Scott Sureddin sees turnover decrease in DHL Supply Chain’s North American operations with centralization
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Build a foundation for your company’s new future

Everyone desperately wants the coronavirus pandemic to fade away, which would enable a return to daily routines that have been turned upside down over the past two months. The difficult truth, however, is that no one knows when that will happen. A vaccine is likely more than a year away, leaving social distancing as the most effective strategy against COVID-19. Even when restaurants, stores and businesses do begin to reopen, a comprehensive plan to safeguard both employees and customers will be a must, says Ohio Gov. Mike DeWine.

“Until there is a vaccine, this monster is going to be lurking around us,” DeWine said at one of his daily press briefings. Pennsylvania Gov. Tom Wolf added, “We must look ahead and take a measured, careful approach to prepare for the future while ensuring that we don’t undo all of our efforts.”

This reality presents business leaders with a challenge unlike any they have ever faced before. “There is no playbook for this,” wrote Microsoft CEO Satya Nadella last month in an email to his employees.

Businesses of all sizes have been forced to lay off employees and scrap plans that made perfect sense only a few months ago. The thought of remaking a company to function in the midst of the coronavirus is daunting, whether you’re leading a small business, a middle-market company or a global technology firm.

“For me, the best way I’ve found to get past this anxiety is to focus on what I can do each day to make a small difference,” Nadella wrote. “Each of us, wherever we are, has the opportunity to do the same — take an action driven by hope, a small step that makes things a bit better.”

It could be something as simple as regular phone calls to your people to make sure they are safe and healthy. If you’ve had to lay off employees, keep them posted on your efforts to restore their jobs. Offer your gratitude to those still working to keep your company going during these difficult times. Nothing is easy these days as we await guidance on what will happen next. Now is the time to strengthen the bonds with your team and bolster the foundation upon which your company will build its new future.

“Strength does not come from winning,” said actor and former California Gov. Arnold Schwarzenegger. “Your struggles develop your strengths. When you go through hardships and decide not to surrender, that is strength.”

Fred Koury
President and CEO
Smart Business Network Inc.
fkoury@sbnonline.com

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All for ONE

Scott Sureddin
sees turnover decrease in DHL Supply Chain’s North American operations with centralization

BY SBN STAFF

With 493 operating locations in the U.S. and Canada, DHL Supply Chain is the largest provider of contract logistics in North America. That size surely offers some advantages. But it also presents challenges.

“We are a growing business, and it’s low unemployment right now,” says Scott Sureddin, CEO, North America, DHL Supply Chain. “It’s really hard to find people. We have to be very competitive in getting people to come in, and that comes with several different things.”

At a time when the impact of the coronavirus had yet to be felt across the U.S. employment landscape, Sureddin’s focus was on making DHL an employer of choice. Considerations such as total compensation — versus a more narrow focus on salary or benefits — and talent development programs have been deployed to achieve that end.

But complicating Sureddin’s effort to lower turnover and improve the talent pipeline was a larger, more foundational issue. Each location within DHL’s North American operations, spread out as they are across the continent, was in charge of its own recruiting. That led to significant inconsistencies that affected hiring, onboarding and retention.

Here’s how Sureddin addressed DHL Supply Chain’s turnover problem by leading an overhaul of the company’s recruiting and retention efforts.

THEN AND NOW

Sureddin took what could be considered a traditional route to get to the position he’s in now. He put himself through college working in warehousing and transportation as a case picker for a different logistics company, picking orders, hauling them on a pallet jack and loading them in trucks. After college, he went into a management training program and worked his way up into executive roles. About six years ago, he docked in his current role, having traveled a road paved by an employee development program. But things are different today.

“We hire 500 college recruits a year,” Sureddin says. “Our goal is to keep those 500 and it’s a lot more difficult today. People are more transient. They’re moving around to different opportunities. It increases our turnover rates.”

Part of the effort to reach an increasingly fluid workforce starts with meeting them wherever they might be — in person or virtually.

“We recruit from 50 colleges and universities in North America, and we went to more dedicated college recruiting,” he says.

That means having staff whose only responsibility is to meet with and hire interns at colleges, and meet with the colleges to make sure that their leadership programs and DHL’s supply chain programs are compatible.

With a higher-than-they’d-like turnover rate during record-low unemployment, the company also recognized it was struggling to get applicants. It traced the issue to an outdated way of taking in applications, so it created processes using social media as a platform.
Part of that engagement is through companywide certified training, programs that offer basic and advanced learning across different functions, offering associates chances to expand their skills and position themselves for other opportunities.

“That’s a big part of our business and a lot of that is around leadership,” Sureddin says.

