





Helping Organizations Realize the **Power of Effective Supply Management**

Christine Breves, the 2018 J. Shipman Gold Medal Award winner, has found ways to consistently deliver new value through supplier relationships.

By Gregory Sharpless

For Christine S. Breves, C.P.M., advancing senior management's appreciation of what a highly capable procurement organization can bring to a company is more than just a lofty goal to aspire to — it's a critical component to an organization and its endeavors.

"It's our job as the supply management leaders to help our senior leadership understand the power of good supply management — what we can bring to the organization, how we can bring value," says Breves, the 2018 J. Shipman Gold Medal Award winner and senior vice president — manufacturing support and chief supply chain officer at United States Steel Corporation.

But, she says, "You don't do this by just talking about it — rather, you do so by delivering the results. You really need to understand the business, the business needs and how to support them."

J. SHIPMAN GOLD MEDAL



CHRISTIE BREVES, C.P.M.



J. Shipman Gold Medal recipient Christine Breves (second from left) shares the ISM2018 stage with (from left) daughters Allison and Caroline and husband Paul Breves.

Breves has spent the majority of her 30-year career in the aluminum and steel industries, with Alumax/Alcoa, then U.S. Steel. The two industries, she says, can be quite demanding. “Steel is a fascinating business, but it’s also a very challenging business. It has big ups and downs and is very cyclical.”

She discussed a variety of supply chain issues and concerns with *Inside Supply Management*® prior to receiving the J. Shipman Gold Medal Award at the ISM2018 Annual Conference in Nashville, Tennessee.

ISM: What are some of the ways that supply management has changed in the past 30 years?

Breves: I think it’s changed dramatically. Supply management has become more important in the success of companies — well-managed supply management organizations can make a big difference. Obviously, the internet and technology have driven tremendous change. The sophistication of commodity strategies has also progressed — it’s evolved from strategic sourcing to very sophisticated category management collaboration with suppliers. In addition, procurement

people today have become true business partners — looking at how we expand margins and grow the top line. Supply management organizations really are the interface to the supplier community — and have become a source of huge value and innovation to a company.

ISM: Have you seen changes with suppliers as well?

Breves: Suppliers have absolutely become more sophisticated. Plus, how we connect our organizations to those third parties has changed. Both sides have certainly become much more sophisticated, and that rate of change has been challenging. Data analytics, cognitive procurement and robotics are just three examples where there has been a lot of progress in the past few years.

ISM: Are there ways in which the field still needs to change — where improvements still need to happen?

Breves: No matter what field you’re in, you can’t ever stop learning, growing and developing — you can’t ever think you’re “there.” You have to constantly find ways to deliver new value. I think there’s more pressure than ever on our companies and, therefore, there’s more pressure on

supply management — and it’s broader than just cost reduction. How do we help our businesses succeed in delivering what our customers need? There are a lot of exciting things happening with technology that applies directly to supply management, to help bring more value and efficiency — but this means we have to be constantly changing and upgrading our own skill sets.

ISM: What skills do you feel are particularly important for a supply management professional to have?

Breves: Procurement professionals must have strong financial acumen — I don’t think there’s any substitute for understanding the business on a financial basis. That’s one of the things we really emphasize at U.S. Steel: ensuring that our procurement team is very financially oriented and really speaking the language of business — that way, we can help bring value and create value from our supplier relationships. Procurement-specific skills and techniques such as clean sheets and proper negotiation preparation also are important.

You also have to be tied in and understand where the business is



CAREER TIMELINE

► Christine S. Breves, C.P.M., graduated from the College of Charleston in South Carolina as its top business school graduate, then began her career as a cost accountant for Raybestos-Manhattan. She later moved to Exxon Chemical and Alumax. Promoted to a maintenance superintendent role in Alumax, she was an

“internal customer” of the supply chain function, which helped her learn the importance of purchasing and material supply management. In 1997, she was chosen to serve as the corporate director of leveraged purchasing at Alumax.

► After Alumax was acquired by Alcoa in 1998, Breves became director of leveraged procurement for the combined organization. Two years later, she was named Alcoa’s vice president of procurement. She became a pioneer in marketplace technology, participating in the development of Quadrem (now SAP Ariba) — an e-marketplace for metals and mining companies. In 2004, Breves was selected to lead the transformation of Alcoa’s decentralized procurement groups into one global organization; she was named its chief procurement officer. The effort resulted in significant savings for the corporation and a vastly improved procurement capability. In addition, she was a founding member of the Alcoa Women’s Network.

