

## **Taking the CEO Reins**

### **Ben Graham**

Ben Graham is the current CEO and former vice president of finance, sales and supply chain for Bell Incorporated in Sioux Falls, South Dakota.

### ***Out In Front: Leading People, Leading Organizations***

**An executive looks back at how supply chain leadership prepared him for the top job, and how it can help you, too.**

It is no coincidence that, prior to becoming CEO of Bell Incorporated earlier this month, my job title had the words "supply chain" in it. Although every job I have held has helped prepare me for the top position in one way or another, none has brought it all together like running Bell's supply chain.

Bell is one of the country's 10 largest independent folding carton manufacturers, with revenues of US\$65 million. Ours is a consolidating industry, with fewer suppliers enjoying increasingly less competition. We sell value, but we must deliver on cost. Supplier relationship management and driving costs out of the business have been essential to our survival.

Call it luck or genius, but the culture at Bell has forever been cost-driven. Mark Graham, Bell's founder, has drummed a credo into the mindset of every department and employee: "If you want to be the low-cost supplier, you have to be the low-cost producer." To be the low-cost producer, everyone has to think about cost, no matter where their jobs intersect the supply chain.

This singular focus has driven every innovation, purchase, hire and — perhaps most important — the development of a business model founded on strong supply chain principles. We have invested in the latest technology, maintained a lean and cost-focused organization, grown prudently and built the supply chain on best practices and sustainability. I am convinced that this focus is how Bell evolved over the last decade from an entrepreneurial company to a professionally managed business — from face-to-face meetings and sourcing locally to systematized procurement processes, risk management mitigation and sourcing globally.

### **How Supply Chain Prepared Me**

Granted, it helped to work for a company in which a lean supply chain philosophy is part of the culture, not relegated to a single department. But, there has to be more to it than just driving cost savings.

Besides the job of CEO, what responsibility aside from supply chain leadership encompasses every company and individual that touches the business? What other role looks to leverage every idea, innovation and unit of energy, both human and machine, to move the business forward?

When we take a closer look, there are a number of ways in which running a successful supply chain and efficiently functioning as CEO go hand-in-hand.

**Both are about making decisions based on calculated risk.** You might switch suppliers or open a new line, but first you assess the risks and benefits, create a plan, a backup plan, stop-gaps and measurements. You ask yourself key questions: *Where are the weak links, and how do we shore them up? What is the fallback if the plan is not working? How will we leverage it when it works? What are the measurements?* I expect to use these same skills — the same risk-benefit analyses — as CEO. *Do we implement a new marketing plan? Build a new plant? Acquire another business?*

**Both require seeing the big picture within (and beyond) business boundaries.** Internally, you are not only running a complex department with all the management skills that duty entails; your job also requires that you understand how every other department, from operations to human resources, impacts the supply chain.

Externally, one of the most challenging and maturing assignments of my career was as supply chain lead, where one of my responsibilities was to analyze if, when and how Bell should begin sourcing internationally, and then establish our global sourcing strategy.

**Both require learning from companies that are doing it on a larger scale.** Although Bell is a midsized business, we count some of the largest food-industry companies among our valued customers, and we are the world's largest manufacturer of overnight envelopes. This is all because we force ourselves to think like the customers whose business we earn. Primarily, this has been based on understanding their supply chains. As CEO, I plan never to lose that perspective.

**Both share a foundation of collaboration.** In both roles, it must be understood how every nuanced partnership or personal relationship affects business success. To earn Cradle to Cradle<sup>SM</sup> certification for the envelopes Bell manufactures for the U.S. Postal Service, our suppliers had to agree to reveal more about their operations and formulas than ever before. There was no place to run and no place to hide — for us or for our suppliers. Even as CEO, it might be a long time before I face a challenge as reliant on strong relationships as that initiative.

**Both force you out of the plant or office.** CEOs are expected to represent their businesses to the external world, and successful supply chain leadership requires the same. I am involved in my business' industry association and participate in a buying consortium whose members are also my competitors. Getting out of the office in these ways has been critical to my success in running the supply chain. It will be equally critical in my role as the face of the organization.

**One Final Thought**

As successful supply chain leaders, we are usually too busy dealing with our daily job demands to fully value the skills and knowledge that have enabled us to succeed. Ask yourself: *What do I know that might be useful to others? How can I share this knowledge to further advance the business, to coach others, or to identify gaps in my own experience?* I find that these questions breed enlightenment about the business, the profession and myself. I highly recommend this kind of reflection to anyone contemplating how their skills might position them for becoming a CEO.

Based on my experiences, successful supply chain leadership is great training for the CEO role. Personally, I know of no better preparation for the top job than supply chain leadership.

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