

DISPATCH



Monthly Newsletter of the West Jersey Chapter

The West Jersey Chapter of APICS is a 501(c) 3 non-profit organization dedicated to the continuing education of supply chain management professionals.

Editor – Dan Moore

Volume 27, No. 2

March 2008

LEADERSHIP vs. MANAGEMENT

Presented by Mike Ford

PDM presentation on March 20, 2008

Ramada Inn

130 Route 10 West

East Hanover, NJ

DO YOU KNOW WHO YOU ARE!!!

Shift Leader! Team Leader! Organizer! Supervisor! Department Manager! VP! President! CEO!

How do you see yourself? What is your skill set?

Some people can lead and some can manage. A very select few can do both.

Learn to improve both skill sets and when one is preferred to the other.

Attend our PDM on Thursday March 20th and take away the following:

The definition and traditional roles of a Leader

The definition and traditional role of a Manager

How these roles have changed and became integrated

Motivational techniques

How to create the ideal “Leader/Manager”

Mike Ford, CFPIM, CQA, CRE – a business consultant/corporate trainer who specializes in supply chain management will lead this PDM presentation. Mike is a frequent speaker and presenter at many APICS gatherings. He is interesting, well versed, and usually full of surprises.

You won't want to miss this and be sorry and confused about who you really are.

Join us on March 20th at the Ramada Inn on Route 10 West in East Hanover for this enlightening presentation.

5:30 – 6:00 pm Networking

6:00 – 6:30 pm President's Welcome

6:30 – 7:30 pm Keynote Presentation by Mike Ford

7:30 – 9:00 pm Dinner

Program Cost: \$35 preregister, \$40 at the door

Non-member \$40 pre-register \$45 at the door

To Register: <http://www.apics-westjersey.org/Events.htm>

PRESIDENT'S MESSAGE

*Pete DeCarolis
President*



What were you doing on Thursday February 20th? Did you attend the West Jersey PDM?

If not, you missed an opportunity to learn a bit more about demand forecasting.

Don't make the same mistake in March.

On March 20th we will hold an all day seminar on "Utilizing MRP in a LEAN Environment". Mike Ford, CFPIM, CSCP, CQE, CRE will present this seminar. This seminar is appropriate for those working in environments using MRP systems and looking to implement LEAN initiatives. Those attending the seminar will be afforded free participation at that evening's PDM. So for the price of the seminar you get not only a knowledge infusion, but you also get fed for the entire day.

Just a reminder that the seminar and the PDM will both be held at The Ramada Inn in East Hanover on Route 10 West.

A good and loyal friend to the West Jersey Chapter has taken a sabbatical from the board of directors due to health issues and work commitments. Tony DeVincenzo has asked to be removed as VP of Programs. Tony has given this chapter many years of dedicated effort and pulled off some pretty amazing speaker engagements over the years. He's arranged for speakers such as ex-NY Giants center, Bart Oates, and Guardian Angels founder Curtis Sliwa. Thanks Tony for years of dedication. Hope to see you back on the board soon and in great health.

Filling in for Tony, we have a team consisting of Hilary Anderson, Nate Dills, and Johnna Sucha. I know it won't be easy to fill Tony's shoes, but Hilary has been working behind the scenes for quite a while and is certainly capable of keeping things going on an even keel. With Nate and Johnna as new comers to the board and this experience of programs coordination, I expect we'll have a very innovative and fresh approach to the coming programs season. Welcome aboard and thanks for your commitment to serve!

Upcoming programs will include Bill Walker on April 17 speaking on the Complexities of Doing Business in China. On May 15th we will have Joe Aiello and in June we may have a surprise for our final PDM of the year. Let's wait and see about that though.

Our CPIM classes are resuming this month at Tiffany as is the CSCP preparation training. If you are working toward certification in either of these disciplines, or both,

visit the web site at www.apics-westjersey.org for more information.

Looking forward to greeting you on March 20th at the Ramada in East Hanover!

Pete DeCarolis
President

EDUCATION NEWS

2008 CPIM Certification Review Classes

The West Jersey Chapter will be offering the next series of CPIM certification review classes starting in April. The following classes will be offered:

Course	Day	Dates
Basics of Supply Chain Mgmt.	Wed	4/23 – 6/18
Master Planning of Resources	Mon	4/7 – 6/2
Execution and Control of Operations	Tues	4/1 -5/20

All classes will be held at Tiffany & Co. in Parsippany on the respective evenings from 5:30 PM to 8:30 PM. For complete information and on-line registration, please visit <http://www.apics-westjersey.org/Course.htm>.