As he sees it, there are plenty of talented people in DHL’s workforce. Over the past seven or eight years, the company has learned that it needs to invest more in leadership attributes: teaching people how to be good leaders and how to engage teams to ensure they’re part of the process and can drive more value.

Engagement also happens through community involvement, something he says more employees want the freedom to do. To facilitate that means the company needs to be involved in what employees want to be involved in. At DHL, these activities are determined by committees of people who are passionate about community involvement.

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involvement, which has led to participation with several organizations through a mix of volunteering and donations.

And it’s not enough for companies today to focus just on salary and benefits. While pay and health care hold a place at the top of the compensation list, Sureddin says it’s really about creating a comprehensive package. So the company is addressing, for example, the desire, especially in its hourly workforce, for greater flexibility, creating apps that allow hourly employees to pick and choose their shifts.

A TECHNOLOGICAL ANSWER
Technology plays an increasing role in many aspects of DHL’s operations. For example, onboarding associates has been simplified by creating tools that mimic the design of popular smartphone interfaces, which helps new associates onboard faster with applications that are more intuitive because the tools are familiar to most people.

DHL has also found ways to use robotics to create greater efficiencies, which helps associates during its busiest times. Sureddin says collaborative robots are now in use in the company’s operations. They cut down on the distance associates need to walk during their shift by coming to associates who can then place products on them.

“It not only helps us with offsetting the amount of people we need during peak season, it also is more enjoyable for our hourly associates,” he says. “It’s easier when you’re doing vision picking or you’re doing collaborative robotics, and it helps us make sure that we’re delivering to our customers. There’s less mistakes, quicker onboarding, better productivity. These are all things that are leading to a better customer solution for our end users.”

With technology evolving daily, DHL is constantly investing in and working on new tools to make processes even better. “And we will continue to evolve those,” Sureddin says. “That’s some people’s full-time job. That’s all they do is focus on new technologies that we can deploy for our people to use or deploy in our operations.”

DHL casts an eager but careful eye to the market, scouting for innovations that are not only useful, but can also be integrated into its systems.

“For it to be really cost-effective and to work for our associates and for our customers, it’s really got to be integrated into our tools,” he says. “It’s constant. It does not stop. And that’s something that companies need to be focusing on is, what are you doing to accelerate digitalization?”

Sureddin says DHL uses a multi-supplier, multi-vendor strategy because while a technology might be compelling to DHL, it’s also likely compelling to another company.

“We don’t have a one manufacturer vendor/supplier strategy,” he says. “We have a multi-strategy where we’re partnering with several companies and deploying these tools.”

For DHL, success starts with engagement and culture. Hiring and retention mean having cost-competitive, total compensation packages constructed not just with wages in mind, but with consideration toward flexibility, training and development, and community involvement.

“People want to work for a company that’s doing things right,” Sureddin says. “They’re about the environment and they’re about giving back and communities. You want to work for a company like that.”

COVER STORY | Takeaways

- Streamline and centralize processes to get uniform results.
- Employees want more than a paycheck, so consider compensation more broadly.
- Make technological improvements that ultimately add value for end users.

NAME: Scott Sureddin
TITLE: CEO, North America
COMPANY: DHL Supply Chain

Born: San Antonio, Texas

Education: Bachelor’s of Business Administration, Texas Tech University

What was your first job? I worked in warehousing distribution as a case picker. I worked in a warehouse picking cases.

What did you learn from that job? Well, that’s why I’m in this industry today. What I realize is I really enjoyed just the hourly associates and I felt like I did a good job of understanding what the manager wanted and what the hourly associates wanted. So I felt like I had a really good understanding and a passion and empathy for what was trying to get done.

What’s the best business advice you’ve ever received or something that you always are trying to follow? Be good to people.

If you weren’t a CEO, is there a job you would like to try? I think an airline pilot was always something that I thought about back in the day.

Where might someone find you on the weekend? I like to go to the lake. I like lake activities like surfing, wakeboarding, skiing. And I like golf.
Switching mindset
Common issues new business owners face and how to avoid them

Entrepreneurship is not for the weak or weary. It’s rewarding but it’s tough. It offers business owners the potential to be the highest paid person, but only if they can run a business successfully. And that typically means getting outside their comfort zone.

“Where entrepreneurs often get tripped up is when they fail to realize they are not a hair stylist but an owner of the salon,” says Betty L Collins, CPA, a director at Brady Ware & Company. “Entrepreneurs get so wrapped up in working in the business that working on the business is sometimes an afterthought.”

Smart Business spoke with Collins about the obstacles to success small business owners face and how they can learn to overcome them.

