Best Logistics Advice for 2014: Dump Tribal Knowledge

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This time of year we, as business leaders, set our annual goals. Maybe you've already set some: to pay down capital debt, grow revenues or to finally iron out those kinks in your supply chain. No doubt, you want 2014 to be a banner year.

I'd like to offer some food for thought when it comes to evaluating and improving logistics in your enterprise: Whatever else you do in 2014, make it a priority to *dump the tribal knowledge* you might be using to make mission-critical decisions. Instead, substitute the facts. While this may seem contrarian, it is actually essential.

When you rely on real-time data versus institutional memory, you gain the benefit of what I like to call "command visibility." The bottom line in today's mobile-enabled, hyper-connected world: Companies that continue to rely on tribal knowledge and myths alone are falling further behind enterprises that are dealing in reality and actionable facts. A lack of command visibility is the common cause of logistics collapses we see in the headlines almost every day, whether it's a failure to anticipate demand for the year's hot new video game system or a supply chain breakdown caused by natural disaster.

Enterprises fail to plan ahead because they lack clear, readily accessible data on historical precedents. Or, they lack seamless communication up and down the supply chain and with key suppliers — the old right hand, left hand problem — and they are too slow to respond to market changes. Or, they invest in supply chain software [1] that can't be properly or fully implemented, which is the same as

having no supply chain solution at all.

In any of those cases, enterprises are flying blind and have little choice but to fall back on “the way we’ve always done it.” We all know, few things can be more damaging to businesses than continuing to do something “the way we’ve always done it.” The time has come to dump “tribal knowledge.”

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