2008 CSCP Certification Review Class

You still have time to register for the next Certified Supply Chain Professional (CSCP) certification review class being offered by the West Jersey Chapter! The course is scheduled to start on Tuesday, March 18th and will continue on Tuesday evenings until June. The class will conclude in time to sit for the June 21st examination.

The classes will be taught by Joe Aiello, CFPIM, CIRM, CSCP at Tiffany and Company in Parsippany, NJ. Registrations will be limited and must be submitted by noon on Monday, March 11th.

Details on the course are available at the Chapter web site: <http://www.apics-westjersey.org/education-CSCP.htm> and <http://www.apics-westjersey.org/Course-CSCP.htm>.

For price and registration information, please contact Ralph Fariello, VP Education at apics@patmedia.net.

Become an APICS Instructor?

Have you ever considered becoming an APICS instructor? If you are CPIM or CSCP certified and are interested, please contact Ralph Fariello, VP of Education, at rfariello@apics-westjersey.org.

Membership Sale One Time Good Deal

THE NEW NATIONWIDE APICS DUES INCREASE TO \$200 ANNUALLY BEGINS ON APRIL 1ST. WHILE IT WILL PROVIDE SOCIETY AND THE LOCAL CHAPTERS WITH MUCH NEEDED FUNDS, MEMBERS HAVE THE OPTION OF EARLY RENEWAL... AT THE OLD PRICE!

SIMPLY RENEW YOUR MEMBERSHIP FOR UP TO FIVE YEARS AT THE OLD PRICE PRIOR TO APRIL 1ST REGARDLESS OF YOUR ANNIVERSARY / RENEWAL DATE.

Visit www.apics.org/membership to learn more!

Offer Expires March 31st!

The focus for APICS has always been on providing the value that members seek to improve their on-the-job performance, advance in their careers, and thrive as operations management professionals. With the new nationwide APICS dues increase, the West Jersey chapter is now in a position to offer more extensive localized services to our members. This includes, but is not limited to: educational programs, certification review courses, plant tours, and career placement and networking opportunities. With greater resources from the new dues structure, our chapter will have the opportunity to reinvest in member services.

Following are a few examples:

- Expand APICS-developed course offerings, such as:
 - Finance for Operations Managers
 - Global Sourcing
 - Providing updated APICS courseware (annual updates moving forward)
 - Offering Major updates to APICS CSCP and APICS CPIM courseware

- Additional training opportunities and conferences:
 - APICS/SAP benchmarking study
 - AMA Business and Management Training
 - Members receive 30 percent off training through the American Management Association
 - APICS/IBF Sales & Operations Planning Conference (June 19–20, Chicago)
 - Ten different sessions will be offered over this event
 - APICS Live Learning Center
 - Members now have access to presenter manuscripts and PowerPoint presentations from educational sessions
 - Aberdeen Research
 - Over 5,000 documents focused on the global value chain are now available free of charge for APICS members (a \$995 value)

Visit www.apics.org/membership to learn more!

New CPIM !



Above: At the February PDM President Pete DeCarolis recognized chapter member Mike Trocchia for achieving CPIM. Mike works for Novartis Pharmaceuticals. Congratulations Mike!

**Become a Certified Professional in
Demand Forecasting**

CPDF

www.cpdftraining.org

**Hans Levenbach, PhD
Program Director, CPDF
152 Speedwell Avenue
Morristown, NJ 07960
Toll free (USA) (800) 335-7487
Voice: (973) 267-9269**



For those who attended the February 21 PDM on Demand Forecasting, the speaker Hans Levenbach conducted a Prediction Market Forecast with the audience on forecasting the proportional effort required to effectively perform a forecasting cycle. The forecasting cycle was broken up into 4-steps, each of which was integral to creating a successful forecast. These steps were coded as PEER, where the capitalized letters represent (1) Preparing Data, (2) Executing Models, (3) Evaluating Results and (4) Reconciling the Final Forecast.

