

Attracting & Retaining Demand Planning & Forecasting Talent

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A lot has changed

- Reporting structure of supply chain
- Appreciation of the financial impact supply chain offers
- CEO's crediting supply chain as a key enabler of performance & strategy in annual reports
- Growth of big box retailing & e-commerce have placed increased attention on the consumer shopping experience, shifting the balance of power from manufacturer to retailer.

How has the recession affected your business?

- Companies outsourced more (plants, DC's, etc) – and now we're seeing many instances of insourcing
- Retailers drove down inventories & cut SKU's only to return in some instances to their original
- Private label vs. branded wars

Current supply chain landscape

Priorities*

- Improve efficiency / productivity
- Reduce operating costs

Top barriers to achieving supply chain goals*

- Forecast accuracy / demand variability
- Supply chain network complexity
- Lack of internal cross-functional collaboration & visibility

* Source: Annual (2010) Gartner Supply Chain Study

How have recent market trends affected forecasting your business?

- Consumer buying shifts have turned traditional models upside down
 - The moment of truth has moved from the shelf to coupon clipping at the kitchen table (or on the laptop or i-Phone)
- Statistical models based on history are not keeping pace with the speed in consumer changes
 - Do we have enough models/algorithms?
 - Are they being proactively tuned? (if not automatically in the tool itself)
- Traditional trade and advertising spend are not delivering the same ROI's anymore
 - It used to be the Oprah effect. [Now, what role will social media play?](#)
- Retailers are changing their inventory patterns
- Suppliers may not be as dependable if cash strapped

How have recent market trends affected forecasting your business?

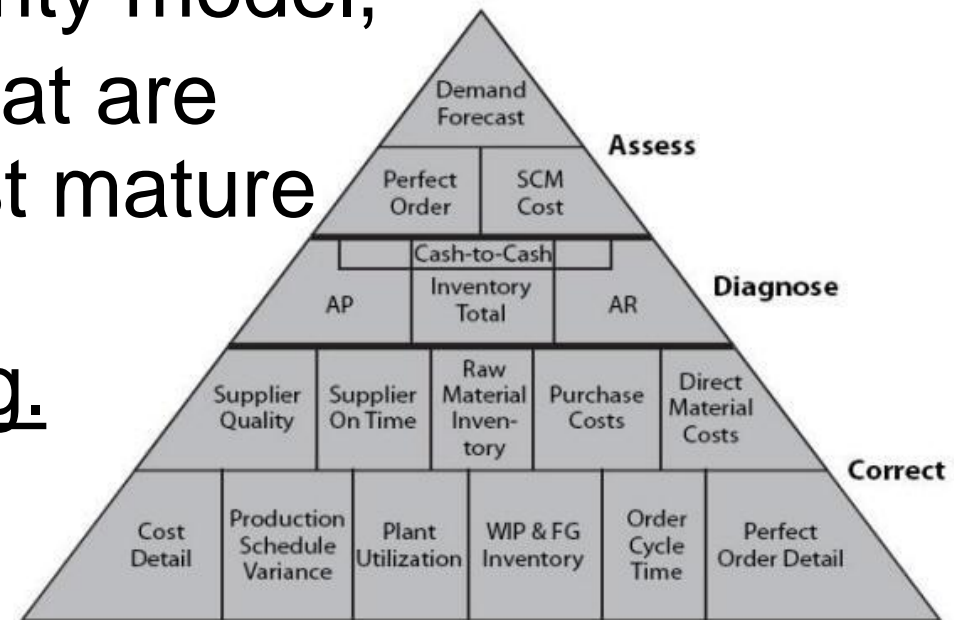
- Long lead time raw materials and fluctuating cost of commodities are becoming harder to predict
- Food & product safety concerns are changing consumer and customer behavior
- “Recession-proof” industries no longer seem so recession proof - and other industries are pleasantly surprising us
- Fuel costs – are they artificially low and will they drive more domestic collaboration?
- What have we learned – what about risks like a terrorist attack, Icelandic volcanoes, US inflation, oil spills, etc.

Forecasting is hot

- Executives want better information and cross functional groups are ready to “partner” again
- Lots of job stability
- Companies building processes from scratch
- Hearing about a lot of requests for software

Forecasting is hot

- Demand-driven supply network (DDSN) is now a known and understood topic. On the DDSN maturity model, those companies that are considered the most mature are those that have effective forecasting.

