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BY MITCH MAC DONALD, EDITORIAL DIRECTOR

outbound

when all hell breaks loose

YOU'VE NO DOUBT BEEN THERE. YOU'RE OUT AT A neighborhood cocktail party, a family gathering or one of the kids' soccer games. The conversation turns to what you do for a living. When you mention "business logistics," you're greeted with a blank stare accompanied by a comment on the order of: "Oh. Geez. That sounds kinda dry."

Let's face it, it's not a terribly visible profession in which we toil. But that doesn't diminish its importance. Whenever I'm asked to explain what *DC VELOCITY*'s readers do, I answer: "They're the folks who are essentially responsible for making sure everything in the world gets to wherever it's supposed to be when it's supposed to be there."



An overstatement? Maybe. Does it get the point across? I think so.

Unfortunately, even though logistics is essentially the engine that drives the economy, and even though the business of logistics represents a bigger chunk of the United States' gross domestic product than, say, the construction trade, it remains under the radar. When things go smoothly—when goods and materials get where they're supposed to be at the right time—no one even notices.

But it's a very different story when things go wrong. Then, it seems, everyone notices. The 2005 hurricane season in the Atlantic certainly brought that fact to the fore. While the politicians continue to quibble about what went wrong and who's to blame, it's important to point out that no one should have been shocked by the destruction along the Gulf Coast from the likes of Katrina, Rita and Wilma. If you didn't realize something like this could happen, you haven't been paying attention.

All the signs were there. To begin with, we've built cities in spots that were never really suitable for long-term human habitation. (Let's not forget, for example, that New Orleans lies well below sea level.) We've permitted dense development along the shores, destroying along the way the barrier islands and marshlands that would ordinarily provide some protection from Mother Nature's fury. Should we really be surprised that all those beaches eroded and so many waterfront buildings surrendered to the surf?

We had ample warning, too. A report issued by the Office of Homeland Security a full eight months before Katrina slammed into the Gulf Coast pointed out in detail how ill-prepared we were for sudden large-scale disaster. And was it really that sudden? Today's forecasting technology gives us a week or more to prepare for big storms. Still, things went wrong.

Given all the hurricanes, earthquakes and tsunamis that have grabbed the headlines in the past year, it's probably no surprise that companies are now pondering the problem of how to shore up their supply chains to make sure that in a crisis, their integrity isn't breeched like a New Orleans levee. In the October issue of DC VELOCITY, we published a three-part report on the fragility of the nation's transportation infrastructure and how proper planning can soften the blow when disaster strikes. Deeper in that same issue (the one with Katrina on the cover, of course), we also published a review of a fascinating new book by Yossi Sheffi, professor of engineering systems at the Massachusetts Institute of Technology and head of that institution's Center for Transportation and Logistics.

In the work, *The Resilient Enterprise*, Sheffi points out that disruption to your company's supply chain—whether the result of war, terrorism, accidents or acts of nature—is inevitable. It's only a matter of where and when. Though some might argue that it's impossible to plan for the unforeseen, Sheffi disagrees.

Drawing on years of research and experience, Sheffi makes a strong case for taking the time to assess the impact a disaster might have on your operation and then looking at ways to minimize disruption. The key to success, he says, is building a high degree of flexibility into your operation so you can make it more resilient.

It's advice worth heeding. Although we all like praise for our efforts, a smooth-running logistics operation often goes largely unnoticed. And when someone does notice, you certainly don't want it to be because you failed to respond effectively when all hell broke loose!

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