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The foundation of business success - data integrity

After working with many companies on a wide range of business issues, one common element permeates through all of them - the need for improvement with data integrity. It is much more than a "systems" topic; it is cornerstone to your business success. The integrity of data (whether manual or in a system) is fundamental to the performance of core business processes, such as manufacturing, planning and control, logistics, customer service, etc. The data that supports decision making must be accurate - it is amazing how much time, how many resources and how many dollars can be wasted when relying on inaccurate data.

The solution is not highly complex, yet typically yields significant results. However, many times, I've found that companies are not as interested in pursuing the cleanup of data and the focus on data integrity because it is not as popular and exciting a solution as Six Sigma or Lean, and it requires focus and effort. On the other hand, from a results perspective, it is one of the only solutions that requires zero capital investment and yet can have a significant, long term impact to your company's bottom line and customer service. There are a few keys to data integrity.

First, clean up the data. Determine which data elements are critical for your business and business system - master files (bills of material, routing, work centers, etc) and transactions (inventory, work orders, etc). Define them. Input missing data and update existing data. Define the processes. This can be a significant task; however, it has far reaching results. Prioritize based on the largest business impact and take one step at a time.

Second, assign responsibility and authority to individuals for the data, including routine transactions and on-going maintenance of files and data elements. This is a critical step because it incorporates data integrity into everyday responsibilities! And, no matter what process, people are #1 to ensuring success - it is critical that they know what they are responsible to clean up and maintain, WHY it is important and HOW it relates to the company's goals.

Third, metrics and follow-up is critical. Tracking progress is always critical to a successful outcome. Develop exception reports to minimize the effort required and review and monitor frequently. Again, leadership and people are the key ingredients. If leadership incorporates data integrity into the core of every person's job, makes sure there are reporting and tracking mechanisms in place and follows up to ensure it is a priority and valued, success will follow. A few of the key metrics typically are the following: inventory record accuracy, master and working file data accuracy and progress of master file updates (% complete vs. target).

Incorporating a focus on data integrity into your business can result in several typical outcomes/ benefits: a foundation for effective and efficient operations, decision making and growth, improved customer service, improved cash flow (through lower inventory levels), and lower costs (a reduction and/or elimination of physical inventories and less waste throughout your organization).

It isn't complex or expensive to implement data integrity - why not stand out in the crowd and implement the simple, "not fancy" solution and surpass your competitors without significant capital investment.

Lisa's Tips: Organization

My experience shows that those people who are organized and prepared stand out in a crowd - and achieve results. A few of the keys to organization are the following:

1. Keep lists - don't get caught up in the latest techno gadget on how to track your to-do list; instead, just make sure you have and maintain a list. When talking or reading about the keys to success of several highly successful people, whether a CEO, a real estate developer or a millionaire entrepreneur, I've found a consistent theme to be a simple to-do list.

2. Keep a calendar - again, it doesn't matter whether it is a piece of paper or a Blackberry - each will work effectively or become a total waste, depending on how it's used. Keep your calendar updated. Add time between appointments. Add time for breaks - and stick to them. Consider the timeframes before and after an appointment or trip before agreeing - how can you keep your time organized vs. chaotic.

3. Categorize - One way to organize is to find ways to categorize - develop categories and use them as it makes sense for grouping like-items together for quicker and more efficient decision making and follow-up. For example, consider storing your documents by the project, type, follow-up date etc - choose a method that works for you.

4. Develop visuals - one of the concepts of lean is also critical for organization - making it visual. Consider the opposite of what many people consider organized - do NOT put all your papers away in files/ drawers. Instead, prioritize and keep the upcoming, critical papers in clear sight. Make your to-do lists visible. Track progress in a way that is visual - always in the forefront of what you are doing.

5. The environment - yes, it is true that a clean and well lit environment is more conducive to success. There is no need to go overboard though - focus on your environment to the degree that you can find what you need when you need it. And, it might be surprising but good lighting can make a huge difference.

6. Accountability - as usual for achieving success, create an environment of accountability.

Recommended Reading

"*The Maui Millionaires*" by Diane Kennedy and David Finkel - it is a fascinating book on the keys to becoming a millionaire while enjoying life as you do it. There are many concepts that can be applied to work-life balance, running a successful business, leadership etc. Several business experts agree that mastermind groups are a key to success. This book is one of the best on this topic, discussing how to create and maximize your value from mastermind groups.

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