



August 2013 - Issue #90

Welcome from Lisa

I had a wonderful month - tiring but enjoyable! I went with an entourage on a family vacation to San Diego & Disneyland - my parents, brothers, nephew and aunt to boot! I might be a bit exhausted from the coordination efforts (and night-time work bouts) but it is invaluable time spent with family.

My Dad loved the chocolate shakes (too bad they don't deliver to AZ), I loved staying at the beach, my aunt has decided to never return to "Soaring over California" and my nephew learned to body board. Check out pictures of his adventures....



This month, I am continuing with my theme of emphasizing one of my brands/service lines in the feature article with "What is a Systems Pragmatist?" It's a vital topic for manufacturers and distributors in today's new normal - assuming success is on the menu...

IN THE NEWS

Please check out my latest speeches, articles & quotes:

- Was selected as a subject matter expert and speaker for an *ExecSense* webinar, "[Best Practices for Supply Chain Consolidation](#)".
- Published "[Ride the Wave & Succeed with Virtual Teams](#)" in *Project Times* and my article "[Overloaded Project Manager? Here are 8 Simple Tips to Help!](#)" was picked up by *Exorion*.
- Quoted in *ThomasNet News* in "[Expert's Corner: Mid-year 2013 Update on the Government Market for Manufacturers](#)" and in *SAC's* "[How to Engage Customers in Product Development](#)".

I'm also thrilled that I had the opportunity to be featured on "Critical Mass for Business" Radio Show last week. I always like to be an advocate for our industry and a radio show certainly gave me an opportunity to share my experience, insights and the trends. If you missed it, feel free to [listen to the recorded podcast](#).

Don't forget to check out the [APICS International Conference](#) in Orlando Florida. I'll be speaking on branding, and I would love to have you join me.

Also don't miss the opportunity to participate with a free [Linked In webinar](#) courtesy of my [APICS-IE group](#) and [Linda Duffy](#).

Unbelievably, summer is winding down - my Arizona family members will be thrilled to cool down to the low 100's. I'm heading to the heat to celebrate my Aunt Therese & Uncle Lou's 50th Anniversary - congratulations!

Enjoy the rest of the summer!
Lisa

[Email](#)
[LMA Consulting Group, Inc.](#)

P.S. Please think of me if you should know anyone who would like to elevate business performance & accelerate cash flow. I will take good care of your referrals!

The Systems Pragmatist

What is a Systems Pragmatist?

Would you select curtains to spice up a house with a rickety foundation? I certainly hope not! Instead, you would resolve your foundation issues before even thinking about nice-to-have's. So why do we spend countless hours picking out curtains and discussing color choices in businesses when our foundation isn't stable?

Based on my 20+ years of experience as both a former operations executive and as a global business consultant, I find that more than 50% of my clients prioritize curtains over the rickety foundation - at least for a while. The excitement of implementing the latest lean program or ERP system outweighs blocking and tackling in terms of excitement, career interest etc.; however, it fails miserably. On the other hand, those companies who thrive ensure they design and implement solid processes and systems before even discussing programs which will build upon the base.



Since business processes and systems can become quite complex and cost millions of dollars, it is critical to simplify the design to what's essential to your organization and focus on the core processes and related functionality which will support your business strategy and deliver bottom line results. This is where the Systems Pragmatist skill set comes into play - in essence, it cuts through the complexity to rapidly define, design and deliver the critical processes and system functionality required to elevate business performance.

Although we could discuss countless tips and techniques for designing and improving business processes and systems, there are a few core essential tenets: 1) Understand your objective. 2) Think design. 3) Execute & integrate with the culture

1. Understand your objective: One of the worst mistakes my clients make is when they jump to solutions (process improvements, implementing the latest programs and selecting new technologies) before they understand the objective. As cool as the latest e-commerce functionality or S&OP results, it will become a complete waste of time and money if not aligned with the company's direction and objectives.

The best companies take a step back and review strategy - where are you going? Why? What drives your business? How does strategy translate to objectives? Is your #1 goal this year to drive sales growth or increase productivity? Of course, no executive would turn away either! However, if you must gain sales to be successful in the marketplace, you could become world class in terms of efficiency and still fail - with no customers. Determine your objectives and sync up with your processes and systems - make sure they are aligned upfront.

2. Think design: Once we've identified where to focus our attention, we should do a deep dive on critical requirements. Everyone has 10,000 requirements when it comes to processes and systems yet no one can focus on everything at once - and successfully. Therefore, the secret to success is identifying your critical requirements - which specific processes and system functionality is integral to achieving your objectives? Which is unique to your industry? Which differentiate you from your competition? Those are your critical requirements.

I've found a differentiation in my clients who leverage processes and systems to a competitive advantage vs. the rest - they think about design in every element of the process. Are you thinking 4 steps ahead in the process? How will it affect your ERP system results? Have you built in flexibility? Agility? Speed? Certainly, in the new normal business environment, those who have access to critical data for rapid decision-making, who accelerate products to market and who deliver faster than the competition will win

the business. Have you thought about how to design these capabilities into your processes and systems upfront?

3. Execute & integrate with culture: Last but not least, the best design in the world is useless if it's un-implementable! Software firms use the terminology of "build" and "run" to mean design a model or process trial and then roll out and utilize effectively. These can be good reminders to make sure you've dotted your i's and crossed your t's and that your process and system functionality work as expected.

An essential element of this phase is to integrate the business process improvements and system enhancements with the culture. Is it an after-thought or do folks think about it similarly to shipping orders (meaning it is part of their routine)? Embed the processes into the daily, weekly, and monthly routines. Consider potential roadblocks and bottlenecks upfront. Ask employees and supply chain partners for input and feedback. Test them out. Think through changes to related areas such as performance management systems.

