

Transformative Leadership, **No Limits**

For a career in which he's embraced challenges, been at the forefront of innovation for companies and advocated for supply management without boundaries, Tom Linton is honored with the 2019 J. Shipman Gold Medal Award.

By Dan Zeiger

A bedrock belief of Tom Linton's is that supply management is omnipotent.

"Our profession is an always-evolving one," says the chief procurement and supply chain officer at Flex, a San Jose, California-based supply chain solutions provider. "It's a borderless environment that we've created for ourselves. I don't want to say we're taking over the world, but we don't have any limits."

Linton's supply management career — particularly his specialization in disruptive and threshold-stretching technologies — has exemplified that no-limits philosophy. Those achievements and contributions were recognized and honored last month at the ISM2019 Annual Conference in Houston, where Linton was named this year's recipient of the J. Shipman Gold Medal Award, the supply management profession's highest honor.

After nearly four decades of breaking barriers as a practitioner and executive, Linton has reached a career zenith with the Shipman Award, which





has been presented each year since 1931. "I've received lifetime achievement awards and been blessed with a lot of recognition, but this is the biggest," he says.

As the 88th recipient, Linton joins an exclusive club of supply management dignitaries: "Those honored have been from all walks of supply chain life, whether as academics or practitioners," he says. "What they have had in common was that they have had creative views on how supply management should be done. Our job is to lead. It's called supply management, and while I'm not picking on that term, it's really supply leadership. You manage down, but you lead up and out. So, it's about leading, not managing. And as we lead into the future, what are the tools, processes and skills needed to take us there?"

The most critical tools, Linton says, are digital, mobile and cloud-based technologies, the subject of *The LIVING Supply Chain*, a 2017 book he wrote with Robert B. Handfield, Ph.D., Bank of America Distinguished university professor and executive director of the Poole College of Management Supply Chain Resource Cooperative at North Carolina State University in Raleigh, North Carolina. The book advocates that supply chains should be viewed as LIVING (live, intelligent, velocity, interactive, networked and good) ecosystems, with digitization, mobile technology and cloud-based computing serving as the "sun," or the fuel.

Linton's change-management skills made him a perfect fit for his position at Flex, which hired him eight years ago with a goal of expanding beyond the company's technology-hardware roots to develop tools and software to better connect and manage global supply chains. Flex — which changed its name from Flextronics in a 2015 rebranding — adopted an integrated product-development model made up of real-time supply chain tools, advanced analytics, market intelligence and global sourcing best practices.

Innovative platforms developed under Linton's direction include Flex Pulse, which combines digital, mobile and

cloud-based technologies to provide real-time intelligence between the company's global "pulse centers" and more than 5,800 client companies. Among other successes, Flex Pulse immediately alerted its network of the 2015 port crisis in Tianjin, China, and the 2016 earthquake in Kumamoto, Japan, enabling swift activation of contingency plans that avoided about US\$55 million in combined disruption costs.

"People talk about the end-to-end supply chain," says Linton, who has 16 years of CPO experience with four companies.

"I don't know of any company who has more of an end-to-end supply chain than Flex does."

"Fixing things takes longer and costs more than you'd ever think. Change, on the other hand, is more immediate, the results come faster, and real transformation happens."

— Tom Linton

BEING A 'FIRST RESPONDER'

After graduating college in 1980, Linton took a position in the purchasing department of an IBM semiconductor factory in Burlington, Vermont. After watching others who joined the company with him receive promotions, Linton asked his boss for advice. "He said to get promoted, you have to get noticed," he recalls. "He told me to follow fires, because where there are problems, there are opportunities. 'Be a first responder, the one who goes to the fire and puts it out. Then, you'll get noticed,' he said."

In the early 1980s, when many considered the personal computer (PC) a fad, Linton made it a work focus, and as PC technology took off, so did his career. In the early 1990s, as many companies downgraded China's economic future after the Tiananmen Square protests, Linton — who had been living in Asia for several years — led a project that fortified IBM's procurement capabilities in the country. When China developed into a crucial emerging market, IBM was ahead of its competitors there.

When deciding to pursue a job, Linton says, his main criteria was the company's interest in transformation. "If I would be in charge of running or maintaining the procurement operation, I wasn't interested," Linton says. "I tended to gravitate toward opportunities that were aligned with my personal desire to change things. You have two opportunities as a leader: Change things or fix them. Fixing things takes longer and costs more than you'd ever think. Change, on the other hand, is more immediate, the results come faster, and real transformation happens."

Linton's resume includes a number of firsts: initial outside CPO of Agere Systems (in 2002) after Lucent Technologies split into two companies, first CPO of Freescale Semiconductor (2005) following its split with Motorola, and first CPO of LG Electronics (2007), where he was based in South Korea and oversaw procurement innovations that helped power the company's rise in the consumer- and mobile-electronics markets.

