highest-ranked female supply chain professional in this year's Top 28. As Chief Supply Chain Officer and Executive Vice President at Philips, she is responsible for all end-to-end supply chain activities for the company's health systems, medical devices and personal health products.

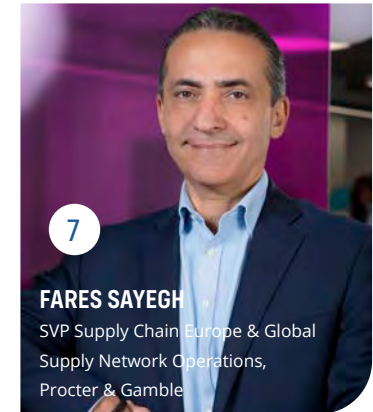


DAVID PRINSEELAAR

Chief Manufacturing Officer, AkzoNobel

David joined AkzoNobel in 2015, taking responsibility for the Performance Coatings operations. Since

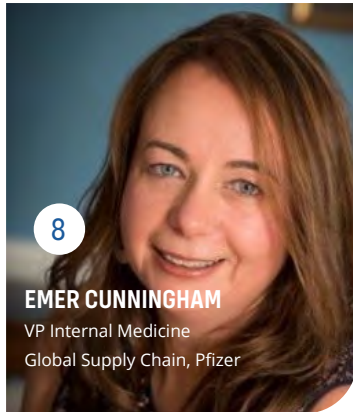
2018, he has been responsible for manufacturing, driving a transformational agenda in support of the company's vision to become the reference in paints and coatings. In 2019, David took over the role of Chief Supply Chain Officer and became part of AkzoNobel's Executive Committee. He was appointed as Chief Manufacturing Officer in March 2021.



FARES SAYEGH

SVP Supply Chain Europe & Global Supply Network Operations, Procter & Gamble

Lebanese-born **Fares** joined Procter & Gamble in 1988. Following various assignments in plant management, leadership roles in supply chain as well as a commercial assignment, he was appointed as Senior Vice President Supply Chain - Europe & Global Supply Network Operations in July 2020.

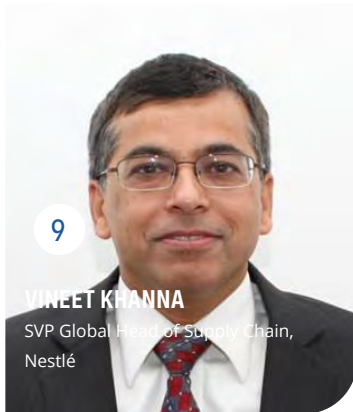


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EMER CUNNINGHAM

VP Internal Medicine
Global Supply Chain, Pfizer

Emer has over 20 years of experience in the pharma industry across manufacturing, engineering, operational excellence and supply chain. She has gained her experience in operational excellence through extensive involvement in value stream improvement of global products, project coaching, training delivery and support for lean transformation..



9

VINEET KHANNA

SVP Global Head of Supply Chain,
Nestlé

Vineet has been working at Nestlé for the past 18 years, holding various executive positions. Since September 2018 he has been SVP Global Supply Chain, based in Vevey, Switzerland. His current global responsibilities include demand & supply planning, logistics, customer service, supply chain technologies and sustainability in supply chain. .



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SILKE MAURER

Chief Operating Officer,
BSH

Silke joined the Board of Management at home appliance manufacturer BSH Hausgeräte GmbH on 1 March 2019. As Chief Operating Officer (COO), she is responsible for the areas of manufacturing, development and innovation as well as for corporate technology and global supply chain management. BSH is a Bosch Group company.

