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MEET CSCMP MEMBER [Malcolm Winspear]



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What lured you into the logistics and supply chain management professions?

After graduating from college, I was hired by Sanger Harris Department Stores, which at the time was a Dallas-based division of Federated Department Stores. Although recruited specifically for store operations, about two weeks into my junior executive orientation and training, I was pulled out of the orientation and asked to take a position at the distribution center. The VP of distribution explained to me his belief that this function (and logistics management) was the lifeblood of the organization, and convinced me to give it a try. Although doubtful at the time, he proved to be correct, not only for retailers, but for businesses in general. I've been in supply chain management ever since!

What do your responsibilities as CEO of Power Freight Systems entail?

My primary activities are to establish, monitor, and manage the strategic and tactical performance objectives for the organization; whether financial, operational, customer/service-related, or human resources. This means I need to be present, in touch with, and accessible to my customers, employees, and suppliers.

What is your definition of exceptional leadership?

Great leadership is having the ability to define and effectively communicate an organization's vision in a way that inspires employees to achieve its goals. Exceptional leaders instill passion and excitement into their people and, thereby, into their organizations.

What are the traits that a successful CEO must possess?

Beyond the obvious traits of intelligence, vision, and knowledge, I believe that today's C-level executives must also possess empathy; that is, they must have a deep understanding of and a desire to address the needs of their customers, their employees, and their business partners.

How does leadership shape an organization, for better or for worse?

Effective leaders, whether in a business organization, the military, or even with a sports team, directly impact the performance of the players and their desire to succeed.

Ineffective leaders will lack the respect of their teams, and, although they may enjoy short-term success through force of will, domination, or intimidation that comes from their position or personal drive, they will fail to develop the internalized passion in their team that fuels long-term success.

What are three things a CEO does that can sabotage his business?

Because of the power inherent in this position, the list of potential pitfalls is long. However, the top three are probably:

- a lack of effective communication to the organization, to customers, and to the peripheral partners and shareholders
- indecisiveness, which may manifest itself as a lack of consistency in direction and strategy, as well as delays in decision-making
- a lack of trust of the CEO by employees, which fuels a lack of trust of the organization itself

What are the most important things you need to do to run a successful company?

Without a doubt, hire excellent people, empower them, and then recognize their accomplishments. It is far better to find and hire an intelligent and driven—but untrained individual—than a highly-trained incompetent.

What is the most out-of-the-box idea you ever had that you implemented and found that it worked?

Several years ago, I was hired by a manufacturer with four plants and over 1,000 employees. The company was wrestling with low productivity, long order fulfillment times, quality issues, high absenteeism/turnover, and not surprisingly was using a lot of temporary labor as a result. Rather than invest more in front-line supervision and management, we completely restructured and improved the employee hiring, compensation, and benefit programs. It was a sizable gamble in expense, but we were rewarded with loyal, productive, high-quality employees. The improvements in productivity, quality, and lead times justified the considerable investment several times over.

What supply chain management/business issues are most important or relevant to you today?

Probably the most important issue to me is the ongoing trend of mergers, acquisitions, and consolidations as this impacts these firms' ability to effectively service their customers and impacts the activities on smaller logistics firms. I believe there are opportunities for smaller players to benefit from this trend.

A point in closing...

Supply chain management has come a very long way in the last three decades. No longer the "necessary evil" of trucks, warehouses, and back-office traffic managers poring over freight rate tables, supply chain and logistics management are now recognized by most all major organizations as integral to their success.

Logistics managers command C-level positions, and CSCMP's 2005 *Annual State of Logistics Report* lists logistics spend in the US last year at \$1.183 trillion, or almost 10% of the Gross Domestic Product (GDP). Many major universities contain a logistics department or school with a multitude of undergraduate and graduate degrees. This is truly a dynamic, growing, and recognized profession, and we, as supply chain management professionals can—and should—help stimulate interest in students and young professionals. They are the future of our profession, regardless of industry.