► Breves moved to United States Steel Corporation in July 2013 as chief procurement officer. She has responsibility for execution of the corporation’s global procurement and sourcing strategy, which includes raw materials, indirect materials, services, energy and capital procurement. Her responsibilities have expanded to include sales and operations planning (S&OP), logistics, and oversight of Transtar, the company’s short-line railroads. In addition, Breves is responsible for U.S. Steel’s asset revitalization program; implementation of reliability centered maintenance; corporate engineering and quality; process health; information technology; and business support.

► At U.S. Steel, she has led a transformation of the company’s procurement function, which was an enabler for the company’s “Carnegie Way” transformation strategy. Breves and her teams have significantly improved U.S. Steel’s working-capital position. She continues to be an advocate for women, serving as the executive sponsor for the U.S. Steel Women’s Network. Also, Breves mentors new supply management professionals in the R. Gene Richter Scholarship Awards program.

► Her Institute for Supply Management® (ISM®) contributions include two terms on its Board of Directors, multiple years on the Shipman Award Selection Committee, ISM Conference Committee participation, Richter Scholar mentorship, and speaking appearances at various ISM events. Breves is a current member and former chair and vice chair of the Executive Advisory Board of CAPS Research, the Tempe, Arizona-based program jointly sponsored by Arizona State University and ISM. She is a past chair and current member of the Purchasing Round Table and a contributing author for the book, *Next Level Supply Management Excellence: Your Straight to the Bottom Line Roadmap*.

going. What kind of value is it trying to bring to customers? What is it working on for customers? You need to be involved early in the process and in the research and product-development process. For example, we have procurement professionals tied in with our technical center — so when they have an early need or there’s something they need to know, our procurement people can support them by going out and looking at some solutions or finding a service, technology or material that’s needed.

ISM: Have you found that entry-level supply management professionals, those just coming out of school, have a knowledge of the financial end of things?

Breves: It depends on the school. Some schools have prepared students more than others, so there is some variation. For our general procurement team, we hire interns and then we hire the best of the interns to be management associates — it’s a model that works well because you see a lot about the students while they’re here as an intern, and they see a lot about us as well. We have great young talent here, which is why we have two 30 Under 30 (Rising Supply Chain Stars) this year — we give them significant responsibilities that help them grow quickly.

ISM: It sounds like you believe you have an obligation to develop people and help them advance in their knowledge, yes?

Breves: Yes, I like having people come in that really want to learn. It makes for an exciting work environment. We provide a lot of training. We are always trying to stimulate people to think about how we can do things better. What’s the new idea out there that we can apply to our organization? We also encourage our team members to go after their professional certifications: We pay for them to take the tests and we pay for the study materials. We contribute toward advanced degrees.

ISM: What specific advice do you have for young, emerging procurement professionals?

Breves: First, make sure you’re always learning and developing your knowledge and skills. That is extremely important. For example, you don’t want to repeat the same year’s experience five times — you want to ensure you’re learning new things. Keep in mind that you don’t have to change jobs to get a new learning experience — you can volunteer for something new. We also offer lateral transfers; for instance, supply management people can move over into sales and operations planning, to help them get a broader understanding of the supply chain. And



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

we have logistics and the railroads, so people can get a chance to really broaden their learning and their exposure to the business.

Second: Early in your career, it's important to get strong financial acumen. There are many ways to do that: You can take basic courses, including online courses; you can study your own company's earnings reports and study transcripts from investor calls — you can learn a lot about a company by doing that. Plus, study your suppliers and look at their financial statements.

Third, you must work hard. That doesn't mean you can't have work-life balance. But you need to make sure that you're doing your best and applying yourself.

ISM: How important is diversity to an organization?

Breves: I think diverse organizations are better organizations. We need diversity of thought, and if you're all exactly the same, it's very difficult to have that — you need a variety of genders, races, ages and so on. Diversity makes organizations better and makes us think more broadly.

I'm the sponsor for the Women's Network at U.S. Steel, which is aimed at the

development of women. The network activities are open to men, too. I was one of the Women's Network steering committee members at Alcoa before I came here.

We also stress community service. All people want to serve their communities, and I think that's particularly true with the younger generation. So, we have a lot of social activities where we have community service days, which is good for team building and for contributing to the communities in which we operate. Last year, for instance, we helped build a park. We actually went in and refinished all the benches and painted them, installed new playground equipment and more.

ISM: Is there a specific project that you're currently working on?