TOP 11-28



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MAGNE SETNES

Chief Supply Chain Officer,
Heineken



12

HARALD EMBERGER

Head of Supply Chain,
Beiersdorf



13

FRANCESCA GAMBONI

SVP Supply Chain,
Stellantis



14

REGIS SIMARD

President Pharmaceutical
Supply Chain,
GSK



15

SIKKO ZOER

VP Global Supply Chain,
Distribution and Logistics,
Medtronic



16

ISABELLE CONROT

Head of Global Logistics & Supply
Chain Operations,
Roche



17

PAUL CAMPBELL

SVP Supply Chain Europe,
PepsiCo



18

THOMAS PANZER

SVP - Head Supply Chain
Management Pharmaceuticals,
Bayer AG



19

PADRAIG HEALY

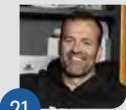
Vice President Supply Chain,
Nokia



20

STEPHAN GOTTHARDT

Senior Vice President Europe
Supply Chain,
Teva



21

MARTIN SHANKLAND

Executive Board Member,
Global Operations,
Adidas



22

FREDERIC BRUT

Head of Supply Chain EEMEA
& APAC,
MSD



23

PETER PUYPE

Global Head of Supply Chain,
Biogen



24

VOLKER SCHMITZ

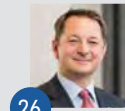
VP, Head of EMEA Supply Chain,
HP



25

RICHARD OOSTERHOFF

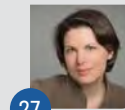
SVP DSM Operations &
Responsible Care,
Royal DSM



26

RALF BUSCHE

SVP European Site Logistics,
BASF



27

STÉPHANIE ROTT

Supply Chain and Manufacturing
Group Director,
LVMH



28

BRUCE EDWARDS

VP Supply Chain EMEA,
Kellogg Company

Hall of Fame



2018

MARC ENGEL

Chief Supply Chain Officer
Unilever



2019

CARSTEN RASMUSSEN

Chief Operations Officer
Lego



2020

DIRK HOLBACH

CSCO Laundry & Home Care
Corporate SVP
Henkelo

WYBE JAN BLEEKER, SUPPLY CHAIN LEAD, PICNIC

'Don't be afraid of doing things completely differently'

Picnic has significantly shaken things up in the Dutch food retail market in recent years. One of the key factors in this newcomer's growth has been the speed with which it can scale up its supply chain. Because things are running well downstream – the portion of the supply chain from the fulfilment centres to the customers – Supply Chain Lead Wybe Jan Bleeker is now mainly focusing on the back end. In this open-hearted interview, he reflects on the various phases in this start-up's evolution so far.

Interview by Martijn Lofvers and Oskar Verkamman (Inspired-Search), edited by Mirjam Hulsebos

Bleeker started his career as a consultant at what was then still known as Andersen Consulting. Just when he had decided that he wanted "a more hands-on role rather than just giving advice from the sidelines", he became involved in the merger between De Boer and Unigro. It was the perfect moment for him to make the switch from the consultancy side to the client side. After first integrating the front end of the two grocery businesses, he then integrated the back end: the distribution centres, logistics networks and the supply chain management software.

After completing that integration, he did a similar thing at Van Uden, a logistics service provider that had grown rapidly by making several acquisitions but was struggling to leverage sufficient efficiency gains from its larger size. He ended up being managing director of Van Uden for nine years, until he reached a point when he was hungry for a new challenge. "I took a sabbatical to think about my options and that's when I became involved with Picnic."

What attracted you to the start-up?

"The great thing about launching a new company is that you can start from scratch. We had a shared dream: providing free home deliveries of groceries every day within a 20-minute time slot. That's unbelievably difficult, because supermarkets work with three different temperature categories: frozen, chilled and ambient. Getting deliveries of products from all three categories to people's homes successfully is complex, especially when very short lead times are involved. Customer satisfaction is largely dictated by whether the delivery is complete and on time. It doesn't matter how great your web shop is or how cheap you are, if customers can't trust your indicated delivery times or are repeatedly confronted with missing items, they won't come back. The founders of Picnic have lots of e-commerce experience but they were less familiar with food retail logistics, so the fulfilment team were given a lot of freedom to design the set-up themselves from the start."

