

Bill's Building Blocks

Trust Makes the World Go Round

The word went out that beginning 11am on Sunday eligible folks could schedule their Covid-19 vaccinations on the State of New Jersey Covid-19 website, covid19.nj.gov. During the first few hours the demand overwhelmed the website resulting in browser timeout errors. In the late afternoon I finally connected with the Union County-Kean University scheduler showing less than ten appointments left out of about 1,100 shots of the Moderna vaccine. It took some time to answer all the questions. And then at the very last "required" question asking, "Do you have medical insurance?" the pull-down menu did not cover Medicare! Of course, I was unsuccessful in trying to schedule a shot.

The soft underbelly of any supply chain is the degree to which the trading partners trust each other. It used to be that there were just two truths to the relationship. The buyer needs to trust that the seller had the goods. The seller needs to trust that the buyer had the cash. Now there is a third truth in supply chain relationships. Both the buyer and the seller need to trust that the other is telling the truth about Covid. Are you following the guidelines? Have you been exposed? Have you been tested? Have you quarantined? Have you been vaccinated?

It has been my experience that strategic and critical supply chain company relationships are first forged between senior executives. Some examples have included the pursuit of a new business strategy, a chance meeting between neighbors, or an earlier relationship from a social club or golf outing. Initial meetings have led to formal talks, a handshake (when was the last time you did that?), visits to the other's operation, and time spent over a meal together (when was the last time for that?). Slowly a bond of trust is built between the two executives leading to a connection for SOURCE, MAKE, and/or DELIVER.

Later in the business relationship operational decisions are turned over to lower-level managers who trust the relationship because their senior executive trusts this partner. As more people are involved from purchasing, operations, supply chain, marketing, sales, quality, information technology, finance, research and development, corporate trade, human resources, etc. the original trust bond can become frayed. Also, some actions such as divulging the other's intellectual property will absolutely wreck the trust bond.

Maybe it is time to reaffirm why your senior executives trust each of your key supply chain trading partners. And meanwhile, please wear a mask!

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