"Tom leads with the objective to 'drive the business before the business drives you.' This philosophy has led to a career of innovations that drive cost savings, business process innovations and enhancement of the business reputation of the places where he's worked," Joseph Sandor, retired professor of supply management at Michigan State University in East Lansing, Michigan, wrote in nominating Linton for the Shipman Award.

AN ENGAGING STORYTELLER

Linton's father, Ken, managed a General

‘A WORLD OF AUTONOMOUS SUPPLY CHAINS’

J. Shipman Gold Medal Award winner Tom Linton discusses how supply management has changed, where he sees the profession going, and offers advice for companies and young professionals.



Question: How has supply management changed most during your years in the profession?

Answer: I started at IBM in 1980, and the first function I was in was called purchasing and transportation. There was no such thing as procurement, no such thing as supply management. So, it's a different profession with different functions. Now, there are supply management degree programs at colleges and universities, and a core set of knowledge has been developed. Tools have also changed. The purchasing and transportation group I joined had 100 people on typewriters typing POs. Then came globalization, and the world became so rapidly interconnected. In my first job as a buyer, I was buying from about 10 miles away from our factory in Burlington, Vermont. Right now, if you're not sourcing globally, you're failing. That was unheard of 39 years ago.

Q: An interconnected world is, of course, a product of digitization. What's your advice to a company that needs to expand that footprint?

A: It starts with critically and honestly looking at where you are and building from there. Determine your initiatives and align your digital strategy with them, so you don't have a mismatch in expectations. At an ISM® Annual Conference, there's the (Exhibit Hall) with all the vendors, but if you don't walk in that room with an idea of where you are and what you need to do, you'll flounder. You could buy the best tool in the world, but it could end up like the mom who drives a Ferrari. She just drives it to the grocery store or whatever. It's not something she's got to have. You must know what you're looking for and not overpay. Get the right tools for the right time. That's a digitization challenge we all face.

Q: What current project at Flex are you excited about?

A: Demand predictions. The problem with the term "demand management" is that you cannot manage demand. So that holy grail that some of us are working

on is being able to predict demand. If you want to source effectively, it would be nice to know earlier what will be needed, the lead times involved, the costs, any product mixes and, most importantly, any issues that could come up. Those things are predictive. The next step is prescriptive — what you should do ahead of time. So, I think supply management right now is a chase to develop the best predictive (technology) to get a competitive advantage.

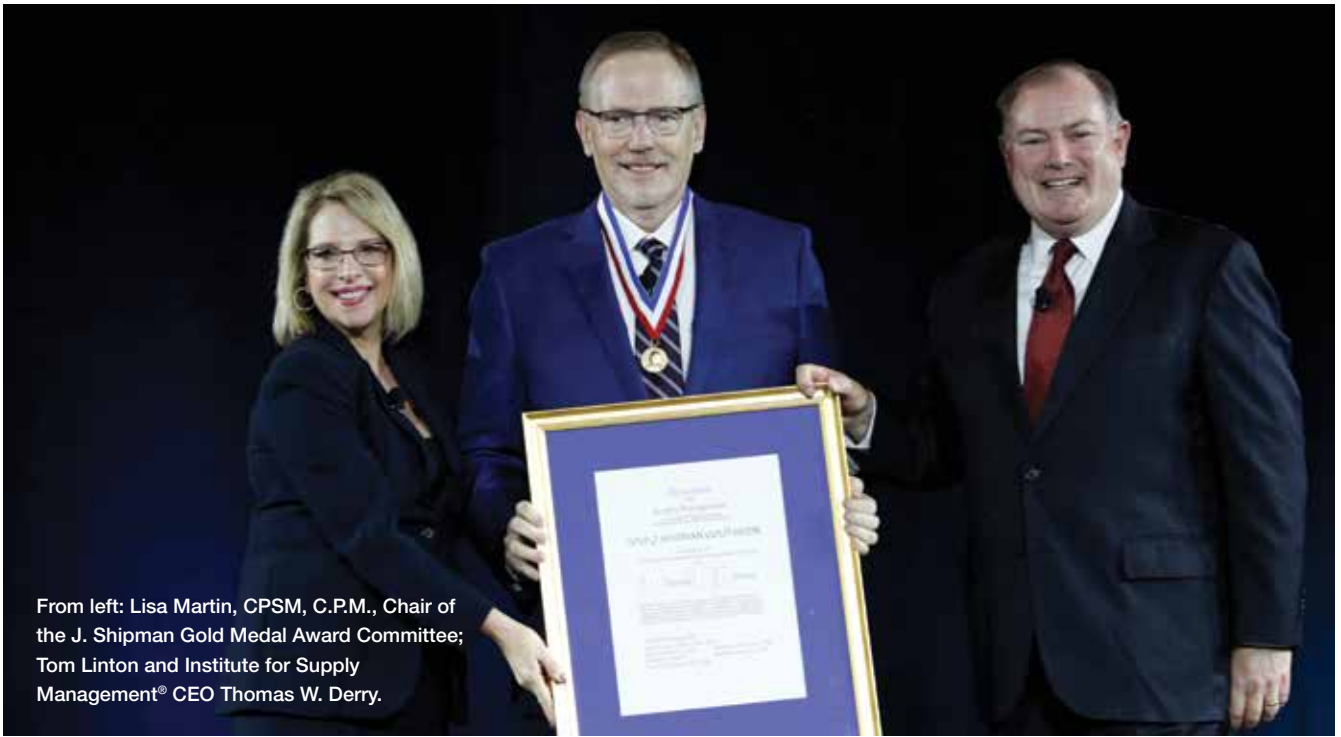
Q: What's your best advice for emerging procurement professionals?