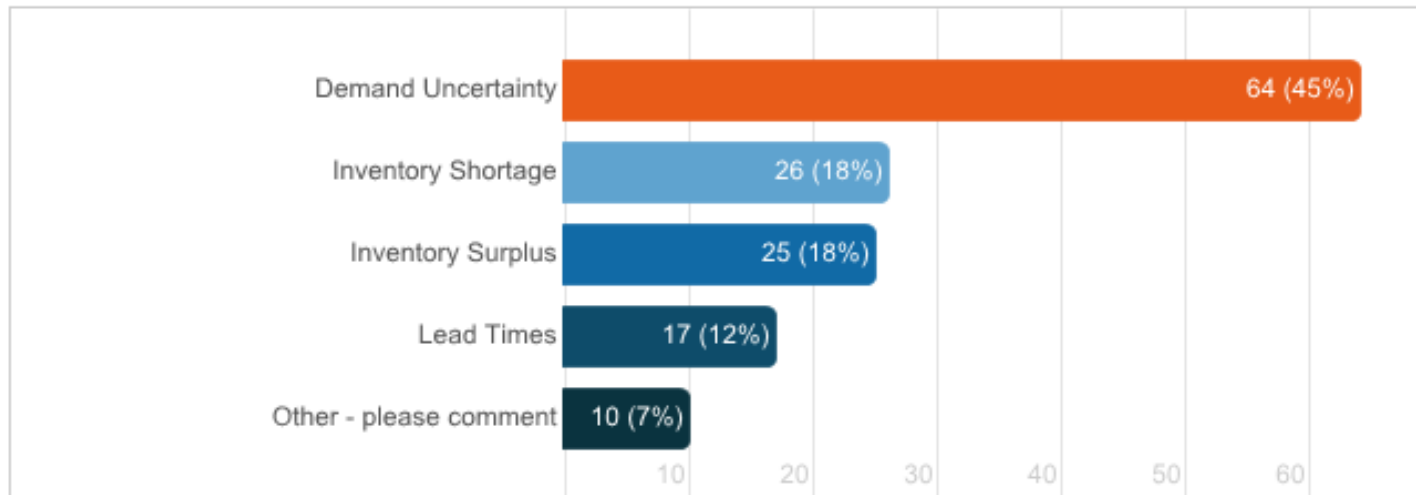


Source: AMR Benchmark Analytix, 2005

Forecasting is hot

With all the speculation about what holiday consumer spending will look like, what is your top supply chain holiday concern?

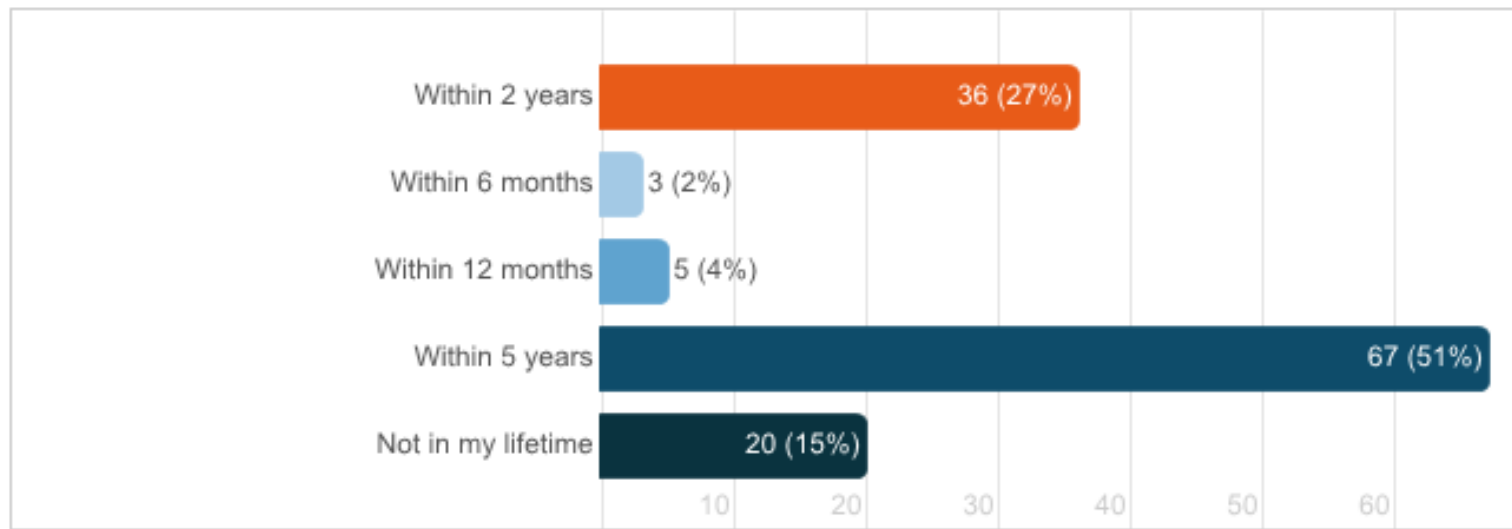
By [Jason Breault](#) Managing Director (Recruiter) at LifeWork Search (Formerly TopGrading Solutions) • 142 votes • 17 comments • Ended 02 Dec 2010