ABOUT WYBE JAN BLEEKER

Education and qualifications

1984-1989: Business Administration, University of Groningen
2015: INSEAD Executive Programme Supply Chain Management

Career

1990-1992: Commercial trainee at Cargill
1992-1997: Manager at Accenture
1999-2006: Site manager NDCs and regional manager (west) at Laurus
2006-2015: Managing director of Van Uden Logistics
2016-2016: Interim director at Westerman Logistics
2015-present: Picnic, Supply Chain Development

What's the key supply chain benefit of smart data management?

"Without a doubt, the biggest advantage is that we avoid perished products and out-of-stocks by making very good forecasts – and we're getting even better all the time. Our forecasts are at product level and fulfilment centre (FC) level rather than at customer level. Take bread, for example. It has a short shelf life and comes in many different shapes and sizes. As a result, this product group is the source of quite a lot of waste and out-of-stocks in most supermarkets. We tackle that by staying as agile as possible. At the end of every workday, we share our forecast for the next day with our bakery suppliers. We accept customer orders for the next day up until 10 p.m. We've agreed with the bakeries that we can adjust our definitive orders with them up until that time. As a result, the next day we receive precisely what our customers have ordered. In fact, we're now even moving towards ultra-fresh bread which is supplied to us three times a day. We do exactly the same thing with fresh produce, and in particular fresh-cut vegetables. At the end of each workday we make a forecast based on the orders that we've received up until then. We then fine-tune



Wybe Jan Bleeker: 'Customers can rate every delivery using the app, but needless to say you hear much more if you talk to them.'

that just after 10 p.m. when all the orders for next-day delivery are in. This approach means that our customers receive a much fresher product than they would when going to the greengrocer's or a different supermarket. And, as I said, we don't have any waste."

How does your supply chain look?

"In mid-March we will be opening our sixth FC in the Netherlands and our third in Germany. Besides the FCs, we have 50 hubs in the Netherlands and 20 in Germany. Today,

five years on, our FCs are running well. We know how we need to design the processes, we know which KPIs we need to use to measure whether processes are running effectively, we have a clear understanding of how the FCs and the hubs need to be aligned, and we've continuously developed the software to the extent that it's now more or less mature. My colleague Peter Renting joined us from Unilever and is responsible for all fulfilment operations within Picnic, while I'm now focusing on our DC operations. We found it necessary to open our first distribution centre (DC) last year and our second this year because our sales growth meant that we'd outgrown the Boni grocery chain, which initially supplied all our FCs. So we now have one DC of our own for chilled and ambient, plus a second DC for the longtail ambient. The leading suppliers of fresh items deliver directly to our FCs. To be honest, I see the DCs as a necessary evil – they are an extra step that I'd rather not have because they add extra costs that I'd prefer to avoid. We're stuck with them for now, however, because our suppliers aren't as agile as we'd like. So we need a DC to absorb fluctuations in demand. When our business was still small it was relatively easy for our suppliers to adapt if we increased an order at the last minute, but that's no longer possible now we operate on a much larger scale."

How are the FC processes set up?

"On average, a total of around 400 people work in each FC. The orders are largely picked manually; we still have a relatively low level of automation. So far we've preferred to work with manual processes because that enables us to open a new FC within 10 to 12 weeks. Having said that, we're working on designing our first fully mechanized FC which we expect to be able to handle five times as much volume as a manual FC. However, this takes time because although we intend to use existing mechanization systems, we want to control them using the software that we developed ourselves

– and that software aspect is time-consuming. By the way, there wasn't an existing solution that met our specific needs for loading the bags into the crates, so last year we worked together with a Dutch company to develop our own bagging machines.

