



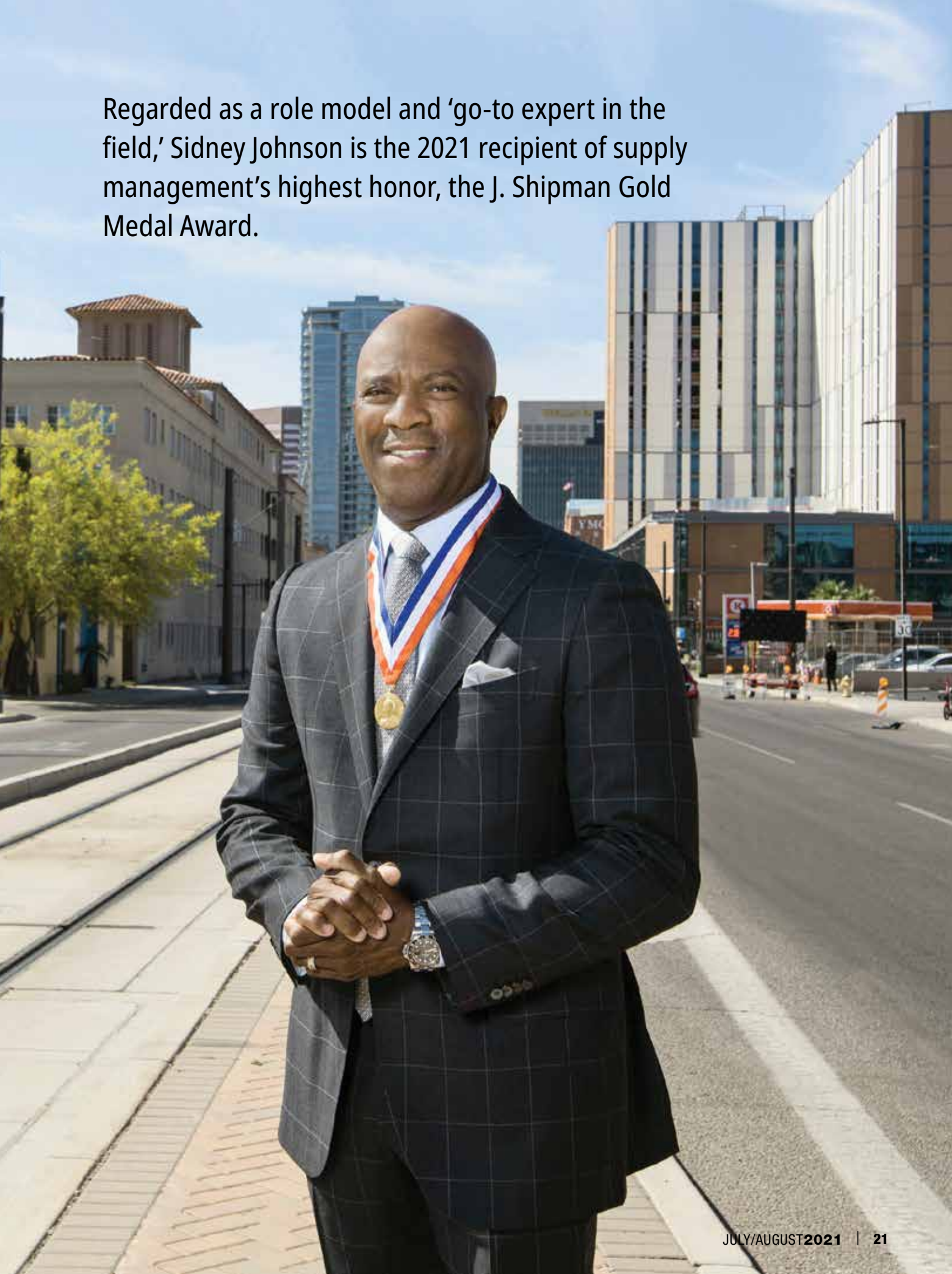
# CELEBRATING the PROFESSION

By Sue Doerfler

**S**idney Johnson is a three-D and a three-P kind of leader. “I’m a three-D guy with my team because we work to build a strategy,” he explains. “We’re going to *debate*, because I want to hear from everybody. Then, we’re going to *decide* — I’m a stickler about people not making decisions; it may not be perfect for everybody, but you have to make a decision. Then we’re going to go *do* something.”

As far as the three Ps, Johnson and his team members have always focused on people, product and processes. “Everything I’ve ever done in leadership was around the three Ds and three Ps,” says Johnson, who retired in April as head of procurement and automotive sourcing at Stamford, Connecticut-based Harman International. “That was our strategy.”

Regarded as a role model and 'go-to expert in the field,' Sidney Johnson is the 2021 recipient of supply management's highest honor, the J. Shipman Gold Medal Award.