The job market is not

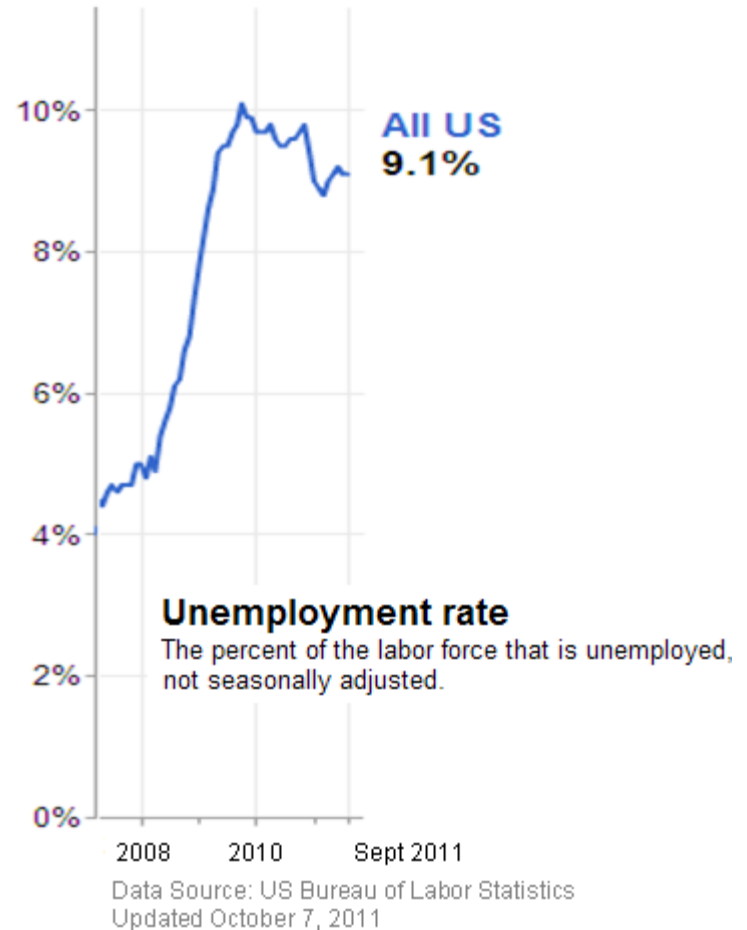
The unemployment rate has remained still at just under 10%. When do you predict it will reach the “normal” rate of 6%?

By [Jason Breault](#) Managing Director (Recruiter) at LifeWork Search (Formerly TopGrading Solutions) • 131 votes • 13 comments • Ended 11 Feb 2011



