



January 2019 - Issue #154

## Welcome from Lisa

As seems to happen every December, it disappeared in a whirlwind! I enjoyed holiday songs on the radio, wrote tons of notes in cards, met with clients and celebrated with colleagues, went to my nephew's graduation from a top-rated computer bootcamp in the country (if you happen to know of Javascript node developer jobs in SoCal, please pass them on), and saw my family in AZ for Christmas (which is also my aunt's birthday).



I enjoyed my visit to AZ to celebrate with my family, help my mom around the house, and much more. For New Year's, I'm enjoying movies, restaurants and resting.

Tomorrow will start the new work year, and so I'll feature articles on what's to kick off the New Year with strength in this month's newsletter.

Two "not-to-miss" opportunities coming up that I'd like to highlight:

- **Manufacturing Summit Innovation Awards**: You can apply for an award or nominate a company you think deserving. Don't worry about the deadline showing as it is Jan 21st. However, if you are going to nominate, please do so ASAP because we'll need information on the company.
- **Association for Supply Chain Management (ASCM) APICS classes**: Kick off the New Year with CPIM classes (fundamentals of manufacturing, logistics and inventory processes) and CLTD (a deep dive into logistics fundamentals inclusive of international) classes. Reserve your spot now.

I'll also be speaking at the Aerospace & Defense (A&D) Forum in Los Angeles on the Resilient Supply Chain on January 18th and at the Professional Women in Healthcare event in Orange County on the Amazon Effect on January 14th.

## **IN THE NEWS**

Check out my latest speeches, articles & quotes:

- Presented an award at the Inland Empire Economic Partnership's (IEEP) event, "Turning Red Tape into Red Carpet Awards Ceremony". See a picture [here](#).
- Featured in InlandEmpire.US in the article "[Call for Innovations in Manufacturing Award Entries](#)"
- Quoted in SelectHub's article "[ERP Software Trends: What You Should Know for 2019](#)".
- Quoted in the SAC article, "[Successful Businesses Leverage Culture to Get Results](#)".

Happy New Year!

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.

Eagle Eye

## **What's Ahead for Business?**

Thinking about our clients, colleagues and trade association/trusted partner contacts from across multiple industries and company sizes, four overarching themes emerge in response to the question, "What's ahead for business?".



**1. The customer experience:** It doesn't matter whether we are talking about manufacturing, logistics, healthcare or services, the customer experience is of paramount importance. This is quite different from customer service! The customer experience relates to how the customer **feels** after interactions with you and your firm. Whether you achieved perfect OTIF (on-time-in-full) or not, if the customer doesn't want to do business with you, you haven't achieved a superior customer experience. What will you do to up the ante?

**2. The holistic view:** Although this is a common thread in our client conversations, it isn't commonplace. It has become a "must" as the global marketplace is more interconnected than ever before, systems and technology are more connected with everyday interactions, and the customer and profit must go hand-in-hand. Clients who address a singular topic such as running a kaizen instead of looking at the holistic view of what will dramatically improve their business performance will be left in the dust. Are you looking at what your executives or Board are asking about or are you taking a step back to look at your business from the holistic view?

**3. Volatility is the new norm:** The stock markets and business performance are becoming less and less related to one another yet both are volatile. There is uncertainty in global trade, government shutdowns, the impact of artificial intelligence and robots, natural disasters such as the California fires, what the disruptors such as Netflix and Uber will do next and much more. Are you thinking about how to create a resilient end-to-end supply chain?

**4. The Coming Power of manufacturing and supply chain:** No matter your industry, you better pay attention! For example, according to a *Healthcare Finance* article, by 2020, supply chain expenses will eclipse labor as the new number one cost in healthcare. Also, according to a Chairman at the City of Hope, the cure for several types of cancer is within reach but will be cost prohibitive unless manufacturers figure out how to produce in volume and less expensively. Certainly, Amazon is turning the world upside down, creating an entirely new relevance to the art of maximizing service, inventory and margins simultaneously. Reshoring is on the rise, additive manufacturing is uniquely positioned to transform

industries (customized, immediate products on demand), and bringing the customer closer to the source is a recipe for success. Do you still see manufacturing as outsourced to China or as a force?

Our most successful clients will be thinking about these trends to integrate into their strategy, their customer conversations and their employee and partner plans. Are you positioned to take advantage of the opportunities and avoid the risks? If you would like an expert to assess your situation, [contact us](#).

