

# SUPPLY CHAIN [SC] CERTIFICATION

## STRATEGIC LEADERSHIP IN THE 21ST CENTURY

25 YEARS  
OF THE  
P.LOG

Not  
for  
Profit

The  
Logistics  
Institute

"Think of supply chain logistics as nothing less than the re-engineering of the entire economy -- one convoluted chain at a time. Once you start re-conceptualizing your company as a collection of business processes, it becomes dauntingly clear that those processes extend beyond the portals of any one building, the boundaries of any one corporation, and the borders of any one country..."

FORTUNE, NOVEMBER 28, 1994

We are entrenched in the 21st Century and we face fundamental realities never envisioned before:

- Uncertainty is normative and context is everything.
- Complexity is multi-dimensional: personal, contextual, interpersonal.
- We must learn to listen to our guts and act intuitively.
- The market demand is to be strategic in delivering value to customers.

Global Supply Chains are a quagmire of diverging forces pulling companies and professionals in multiple directions. We design, we structure, we deploy, we plan – risk is inherent in every step of the process.

Going global, distances increase exponentially, time expands in parallel, and the number of relationships along the supply line adds degrees of complexity beyond just the usual process issues: where do I source? Who are my suppliers? Who are their suppliers? How much do I need? When will it arrive? Where do I locate it? How do I distribute it? What are my process success metrics? What are my customer satisfaction metrics?

We rely on process logistics and create robust supply chains to achieve efficiencies through lean and just in time strategies, but then we are hit by a tsunami, the meltdown of a nuclear reactor, a fire. We compensate by creating responsive supply chains to be agile in dealing with constant “what if” disruptions, but end up with inventory redundancies, safety stock, and multiple deployment nodes.

The more connected our supply chains are, the farther they stretch around the globe, the more vulnerable they are to risk. But even risk has been redefined: market and finance fluctuations are normal business and competitive risks we can plan for. Disruptions, both human-made like war and natural like arctic inversions, require timely action, but cannot be planned for except in “retrospect” in the form of recovery plans.

The 21st Century supply chain logistics professional must develop robust decision-making competencies to engage in globally competitive business eco-systems. Value is redefined, forcing us to

- Shift from linear thinking about supply chains and logistics [process flows from supplier to end user customer] to focusing on complex, dynamic and connected value webs;
- Shift from value based on the production of goods and services to value based on knowledge exchange that drives pro-active production of goods and services; and
- Shift from transactions as the primary business goal to creating knowledge-sharing networks as the primary business goal, based on the insights gained from big data and predictive analytics.

# 21ST CENTURY SUPPLY CHAINS ARE RESILIENT, NOT JUST ROBUST.

Drivers of complexity are multiple and multi-faceted: dynamic government regulations [domestic, foreign, international, trans-national]; a higher number of trading partners [off-shore, near-shore, on-shore; direct, indirect, intermediated]; increased information requirements [documentation, online, transmitted, processed]; different currencies, languages, time zones; extended lead times; and geographically dispersed supplier and customer bases.

In an international operation, logisticians may deal with as many as 100 suppliers located in different parts of the world. They may need to engage 50 forwarders, 20 foreign inland carriers, 20 export agencies, 20 ports of loading/export and 5 line-haul ocean carriers. Products might arrive in 5 different domestic ports, where they have to deal with the national customs agency, working with a national customs broker. To get products from 5 ports of entry to 5 different final destinations, they will need 5 inland carriers and at least one insurance company/broker.

This global network involves 203 players. In effect the logistician would manage 500 different supply chains. Yet, logisticians must also balance value, velocity, variability, visibility, vulnerability and verdancy ["green planning"] at the strategic level.

As 20th century supply chain logistics professionals, we have mastered the robust supply chain strategy, where lean thinking is central, governed by internal quality controls, marked by efficient processes and the ability to respond to reasonable variations in input, while being focused on managing velocity, reducing variability, and eliminating non-value added activities and safety stocks.