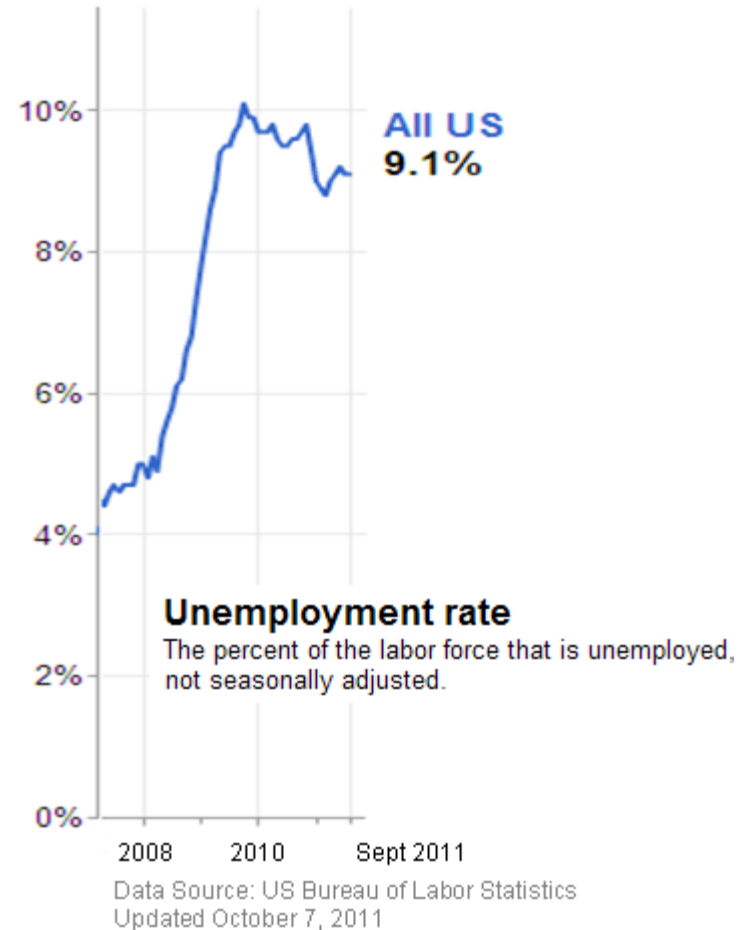
Misperceptions

It will be easier to find good demand planners because unemployment isn't budging!



What the Data Doesn't Tell You?

- Where was unemployment at **4.2%** in Sept. 2011?
- Where were **1 million** jobs added in 2011?



Media won't talk about this

Amid one of the deepest recessions ever to hit the US and with unemployment approaching 10%...supply chain leaders are citing talent recruitment and retention as one of their top concerns in 2010 and beyond.

– *MIT, Fall 2010*

Why is hiring, on-boarding and career-pathing of demand planners so important?

- Strong Demand Planners are hard to find and increasingly difficult to retain
- Demand Planning skills required are changing
- Managing 4 generations can become workplace warfare
- Smart companies are hanging on and valuing these skills or making counter offers (14-28 day counter)



Forecasting talent shortfall

Technology sophistication has increased, and the pressure to reduce supply chain costs and working capital has increased, yet there is an overall shortfall in demand planning skills and talent!

- Is the profession growing or the skill set shrinking?
- How does geography play a role?
- Does technology help or hinder the experience level of a demand planner?
 - Are companies investing in technology or holding back but expecting more from individuals?

Current State of demand planning organizations

- The organizational capabilities, the processes, and the tools are at varying levels of sophistication in companies
 - Applies to retailers and manufacturers
- More is being expected of demand planners, and the supply chain in general, as the economy has put significant pressure on business results

Skills required to be an effective demand planner

- Analytical Skills
- Dealing with Ambiguity
- Communication Skills
- Interpersonal Savvy
 - Ability to build cross functional relationships & influence a variety of disciplines
- Command skills
 - Can encourage direct and tough debate
- Technological Savvy & Systems Aptitude

Often strong analytical skills, communication or command skills, and dealing with ambiguity are hard to find combinations in the same person

Skills required to be an effective demand planner

- Ability to forecast outside the US as the middle class grows in places like India, China, etc.
- Operational- and innovation excellence.
- S&OP experience
- Education:
 - study showed it was more important for someone to be able to demonstrate problem-solving skills than supply chain technology skills.
 - Same study showed too much technology knowledge and not enough problem solving.
- “Learning agility”: person’s ability to learn from past experiences and apply these lessons in new, ill-defined situations”.

Challenge in finding these skills

- Analytical skills are required by more than just demand planning
- Many candidates see demand planning as merely a stepping stone.
- University programs geared more towards logistics, transportation, operations.