I'd be surprised if you haven't heard a horror story associated with a system implementation. There are countless reasons for them: Not enough training. The system didn't do what we needed it to do. It wasn't set up to work for the way we do business. We didn't have enough time. It wasn't tested thoroughly. And the list goes on. For example, I'm often times brought into clients to help resolve system snafus which typically result in horrendous customer service issues and down-the-line negative profit impacts. 80% of time, the client feels as though the lack of training is the issue. Although it is always part of the issue, I find that it is 20% of the issue; whereas, design and integration with the daily routine is the 80/20.

Designing and implementing business process improvements and leveraging system functionality to drive business results can require an investment of time and resources. However, you'll be left in the dust in your broken down Yugo if you don't prioritize this critical priority. Why not get ahead of the competition by not only creating a solid foundation but also designing it as a strategic advantage to deliver a significant return on investment?

Did you like this article? [Continue reading on this topic: Leverage Your ERP System for Bottom Line Business Results](#)

Profit through People

What Does it Take to Have a Real Team?

It's rare for significant results to be achieved by individuals in today's economy; teams have substantially greater success. What do good ones have in common?

1. **One clear purpose** - Typically, a team has one purpose since it's formed specifically for that purpose. However, is your purpose or reason for being clear? The best teams are crystal clear on where they are going and why.
2. **One objective** - A foundational element of a team is that there is an overarching objective -what do you expect to accomplish? If each person has a different objective, you don't have a team; you have a committee.
3. **One measuring system** - Can one person succeed while another fails? If so, you have a committee. Instead, a true team will succeed or fail together with common metrics.
4. **Accountability** - Your team should share accountability for achieving your objective. Who is responsible for which action items? The best teams are self-selecting - if someone isn't holding up their share, it is addressed (often the person improves with peer pressure or self-selects out).
5. **Rewards** - Certainly, one of the best aspects of having a team is to celebrate success and to create a feeling that you are "in it together". Thus, it is critical to celebrate progress and success.

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

Since I'd place bets that we all have far more to do than is remotely achievable, I strongly believe our success is dependent on our ability to prioritize. Choosing the "right" items to focus on makes the difference between success and failure. The question is - which items are the "right" items? How do you decide?



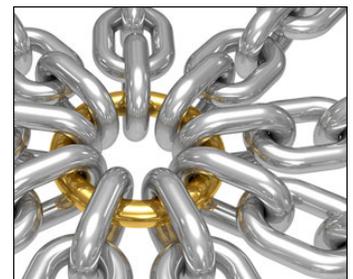
For example, I often hear from my clients, "I just don't have time to sit down with my employee to discuss this quarter's goals". What does that say about our priorities? Whether we mean for it to convey our employees aren't important or not, it does exactly that! So what should we evaluate when prioritizing?

1. **Time Sensitivity** - How urgent is your item? What happens if you don't do it immediately? Is it detrimental to your business?
2. **Bottom Line Impact** - What impact could your item have on your business? In other words, does it have the potential to result in significant profit? A loyal fan for a key customer? Or is it just an annoying nuisance?
3. **Goodwill Impact** - Will your item have a goodwill impact on your business? Will your employees, customers, suppliers, and community think differently about you?
4. **Will It get Worse or Better?** - How will your item change if not addressed? Will it get better on its own? Worse? Or stay the same?
5. **Short Term or Long Term** - How will your priority affect your business in the short term? Long term? Quarterly sales figures can have a substantial impact on short term stock prices; however, they can be meaningless to long term profitability.

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

As much as I rarely jump on the latest buzzword bandwagons (as I find them to be a waste of time), big data is an important emerging topic in supply chain.

The amount of data continues to grow - we are definitely in an information overload society! In addition, complexity and unstructured data (which doesn't fit into traditional databases such as email and photos) are increasing at a fast pace. Big data is a powerful tool in navigating these waters.



The supply chain is also gaining complexity at an alarming rate and so managers and executives need improved tools for effective decision-making. There are countless uses of big data in supply chain - some of the most prevalent include: supply chain management, demand planning, supplier information, customer marketplace trends, etc.

For example, Sales & Operations planning is one of the best uses of big data. Aligning demand with supply requires excellence in information sharing. As the data and supply chain become more complex, big data is more critical in uncovering relevant and useful data quicker so that the S&OP participants have access to relevant data to identify areas for focus and to make more objective, data-driven decisions.

S&OP has the potential to significant impact margins, cash flow and revenues - how can you ignore it?

Did you like this article? [Continue reading on this topic: The Foundation of Business Success: Data Integrity](#)

Recommended Reading

[Steve Jobs](#) by Walter Isaacson - A great read with interesting insights about how Steve Jobs transformed Apple. Undoubtedly you'll pick up a few good tips.

Connections

- My APICS (Association of Operations Management) Inland Empire Chapter is looking for a few exceptional speakers and/or tour opportunities - our goal is to provide jam-packed value, and so we are always looking for ideas. [Email me](#).
- My Ontario ProVisors group of trusted advisors is searching for employment and HR professionals (employment attorney, benefits & compensation consultant, HR consultant, Payroll services partner etc.). If you know anyone who fits the bill, please refer them to [me](#).
- Leverage the Power of LinkedIn Webinar - APICS - Inland Empire is hosting a complimentary webinar with [Ethos Human Capital Solutions Linda Duffy](#) to help members and guests learn to unlock the networking, job seeking and researching skills of LinkedIn. The webinar will be held Monday, August 19, 6:30 - 9:00 PM. [Register](#) for the event on the APICS-Inland Empire [Website](#).



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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