

# Featured Interview



## IMPROVING THE SUPPLY CHAIN INFRASTRUCTURE WILL CREATE A FASTER, MORE COST-EFFECTIVE LOGISTICS CORRIDOR ACROSS GEORGIA



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*Ned Glattly has over 20 years of professional experience in operations and supply chain transformation. At Deloitte, he leads global supply chain strategy and lifecycle management initiatives in Healthcare and Life Sciences, Aerospace and Defense, Retail and Consumer Industries, Industrial, Telecommunications, and Government, focused on operational strategy development, sourcing and outsourcing, operations improvement, cost management, business case development, performance based logistics, program management, and training. As an advisor to senior executives and operations leadership in support of supply chain and operations transformation initiatives in industry and government, Mr. Glattly facilitates and guides the development of strategies for transforming operations in supply chain and lifecycle management. He develops and implements results-driven approaches and training programs for implementing organizational change and adoption of new business strategies, practices, and processes, and implements enterprise metrics, performance management processes, and benchmarking to facilitate goal-setting and continuous performance improvement.*

*Mr. Glattly is certified as a Supply Chain Operations Reference (SCOR) Model Instructor with the Supply Chain Council and SCOR-P (Professional).*

*How would you describe supply chain capabilities in general? What role can it play in increasing the competitiveness of different sectors?*

Supply Chain “capabilities” encompass the business processes, practices, skills, and performance metrics that characterize the planning, sourcing, manufacturing, repairing, distribution, and transportation activities within a

company or organization. High-performing companies and organizations have learned that their supply chain is much more than just “logistics” or back-office operations. Rather, they recognize that their supply chain is a competitive differentiator, and a fundamental contributor to drive efficiency, and also to grow top-line revenue, strengthen customer

loyalty, and manage risk. These same high-performing organizations have also learned that the best supply chain performance is achieved not only through better integration of internal business processes, but more importantly, through tighter integration and collaboration with both upstream suppliers and downstream customers.

Proactive management of supply chain performance can play an instrumental role in increasing the competitiveness across all business sectors. By measuring the performance outcomes of business processes, while also examining the maturity of supply chain capabilities enabling these processes, organizations can baseline their performance, quickly evaluate gaps, and proactively target the specific practices, skills, or other tools they must deploy to close their performance gaps. The result will be enhanced profitability – by lowering cost, risk, and required investment in assets – and also long-term growth through improved speed, reliability, and flexibility in meeting their customer’s needs.

*How can an improvement of supply chain capabilities further increase the competitiveness of the Caucasus Transit Corridor?*

Improving supply chain capabilities in Georgia can have substantial benefits in several ways. First, Georgian companies should look internally within their own operations and identify the measurable deficiencies in supply chain performance and the specific and actionable improvements they must make to be locally competitive. Further, Georgian companies and transport providers should seek opportunities to enhance collaboration and build partnerships to improve overall performance. Finally, improving the supply chain infrastructure in Georgia will not only create a faster, more cost-effective logistics corridor across Georgia and the Caucasus region, but will also provide a better foundation for all companies doing business in Georgia to “build upon” – resulting in increased opportunities in broader markets and lower overall costs.

*What are key challenges for Georgia in this regard?*

Improving supply chain capabilities presents significant challenges for Georgia. At the most foundational level, Georgian companies have to address supply chain skill development and proactively expose their logistics workforce to training and educational resources focused on leading supply chain practices, enablers, and methodologies. While academic institutions can play a big part in this, Georgian companies will need to look to internal training and development resources as well as professional associations to address this development requirement. Further, Georgian companies need to gain more available access to supply chain analytic tools, benchmarks, and methodologies, and support in how to apply them. Pilot projects that demonstrate early wins and showcase the value of improving supply chain capabilities can help in addressing potential resistance to change. Ultimately, improving the logistics infrastructure within Georgia and the broader Caucasus Transit Corridor will be critical to overall competitiveness, not just through the corridor, but also with every company doing business within Georgia.

Currently, Georgian companies and local logistics providers are significant “providers” of this infrastructure, and their collective performance determines the overall performance – cost and time – and competitiveness in the region. Thus, this is an ideal place to focus in the near term.

*How can the Supply Chain Council be a part of the solution to improve existing supply chain capabilities for businesses?*

The Supply Chain Council can play a significant role in helping Georgian companies and logistics providers address some of these near-term challenges. While the Council itself or formation of a local Chapter in Georgia won’t by itself tackle many of the significant infrastructure challenges and investment requirements that will ultimately be needed, it can play a big role in helping develop the supply chain and logistics workforce in Georgia, and provide access to the tools, benchmarks and methods that they will need to improve their respective supply chains. Not only will Council membership provide valuable analytic resources to Georgian companies, but a local Chapter can help align and “connect” the broader community of manufacturers, wholesalers, retailers, transporters, educational institutions, and government agencies to focus together on the most urgent priorities.

More importantly, a local Chapter will provide a valuable networking and “collaboration” opportunity. “Supply chains” are not just company-specific, but also define the collaborative relationships between a company and its suppliers and customers. This collaboration is critical to achieving competitive performance. Networking within a local Georgian Chapter can enhance awareness and opportunities to collaborate within the region, including developing relationships with potential suppliers and customers, but also in identifying opportunities for partnerships or outsourcing of select business processes (e.g. warehousing and distribution) to improve overall competitiveness. More broadly, involvement in broader Council activities can tie Georgian companies into best practices, case studies, and broader professional relationships on a global basis.