Challenge in finding these skills

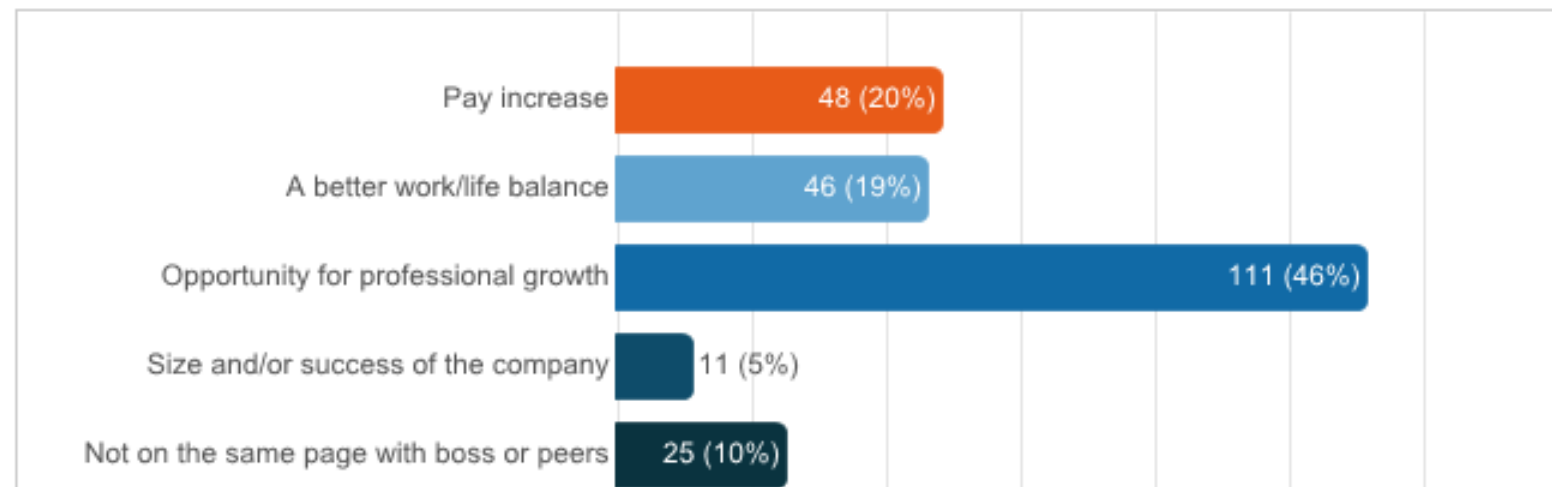
- Companies have no bench strength.
- 10,000 baby boomers become retirement eligible daily. As a result, going to see increased interest in contract staffing the next few years.
- White collar unemployment declining
- 12M of 14M unemployed don't have degrees.
- 75% of HR teams are having trouble finding candidates. HR is also overworked and underappreciated.*

* MRINetwork

But candidates will move

Even if you're currently not looking for a new job, what's the #1 reason you would consider making a change?

By Jason Breault Managing Director (Recruiter) at LifeWork Search (Formerly TopGrading Solutions) • 241 votes • 15 comments • Ended 25 Oct 2010



What excites people about a career in demand planning?

- Exposure to and ability to present to a wide variety of cross functional leaders
- Exposure to the growth engines of the business
- Exposure to the supply chain
- A good demand planner can
 - Make a significant impact to predictability of revenue generation for new and existing prod's
 - Make a significant impact to a Business P&L
 - Make a significant impact to the Balance Sheet

You're always going to be wrong – the objective is to be less wrong and course correct quickly

