



January 2017 - Issue #131

Welcome from Lisa

Every year time goes by even faster - and so I guess my Mom is right about that too. January flew by..... I just got back from AZ to help my Mom with some projects. Business wise, I'm really excited that I kicked off a new SIOP (sales inventory operations planning) project to support happy customers and profitable growth. And, I've been working on a few ERP selection/ design projects - it is quite amazing how much value goes into getting the processes synced up with the system with the strategy!.

Lastly, my APICS chapter (in conjunction with ISM) went on a port tour in a 60 minute window of time between massive storms (just got lucky) and crazy wind (which shows up in my picture):



The ports certainly relate to all the hoopla that has been going on with trade lately which has also kept me busy with my new [*Supply Chain Briefing*](#) that talks about the latest trends and news and what we should be thinking about.

IN THE NEWS

Please check out my latest speeches, articles & quotes:

- Quoted in *Supply & Demand Chain Executive* in the article "[A Sneak Peak at What the Supply Chain Industry Will Look Like in 2025](#)".
- Quoted in SAC's "[Post-Election World Offers Challenges and Opportunities for American Business](#)"
- Became a Board member for the [University of LaVerne's College of Business and Public Management](#).
- Published an article, "[Networking Success for Project Management](#)" in *Project Times*.

I'm also the committee chair for the MCIE (Manufacturing Council of the Inland Empire)'s [Innovation Awards](#). [Join us](#) this Friday to find out who won.

In February, I'm speaking at PMI Inland Empire on "[Elevate Your Personal Brand and Advance Your Career](#)", and I'm facilitating a workshop on "[The Amazon Effect: Create a Customer Service Edge](#)" at the Inland Empire Regional Chamber of Commerce. I'd love to see you at these events.

This month, I'm taking a different approach with my articles. It seemed like a case study format with the situation and path forward might stir creative ideas for success. Please let me know.....

Lisa

[Email](#)

LMA Consulting Group, Inc.

P.S. If you know of anyone who could benefit from improved service levels, decreased lead times or increased levels of cash due to improved inventory processes, please refer them.

The Systems Pragmatist

Case Study in the Power of Design

Situation: Our client had implemented an ERP system several years ago. As is typical when a system is implemented, they implemented the basics and then took a break to run the business. Although you start out thinking of vast improvements and how you'll automate all sorts of processes, getting the foundation working effectively with high levels of customer service and some level of efficiency typically takes quite a lot of effort. The team is tired and needs to smooth out the day-to-day business. Understandable.



The good news is that they were set up for the future with an improved base. The bad news is that they didn't know how to get from this new base to utilizing the improvements that would start to yield a return on investment. Their ERP partner moved on to other customers.

Although they would return to work on improvements, our client wasn't sure how to best utilize the ERP supplier's expertise to jump to a new level of improvement. Instead, they stressed as they watched dollars fly out the window as hours passed, discussing these improvements. What could they do?

Path Forward: The key challenge is in translation between business objectives, process improvements and utilizing advanced functionality to support them. Most clients want to jump to one particular software feature (specific functionality) as the path forward that will cure all ills. In 80% of the cases, the software alone will only automate a less-than-desirable process, providing substandard results faster. Thus, the key is to find those resources in your organization or outside of your organization who can take the big picture view simultaneously with an eye to execution to figure out the best path forward, given your ideal business outcomes, your current situation (technology, process and skills-wise), technology advancements etc. Clients that pursue this path not only achieve improved results but they also achieve them rapidly.

Did you like this article? [Continue reading on this topic:](#)

[***Why ERP Success Has Little to Do With Systems***](#)

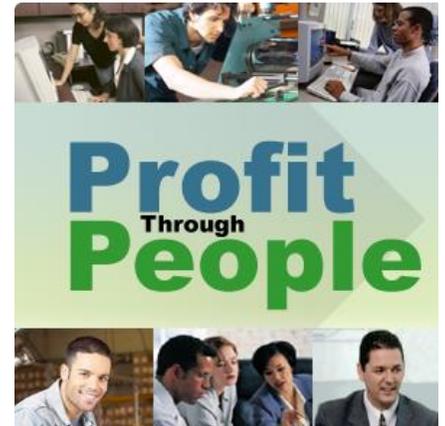
Profit through People

Case Study in Accelerating High Performers

Situation: Our client had a select few high performers in their organization amidst a sea of average performers and a few non-performers. As is typical, all the attention went to resurrecting the non-performers as problems followed them wherever they went. Angry customers. Lost profit. Etc. At the same time, the high performers were frustrated by the slowness of progress and concern for their future.

Path Forward: The solution can be quite contrarian to what 80% of leaders follow. Forget about your non-performers. Stop spending time trying to resurrect poor performers. Give them tools to perform, hold them accountable and move them out if they don't rise to the occasion.

Do NOT be skittish about confronting reality, coordinating with attorneys and the like.



