

Closer to the customer: How good leaders make supply chains work better

Effective supply chains need hands-on leaders to make them work best. Yet, the closer one gets to the customer, the more employees are required to exhibit leadership qualities to ensure that goods and services are delivered according to customer expectations.

"This is particularly true for the hospitality industry, which is unique in that the supplier of the service is face-to-face with the customer 24/7 and 365 days a year," says Deon Viljoen, Operations Director of Southern Sun Resorts for the Tsogo Sun Group.

"Although good leaders are needed for their strategic planning and management abilities, they can't be everywhere at once, so it's down to the waiters, chambermaids and other frontline staff to ensure that the supply chain keeps turning out the best possible service, no matter what's thrown at it," he says, referring to a key aspect of his presentation at this year's SAPICS 2014* conference on *Resilient Supply Chains* (1-3 June 2014 at Sun City.)

Closer to the customer

The hospitality supply chain is unlike many others in that customer feedback is instant and specific – something that many companies would be only too glad to say is true of their own supply chains.

This requires leaders to have the foresight to empower each staff member– including outsourced security staff – to engage with customers in a manner that meets their needs and best represents the hotel. "Also, leaders must train employees to be sensitive to any developments that may impact service delivery and to report these immediately. Listening to customers and responding fast is the key to an effective hotel supply chain."

Responsiveness

According to Viljoen, responsiveness to external factors is also critical when determining the price at which each hotel room is sold. "Determining the best available rate on a daily basis directly impacts just how busy the hotel will be, and therefore, what the demand on the supply chain will be," he says. "This is where computerised pricing models come into play, taking into account a variety of factors such as trends, market demand and special events. Yet, this is no substitute for a hotel manager who's hands-on and knows his customer well."

Planning & Supply Chain Resilience

A well-structured hotel supply chain needs good plans in place to respond to anything from a sudden increase in demand to poor weather, electricity cuts, water and food shortages.

"This is particularly important in the hospitality business because although we're not an essential service, we are a 24/7 service so there's no room for problems when it comes to utilities like water, waste, electricity, as well as ensuring access to the property."

In terms of ensuring supply chain resilience, measures hotels may typically take include installing back-up generators with enough fuel, several days' worth of water stored up and ensuring alternative access routes to the hotel in case one way is blocked.

It also takes a leader with foresight, a global view of the business and sufficient experience to anticipate whether, for example, storerooms or fridge capacity need to increase or additional staff members need to be hired as demand grows.

These are considerations that, if left unmanaged, can cause disruptions in the supply chain and a loss of business – so it's difficult to overstate the role of the leader in this. "After all, the supply chain is only as good as the leader who manages the systems," Viljoen concludes.

For more information on the 36th Annual SAPICS Conference & Exhibition, being held at Sun City from 1 to 3 June 2014, please visit www.sapics.org.za <<http://www.sapics.org.za/>> .

To find out more about supply chain leadership skills, catch Deon Viljoen at SAPICS 2014*.

The presentation by Deon Viljoen (Tsogo Sun) at SAPICS 2014 is entitled: The Tools of the Trade…any Trade. Drawing from his varied leadership experiences in the hospitality industry throughout his career, Deon presents a toolbox of metaphors, illustrations and stories to equip supply chain practitioners with practical leadership skills and ideas. These he calls his Tools of the Trade...any Trade!

***SAPICS Conference and Exhibition 2014 – Resilient Supply Chains – 1-3 June 2014, Sun City. For more info and to book, visit www.sapics.org.**

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