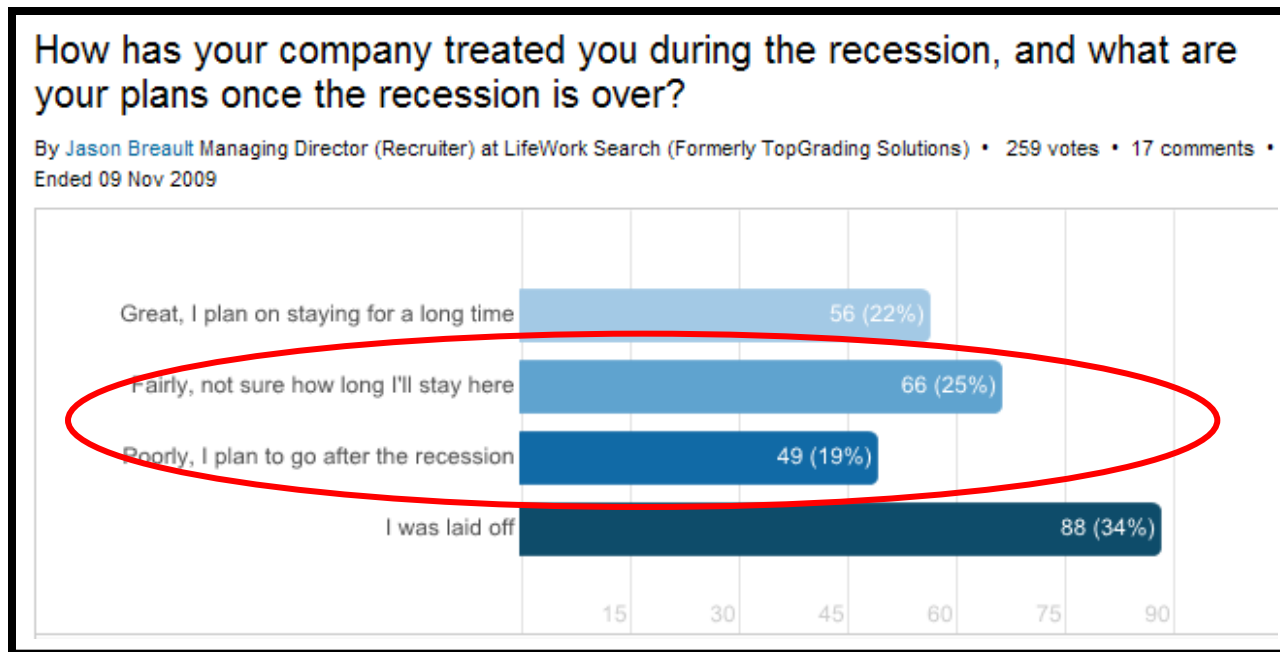
What's causing turnover & retention issues?

Much of demand planner burn-out comes from:

- The large amount of data manipulation using excel spreadsheets
- Lack of effective report generation tools
 - DP's are often the ones asked to generate reports to Mkt'g/Merchandising
- Lack of common processes & technologies
- Lack of senior leadership support for S&OP
- Perception that companies do not value the importance of improved forecasting

Retention nightmare

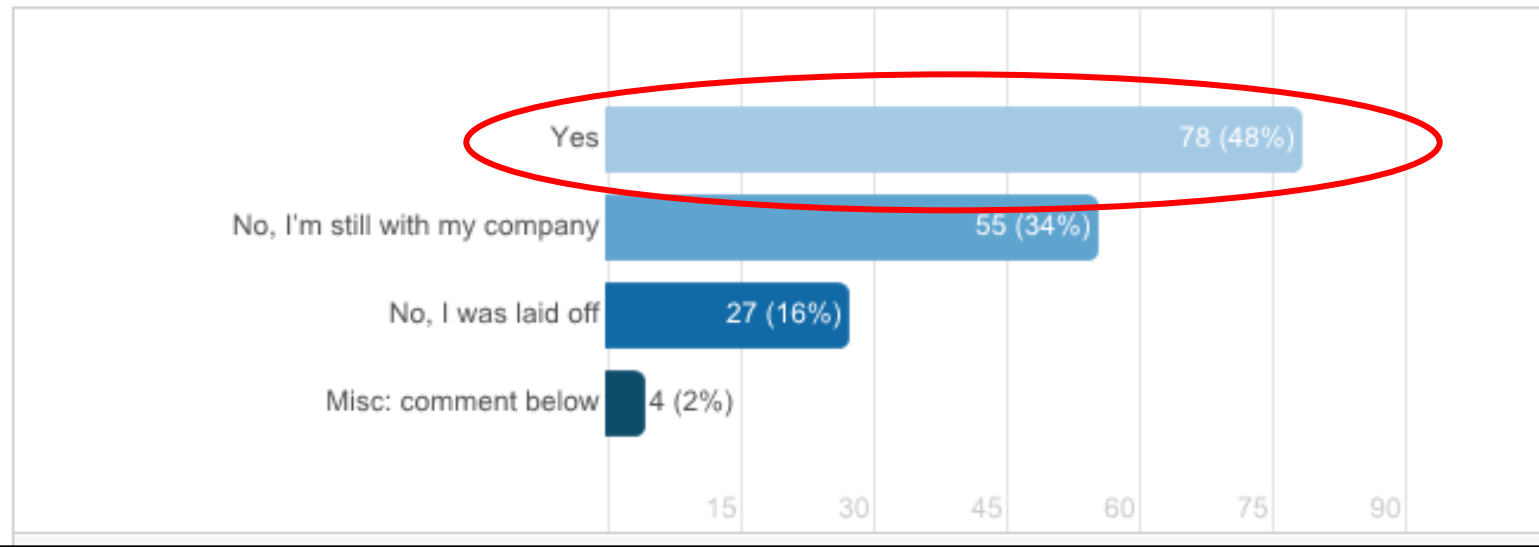
- Many companies cut too deep, affecting employees' perceptions of the company