We hold very little stock in the FCs. We have maximum one day's worth of stock of fresh products, and two to three days' worth of ambient products. Whenever we open a new FC, we limit the number of new customers we accept in the initial period and scale up gradually to give our employees time to settle in and get to grips with the processes. Our concept is easy to replicate in other countries; our FCs in Germany are pretty much a copy of the ones in the Netherlands. Thankfully, we don't need our own DC in Germany yet because there we work together with the country's biggest retailer: Edeka."

How does Picnic's culture differ from that of other companies?

One thing that's special about us is that we're never afraid to admit that we're on the wrong track and need to do things completely differently. We have the guts to throw existing structures overboard if we realize in hindsight that a different approach is more effective. We don't just soldier on out of a fear of change. We also take care to recruit people who are a good fit with our culture. The two most important criteria for us are entrepreneurship and not being afraid to take responsibility. For example, during job interviews it's not unusual for us to present candidates with a current challenge or even to ask them to participate in group discussions, because we don't believe that anyone should be allowed to hide behind the excuse of 'I don't work for you yet so therefore I don't know'. Once you've got a basic understanding of the situation, you should be able to form an opinion – and you shouldn't be afraid to express it."



Profile (excerpt)

ELLE DINGS, VP SUPPLY CHAIN, LUMILEDS

'Supply Chain runs the business'

Lumileds, a manufacturer of various types of lighting solutions, is active with two different types of technology in three different segments. Each segment has its own unique supply chain characteristics, but one thing they all have in common is a complex network. In the case of LED technology, the lengthy and uncertain production process further complicates the situation. Elle Dings, VP Supply Chain, is responsible for aligning supply and demand, despite the long lead times and unpredictability.

Interview by Martijn Lofvers and Edwin Tuyn (Inspired-Search), edited by Mirjam Hulsebos

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A couple of years after graduating with a Master in Engineering Management from TU/e in the Dutch city of Eindhoven, Dings joined Philips Lighting and received black belt training. As a consultant, she learned a lot thanks to seeing every facet of the supply chain and after a few years she became keen to shoulder operational responsibility herself. Her wish came true when she accepted a role in Malaysia to improve the supply chain maturity at one of the Philips Lumileds factories. "The lead times in the semiconductor industry call for exceptionally good planning. We developed our own tooling for that due to the lack of standard software that suited our processes," she says. Her achievements didn't go unnoticed. Around the time that Lumileds split off from Philips, in 2012, Dings got the opportunity to move to Silicon Valley and set up the entire S&OP process for the company's LED business units in San Jose. She subsequently became Director S&OP and headed up those processes for five years, until she eventually decided to return to the Netherlands for personal reasons.

As it happened, her boss decided to step down at around the same time. "He asked me to become VP Supply Chain for the whole of Lumileds, which meant taking on the lighting business in addition to the LED business. Since the majority of the factories for the conventional lighting products are in Europe, that was definitely doable from the Netherlands. To be honest, it doesn't really matter where I'm based because I have global responsibility, but Europe is handy with respect to the various time zones."

How would you describe Lumileds' market?

"We produce lighting solutions for several market segments. The first market segment is Specialty, which includes things like the flash on smartphone cameras. The second segment is Illumination, which is pretty much all generic LED lighting. Those products are the reason that Philips divested us – they are mainly standard products and there is intense competition, especially on price. We manufacture them ourselves but we also outsource some of our production to

Chinese companies. Our third segment is the Automotive business unit, which is split into LED lighting and conventional lighting, although that is shrinking all the time due to the shift from conventional lighting to LEDs for new cars. The aftersales market compensates for this decline."

And what about your supply chain?

"We supply mainly standard products in the illumination and conventional automotive markets, and customization in our other two markets. Even so, the supply chains are very different. In the specialty market we have dedicated production lines that can only make between five and ten different products. Our processes are very tightly integrated with those of our customers; we have full insight into our customers' forecasts. While we also offer customization for the automotive LEDs market, there is a lot more variation in terms of products and customers. In that case, a single LED production line is used for hundreds of different customers and thousands of different products."