What proportion of a forecaster's time should be applied to each step every month? The results, based on 26 responses, were the following:

Prepare (35% +/- 13%)

Execute (13% +/- 6.5%)

Evaluate (25% +/- 13)

Reconcile (27% +/- 18%)

So, if you would bet \$1 on the outcome, you should place 35c, 13c, 25c, and 27c on each step, respectively. It appears that the data preparation task is about three times as time consuming as the modeling stage. There was little disagreement about the level of effort required for the modeling. It is low with little uncertainty.

Evaluating modeling and forecasting results takes up about a quarter of the time and reconciling the final forecast (the S&OP) process also takes about a quarter of the time but with more variability than the evaluation step. The S&OP process is still emerging in many companies so one might expect greater uncertainty surrounding its estimate.

Reverse Logistics: Best Practices in Warehouse Returns

By Alex Parvenov, Ciber Inc.

Have you ever wondered what your local store does with the items that you take back as damaged or unusable? Most industries today have liberal returns policies that can quickly tax distribution networks when large quantities of items go through the reverse logistics process. Often the distributing warehouse bears the brunt of these costs and efforts associated with returns. Thankfully, this area is also where a properly organized process, supported by latest hardware and software technologies, can produce a competitive advantage, attract new suppliers and control the returns process. In this article we will review common problems that plague returns operations in the warehouse and suggest remedies drawn from best practices.

Common Problems

The returns area of a warehouse is commonly full of a mix of open cartons from many different SKU's that need to be identified and sorted according to disposition. Through this sorting process, credits must also be issued and return-to-vendor tracking created. The combination of process complexity and low priority of reverse logistics typically means little attention is given to improving the returns process. As a result, warehouse managers tend to treat it as a necessary evil.

Problems affecting returns processing in the warehouse include:

The work area is too small or poorly laid out
The process is paper intensive in order to describe and track reasons for returned product
Lack of real time tracking of incoming merchandise does not permit quick put away or cross docking
Poor process integration into the warehouse does not allow returned merchandise to be immediately allocated and shipped. Orders are often shipped short, while saleable inventory is present on the returns dock
Lack of tracking and accountability for un-saleable merchandise that is used to bill back the vendor

The problems in the customer service department include:

Slow, error prone data entry and credit processing based on a multitude of papers delivered from the returns dock
No link between data collection and credit processing, allowing over-credit given to the customer
It is difficult to segregate problems by customer, salesperson, truck driver or warehouseman to eliminate misconduct

Best Practices Process

Despite the fact that returns operations are inherently problematic and do not yield to simple automation, some companies have gained competitive advantage by applying some of the industry's best practices. We will analyze a best practice process from two aspects: business processes and data collection and flow.

Business Processes

Returns are fundamentally complex because of how they impact physical inventory, electronic inventory and accounting systems. All items must be identified, assigned to a customer or account, assigned a disposition and then physically sorted for processing. Since some of the product might be discarded or kept back for vendor chargeback's, not all merchandise enters electronic inventory; some merchandise must be repacked and accounted for manually versus electronically. Finally, credits are generally issued at a later time and often for only some part of a return, including discarded or un-saleable goods. This process is difficult to automate with a generic ERP package and very challenging with a simple paper process.

Specialized returns systems, whether part of a Warehouse Management System (WMS) or stand-alone, can support effective automation with appropriate setup. The software must:

Separate the physical process from the accounting process and allow for gaps between physical and accounting realities. For example, out of a returned pallet only part of the pallet may be added to inventory and a different part of it may be credited to the customer.

Separate responsibility over physical inventory from responsibility over customer credits. A warehouse employee should not be concerned with how and when a customer will receive credit. Credit processors use an electronic transaction log of returns dock activity to release customer credits.

Distinguish between return reasons and physical disposition. The former describes why customer returned it. The latter describes physical state of the merchandise. Credit clerks must understand return reasons. Warehouseman must understand the dispositions.

Try to control the returns process through "Returns Authorizations." With Return Authorizations, the pre-approved returns can be received quickly thereby simplifying the returns identification and speeding overall processing. To enable radio frequency (RF) equipment automation and verification, these expected returns should be entered into the system prior to arrival.

Stage saleable merchandise by a putaway zone. Most of the returned merchandise is generally in saleable condition and will be returned to the storage area. To

streamline the subsequent put away process, saleable products should be staged on pallets by destination zone.