WHAT ARE THE ISSUES SMALL BUSINESS OWNERS HAVE THE MOST DIFFICULTY MOVING THEIR BUSINESS BEYOND?
There are several issues small businesses encounter that make it difficult to take it to the next level. For example, entrepreneurs often make mistakes when it comes to capital. They might leverage the wrong debt or have trouble securing a loan. Jumping in despite a specious funding situation can be dangerous and will make the first three to five years harder than they will already be.

Profits need to be used to pay down debt, reinvest in the business and pay the owner a salary, so entrepreneurs need to know if their product or service is profitable. That means having a deep understanding of the company’s financials, something that could require a greater understanding of finances than they currently have.

Small business owners tend to make the mistake of waiting for a crisis to happen before they involve the help of outside experts, or hire family and friends to do the work that would be better suited to experienced professionals. This can spring from a general lack of trust or trusting too much the advice of family or professionals. It can also lead to unrecoverable mistakes.

HOW GOOD ARE SMALL BUSINESSES AT SELF-DIAGNOSIS?
For owners, stepping back and assessing the company’s market position can be difficult when most of their time is wrapped up in the day-to-day business. Some owners have trouble facing their reality. They either fail to recognize or downplay the obstacles that are affecting their business, and that can have negative consequences.

It often takes input from others — outside professionals — to identify those obstacles. However, that comes with its own issues. For example, the owner might not have the money to pay someone for an assessment, they don’t know who to ask for help or they’re too proud to ask for help.

Just because the business owner is passionate about and capable of executing on their entrepreneurial idea doesn’t mean they’re capable of managing the bigger picture. Organizational execution means delegating and deferring, and that’s very scary for some. The bigger picture-approach takes discipline and focus. It also means setting aside time, which means reorganizing priorities.

WHAT SERVICES SHOULD SMALL BUSINESS OWNERS LOOK FOR THAT WOULD HELP THEM BETTER IDENTIFY AND REMOVE OBSTACLES?
Small business owners would benefit from understanding that they need a banker, not just a bank. A banker can help a small business owner understand capital and how to be ‘lendable’ in all phases of the business.

Additionally, not only do business owners need an attorney and an accountant, but those professionals need to work as a team on behalf of the owner. Unfortunately, many owners don’t know how to choose an adviser, so they may instead rely on family or friends. Or, when reaching out for professional help, they often first ask, ‘How much?’ rather than interviewing to determine the professional’s level of expertise. It takes a pursuit with an open mind to find professionals who have the right outside perspective. But doing so could save owners a lot of hassle, or save their business altogether.
Business owners today face an extremely complex operating environment. Tax laws are constantly changing at all levels. Competition is global. Many privately held businesses face a generational change in ownership. Owners face make or break decisions every day and receiving the right advice is critical. Our goal is to completely understand all aspects of our clients’ businesses and deliver the information needed to help owners achieve their objectives. We want our clients to see us as part of the team.

Betty Collins, CPA
Director
Brady Ware & Company
Security is a growing concern for all employers, but law firms and professional services organizations are at the forefront of this, as these businesses adopt security tools and practices that change how sensitive and/or confidential documents are stored, created and shared.

“New security models in document management systems and security features that are applied directly to the document have grown in popularity in legal organizations,” says David Cramer, manager of Business Development in Legal and Professional Services at Blue Technologies. “And it’s certainly something that may trickle down into other verticals and be utilized by other businesses.”

Smart Business spoke with Cramer about corporate document security trends.

WHAT’S NEW WITH HOW DOCUMENTS ARE STORED, INCLUDING WHO HAS ACCESS?

In the past, document management systems have been set up under an open security model. Everyone with access can see any content that resides the system — even if it doesn’t deal with their particular client or workload. Sometimes this is called an optimistic security model.

Now, some law firm clients are saying, ‘We don’t want this particular matter to be visible to anyone outside of the team of attorneys, paralegals and legal assistants that are working on it. Nobody else in the firm should have access.’ Therefore, businesses may need to implement a pessimistic or need-to-know security model by adding security functions through their current document management vendor or layering a third-party security solution over the document management system.

Corporate customers, such as those in financial services and health care, may require professional services to go through an IT audit to be sure security measures have been applied, including restricting content. While these audits aren’t new, some corporations are asking for verification of specific practices.

Large organizations also have started moving away from an open security model in their document management system. They’re restricting content within different departments, such as the corporate legal department and/or compliance.

HOW IS SECURITY BEING ADDED TO THE DOCUMENTS THEMSELVES?

Document cleaning tools — created after a savvy Microsoft Word user used metadata to discover Microsoft’s annual report was created on a Mac computer — are growing in popularity. If an older document is repurposed, these tools clean the metadata, so people cannot see prior edits. Any document that goes outside of an organization can be cleaned via a desktop computer, laptop or mobile device before it’s sent over email or through a secure file sharing tool. This cleaning can be done automatically or by giving the sender an option to clean or not clean the document.