ABOUT ELLE DINGS

Education and qualifications

1999-2002: Master of Engineering Management, TU/e

1995-1999: Bachelor, Fontys University

Career

2019-present: Vice President Supply Chain at Lumileds

2017-present: Senior Director Worldwide Supply Chain Planning LED at Lumileds

2012-2017: Director S&OP at Lumileds

2009-2012: Manager Supply Chain Excellence at Philips Lumileds Lighting

2005-2009: Six Sigma Black Belt consultant at Philips Lumileds Lighting

2004-2005: Supply Chain Consultant at Atos Consulting

2002-2004: Logistics Engineer at Océ Technologies

What falls within your scope of responsibility?

"My supply chain team is responsible for demand planning, S&OP, operational supply planning, factory planning, material planning, distribution, warehousing, and supply chain improvement projects and systems. So the factories aren't within my scope of responsibility but we do plan the loading at the factories. And it's the same for procurement; we don't do our own procurement, but we do dictate what needs to be purchased. Within our company, the general principle is that Supply Chain runs the business. In the past the factories themselves had a lot of autonomy to decide what they would produce, but that simply wouldn't work nowadays. The inventories would impact far too heavily on our cash flow."

What causes the uncertainty on the supply side?

"The production of LED lighting entails a lot of factors that prevent 100% constant output; that's inherent to our production process. Making a wafer is a chemical process, for

example, so there can be differences in the light produced by an LED. It doesn't matter how good your quality programmes are, you simply can't avoid that. It's just a factor that we have to deal with in the supply chain. We need optimization programmes for bin matching. The challenge is to translate the demand into the right number of bins for the various stages of your production process. Downtime has to be constantly monitored and production adjusted to minimize it. Another aspect I have to keep a close eye on is the long-term demand trend because the lead times for new machines are extremely long. If the demand increases, we can't scale up our production at the drop of a hat. But when is it the right time to invest in extra production capacity?"

How do you manage your organization's four supply chains?

"I've divided my team into four groups, one for each of our markets: Specialty, Illumination, Automotive LED and Automotive Conventional Lighting. The LED and conventional supply chains are so different from one another that they can hardly make any use of shared processes. In the case of the automotive market, we combine our logistics processes by merging the two segments.

At an organizational level, we work according to the same principles everywhere in the supply chain. And it's important to me that the four teams learn from one another, so we share best practices. Although those best practices can hardly ever be copied directly to a different market, they can often be adapted to fit."

What exactly are those shared supply chain principles?

"The most important one is that we're forever looking for ways to optimize. That's partly due to my background as a black belt, and due to my experience in far-reaching process

automation and the use of data to improve decision-making, of course. We use SAP/IBP for demand planning and the first part of S&OP. However, SAP is a standard tool. It's fine if there's a one-to-one relationship between your production process and the end product that you're starting up, but if there are one-to-many relationships at the end of your production process, then the SAP/IBP support doesn't go far enough. That's why we work with tooling that we've developed ourselves. It enables us to model and optimize our own processes just as we want. One of our goals from now on is to develop even better tooling for demand forecasting because our supply chains are increasingly demand-driven. Our company is traditionally very good at the operational aspect, but we need to become more agile when it comes to rapidly adapting to changing customer demand."

What's your role in the management team?

"As I already mentioned, Supply Chain runs the business at our company. Ultimately all of an organization's problems – whether they originate in Sales, Finance or Engineering – end up in the supply chain. I'm a big fan of collaboration. To be a good supply chain manager, you need to be able to see things from the other person's perspective. I work in very close partnership with Finance because the supply chain risks are financial ones, and likewise I have a very intensive relationship with Operations and Sales. There's a member of my team in all the factories' management teams (MTs). I generally only work with Engineering if there are any issues. If we are at risk of running into any problems, I immediately tell the relevant people. I find that if I explain clearly what kind of help I need, I get it because everyone in this company is aware of the importance of Supply Chain in relation to our customers. It's no longer necessary to put our discipline on the map."