Track un-saleable merchandise with a bar-coded label. Any merchandise that is not saleable and can not be discarded is usually stored according to vendor guidelines. While some vendors simply require an inventory report to issue credits, others will send a sales representative to inspect the goods or to ship to the vendor. A complete audit trail consisting of return reason, date of initial shipment, date of return, customer name, etc. will assure legitimacy of the claim and improve supplier relationships.

Data Collection and Flow

The second aspect to analyze a best practice process is from data collections and flow.

Handheld Scanners: Just as RF equipment has proven indispensable in the warehouse environment; this technology is especially valuable in the returns process. RF screens should prompt for RMA#, SKU or UPC code, quantity, disposition and physical state of the merchandise.

Interface into WMS: Returns processing modules should be tightly integrated into the existing WMS. The integration allows for real-time inventory control, immediate inventory allocation, instant picking from the returns area, and cross-docking to a shipping dock.

Interface into Accounting System: Any data collected about returned merchandise should be made available to the accounting system to serve as a basis for credit processing. This data flow ensures that credits are issued only after merchandise is inspected. It also reduces opportunities for crediting errors.

Summary

Prudent and consistent application of RF technology, reengineering of business processes, and streamlining of physical operations based on industry's best practices, warehouse managers can enjoy increased throughput and accuracy while driving improvements to the organization's bottom line.

Alex Parvenov is a Senior Consultant in the Supply Chain Practice of CIBER, Inc. He has built and deployed large scale Warehouse Management Systems in various industries, both domestically and internationally. Mr. Parvenov holds a Bachelor of Science in Mathematics from Georgia Tech and a Masters in Business Administration from Emory Goizueta Business School.

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Bloomfield College

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The Bloomfield College Materials/ Supply Chain Program is back and better than ever! Whether pursuing a certificate, degree or individual courses, you can make a positive impact on your company's bottom line. Contact Jeff Bragar now at 908-268-6460 for more information. www.bloomfield.edu

What Kind of Team Member are You?

By Linda Trignano, HR Performance Solutions., LLC

Stop for a minute and think about the number of teams you are a part of. The primary team you are on is the department in which you work at the company that hired you. Beyond this, you are also a part of many other teams. For example, you may be chosen to take part in an ongoing team project or asked to join an ad hoc committee.

If you look deeper, you can see that you do not play the same role on each team. One team might need you for your technical skills, another might select you because you are part of Mr. Jones's organization and yet another might select you because of your prior experience in a different industry. And oh yeah, the other reason we land on a particular team – they need someone and you just happen to be in the wrong place at the wrong time. Lucky you, you are now part of another team!

In my team building training I cover the 5 roles of team members – Creator (generates ideas), Advancer (promotes ideas), Refiner (challenges ideas), Executor (implements ideas), Flexor (steps in to fill the gaps). Whether you have thought about being a team member in this way or not, you do indeed fill one of these roles on each team in which you participate.

The question is “how do others view you” when you are in your team role? Are you seen as someone who actively participates? Someone who works to complete tasks needed to further the team toward the goal? Someone who gives the impression that you would rather be anywhere else but at the meeting? The main point here is to be cognizant of how others may be viewing you even though they may not verbalize their thoughts. Being active and involved in whatever team you are a part of is key to your success.

Others see and know your attitude by the behaviors and style that you demonstrate during the meetings, the follow up activity and quality of work that you produce. It is important to your career to keep in mind how others are seeing you, the judgments and assumptions they make about you and your work habits. Their main view into your style is through your level of participation.

In the 5 team roles listed above, all are necessary for a team to operate at peak proficiency. Some are better at generating ideas (Creator) some are better at implementing ideas (Executor). Can you imagine a team full of Creators? You might end up with a list full of great ideas and no one to take the steps to bring them to life. Or how about a list full of great ideas and no one stepping up to challenge where the roadblocks might be? Disaster!

Whether you are the team member who naturally gravitates toward asking questions or the team member who is perfectly happy taking the team's direction and implementing, you are an important part of the team.

Why not make a conscious effort to help steer the ship in the right direction? Your next promotion or raise may depend on how skillfully you manage your team skills.

About HR Performance Solutions:

HR Performance Solutions founder Linda Trignano works with clients to improve their skills in the areas of leadership and management. With over 22 years of experience HR Performance Solutions, LLC provides corporate clients support in training and developing teams, and individuals with customized coaching to successfully manage their career.