A: There are certain things you cannot be taught. There's one thing that's a gift — from your parents, a teacher or a coach. And you must have this gift to succeed: It's the gift of confidence. You have to be confident in what you know, because you're entering a (competitive) workforce. The second thing is be creative, be willing to navigate and pivot, and be a constant learner. So, if you take that person with the gift of confidence who is willing to be creative, adapt and learn, he or she going to rise to the executive level, no matter the field.

Q: Where do you see supply management in the next five or 10 years?

A: We must prepare for a world of autonomous supply chains and procurement. We need to build this correctly, because we're still going to need humans in the loop. We're going to need judgment in certain parts of the process. It's very hard for a machine to have a relationship, for example. But we should not let other functions design this future. We should be designing that, not giving it up to people who don't have as deep an understanding about it as we do. If you don't lead the business, it will lead you. So, we can't let a chief intelligence officer, a finance guy or a software vendor design it for us. We've got to think about it and understand what we want it to look like.

— Dan Zeiger



From left: Lisa Martin, CPSM, C.P.M., Chair of the J. Shipman Gold Medal Award Committee; Tom Linton and Institute for Supply Management® CEO Thomas W. Derry.

Tom Linton

Age: 61

Family: Wife Cheryl; children Patrick, Brian and James

Supply management experience: 39 years

Current job: Chief procurement and supply chain officer at Flex, a Fortune 500 supply chain solutions provider with a global workforce of 200,000 and operations in more than 30 countries

College: University of Vermont, 1980

Etc.: Member of World Economic Forum, 2013-17 ... Institute for Supply Management® (ISM®) Board of Directors member, 2011-15 (Chair, 2013-15) ... Named one of the “top 10 individuals directing technology to change the way business is done” by the *Financial Times*, 2018 ... Co-owner of patent (US 2014/0018949 A1) for “method and system for collecting supply chain performance information.”

Electric Co. factory in upstate New York but did not encourage his son to follow him into manufacturing. “He felt I was more of a materials guy and kept trying to nudge me into purchasing,” Linton says. “That’s how I ended up there. He was afraid I was going to turn (the IBM job) down after college.”

Values are caught, not taught, Linton says, a lesson he first learned from his father. The IBM boss who encouraged him to be a first responder was another influencer. Today, Linton passes his procurement knowledge through straight talk and storytelling. “One of Tom’s greatest strengths is his ability to simplify complex issues,” Sandor wrote. “By doing so, he organizes success for his team. He is able to quickly distill critical issues down to the critical elements and highlight the key levers, so everyone understands the path to execution.”

That goes not only for his current procurement team members, but future ones. He created Flex’s Supply Chain Leadership Program (SCLP), which recruits, hires and develops emerging supply management talent.

“I think good leaders have to be good storytellers,” Linton says. “The ability to convey and communicate things in ways

that people want to hear them — not the way that you want to explain them — is so important. You want to simplify, not complexify. Good leaders boil things down, not boil things up. Also, bringing sharp focus and clarity to problems speeds up business. People can churn on complicated things, which creates organizational chaos. So, you need to bring clarity and focus to problems.”

He oversees procurement for an international solutions provider, but Linton would never suggest that a technology or software can solve a company’s problems. An organization must leverage the tools it already possesses, particularly the human resources.

Making that happen while stretching the boundaries of supply management has been the theme of Linton’s career. And the Shipman Award isn’t the final chapter of Linton’s story — he has designs on revolutionizing other models, testing other limits.

“If we do this correctly over the next 10-20 years, (procurement) can be the strongest, most important and most thriving function in a company,” he says. **ISM**

Dan Zeiger is senior copy editor/writer for *Inside Supply Management*®.

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