However, as 21st century supply chain logistics professionals, we need to implement a resilient supply chain strategy, where risk management is central, with a need to develop a culture of both risk and quality, focused on both internal and external factors, capable of a sustained response to sudden and significant shifts in input, with the capacity to accelerate and decelerate the supply chain as needed, using both lean and agile processes that are scalable, adaptable and effective in the face of constant challenge, change and opportunity.

Complications arise when we fail to recognize the inherent complexity of the businesses we engage in. There are no simple solutions. There are many options and different strategies to be implemented, depending on the situation. Whatever the plan, reality is unpredictable. Being prepared for the "what if" is about being resilient. Our strength is in our ability to recover from the impact of risks and discover new opportunities to succeed.

# THE LEADERSHIP IMPERATIVE: 21ST CENTURY SUPPLY CHAIN [SC] PROFESSIONALISM

In the face of these complexities, the Logistics Institute has the mandate to foster business, trade and economic developments between and among supply chain logistics professionals to sustain global trade built on an even playing field, led by competent and ethical certified professionals, based on the fundamental conviction that global trade can only be sustained at the human level by practitioners and professionals who are capable of building trust.

To fulfill its obligations to Canadian and international communities of supply chain logistics professionals, the Logistics Institute has created a series of Supply Chain [SC] certification programs. Earning the P.Log [professional logistician] designation is the beginning of a journey for the logistics labor market worldwide. Where the focus of the P.Log is on leadership as its value-add differentiator, the “backfill” to more functional areas is the LS [logistics specialist] certification program, where problem solving on the frontline is the key differentiator.

The SC [supply chain] programs are opportunities to move the logistics professional community into the 21st century by focusing on emerging issues faced by supply chain logistics professionals as global business becomes more complex because of Big Data, Predictive Analytics, increased security requirements, and global management needs.

Business has gone from IT connectivity [information processing] and globalization [trade] to the Internet of Everything [mediated community experience] with exponential increases in risk. The value proposition of the various SC certifications is to develop resilience competencies. Resilience is the Leadership Imperative of the 21st century.

**POLICY BACKGROUND:** Recognizing the inherent complexity of the 21st century, the Logistics Institute developed each SC program in partnership with professionals who honed their expertise through experience and practice. To earn a SC [Supply Chain] designation, one must meet the certification requirements determined by the Logistics Institute and validated by its Professional Review Board.

Content of each program is 3rd party sourced, but the alignment of content leading to SC certification belongs to the Logistics Institute. The Logistics Institute is responsible for and owns the certification program and its designation, which is how someone earns a particular designation. The Logistics Institute does not own the content in each program, which involves the competencies needed in the specialized areas of expertise. The Logistics Institute’s IP is the certification program leading to a specific professional designation, while 3rd Parties’ IP is the content delivered through the certification program.

The SC designations, whatever the area of expertise, belong to the Logistics Institute as trademarked assets. The Institute’s Professional Review Board is the gateway leading from the competency-based learning process to the certification outcome. SC professionals are members of the Logistics Institute.

# SUPPLY CHAIN - SC SERIES

The Supply Chain SC Series involves a series of professional designations in specialized areas focused on 21st century supply chain issues.

Earning the SC designation entails successful completion of modules, workshops, and webinars on different topics in each specialized area, which are delivered in blended formats integrating communications, online and social media platforms.

All programs are designed to meet the certification requirements set by the Professional Review Board of the Logistics Institute.

## SUPPLY CHAIN SERIES DESIGNATION PROGRAMS

SUPPLY CHAIN	DESIGNATION	LAUNCH DATE
Supplier Relationship Management	SC-SRM	Dec 2019
Risk & Resilience	SC-R	Mar 2020
International Project Management	SC-IPM	July 2020
Effective Negotiation Skills	SC-N	Dec 2020

Starting in 2020, the following new SC designation programs are being developed:

Food Safety and Security: Track and Trace	SC-FS
Humanitarian Logistics	SC-HL
Global Trade Management	SC-GTM