HR Performance Solutions brings a unique approach to its clients. By integrating problem identification, action plan development and employee acceptance into every engagement, we produces results that drive company profits and value. We also employ DiSC assessments to help companies and individuals improve performance. Check our website for complete information on how to bring the DiSC assessment for improving your [team's performance](http://www.hrperformancesolutions.com). We can be reached at: www.hrperformancesolutions.com or by calling 973-839-5068.

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EMPLOYMENT NEWS

North Jersey Positions

Forecast Analyst \$75 – \$85k + Bonus
Solid Forecasting and Demand Planning in hi-volume consumer products

Purchasing Manager \$120 – \$130k + Bonus
8 years mgmt at corporate level; chemical; SAP; North & Latin American; Far East suppliers

Demand Planning \$75 – \$85k + Bonus
5 – 4 years consumer products with S&OP and Manugistics experience; **APICS** Certification.

Planning Manager \$80 – \$100k + Bonus
5 years Production Planning, MPS, Forecasting & Inventory experience in Medical - Pharma; **APICS** Certification;

Operations Planner \$70 – \$85k + Bonus
4+ years experience in consumer products - Prefer **APICS** member

Central Jersey Positions

Production Scheduler \$40 – \$55k
2+ years with foods, pharma; consumer products or fine chemicals

Supply Chain Analyst \$70 – \$80k + Bonus
3+ years Supply Chain experience in hi-volume consumer product – Prefer APICS member

NUMEROUS TEMPORARY POSITIONS AVAILABLE:

Buyers; Planners; Project Managers; Supply Chain Analysts; Operations Management. In Bergen, Essex, Morris, Middlesex and Somerset counties.

For any of the above positions, please contact:

Gary Pezzuti
973-875-3300

Summit Group
garyp@nac.net

The **West Jersey Chapter** of APICS provides as a service to its members information on new positions. If you are interested in any of these opportunities, please send your resume electronically to the indicated contacts or to Vice President Employment at dwohl@apics-westjersey.org.

To advertise a job opening, please send position overview to Vice President Employment at dwohl@apics-westjersey.org.

Welcome New Members!

Melissa Attlesey	Maria McLaughlin
John Becker	Eric McShea
Marco Berchner	Craig Morgan
Sue Byers	Pat Nestor
Carolyn Chin	Kris Nicholson
Gina Cocanower	Matt O'Malley
Terry Cullen	Diana Palmieri
Juana Dannecker	Christopher Paris
Susan Deeney	Jenna Perillo
Darrell Gurrieri	Phil Pigg
Marty Huff	Jeanette Rivera Boria
Andrew Janiszewski	Edwin Rodriguez
Chris Jiamboi	Fabian Rojas
Suanne Johnson	Matthew Romines
Timothy Johnson	Kathy Roth
Maritza Kibler	Giuliana Salinas
Karen Kunkle	Cheryl Silva
Dickson Lane	Ginny Snodgrass
Christina Marsar	Manuel Soler
Traci May	Rajnish Srivastava
Gavin McAteer	Pia Trivigno

2008 Professional Development Meetings

March 20th
Leadership vs. Management *presented by Mike Ford*

April 17th
Complexities in Doing Business in China *presented by Bill Walker*

May 15th
TBD

June 19th
TBD

Our Professional Development Meetings are held in East Hanover. Check our web site for more information at www.apics-westjersey.org

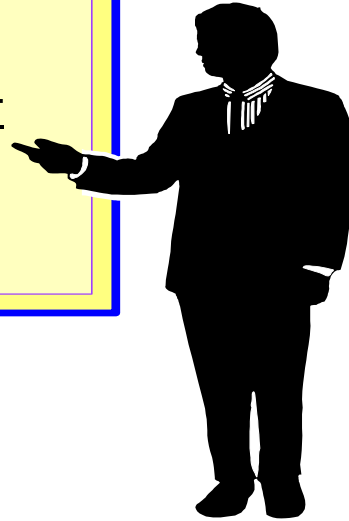


Next PDM March 20, 2008

LEADERSHIP vs MANAGEMENT

Do you know who you are?

*COME JOIN US!
NETWORK & LEARN*



The Association for Operations Management



PLATINUM AWARD in APICS CBAR
Program