19 Months Later

If you are, or were employed over the past 6 months, have you voluntarily left your role for one at a different company?

By Jason Breault Managing Director (Recruiter) at LifeWork Search (Formerly TopGrading Solutions) • 164 votes • 16 comments • Ended 22 Jul 2011



How to keep people in demand planning longer

Companies are going to have to visibly communicate the value of the roles within their organizations:

- Demonstrate that the role is on par with or even more significant than marketers, sales, merchandisers
- Ensure a culture that encourages debate around difficult topics
- Have a tiered structure & career path to aspire to and also a way into other parts of the organization:
 - Create manager levels beneath the Directors for growth and people mng't experience
 - Future roles can be in supply chain, marketing, sales
- Create incentives around business performance
- Invest in training, education and certification to build the skills

How to keep people in demand planning longer

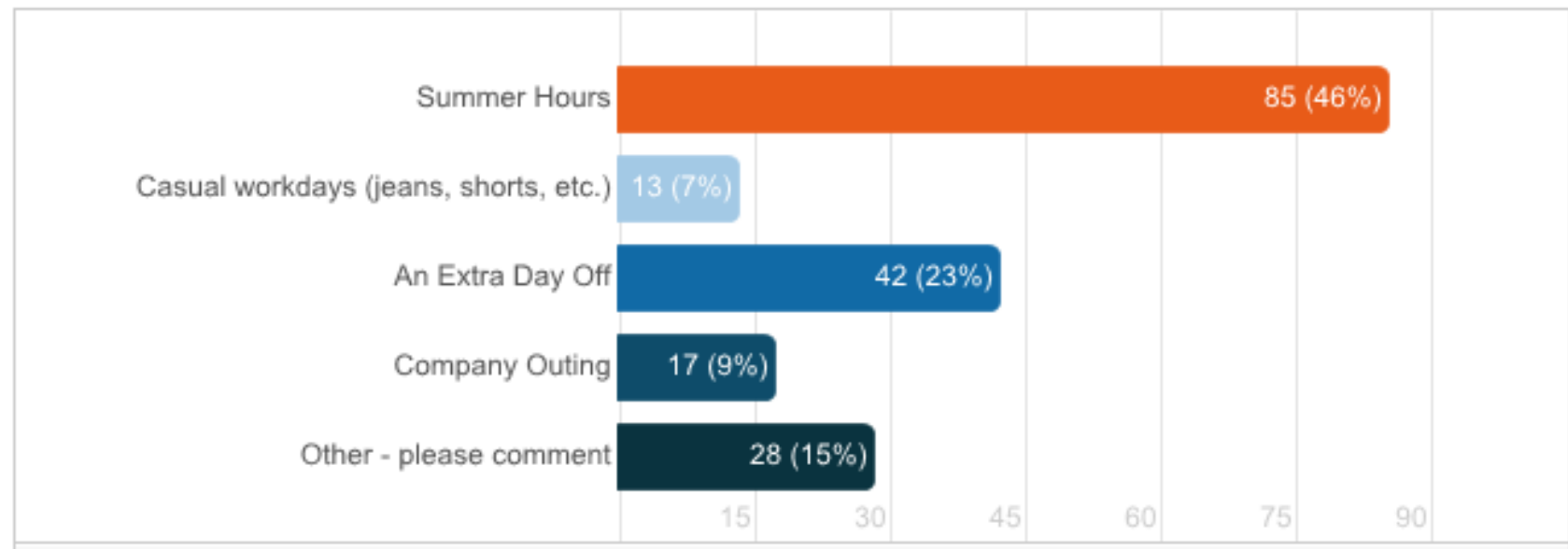
A little recognition as to how important you are to the financial success of your company goes a long way towards job satisfaction!