Avoid 'Tokenism', Inclusion is leadership'

Over the last years diversity is one of the major topics in many organizations and in the supply chain executive search world. Generally, when people talk about diversity the mean gender diversity and a better balance between male and female professionals in the organization and often this appears to be a 'numbers game' and to initiate change this is a good start. The balance male and female professionals in the supply chain is changing although the change could and should be faster and it should be more divers.

When we talk about diversity, we should not only focus on gender diversity which is easy to measure but also on other forms of a diverse team like, cultural, ethnic descent, age, gender expression and human behavioral characteristics. Especially the last one is an important aspect for executive search as the dynamics in an executive team is an important success driver. A gender diverse team with identical behavioral characteristics reduces the value of potential success of the organization as there is limited dynamics.

As most organizations have a plan and objective for diversity although often limited to gender diversity, most plans do not talk about an inclusive organization and inclusive leadership. It appears to be a 'numbers game' to show all stakeholders that progress is made while the actual change might be limited. From that perspective, diversity is a management driver with clear KPI's which can be measured. Diversity becomes a 'tokenism', a practice of doing something (such as hiring a person who belongs to a minority group) only to prevent criticism and give the

appearance that people are being treated fairly.

To avoid 'tokenism', companies need to have an inclusive leadership and become an inclusive organization where there is a great sense of belonging. The Keys to Inclusive Leadership, as mentioned in a Harvard Business Review article are:

- 1) Visible commitment: articulate authentic commitment to diversity, challenge the status quo, hold others accountable, and make diversity and inclusion a personal priority.
- 2) Humility: be modest about capabilities, admit mistakes, and create the space for others to contribute.
- 3) Awareness of bias: show awareness of personal blind spots, as well as flaws in the system, and work hard to ensure a meritocracy.
- 4) Curiosity about others: demonstrate an open mindset and deep curiosity about others, listen without judgment, and seek with empathy to understand those around them.
- 5) Cultural intelligence: be attentive to others' cultures and adapt as required.
- 6) Effective collaboration: empower others, pay attention to diversity of thinking and psychological safety, and focus on team cohesion.

When leadership embraces these keys, they can work towards an inclusive organization with a sustainable environment with a great sense of belonging for all employees. A McKinsey report highlights five actions to strengthen inclusion:

- 1) Ensure the representation of diverse talent.
- 2) Strengthen leadership accountability and capabilities for

inclusion and diversity.

- 3) Enable equality of opportunity through fairness and transparency.
- 4) Promote openness and tackle microaggressions.
- 5) Foster belonging through unequivocal support for multivariate diversity.

Diversity is the representation of different people in an organization for which objectives and KPI's can be made and measurement. A managerial action.

Inclusion is ensuring that everyone has an equal opportunity to contribute to and influence every part and level of a workplace, and belonging is ensuring that everyone feels safe and can bring their full, unique selves to work. This not a managerial action but requires the right leadership also in the supply chain.