Breves: Right now, we're on an improvement journey at U.S. Steel, and it encompasses everything we do. There's not anything that we're not trying to improve on and take to the next level. We're investing more than (US)\$1.5 billion in revitalizing our assets, and supply management is integral to making this happen. It's very, very important work, and very exciting. We're committed to improving this company, and a lot of people are working very hard to do that.

ISM: Finally, what specific successes in your career are you most proud of?

Breves: I'm very proud of the contributions that we've made here at U.S. Steel. We have helped the company see the power of a strong supply management and supply chain organization. We've made significant impact in cost management and working capital, and I think our businesses see us as a resource to help them. We are really valued as true business partners. In addition, we have a strong talent pool here for procurement and supply management, something I'm very proud of.

I'm also very proud of the world-class procurement organization that we built at Alcoa. It was a massive global transformation that resulted in a capability that made a difference for Alcoa, particularly during the global financial crisis. Aluminum prices decreased drastically in a period of four months. Had we not just finished our procurement transformation, we would not have been able to respond like we did — it truly made a difference. **ISM**

Gregory Sharpless is Editor-in-Chief of *Inside Supply Management*®.

CANDIDATES NOMINATED FOR BOARD OF DIRECTORS; MEMBERSHIP AND BOARD MEETINGS IN DENVER

Institute for Supply Management, Inc.® (ISM®) bylaws provide that the Nominating Committee recommend individuals to serve on the ISM Board of Directors. The bylaws further require a membership vote, either in person or by proxy, to elect the candidates proposed by the Nominating Committee.

The current Nominating Committee comprises members from the Board of Directors, an ISM member selected by the Board Chair and ISM’s CEO. A current Board member chairs the Nominating Committee. The Committee’s goal is to recruit leaders of either gender who come from diverse economic sectors and backgrounds and who bring unique qualifications and skills to lead ISM. Individuals may be involved in supply management or other fields that the Nominating Committee believes will

help ISM with its mission to advance the practice of supply management to drive value and competitive advantage, and contribute to a prosperous, sustainable world.

Each Board member’s term is four years, beginning at the Board meeting following the annual membership meeting. The Board unanimously recommends ISM members’ votes for these individuals. The slate of proposed candidates for four-year terms on the ISM Board of Directors are:

- Matt Marthinson, CPSM, C.P.M., vice president — supply chain, J.B. Poindexter, Inc.
- Jeffrey P. Wincel, MBA, D.Min., vice president and CPO, global strategic sourcing, ON Semiconductor
- Susanna Zhu, CPO, The Hershey Company.

Candidate biographies will be available on the ISM website, instituteforsupplymanagement.org, on June 27, 2018. The ballot with candidate information will be distributed to eligible ISM members from June 27-July 2. Current ISM Bylaws can be accessed on the ISM website by selecting “About ISM,” then “Governance.”

The ISM annual membership meeting will take place on August 16, 2018, at 9 a.m. MST. The final meeting of the 2017-18 ISM Board of Directors is on August 15 at 1 p.m. MST, and the first meeting of the 2018-19 Board of Directors is on August 16 at 9:30 a.m. MST. All meetings are at the JW Marriott Denver Cherry Creek in Denver. [ISM](#)

Supply/Management

Apple Inc. has multiple positions available for the following job opportunities in **Cupertino, CA:**

Technical Program Specialist (Req#AUP3NG)

Responsible for admin factory ops, tech yield, & ops resolution for prog development.

Strategic Sourcing Coordinator (Req#ABZUPL)

Engage w/ engg, ops, & supply base to develop, ramp, & execute a variety of custom modules & sensors unique to Apple.

Worldwide Supply Demand Planner (Req#A4Z3VS)

Forecast demand, inventory, and multi-channel sell through.

Apple Inc. has multiple positions available for the following job opportunities in **Austin, TX:**

Business Intelligence Analyst (Req#A44URZ)

Manage Data & Logistics systems that drive & support the operations for Apple in the Americas region.

Apple Inc. has multiple positions available in **Coral Gables, FL:**

Latin America Trade Compliance Specialist (Req#AE9Q2L)

Participate in pricing definition of Apple products for Latin American market. Ability to speak & write English, Spanish, & Portuguese is required. Travel required 30%.

Refer to Req# & mail resume to Apple Inc., ATTN: D.W., 1 Infinite Loop 104-1GM, Cupertino, CA 95014. Apple is an EOE/AA m/f/disability/vets.