

For those of you that have read earlier articles that we've written regarding the various attributes of personnel in organizations, this article builds on two of the four attributes discussed: Education; and, Experience. In other words, the attributes of a person that you would find on a resume or curriculum vitae (CV).

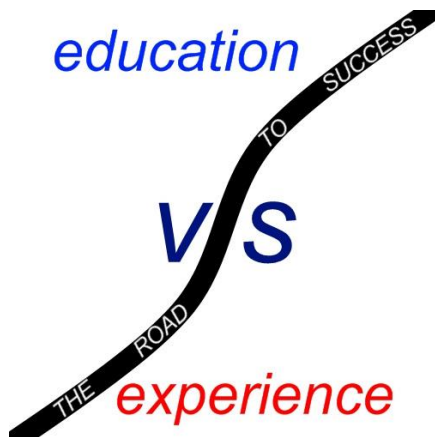
Education is the process of using systematic instruction to provide a person with knowledge that they required to fulfill a knowledge requirement. A person may receive education in a number of places and methods: Schools...physical or online; workplace training; through coaching; or, by becoming an apprentice. The type of education does matter. Going to school, taking some classes at work or having someone train you on how to use a software solution, etc. is what we refer to as being 'Book Smart'. The person has gained some conceptual or practical knowledge but has not yet applied it to the job. The one type of education that morphs into experience is that of an apprentice.



Experience is the practical contact with, and observation of, facts or events. Whether the experience is joyful, painful or somewhere in between often depends upon the person having enough education to be able to assess a situation prior to experiencing it.

The Road to Project Management Success

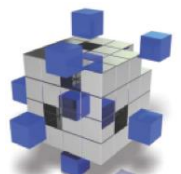
Putting aside the fact that the organization needs to have people that will work together as a team, the road to success in projects such as an ERP selection and implementation or the implementing Lean Management will be dependent upon having a good mix of both education and experience. The question becomes: "How do we get the right mix?"



The answer to the question is that the project manager must be someone with business and information technology education and a **significant amount of experience** as a project manager for the project being undertaken. *If the organization does not have a qualified employee, contract the experience.* It will be a penny spent wisely and likely save your organization from becoming one of the 74% that will fail to achieve

a positive outcome for these types of projects.

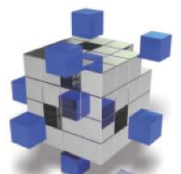
The experience in this case is going to assist the rest of the team, and senior management, in avoiding the pitfalls that typically occur as a result of underestimating the amount of detail that needs to go into the education and supplier selection processes. Once the selection process is complete, this type of experience will continue to pay dividends to ensure the interconnectivity issues of a solution are resolved.



The Road to Business Management Failure

Business management success starts with having the right people and understanding the importance of certain positions within the organization. The following are a few, unfortunately true, examples of situations where this knowledge seemed to be missed by senior management:

- ✓ Master Production Scheduler with no education in supply chain management, inventory planning, how enterprise solutions work or MPS theory. This person did have a degree in a completely unrelated field and had worked on the shop floor during their four summer breaks from university.
 - The master scheduler is the person that is responsible for scheduling the resource supply to meet the organization's demand in the most cost-effective manner. They are the people responsible for ensuring that promises to customers can be met.
 - In this situation virtually every metric relating to on-time production to plan, production utilization to plan and inventory levels were well below acceptable levels. There was also a fair amount of stress introduced as customer service, production and the buyers dealt with the problems that resulted from plans that changed frequently, materials that had to be expedited and production supervision that lost faith in the work schedules.
- ✓ Inventory Planner that was brought on board without a proper onboarding plan. This person did have some formal education but less than two years of experience of which none was in the industry they were going into. They were given a group of product families to plan which included planning the finished goods levels and supporting raw materials. After the mandatory health and safety review and introduction to some key people, she was seated at a desk and given a manual to read in order to learn the ERP system functions. There was no process documentation.
 - An Inventory planner has the task of managing the highest value variable asset in an organization. They need to balance the availability of inventory to demand (production or sales) versus the carrying costs and the potential for obsolescence. The carrying cost rates on inventory being used by Emercomm's clients ranges between 21% and 24.5%.
 - After four days of frustration, the planner quit the company leaving them short-staffed and having to incur the cost of another employee search. However, the former employee had taken to social media to document what had occurred which caused some further issues with some suitable candidates.
- ✓ A Receivables / Credit Clerk had the previous experience of 22 years working on a packaging line and she is the wife of a friend of the organization's owner.



- The Receivables Clerk is responsible for ensuring accurate invoicing and the posting of payments and credits properly to customer accounts. Inaccurate invoicing or posting results in the receivables account being stated improperly and customer statements being incorrect.
- Financial results are now questionable and customers become upset. In both cases, additional time, effort and cost are incurred and a number of business risks may arise.
- ✓ A large organization in the *food and beverage industry* hired a well-educated person to assist them in their selection and implementation of a new ERP solution. His entire work experience had been with a large *automobile manufacturer* that had their own, in-house enterprise solution.
 - The food and beverage inbound supply chain, mixed-mode manufacturing and distribution channels are completely different from that of an automobile manufacturer. Although this person understood the basics of what an ERP solution did, he lacked the experience of working in a completely different industry. Therefore, he was not able to provide adequate guidance to the organization's internal team in regards to cross-functional requirements.
 - The project ended in failure costing the organization in excess of \$10 million in direct project costs over three years and requiring another full selection and implementation process.

The road to success begins with the right people including those that have the knowledge and experience to create the specification for the position, ensure the right person is hired and also ensure that the right person is properly integrated to the organization.

Summary

When an organization is undertaking change, or the acquisition of a new person to fill a vacancy, it's an opportunity to make sure that the people are going to have both the education and experience to be able to make the position one that contributes to stakeholder values. The balance that must be maintained is that you cannot afford to hire someone that does not have a minimum combination of both education and experience while not over-hiring for the position (e.g. hiring a Ph.D. when a college graduate will do).

As demonstrated in the Inventory Planner example, when you do decide to hire the person, there must be a proper onboarding process in place. Proper training and introduction to the organization and position is critical. In today's world, you also need to have a plan for upgrading the person's weaker attributes as well as where that knowledge capital is going to fit into the long term plan for the organization.

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