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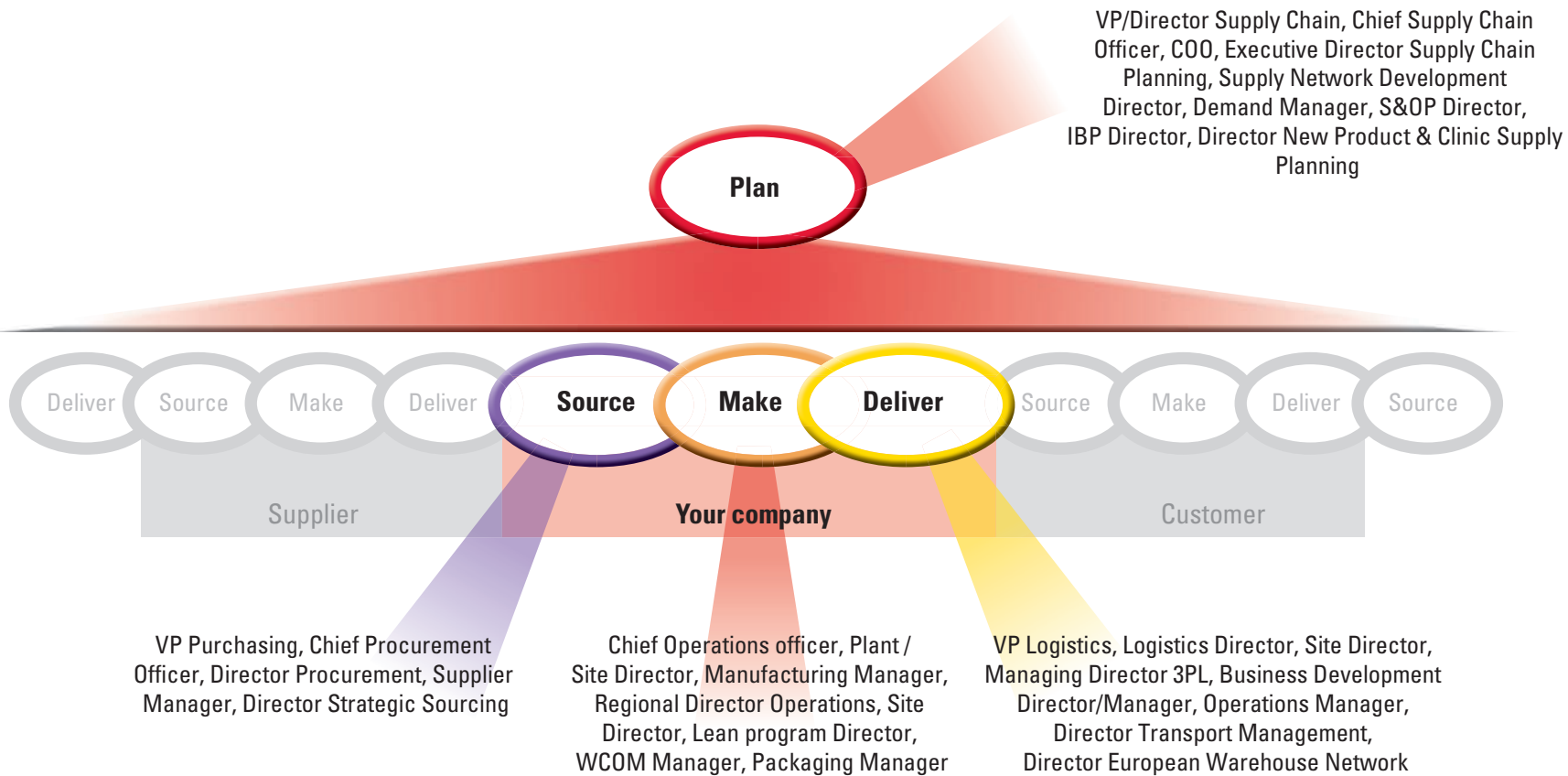
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INSPIRED-SEARCH IS ACTIVE IN EUROPE, ASIA AND BRAZIL FOR EXECUTIVE SEARCH AND SENIOR INTERIM ASSIGNMENTS.

Overview propositions

As Inspired-Search we are able to match professionals working within the Supply Chain Operations Reference Model (SCOR). Typical positions are:



A man and a woman are captured in a dynamic dance pose. They are both dressed in black suits. The woman is wearing a black hat and gold high-heeled shoes. They are standing on a grey sidewalk in front of a vibrant red wall and a dark, ornate door. The scene is lit with bright, natural light, creating strong shadows and highlights. The overall mood is one of passion and professionalism.

**Professionals
require passion**