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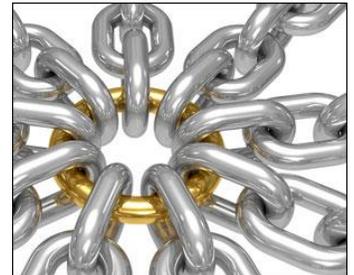
[\*\*\*Disruption, Innovation, Global Trends & the APICS-IE Symposium\*\*\*](#)

The Strongest Link in Your Supply Chain

## What's Ahead for Supply Chain?

To think about what's ahead in supply chain, it is important to put it in perspective with what's ahead in business. Read our article, "What's Ahead in Business?" for details on the key trends impacting business:

- Importance of the customer experience
- Taking the holistic view has become a "must"
- Volatility is the new norm
- The coming power of manufacturing and supply chain



Given these trends, we predict our most successful clients will be thinking about these themes in the end-to-end supply chain:

**1. Manufacturing is the place to be!:** Manufacturers are uniquely positioned to thrive. I have to say, I love that manufacturing is getting its due. According to NAM, for every \$1 spent in manufacturing, \$1.89 is added to the economy which is the highest multiplier of any economic sector.

**2. Distributed inventory management will be key to success:** In today's Amazon-impacted business environment, the customer expects rapid, low cost delivery. Given that the "last mile" has also become "last minute" with customers changing their mind frequently, predictive, distributed inventory management has become a differentiator.

**3. Additive manufacturing will rise to the top:** Customers want customized products on the fly yet distributors cannot stock everything near every manufacturer, end user and the like. 3D printing can achieve this goal.

**4. Customized, rapid delivery with Amazon-like service and efficiency is the norm:** In addition to additive manufacturing, re-shoring and near-sourcing (locating close to customers) are viable solutions to achieve Amazon-like service. The question is how to be efficient, cost effective and visible while serving customers.

**5. Amazon prime for manufacturers is more than a pipe dream:** Subscription based models are becoming relevant to manufacturing, just as to Netflix and ERP systems. According to my friend, colleague and author [Robbie Baxter](#), the membership model is just as relevant in manufacturing in transitioning from a one transaction/ one-way communication to an ongoing relationship with the customer with a constant stream of feedback.

**6. We are moving to a digitized supply chain:** To address customers' elevated expectations while continuing to make a profit, manufacturers and supply chain organizations are moving to a digitized supply chain. Artificial intelligence, IoT, the smart factory, robots and more. Don't embrace technology as a fad; instead, embrace technology as a way to achieve a result.

**7. To succeed, we must create a resilient supply chain:** Disruptions and volatility abound. Customers expect more. Boards expect more. People are harder to find and retain. Creating a resilient supply chain enables a proactive response to the current environment.

What will you do to get ahead of the curve in the New Year?

**Did you like this article?** [Continue reading on this topic: Amazon, Uber, Netflix and More...Disruption is Here to Stay](#)

The Systems Pragmatist

## What's Ahead in Technology?

To think about what's ahead in technology, it is important to put it in perspective with what's ahead in business. Read our article, "What's Ahead in Business?" for details on the key trends impacting business:

1. Importance of the customer experience
2. Taking the holistic view has become a "must"
3. Volatility is the new norm
4. The coming power of manufacturing and supply chain



What's ahead in technology lines up with these same themes. In order to achieve scalable, profitable growth, technology is an important enabler. The most relevant technology trends include:

- 1. ERP upgrades** - More and more companies are realizing that their system infrastructure must keep up with business requirements and customer expectations. As tough as an ERP upgrade can be, it is one of the only ways to make the leap from manual, labor-intensive processes to providing a superior customer experience efficiently.
- 2. e-commerce/ customer portals** - Amazon. Alibaba. Customer collaboration. Need we say more?
- 3. Business intelligence & data analytics** - We are overwhelmed with mountains of data. We are so anxious to gather data yet we don't seem to have the appropriate information at our fingertips when we need it. That's where data analytics comes into the picture. Beyond that, predictive analytics is gaining steam.
- 4. Artificial intelligence** - even my Mom counts on Alexa. In addition, who wouldn't want a car that self corrects? Predicting customer patterns and behaviors is becoming more important. AI is set to transform many industries over the next several years.
- 5. IoT**- Smart factories. Smart homes. Connected devices and machines. According to [NEWGENAPPS](#), 60% of global manufacturers will use analytics data tracked using connected devices to analyze and optimize processes.
- 6. Robotics & automation** - Robots aren't taking over the universe tomorrow morning, but they are working hand-in-hand with people to achieve many benefits such as to improve safety, increase speed and consistency, improve customer satisfaction, fill capacity shortfalls and increase productivity.
- 7. Autonomous vehicles** - Beyond self-driving cars and trucks, autonomous vehicles are used widely in manufacturing and distribution environments.

Are you thinking about which of these technologies will support your business objectives? Or which are likely to impact your industry? Consider technology as a key part of your strategy and plans. If you'd like an expert to evaluate which, if any, of these technologies will be relevant to your business, [contact us](#).