Instead, provide a generic level of attention to your average performers and utilize techniques like train-the-trainer (that do not require significant personal attention) to give these folks opportunities to rise into the high performer range.

Instead, focus your attention on your high performers. Ask questions. Listen. Provide tools and support. Pay attention. Make sure they know they have high potential and that you have high expectations. Soon, your results will move at a pace you didn't think was possible.

Did you like this article? [Continue reading on this topic:](#)

[***Empower Your People to Grow***](#)

Eagle Eye

Case Study in Spotting Hidden Opportunities

Situation: Our client was performing on par with their industry; however, to remain viable over the long-term, they had to kick it up a notch to grow market share and profitability. We are yet to see a business without vast opportunities. The key is in seeing them through the day-to-day firefighting, customer interactions and Board member/ corporate requirements.

How could they see them? They tried getting together for retreats, sponsoring lean initiatives like kaizen events and several other promising programs but the diamonds in the rough didn't emerge.

Path Forward: Spotting hidden opportunities is often-times a team effort. However, few organizations have true teams. If one member can succeed and gain a big



bonus while another performs at an average level and is rewarded accordingly, you have a committee; not a team. A team will sink or swim together.

Thus, there is no reason to get together at a fancy off-site retreat. Instead, what is required is to commit to mutually agreeable objectives and look for opportunities that are best for meeting those objectives regardless of how good or bad for your individual goals. Collaborate and turn 1 + 1 into 5.

For example, if the team found great potential in an exciting new product yet the VP of Operations' results would decline substantially for a period of time due to new product development trials, should the VP be rewarded for this weaker performance? Absolutely!

Of course, it isn't a free ticket, and declines in performance can be estimated and tracked. Think about this - as a Board member or a corporate executive walks through the facility with the VP of Sales and mentions issues with operations, how will the VP of Sales respond? Will he/she take the easy road, agree and take the congrats on the sales growth - or just not respond and focus attention on sales? Or will he/she defend the VP of Operations? Act in accordance with the team and results will follow.

Did you like this article? [Continue reading on this topic:](#)

[***Hidden Opportunities for Process Improvement***](#)

The Strongest Link in Your Supply Chain

Case Study In Increasing On Time Delivery Performance

Situation: Our client struggled with low customer service levels since they cut back with inventory on the 'wrong' items during a time of tight cash flow. Of course to add fuel to the fire, the customer also wanted product to be delivered at least 20% earlier, ideally 50% earlier.



If our client didn't find a way to respond quickly, they would risk losing key customers.

Path Forward: Upon looking at the order fulfillment flow, there were countless areas of opportunity. However, simultaneously working on these solutions would tax already-maxed out resources (who also were frustrated by angry customers) and accomplish nothing.

If everything is a priority, nothing is a priority. And, if you wait for all the details to align perfectly, you'll start long after your key customers start looking to replace you. Instead, take a step back and do nothing except observe and take a fresh view of the people, processes and systems. Where are the vulnerabilities? Undoubtedly, each person/ department will have a pet project. Eliminate all the noise and just look for the bottleneck.

Of course there could be more than one bottleneck but there will be one that is most significant. Start there. Find the source of this bottleneck and put all your resources on eliminating that bottleneck. If the bottleneck is in a particular area of your operation, the related supervisor is the most important person in the facility. If she/he needs help on a Saturday, everyone from the CEO to the line manager will find out how he/she can help. Solving these one at a time will accelerate improvement in delivery performance.

Did you like this article? [Continue reading on this topic:](#)

[***Slashing Lead Times to Counter the Amazon Effect***](#)

Connections

Connections and relationships are the 80/20 of success!

THIS MONTH'S REQUESTS:

- Grab your seat for our APICS Inland Empire executive panel & networking symposium on Disruptive Innovations in Logistics. We expect a sold out event with top notch speakers. Sign up ***now***.
- Do you know a top notch commercial real estate broker in the Inland Empire or surround area? Please introduce ***me***.
- I know of an excellent opportunity for a Supply Chain Leader in the valley. If you know of any good candidates, please refer them to ***me***.
- I know of a few planner positions in various areas of Southern CA. If you know of a top notch planner and/or one with vast potential, please refer them to ***me***.
- Refer anyone interested in taking their personal career up a notch by advancing their supply chain and manufacturing skills to take a look at the best ***education and certifications*** available.



NOTE: To submit an item for this section, please send me an email with a short description of your needs and an email address. Please note that NOT all requests will be published as it must fit the guidelines and align with the Profit through People brand.

What is *Profit through People*?

I've used the Profit through People brand since my newsletter's inception in 2006 as it resonated with me. Although I consult on topics within each of my service lines--Eagle Eye Strategic Focus, The Strongest Link in Your Supply Chain, the Systems Pragmatist & Profit through People--I find that people are key to success in every situation. If you are interested in elevating your business performance, please [contact us](#).



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