How to keep people in demand planning longer

What non-monetary benefit could your company offer that would make you enjoy your role (and company) more?

By Jason Breault Managing Director (Recruiter) at LifeWork Search (Formerly TopGrading Solutions) • 185 votes • 19 comments • Ended 04 May 2011



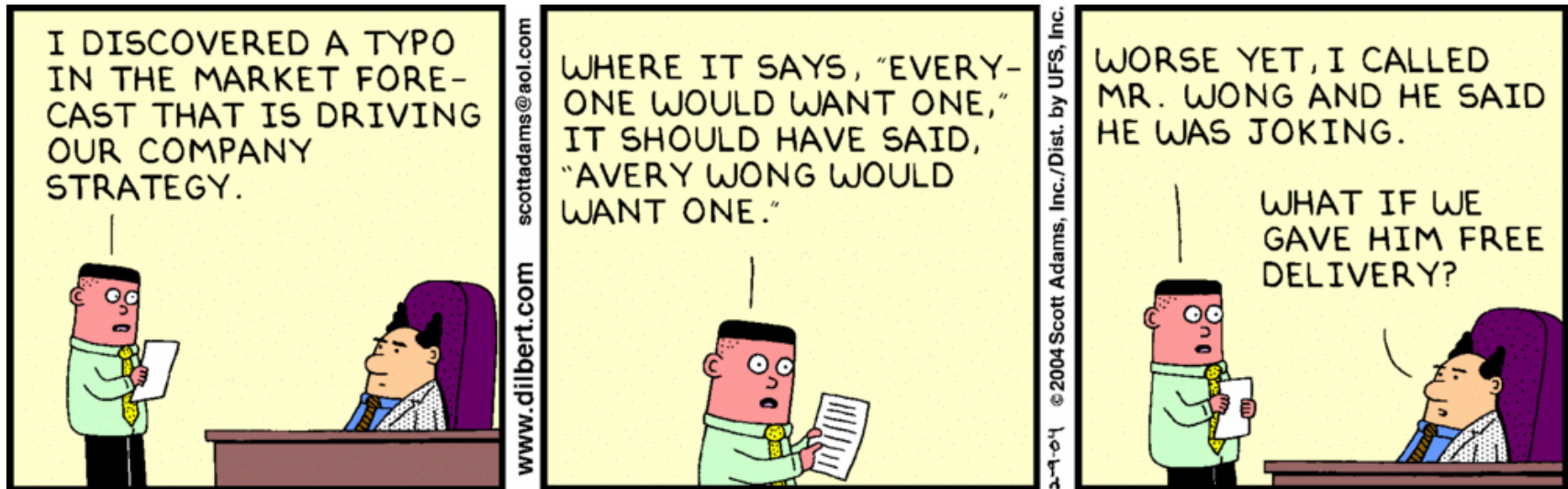
What are you doing to ensure the team grows and gains the skills of the DP of the future?

- Training & Education
 - Individual capabilities
 - Building business skills so a DP can relate to various functions
 - Program to build management competencies
 - Process
 - Training on 6 Sigma
 - Continuous Improvement Skills Training
 - Exposure to forecasting process improvements externally
 - Technology
 - Investment in training on the current and future tool
- Succession pipeline from other parts of the organization

How are you ensuring a constant flow of talent into your organization?

- Alma maters
- Industry associations
 - IBF, APICS, CSCMP
- Formal partnerships with Colleges, Universities
 - Intern pool at specific colleges & universities
- 6 Sigma Organizations
- Networking & visibility at Supply Chain events
- Consultants
- Social Networking
- Going with the flow or standing out?
- What type of manager are you?

Questions



Contact Information

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