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[\*\*\*The Resilient Supply Chain: Should We Invest in Technology?\*\*\*](#)

Profit through People

## What's Ahead for People?

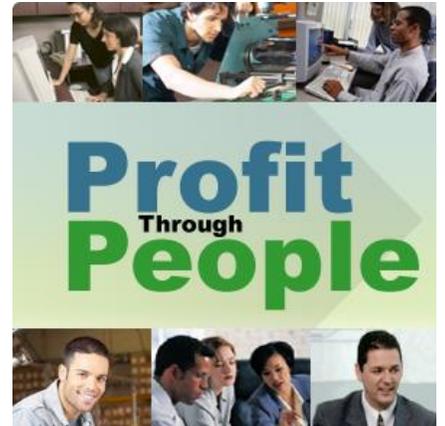
Without people, no business will thrive. That's why even the most technical of companies such as Google value people. In our experience, people are the #1 asset of any organization. Hands down, we can help any organization with good people quicker and to a FAR larger degree than an organization with fewer good people.

In thinking about what's ahead for people, there are many transitions and trends to be aware of:

- 1. Baby boomers** - As baby boomers retire, they will be harder to replace than appears at first glance. No, typically speaking, they aren't up-to-speed on the latest technology and they might have old fashioned ideas but they know "what works". Don't be too quick to hurry the process along. Instead, value their knowledge and find a way to transition it for a win-win.
- 2. The skills gap** - It is hard not to have a skills gap when technologies change daily, jobs are being automated yet new jobs are being created with entirely new skill requirements, the world is becoming more complex and global and customers expect more for less. Are you prioritizing the retention of your top talent? Is your company attractive to top talent?
- 3. Diversity** - We are not believers in mandates and regulations but we have found diversity to propel success. Are you actively attracting people who do NOT think like you? That's a tough one (after all, don't we all prefer people who agree with us?), but it is important if you want your team and organization to thrive.
- 4. Spark an innovative culture** - With the high demands of customers, Board members and the like, solid leadership is no longer enough. Sparking innovation has become a "must" for success.
- 5. Go back to the basics with leadership** - There is no coincidence that every successful client has a strong leader whereas long-term struggling clients and contacts (as struggling leaders rarely hire consultants) have weak leaders. Being a strong leader is "hard work" and requires courage. What are you doing to build your leadership bench strength?

The core tenets of successful people do not change. The requirements and challenges we face continue to expand yet the route to success is clear. We choose to see this fact with hope as it does not require rocket science to become a good leader, and we've seen plenty of examples of mediocre leaders transform into exceptional leaders with mentoring, coaching and experience.

**Did you like this article?** [Continue reading on this topic:](#)  
[\*\*\*Global Consultants and the Value of Diversity\*\*\*](#)



## Connections

Connections and relationships are the 80/20 of success!



### THIS MONTH'S REQUESTS:

- My nephew graduated from a top rated computer boot camp and is a full stack developer with a specialty in Node. If you know anyone in Southern CA looking for a developer, please **contact him**.
- A key colleague is looking to hire a solid HR professional in the Inland Empire. If you are interested or can refer someone, please contact **Tami Sipos**.
- A bright, young mechanical engineer is looking for a job in the Inland Empire or surrounding areas. His wife just joined Harvey Mudd. He has received high accolades. **Contact him** if interested.
- A key colleague and CFO with deep experience in mid-cap manufacturing and distribution in family owned, equity backed and public companies is looking for her next opportunity. She is expert in acquisitions, divestitures, raising and structuring capital, banking relations, work out, turn-around and wind-downs. Please contact **her** with ideas.
- One of the best execution-oriented, common sense (which is in short supply) P&L owners or COO/ Operations-type resources I've worked with in the aerospace industry is looking for her next opportunity in the San Fernando Valley and surrounding areas. If you have an introduction, please **contact her**.
- A key colleague is looking for a master planner in Corona. If you know of someone interested, please **email me**.
- A client is looking for a senior analyst, supply chain in Pasadena. If you know anyone who might be interested in working for a great company, please refer them to **Brian Lause**, VP Retail Execution & Fulfillment.
- A continuous improvement expert with planning/ buying experience is interested in getting back into a job geared towards continuous improvement - a great find for an Inland Empire company! **Email me** with referrals.
- A key contact's son is looking for an entry-level supply chain position. He has experience in purchasing (including global procurement), shipping, receiving, warehousing, quality control and more and would be a great find for a manufacturing or distribution company. **Contact Kellen Carey**.
- Do you know a top notch commercial real estate attorney in the Inland Empire or surrounding area? My ProVisors group is looking for one. Please introduce **me**.

**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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