Johnson's leadership skills, accomplishments and inspiration were recognized in his selection as the 2021 recipient of the J. Shipman Gold Medal Award. "Winning the J. Shipman Award as nominated and voted on by your peers is the ultimate confirmation of your contributions to the profession and all those that you touched along the way," he says. "The attribute that best describes me and aligns with the Shipman legacy is 'purposeful leadership' — giving back and bringing others along with you."

In announcing Johnson as the honoree at the ISM World 2021 Annual Conference in May, Lisa Martin, CPSM, C.P.M., senior vice president and CPO of GlaxoSmithKline and head of the Shipman Award committee, said he has had a "profound impact on our business and ISM's evolution as an organization. He's a role model that we can all aspire to be. ... He's been a leader who always left a team stronger than when he arrived. He invests in people and helps transform teams in a way that has left and leaves a lasting impact."

Calling him a "go-to expert in the field," Martin, the 2013 Shipman Award winner, said that in his more than 30 years of automotive supply management experience, Johnson has worked to ensure the procurement function is an integrated and innovative part of his company's competitive advantage. "He's known within the global supply chain management community for enabling teams to (1) achieve top quartile performance, (2) execute transformation and (3) create value — and he always energizes everyone around him," she said.

In nominating Johnson for the Shipman Award, Laurence Hau, senior vice president, global sourcing at Technicolor, wrote: "Sid is a great mentor, and he leads by example. He is about words and deeds. Under his mentorship, many of his protégés are now supply chain leaders and run major organizations around the world."

For those Johnson has coached, his influence has been deep, impactful and long lasting, Hau noted: "I am one of them. We, Sid's mentees, continue to practice and exemplify his principles and approach in our own work. We aspire to lead our supply chain organizations to

the same level of excellence that Sid has accomplished."

### Forging an Impactful Career

After starting his career in General Electric's aircraft-engine division in Cincinnati, Johnson got married and moved to Indiana, his wife's home state. He got a job at General Motors (GM) — his first in the automotive industry. Over the next several years, he worked in numerous divisions — among them, power train, vehicle assembly, thermal, safety and interior, electrical and electronics — becoming what he calls "an automotive-component guy."

That experience working primarily in and around the operations space — manufacturing, procurement, logistics

and quality — helped prepare him for leadership roles, he says. "The closer you can get to the floor of where you make things, the more you learn how a company makes money," he says. "In business, the ideal is to understand how the company makes money, then accelerate that knowledge and understanding to help the company make more money." Having that foundation also enables a greater understanding of many of the decisions a company makes, he says, and a sense of direction on where it is headed.

It's advice he likes to tell emerging professionals — and advice that has served him well. In 2000, he moved to Delphi Automotive, which a year

## Sidney (Sid) JOHNSON

**Age:** 59

**Family:**

Married, two children

**Supply management experience:**

33 years

**Current position:**

Managing partner, J-Core Network.

**Previous roles:**

Retired in April as head of procurement and automotive sourcing at Stamford, Connecticut-based Harman International. From 2006-19, he was senior vice president, global supply chain management, at Delphi Automotive/Aptiv. He spent his early years in operations/supply management at General Motors and Delphi.

**College:**

Bachelor of Science in industrial engineering and technology, Central State University, 1984; master's in industrial management, Indiana Wesleyan University, 1991.



**Current board position:**

Eagle Quest International, a metal castings supply chain services provider and portfolio company of Atlas Holdings (private) and Fox Factory Holding Corporation (public).

**Past board positions:**

Former Chair of Institute for Supply Management®'s (ISM®) Board of Directors. Former vice chair of the National Minority Supplier Development Council (NMSDC) board. Former advisory board member of the International Trade Centre, based in Geneva, Switzerland.

earlier was spun off as an independent company from GM. In February 2006, he was promoted to CPO.

**Importance of Supplier Relationships**

Johnson was aware of the challenges of the new position: In October 2005, Delphi declared bankruptcy, transitioning from a US\$30-billion automotive-components company to a \$10-billion company aligned around a specific strategy — safe, green or connected technologies, Johnson says. “That way, any decisions we made weren’t personal,” he says. “They were based on the company we were going to be when we grew up — when we exited bankruptcy.

Anything in our portfolio at the time that wasn’t associated with safe, green and connected technologies, we sold.”

Delphi emerged from bankruptcy four years later, having weathered the 2008 financial crisis. In 2011, the company went public. In the meantime, Johnson, with internal support, worked to reestablish relationships with suppliers and make the company their customer of choice. “We were willing to earn that,” he says. “I had to build their trust again.”

He and his team set up a supply-base strategy around categories and commodities of spend, a strategy that detailed “the number of suppliers needed and where, (as well as) the technology needed not just today but for

tomorrow,” he says. “We worked with engineering and the businesses to document what we wanted that (1) supply base, (2) supplier and (3) commodity or category strategy to look like, and that’s what we went out and sold.”