Another useful tool is safe sending, which is used to prevent the Outlook oops — sending a message to the wrong person because a different email address popped in when the sender started typing the recipient’s name. If an employee is sending an attachment to an external party, the email would be flagged, and a dialog box would pop up and ask, ‘Here is the email address it’s going to, is that correct? Yes or no.’

WHAT ELSE WOULD YOU LIKE TO SHARE?

It’s important to remember the human factor. Last fall, a large law firm drew criticism because an employee didn’t utilize the proper technology — in this case, redaction software. Someone transferred a Word document to a PDF, blackened the language in the PDF and filed it with a court. When a reporter requested the document, copied the language and pasted it into Word, the redacted language became visible. In the world of business, it’s not only having the right technology tools; it’s training to ensure true user adoption is adhered to throughout the organization.

In addition, some vendors are using artificial intelligence (AI) to monitor cybersecurity attacks and determine if it’s an external or internal threat. The AI examines technology users to understand their patterns and workflows and flag abnormalities — behavior changes like downloading a massive number of documents — so administrators, security, compliance, or risk officers can further investigate.
Blue Technologies, an award-winning office technology solutions provider, offers industry-leading products backed by world-class customer service, and partners with leading manufacturers to provide the best printers, copiers and multifunction devices. We offer complete document management solutions and our team of highly-skilled technicians are experts in implementing and supporting customized IT solutions.

- Office Technology
- Managed Print Services
- Productivity Solutions
- Managed IT Services
Exit stage right, fade to black

What do these theatrical stage directions have to do with being a business leader?

To get people to follow, buy into your goals and objectives, and then execute the plan, leaders must connect with those who will make it happen.

The first step is getting people to listen, not just hear, your words, lest your big message fall on deaf ears. This requires a presenter who’s part-orator and part-evangelist. The first reveal of any unique, new concept must stop an audience in its tracks. The more out of character or unexpected the better. A provocative statement or challenge can be an effective launch to something that deviates from the norm.

The next hurdle is convincing those assembled that what is being proposed not only makes sense but is achievable. Don’t confuse achievable with easy. Introducing a stretch and near-audacious goal can engage, excite and motivate an audience and keep them on the edge of their seat. It can also start them wondering and wanting to know more.

Good examples are the techniques used by Tesla’s over-the-top leader, Elon Musk, who frequently makes seemingly absurd comments about the future of the electric car — like something out of science fiction — and then translates his ideas into a more-likely-than-not scenario. Sir Richard Branson, the off-the-wall entrepreneur of Virgin Galactic and rocket ship mogul, initially had naysayers scoffing at taking tourists on adventures to Mars. That reaction was soon followed by tens of thousands of wannabe adventurers inquiring about and signing up for this fantasy-inspired 67.8-million-mile round trip to the fourth planet from the sun.

After getting people to listen to the unlikely, the critical next step is getting them to buy into the idea. This necessitates unwrapping pieces to the puzzle with an initial road map to the master plan, which is likely to be a bit sketchy on details at this early stage.

The other ingredients in the secret sauce of motivating listeners and getting them to embrace a goal is to break down the journey into recognizable waypoints and how the score will be kept — explaining the big picture of what might be in it for converted believers. The prize does not necessarily have to be monetary. It can be as simple as bragging rights, with badges of glory for being among those going where others have never dared to go before.

Many a good idea has likely never made it off the launch pad when the initial introduction bored the listeners. The magic of selling something new takes creativity and generous doses of energy. It also takes preparation, as well as a bit of theatrics, so that the words get attention, invoke interest, stir desire and then reach crescendo with a call to action. These are the cornerstones, be it for selling trips to Mars or convincing others to join a winning team.

And, to cap off a bombshell presentation, employ an equally dramatic ending by silently exiting stage right, as the presentation fades to black much like a great TV show or movie that abruptly ends. This really starts people thinking and ensures that they remember the message.

Even if you’re not planning an earthshaking announcement, just think how effectively any of these techniques can enhance and sell your next major undertaking.

Michael Feuer
Co-founded OfficeMax and in 16-years, as CEO, grew the retailer to sales of $5 billion in 1,000 stores worldwide.

Today, as founder/CEO of Max-Ventures, his firm invests in and consults for retail businesses.

Serving on a number of boards, Michael is a frequent national speaker, and author of the business books “The Benevolent Dictator” and his newest book “Tips from the Top.” His long running nationally syndicated Smart Business magazine column has received more than 10 awards for excellence.

mfeuer@max-ventures.com

Visit Michael Feuer’s website www.TipsFromTheTop.info to learn more about his columns, watch videos and purchase his books, “The Benevolent Dictator” and “Tips From The Top.”
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