



SPOTLIGHT / BEST PRACTICES

Talent Development: The Next Frontier for Supply Chain Differentiation



Company: Hewlett Packard

Program: Supply Chain Academy

Target: Mid-Level

WHY DOES THE HEWLETT-PACKARD COMPANY TAKE THE GROOMING OF ITS SUPPLY CHAIN TALENT SO SERIOUSLY? HP's Ray Ernenwein, Director of Strategic Planning & Modeling (SPaM), puts the issue into context:

“Companies that treat supply chain strictly as a source of cost reduction and efficiency and don't invest in the talent that sustains it are going to get the supply chain performance that they deserve: extremely lean, not particularly innovative and not positioned as a competitive advantage in the long run.”

For HP, an organization who's multi-year turnaround plan is, at its core, designed to better enable the company to get [“the right products and services to the right people at the right time.”](http://www8.hp.com/hpnext/posts/foundation-our-turnaround#.VO_vlCkbZ8Y) (http://www8.hp.com/hpnext/posts/foundation-our-turnaround#.VO_vlCkbZ8Y) according to CEO Meg Whitman, having a supply chain that is anything less than world class is not an option.

While HP has a number of programs to develop supply chain talent through the various stages of their career – such as “Supply Chain Experience,” for early career personnel and “Building Innovative Leaders,” for those in Senior Director/VP roles – it is the “Supply Chain Academy” program that was recently chosen as a semifinalist for the SCM World Power of the Profession award for [Supply Chain Talent Breakthrough](http://awards.scmworld.com/the-semi-finalists/). (<http://awards.scmworld.com/the-semi-finalists/>)

“Supply Chain Academy” focuses on talent development for mid-level supply chain employees – the population commonly cited among industry insiders as the most difficult to keep engaged. Ernenwein noted that retention among this group had become increasingly problematic for HP in recent years due to growing demand for supply chain talent among industries that had not previously placed such a premium on supply chain such as the oil and gas sector.

The six-month Supply Chain Academy program targets specific capabilities HP believes will be essential for successful supply chain leaders of the future, including greater global orientation; systemic thinking that is not only cross-functional, but cross-cultural; innovation and “future thinking;” risk analysis and assessment as well as higher level communications and collaboration skills. Program participants, representing functions including procurement, operations, logistics, manufacturing, supply chain engineering and process excellence, are culled from HP operations in the Americas, Asia Pacific and EMEA.

The Academy curriculum includes a mix of formal education and workshops, mentoring and access to internal and external thought leaders, but the most impactful component of the program, said Ernenwein, is the action-based learning piece. Academy participants are broken up into teams, each tasked with solving a real life HP supply chain problem. “These are not theoretical exercises, the projects represent important business challenges that need state-of-the-art solutions with a measurable business impact.”

For example, among the projects assigned to the Academy's first round of participants was developing a strategy for competing against local Desktop PC Brands in Russia and Turkey and optimizing the cost structure between HP's PC and printing businesses. When all was said and done, the teams' recommendations for changing/improving various processes, tools or procedures yielded several millions of dollars of cost savings for HP. And, at the same time, the 55 or so program participants came away with new ideas, better collaboration skills, broader perspective and confidence that they can share with their colleagues, thereby exponentially expanding the reach-and value-of the Academy program, Ernenwein concluded.