One highly successful strategy was leveraging supply involvement by creating an advisory council of suppliers that represented all categories of spend, with representatives rotating every two years. Johnson would ask the council members: What do your best customers do for you that make you better, that Delphi does not do? The answers became the things “we worked on,” he says.

Hau noted in the nomination, “After exiting Chapter 11 bankruptcy, the

Delphi board of directors challenged Sid to increase the company's certainty of its supplier relationships. The result was the creation of an award-winning and successful supplier advisory council (including 14 suppliers) that rebuilt trust, enhanced communication and improved business processes. ... Sid continues to share this proven success story and the value of listening to and leveraging suppliers' involvement to accelerate improvement."

### Strengthening on All Fronts

As a global company, Delphi sought to centrally locate the procurement function. So, seven years into the position, in 2013, Johnson moved with his family to Luxembourg. "Operationally, it really makes sense, when you have a global job, to be in the center of time zones," he says. A year later, he added the chief supply chain officer (CSCO) role.

"Now we had to integrate our supply chain organization into the procurement organization to make it a supply chain management organization and determine structurally how to run it," Johnson says. This meant devising a logistics network, including the most efficient and effective warehouse locations, among other measures.

"The biggest responsibility is supply assurance," he says. "It's always the right part, the right time, the right quantity, with built-in quality and short lead time." He adds: "Notice I didn't say anything about cost. If you do those things well, that creates a competitive advantage for your company."

The move not only strengthened the company's competitive advantage but made a deep impression on Johnson, who says he has been fortunate that his family has been willing to relocate to all the places he's worked. "We moved 13 times during my career, over 31 years," he says. "I loved the time — I learned a lot about me. I grew a ton, especially on the international assignment. Part of the reason you are sent on those is for you to help the region grow and mature and understand the bigger picture of the company. Yes, I did that. But I probably learned more about the region, the people, the cultures, and about me as well."

He continues: "I'm 100 percent certain that because of that experience, I was a better leader. I was a better husband. I was a better father. I was a better son and brother to my siblings."

In 2019, Johnson retired from Delphi, which two years earlier had been rebranded as Aptiv. In 2020, he joined Harman International, from which he retired this spring. He started an advisory and consulting company, J-Core Network, in April. **ISM**

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## It's More Than a Seat at the Table

J. Shipman Gold Medal Award winner Sidney Johnson talks about leadership, what he is proud of and the importance of mentorship.

**Question:** How has the supply management profession changed during your career?


**Answer:** In my 13 years as CPO and chief supply chain officer (CSCO) at Delphi, one of the biggest changes I've seen is that shareholders, boards of directors and companies' senior management have realized that procurement and supply chain are core competencies and a strategic part of the company. We used to talk about having a seat at the table. It's not about a seat at the table — it's about a voice in the decisions and in the strategy.

Getting a seat at the table and being in the room isn't good enough anymore. It's having a voice in the strategy. That's a big difference. Again, it starts with shareholders, boards of directors and senior leadership — those three groups understand the importance of this function and its contribution to business growth.

Where does it go from here? It continues to accelerate in that path — to where I'm guessing that more CPOs and CSCOs will get more opportunities, particularly to sit on for-profit boards, whether for public or private enterprises.

**Q:** What about your career makes you most proud?

**A:** My protégés — those who had leadership roles under me — and what they're doing today. The successor to the role I had at Harman International ran one of the divisions while I was the CPO at Delphi. Another protégé is a CPO in Singapore, another is in China, another is in the tech world and in Silicon Valley. I'm so proud to see what they're doing — and I still stay in touch with every one of them. They all still contact me looking for advice. They'll be working on a strategy, and they'll call and say, "Do you have 15 minutes? I want to talk about what we did and what I'm thinking about doing; I'd love to get your feedback." They're doing the three Ds and the three Ps.



**Q:** How has mentorship been integral to your career?

**A:** Mentorship has always been a very important to me. I was smart enough to recognize that the things that happened to me in my career were because someone took notice and devoted time to help me develop and grow, giving me the advice that I needed to make the right moves at the right time. There were things that were happening to me in my career, especially mid-career, that weren't happening to many of my peers.

To put it in context from a mentorship point, of the 13 moves I made between General Motors (GM), Delphi and Aptiv, I applied for only one job — and it was the first move I made, when I left the GM powertrain division in Indianapolis for Saturn. I never applied for any other assignment during my career, which means somebody called or tapped me on the shoulder or recommended me for it.

This taught me two things: I needed to (1) do the same for others whom I recognized had the experience, right attitude and skills, and wanted the career acceleration, and (2) put those people in the right places, giving them the right experiences at the right time for them.

By the way, I moved people out of procurement a lot. As a leader, I was happy to give up my best people, because they typically came back.

The best leaders in any company are the ones who spend their early years building their foundation. So, by the time I came into a leadership role, I knew how the company operated. I knew where all the skeletons were. I knew how the company made money. I knew what we were good at — and not so good at. And I knew people. — *Sue Doerfler*